GLOBAL PARTNERSHIP
for EDUCATION
quality education for all children

GRANT PORTFOLIO REVIEW

October 2014

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Purpose of the Portfolio Review

The purpose of this report is to satisfy the requirements described in the Terms of Reference of the Country Grants and Performance Committee (CGPC) to:

(e) Provide annual reports on the grant portfolio (including Program Implementation Grants, Education Plan and Program Development grants and Global and Regional Activities), including disbursements, budgets and implementation progress and make recommendations on future funding priorities and strategies.

The Secretariat prepares the report on behalf of the CGPC and finalizes it according to the committee's input. The CGPC is then expected to submit the report to the Board of Directors along with any recommendations or comments incorporated in the CGPC Report.

Executive Summary

The purpose of this report is to provide information on the performance of the Global Partnership for Education's grants. However, the impact of the Global Partnership for Education extends beyond the direct impact of its grants. The Global Partnership seeks a broader impact on support to education at the global level both through increased external financing and by putting education front and center in international development. At country level, the Partnership promotes increased domestic financing to education as well as credible education sector plans based on analysis, strengthened capacity of national education systems to deliver education services, and transparent, collaborative dialogue around education sector development to promote ownership, relevance and mutual accountability for results.

In line with this broader agenda, The *Results for Learning* Report focuses on overall progress in the education sector in member countries as well as the country support provided by the Global Partnership. Together, these two reports reflect the totality of how the Global Partnership works and engages to fulfill its mission on behalf of children.

This report reviews the Global Partnership for Education's (GPE) grant portfolio, covering those grants active during the period July 2013 to June 2014. The report captures progress, analysis of trends, observations and key issues for consideration by the Secretariat, Country Grants and Performance Committee (CGPC) and Board of Directors.

Overall, the grant portfolio demonstrates specific links between the grants and the four strategic goals (SG) of the 2012-2015 Strategic Plan. This report assesses this alignment in some detail, although the distribution of funds by strategic goal depends on how the contributions of different types of activities are assigned to the goals. When examining the portfolio as a whole and grants to fragile states are assigned in their entirety to the goal of "Reaching every Child," this goal absorbs the largest share of funds. In other words, through its increased support to fragile and conflict-affected states, the Global Partnership is channeling a substantial share of its resources towards the populations who are most in need. *Within* the grants to fragile states as well as within grants to non-fragile states, however, support to the most marginalized children receives the smallest share of all four goals. This mirrors the broader global challenge of reaching the most marginalized. Equity issues will be most effectively addressed at the sector level through strong national policies, and it is hoped that the Global Partnership's new funding model will support appropriate strategies to better address inequity in education. Moreover, the Global Partnership's next strategy as well as the Post-2015 agenda needs to put marginalized children front and center.

As of June 30, 2014, GPE's portfolio of active grants totaled US$ 2.9 billon, consisting of four types of grants: the Program Implementation Grants, smaller preparatory country-level grants including the Education Plan Development Grant (EPDG) and Program Development Grant (PDG), grants under the Global and Regional Activities program, and the Civil Society Education Fund (CSEF).

Disbursements for **Program Implementation Grants** totaled US$ 472 million over the 12-month period ended June 30, 2014, representing a 190 percent increase over the prior year. In part, this increase reflects the large volume of allocations made during the July 2013 to June 2014 period. The 2014 Portfolio Review assesses 69 Program Implementation Grants, of which 58 are under implementation

(active), five have been approved by the Board but were not yet disbursing by June 30, 2014 (pending) and six closed in the period from July 1, 2013 to June 30, 2014.

The report assesses the performance of Program Implementation Grants on the basis of disbursements and implementation progress. Specifically, six grants identified as significantly delayed last year are now on track (two grants for Guinea as well as grants for Lesotho, Moldova, Papua New Guinea, Timor-Leste and Togo). Four grants remained delayed in disbursement and implementation for two consecutive years (Afghanistan[1], Cote D'Ivoire, Liberia and Mongolia), and seven grants have been newly identified as delayed (Benin, Central African Republic, Eritrea, Malawi, Nicaragua, South Sudan, and Sudan). This increase in under-performing grants is partly due to an improved methodology for tracking disbursements. In particular, while transfers to non-World Bank supervising entities at headquarter levels were counted as disbursements last year, this year only disbursements to country level are considered. In addition, delays in Central African Republic and South Sudan are related to conflict and insecurity. The report details performance of each grant in section 2.2.2.

Between 2012 and June 30, 2014, the Global Partnership approved over US$6.1 million for 28 **Education Plan Development Grants** in as many countries. These grants contribute directly to the core agenda of the Global Partnership, namely the development of comprehensive education sector plans through a collaborative process, thereby setting the stage for alignment of aid to national policy agendas. As of end June 2014, there were 11 Education Plan Development Grants still under implementation and 17 that had been closed. Completion reports from the first group of grants show that grants have supported studies and analysis, elaboration of planning documents, financial simulations, consultations and dissemination, and appraisals of plans.

By mid-2014, 29 **Program Development Grants** had been approved for a cumulative amount of US$5.6 million. Seven of these were approved between July 2013-June 2014: Chad, Guinea, Lao PDR, Kenya, Nigeria (supplemental grant), and Pakistan (Sindh and Balochistan). Fifteen grants are active as of end June 2014, and 13 have been closed. These grants cover supervising and managing entities' costs for technical and financial analyses of GPE-supported programs and the development of documentation for both grant applications and implementation manuals.

The **Global and Regional Activities** (GRA) program is aligned with the goals and objectives of the 2012-2015 Strategic Plan, although none of them address the strategic objective on fragile states. The GRA aims at promoting learning and exchange by GPE partners around work in key thematic areas, with implications at regional and global levels. In February 2013 and July 2013, the Board of Directors approved funding for 16 GRA concept notes for a total of up to US$33 million. To date, 10 of these have reported co-financing from other organizations including UNICEF, UNGEI, Pole de Dakar, IIEP, UNESCO, the World Bank, AFD and development partners at country level. One of the 16 approved programs is not being implemented and is currently under reconsideration. The first implementation reports are due at the end of December 2014. Meanwhile, GRA activities are being rolled out in a number of GPE

[1] Recognizing the design problems leading to delays, the Government of Afghanistan and its managing entity, UNICEF, submitted a request for restructuring that was approved by the Country Grants and Performance Committee in September 2014. This is expected to lead to improvements in performance.

countries. The degree to which they provide synergies with Program Implementation Grants needs to be analyzed.

The second **Civil Society Education Fund** (CSEF) grant of US$14.5 million was approved by the Board of Directors in December 2012, with UNESCO as the Supervising Entity. The Global Coalition for Education (GCE) has managed the approval of 46 out of 51 applications submitted by CSO coalitions, and the program is on track to achieve its current objectives. The fund continues to enable meaningful civil society participation in education sector dialogue at the national level and in positioning CSOs as credible actors by development partners and governments. On the other hand, delays in disbursement of funding have resulted in a number of challenges particularly for coalitions that depend on this funding for program sustainability.

Key Observations

1. ***Fulfillment of GPE's Strategic Goals*** *(SG)* – The Global Partnership's grants have contributed to accomplishing its strategic goals in numerous ways at the country and global levels. In aggregate, GPE support contributed to the construction or rehabilitation of at least 7,385 classrooms, provided at least 36 million textbooks and learning materials, and trained at least 98,000 teachers in 2013. Given the long-term nature of these grant investments, it is difficult to assess immediate impact.

   Access for All (SG1) has been reinforced through investments in school construction, teacher training and teacher salaries. Investments in learning assessment, textbooks, teaching and learning materials, as well as teacher training, have sought to improve Learning for All (SG2), while investments in capacity building and school grants seek to ensure effective and sustainable delivery of education and central and decentralized levels in line with SG3, Building for the Future. Reaching every Child (SG4) has been reinforced through investments in girls' education, inclusive education and access to education for particularly disadvantaged groups of children.

   This report provides selected examples of results, while grant-by-grant details are found in the Portfolio Review country pages on the GPE Committee eTeam site. The country pages contain overviews of GPE grant activity and cumulative results, as well as information on the status of sector plans, domestic financing and data to begin to set the stage for the new funding model requirements. These pages also include an update on the implementation of recommendations by the Financial Advisory Committee or Country Grants and Performance Committee.

2. ***Choice of modality and alignment*** – The report looks at choice of modality, whether Program Implementation Grants are aligned with national Education Sector plans, and the extent to which grants are implemented using country systems. While 100 percent of the grants are aligned with national plans, implementation arrangements present a different picture. Over 80 percent of Program Implementation Grants are implemented in project mode. Further, the review looks at the extent to which GPE grants actually use core national systems: plans, budgets, treasury, procurement, accounting, audits and reports. The results show that, while 100 percent of the grants

are aligned to national Education Sector Plans, only 49 percent are aligned on treasury (but this includes grants that use segregated sub-accounts), 36 percent on accounting, 31 percent on audit and 29 percent on procurement. Eighteen grants, constituting 31 percent of the assessed grants, do not use any of these government systems.

3. ***Grant performance –*** The Secretariat works on a continuous basis with supervising and managing entities (SEs and MEs) to determine actions to improve implementation performance of delayed grants. As explained in section 2.2.2, challenges in the implementation of GPE-financed programs are often related to institutional capacity or design issues. This observation points to the need to ensure that the initial design of GPE-supported programs is appropriate and implementation arrangements are operational when projects become effective. Other implementation challenges are external to the education sector, such as conflict and political unrest. A new *Policy on Education Sector Program Implementation Grants*, replacing the previous *Policy on Timeframes and Revisions*, has been submitted to the CGPC for recommendation. The new policy seeks to provide better guidance for timely implementation and actions to address delays.

4. ***Supervising Entity (SE) and Managing Entity (ME) support*** – the Global Partnership currently works with seven MEs and SEs. Seventy-four percent of active Program Implementation Grant allocations are supervised by the World Bank and a further 13 percent are managed by UNICEF. No new organizations have been engaged this year to act as SE/ME. Work to clear additional partners for this role is nearing completion and will be taken to the Board in December.

5. ***Administrative Costs –*** Over the reporting period, GPE spent US$ 54.3 million in agency fees, supervision allocations, and direct management and administrative costs, representing seven percent of program disbursements. The overall percentage of agency/supervision and direct management and administrative costs (for all grants approved since December 2011) has improved from 11 percent reported in November 2013 to 8.6 percent.

6. ***Prior year recommendations –*** the 2013 Portfolio Review detailed a set of recommendations that sought to improve the portfolio's performance and impact. A summary of the actions taken against these recommendations is detailed in section 5 of this report. The new funding model provides a framework for further progress, both through stronger sector data, policy and financing requirements and results-based funding to incentivize progress in equity, efficiency and learning outcomes.

Recommendations

The Secretariat presented the CGPC with a set of recommendations derived from this report and the observations above. The CGPC considered and adopted these with some adjustments, as well as adding three additional recommendations. The following recommendations are those adopted by the CGPC:

1. ***Greater attention to marginalized children*** – (a) The use of GPE grants confirm a general trend in education support: developing country partners and the international community continue to fail the most marginalized children, such as children with disabilities, refugee children, ethnic minorities and other children in particularly challenging circumstances. Going forward, including in the development of the next strategic plan, the Global Partnership collectively needs to determine how to ensure quality basic education for all children by mobilizing and allocating resources at the global and country level in a way that benefits the most marginalized**.** The new funding model's focus on equity, efficiency and learning outcomes is expected to strengthen the direct and leveraging impact of GPE funds in this regard. (b) There is a need for better mechanisms to measure progress towards GPE strategic goals and objectives, specifically with regard to the impact of the Global Partnership in terms of its funding and leveraging.

2. ***Choice of modality*** – The Secretariat highlights the need for development partners at country and global level to work within a clearer framework of mutual accountability when it comes to modality decisions. Development Partners' own decisions on modalities in a given context have an impact on the availability of aligned modalities for GPE funds, which should facilitate strengthened capacity for better delivery of education services. Decisions and actions by development partners at country level are sometimes not aligned to the broader agenda promoted through GPE governance structures. Recognizing that modalities need to be adapted to contexts, the Global Partnership should work to improve conditions for more aligned modalities over time. There should be an explicit explanation for the choice of modality in the application document. A broader analysis of global and country level trends, accountabilities, issues, capacities and results could help the Global Partnership move forward towards the Strategic Goal of *Building for the Future*. This includes building awareness of trends in how donors deliver education aid and what this means for the Global Partnership's alignment agenda.

3. ***Use of country systems*** – (a) In order to make progress towards the Global Partnership's strategic goal of *Building for the Future* through strengthened systems for delivery of education, greater attention to the use of country systems is needed in program design and in application reviews. (b) Movement towards greater use of country systems for delivery of GPE-support depends on the options available for supervision arrangements. On their part, Developing Country Partners need to focus on strengthening financial management systems to make more aligned support feasible. Experience sharing between countries as well as strategic collaboration with partners with particular capacity for strengthening national systems across the board—such as the World Bank and the European Commission—should be pursued. (c) More broadly, the Global Partnership should strengthen its focus on capacity building for stakeholders in general, including capacity for change management towards more results-based planning and monitoring.

4. ***Tighter linkages between GRA work and country work –*** As the Global and Regional Activities program is being rolled out at country level, there is a need to ensure appropriate links and synergies with Program Implementation Grants to show how GRA grants align to and strengthen activities and/or capacities in countries, how country-level grants can inform knowledge

development at the regional and global level, as well as to put in place mechanisms to ensure the results of these projects benefit the broader Partnership and feeds into thematic reflections at global level.

5. Additional recommendations made by the CGPC

(a) The 2014 Portfolio Review Report includes information on domestic education financing in the country pages annexed to the report. Going forward, the Secretariat should compile a more visible presentation of progress in terms of how domestic finance pledges made at the 2014 Replenishment Conference are being met.

(b) The 2014 Portfolio Review Report also provides an update on FAC/CGPC recommendations on a country-by-country basis in the country pages. The CGPC requests that these comments are presented in a single matrix in future Portfolio Review Reports.

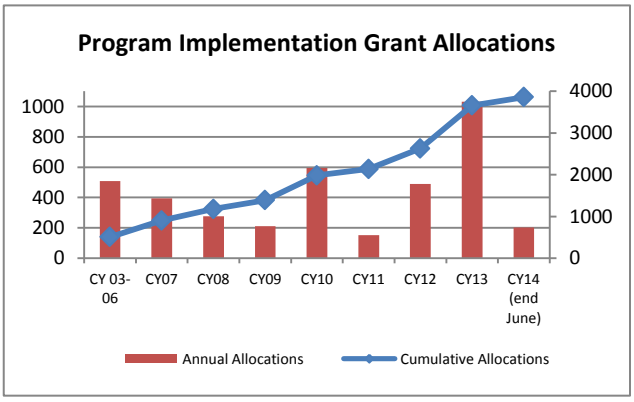
(c) The CGPC reiterates the need for standardized reporting on basic indicators highlighted in the 2013 Portfolio Review.

1. Grant Portfolio at Glance

1.1 Grant Portfolio Growth and Diversification

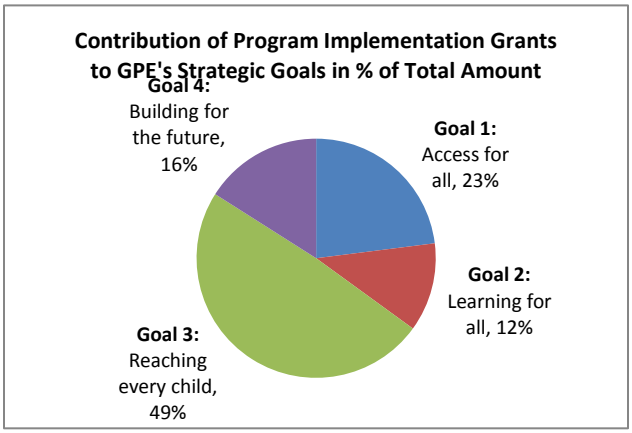
The volume of GPE grants has grown significantly especially over the last three to five-year period, and the types of grants have been diversified beyond the previous EFA-FTI Catalytic Fund grants that supported sector plan implementation and the Education Program Development Fund that supported sector and program development and analysis.

- Between 2002 and June 30, 2014, US$3.86 billion to support 110 Grants to implement Education Sector Plans in 58 countries.
- Between 2012 and June 30, 2014, US$6.1 million to support 28 EPDGs in 28 countries.
- Between 2012 and June 30, 2014, US$5.2 million to support 29 PDGs in 26 countries.
- In 2013, US$32.9 million to support 16 GRA projects[2].
- Since 2008, CSEF fund totaling US$32.1 million (phase 1 and 2)



1.2 Grant Portfolio Contribution to GPE's Strategic Goals

An overview of Program Implementation Grant components across grants demonstrates that GPE grants contribute to the four Strategic Goals and five Strategic Objectives of the Global Partnership. Since many activities and components support more than one goal and/or objective, it is not possible to establish a distinct overview of the distribution of funds by goals or objectives, however. For example, training to improve teachers' ability to teach reading and writing skills may be seen as supporting both improved learning outcomes and teacher development, while cash transfers to girls supports both access for all and reaching every child. Based on the definitions contained in section 2.2.6 of this report, the Secretariat has mapped Program Implementation Grant funds to the four strategic goals accordingly:



- Nearly half of the Program Implementation Grant value in the current Portfolio funds activities that contribute to Goal 3.

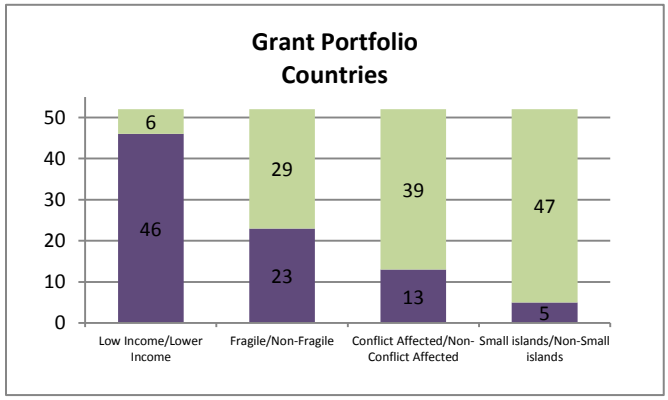
[2] For one of these, no Financial Procedures Agreement has been reached and the grant is under reconsideration.

- A large share of this are grants for fragile states, nearly US$1.2 billion (41 percent of total value of current Program Implementation Grants)
- By this methodology, activities contributing to learning outcomes amount to 12 percent of total grant amounts. However, when analyzing the allocation of funds to fragile and conflict-affected states and non-fragile states separately, this percentage increases to 21 percent.

- Although Goal 3 has the largest share of funding of activities when grants to fragile and conflict-affected states are assigned to this goal, specific interventions to reach girls, marginalized and disadvantaged children are minimal. Section 2.2.6 of this report provides a more nuanced analysis.

1.3 Grant Portfolio Diversification by Context

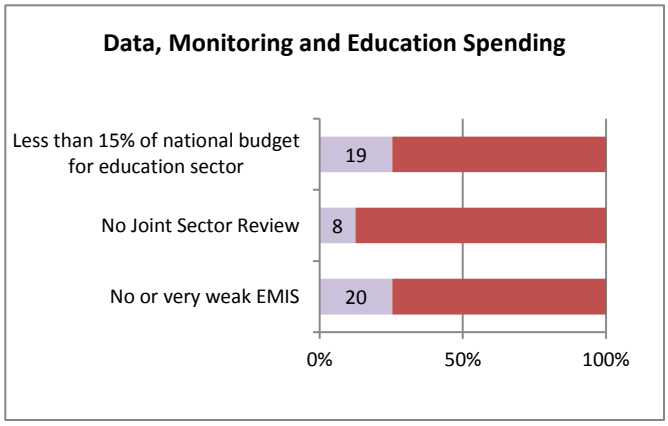
The number of Developing Country Partners with active program implementation grants is increasing. Along with this increase there is also a diversification of contexts, requiring flexibility in engagement, implementation modalities and fiduciary arrangements. In addition to the significant increase in GPE members categorized as fragile, an approach to working in federal states was adopted in 2012, allowing countries like Nigeria, Pakistan and Somalia to join the ranks of GPE Developing Country Partners. In the next years, the number of small island state members is expected to increase, in some cases requiring regional approaches to grant support. The 2013-2014 portfolio consists of 69 program implementation grants in 52 countries (compared to 45 grants in 50 countries in 2012/2013), including:



- 46 low income countries
- 23 countries classified as fragile
- 13 conflict affected countries
- 5 small islands.

1.4 Data, Monitoring and Education Spending

The Global Partnership's funding model adopted in 2014 intensifies the attention to credible, evidence-based sector plans, data, and domestic financing. This makes it all the more important for the Global Partnership to monitor the quality of sector plans, availability of data and domestic financing, as well as joint monitoring mechanisms. While the Secretariat's Monitoring and Evaluations Team is finalizing an assessment of the quality of education sector plans, the Country Support Team monitors whether Joint Sector Reviews are



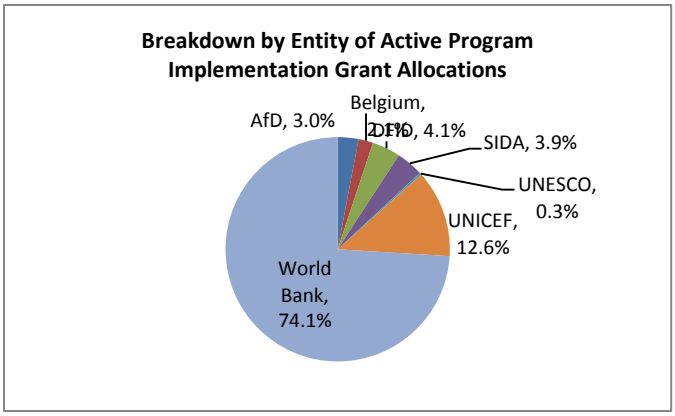
organized, participating in them as much as possible. The Secretariat has also supported experience sharing on sector monitoring through the Sector Monitoring Initiative in 2013 and 2014.

Among 56 countries receiving Program Implementation Grants,

- 20 countries (36 percent) have no or a less than functional Education Management Information System
- 8 countries (14 percent) did not have a Joint Sector Review during the last year
- 19 countries (34 percent) spent less than 15 percent of government budget on the education sector.

1.5 Diversification of Supervising and Managing Entities

The number of Supervising Entities (SE) and Managing Entities (ME) doubled in 2013 and leveled off in 2014 while the process to clear new agencies for this role is ongoing. Current distribution of SE and ME roles is as follows:

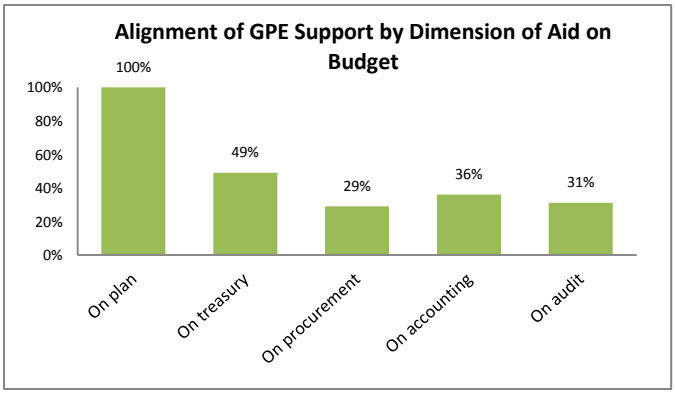


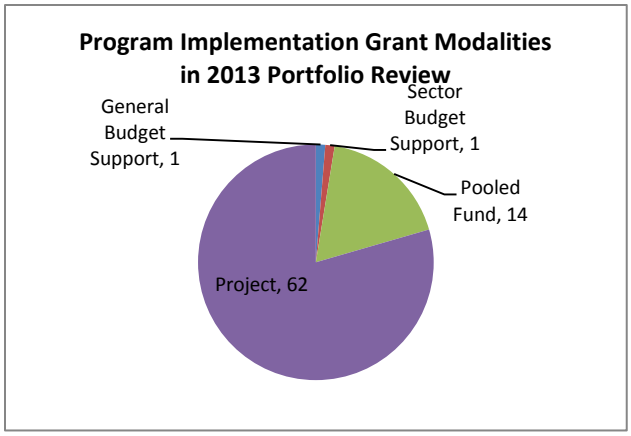
- 74.1 percent of the active Program Implementation Grant allocations are supervised by the World Bank, compared to 72.8 percent of active grants last year
- Out of 18 Program Implementation Grants approved during this reporting period, 15 are World Bank supervised, two are managed by UNICEF, and one grant is supervised by SIDA

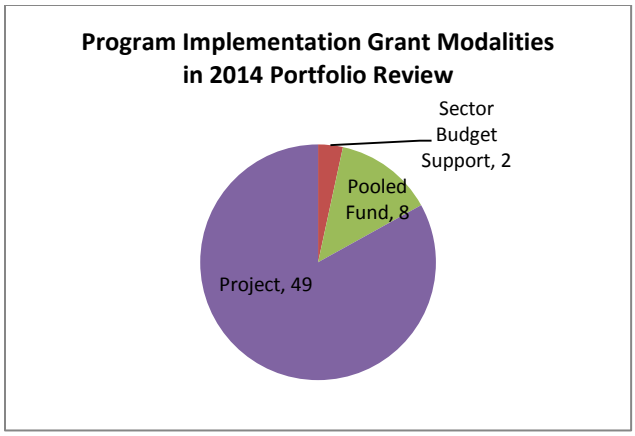
1.6 Use of National Systems

The majority of Program Implementation Grants actively contribute to the use of National Systems, but to varying degrees. Building for the future through strengthening national systems needs considerable attention going forward.

- 59 grants (100 percent) are aligned to Education Sector Plans
- 29 grants (49 percent) use an account at the Treasury or Central Bank
- 17 grants (29 percent) indicate that the national procurement law will be applicable
- 21 grants (36 percent) use country's accounting system
- 18 grants (31 percent) are included in the government's audit process and reports.



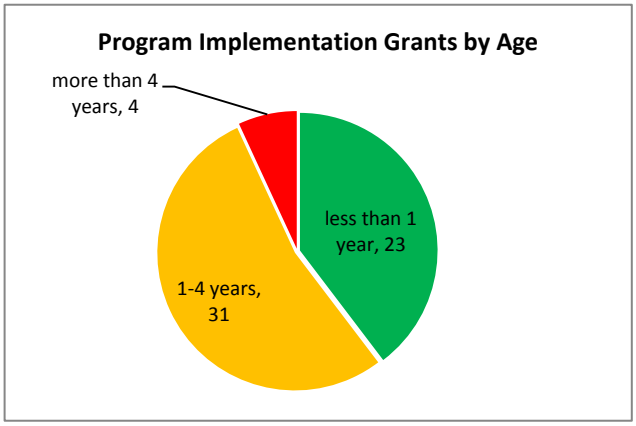




1.7 Program Implementation Grants by Age

The portfolio has grown extensively over the past two years and is still at young age on average. However, a larger portion of grants is in the middle of implementation, compared to last year.

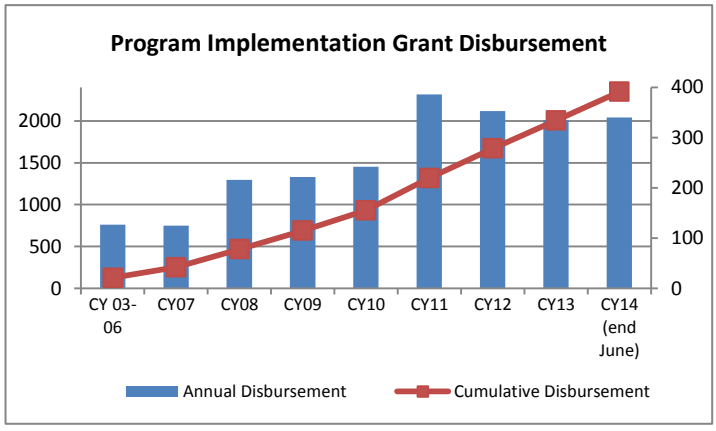
- 23 grants (40 percent) are in the first year of implementation
- 4 grants (7 percent) are at more than 4 years of age
- The average grant age is 1.7 years, while the median grant age is 1.2 years
- 6 grants were closed during the review period.



1.8 Disbursement Volume

Absolute disbursement of Program Implementation Grants is picking up sharply. However, given the high number of newly approved grants, the ratio of disbursed to undisbursed approved amounts will be watched closely.

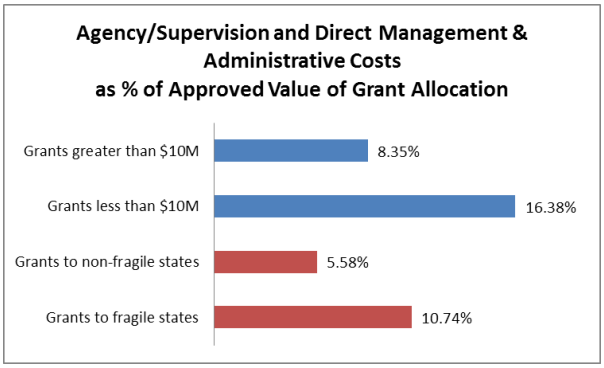
Program Implementation Grant disbursements for the year reached US$ 472 million, including US$325 million from January to June 2014 alone. The first six months of 2014 approached the total disbursement of the whole year 2013, which was US$334 million.



- 18 new grants to the amount of US$750 million were allocated from July 2013 to June 2014.
- US$1.5 billion in approved grants are undisbursed as of end June 2014.

1.9 Analysis of Administrative Costs for Program Implementation Grants

The Secretariat is also monitoring the percentage of funds allocated to agency fees and supervision. Overall, supervision and agency fees as a percentage of approved grants have dropped over the past year.



- 7% of the value of allocations went to agency fees, supervision allocations, and direct program management and administrative costs for grants approved during 2014 portfolio period
- Lower administrative costs in recently approved grants have brought the average administrative cost down from 11% to 8.6% for all grants approved since December 2011
- The percentage of administrative costs is almost twice as high in fragile or conflict-affected countries and in small grants (less than US$10 million) compared to other contexts.

2. Portfolio Performance

2.1 Overview of GPE Grants

Table 2.1 provides a summary of GPE grants approved by category between 2003 and June 30, 2014, to support both global and country-level activities. Grants dedicated to country-level support include Education Plan Development Grants that help fund the development of Education Sector Plans. These grants have traditionally been capped to a maximum of US$250,000[3]. In addition, Program Development Grants help prepare three-year programs in support of ESP implementation, and are capped at US$400,000. The approval of these two types of country-level grants is delegated to the Secretariat. Program Implementation Grants fund the implementation of Education Sector Plans (ESPs) and are calculated through a needs-based formula.

Overall, Education Plan Development Grants approved since their inception in 2012 amounted to US$6.1 million by June 2014, representing 11 percent of the total number of grants approved but only 0.15 percent of the total amount of grants. Similarly, approved Program Development Grants reached US$5.6 million – 12 percent of the number of grants approved, and 0.14% of the total amount. The cumulative amount of Program Implementation Grants was US$3.9 billion, representing the lion's share of the total amount – almost 96 percent – while accounting for 45 percent of the number of all grants approved.

At the global level, the Civil Society Education Fund supports increased involvement of civil society organizations (CSOs) in national policy processes. Also at the global level, the Global and Regional Activities (GRA) Program aims at promoting common learning and exchange by partners in key thematic areas.

Table 2.1: Overview of GPE grants (2003 to June 30, 2014)

Type of GPE grant	Number of Grants	% of grants	Grant Amount	% of amounts
Education Program Development Fund (closed)*	60	24.59%	$112,200,000	2.79%
Education Plan Development Grant	28	11.48%	$6,073,929	0.15%
Program Development Grant	30	12.30%	$5,565,243	0.14%
Program Implementation Grant	110	45.08%	$3,860,170,308	95.83%
Civil Society Education Fund	1	0.41%	$14,500,000	0.36%
Global and Regional Activities	15	6.15%	$29,748,797	0.74%
Grand Total	**244**	**100%**	**$4,028,258,277**	**100%**

* Note: the Education Program Development Fund amount includes the first round of the Civil Society Education Fund, corresponding to US$17.6 million.

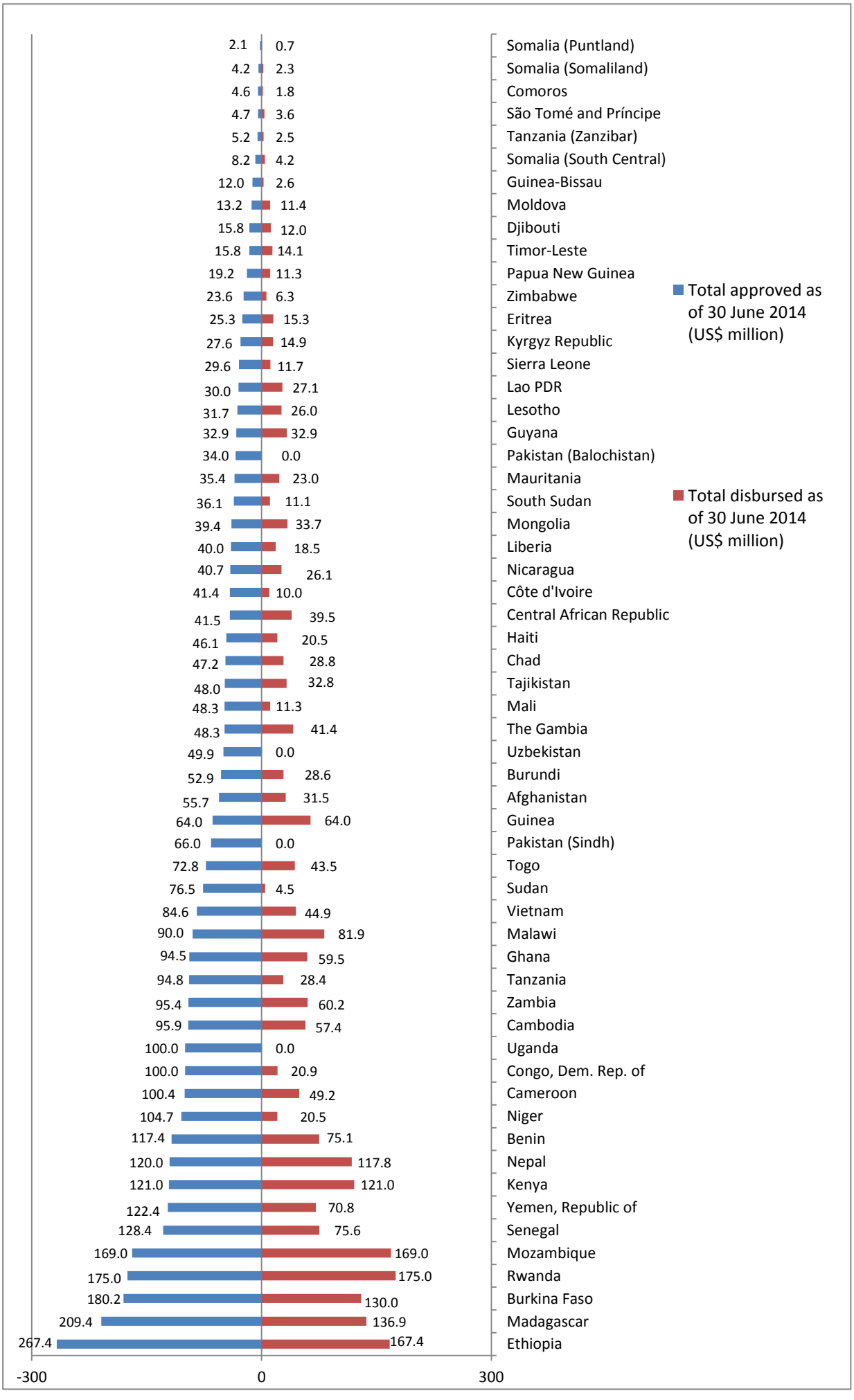
[3] In light of the recently approved New Funding Model and Board of Directors' decisions, the grant for education plan development was increased to a total of $500,000, including up to $ 250,000 for data and education sector analysis and a maximum of $ 250,000 for the development of the Education Sector Plan itself.

2.2 Program Implementation Grants

2.2.1 Overview of Program Implementation Grants

Program Implementation Grants account for 95.8 percent of all grant resources to date. Between 2003 and June 2014, the Global Partnership approved 110 Program Implementation Grants to benefit 54 developing country partners.[4] The overall portfolio includes 47 closed grants totaling US$1,279 million; 53 active grants for a total of US$2,138 million; and 10 grants for a total of US$444 million that have been recently approved and are not yet active. The bulk of all Program Implementation Grants were allocated to countries in Sub-Saharan Africa, totaling 73 grants, of which 43 are active or pending implementation.

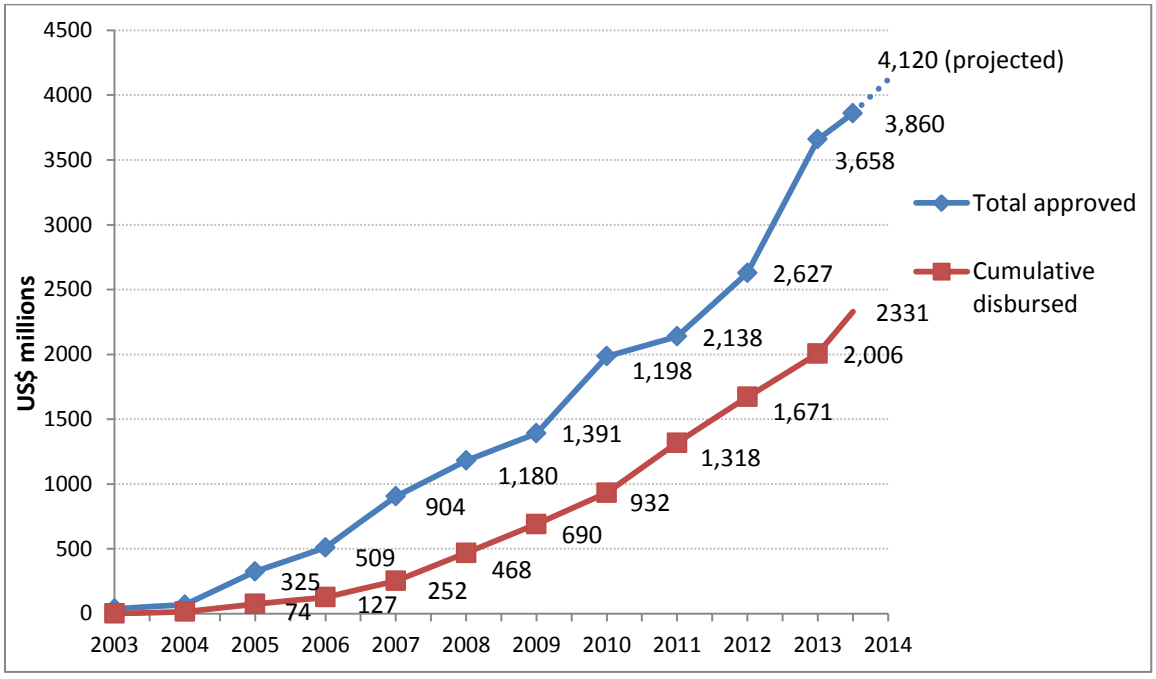
[4] The Catalytic Fund, out of which Program Implementation Grants were previously allocated, was reformed in 2007 to expand its eligibility criteria, and allow for three-year grants instead of yearly allocations. Before that date, many yearly grants were allocated or executed simultaneously; making their headcount, processing and implementation timeline problematic. For the purpose of this report, Puntland, Somaliland and Somalia (South Central) have been counted separately, as have Tanzania (mainland) and Tanzania (Zanzibar), and Pakistan (Sindh) and Pakistan (Baluchistan).


Somalia (Puntland) 2.1 0.7
Somalia (Somaliland) 4.2 2.3
Comoros 4.6 1.8
São Tomé and Príncipe 4.7 3.6
Tanzania (Zanzibar) 5.2 2.5
Somalia (South Central) 8.2 4.2
Guinea-Bissau 12.0 2.6
Moldova 13.2 11.4
Djibouti 15.8 12.0
Timor-Leste 15.8 14.1
Papua New Guinea 19.2 11.3
Zimbabwe 23.6 6.3
Eritrea 25.3 15.3
Kyrgyz Republic 27.6 14.9
Sierra Leone 29.6 11.7
Lao PDR 30.0 27.1
Lesotho 31.7 26.0
Guyana 32.9 32.9
Pakistan (Balochistan) 34.0 0.0
Mauritania 35.4 23.0
South Sudan 36.1 11.1
Mongolia 39.4 33.7
Liberia 40.0 18.5
Nicaragua 40.7 26.1
Côte d'Ivoire 41.4 10.0
Central African Republic 41.5 39.5
Haiti 46.1 20.5
Chad 47.2 28.8
Tajikistan 48.0 32.8
Mali 48.3 11.3
The Gambia 48.3 41.4
Uzbekistan 49.9 0.0
Burundi 52.9 28.6
Afghanistan 55.7 31.5
Guinea 64.0 64.0
Pakistan (Sindh) 66.0 0.0
Togo 72.8 43.5
Sudan 76.5 4.5
Vietnam 84.6 44.9
Malawi 90.0 81.9
Ghana 94.5 59.5
Tanzania 94.8 28.4
Zambia 95.4 60.2
Cambodia 95.9 57.4
Uganda 100.0 0.0
Congo, Dem. Rep. of 100.0 20.9
Cameroon 100.4 49.2
Niger 104.7 20.5
Benin 117.4 75.1
Nepal 120.0 117.8
Kenya 121.0 121.0
Yemen, Republic of 122.4 70.8
Senegal 128.4 75.6
Mozambique 169.0 169.0
Rwanda 175.0 175.0
Burkina Faso 180.2 130.0
Madagascar 209.4 136.9
Ethiopia 267.4 167.4
-300
0
300
Total approved as of 30 June 2014 (US$ million)
Total disbursed as of 30 June 2014 (US$ million)

Until 2008, the World Bank was the sole GPE grant Supervising Entity (SE). In 2008, the Netherlands became the second partner playing this role, in Zambia. Since then, the number of partners selected as supervising or managing entities has increased. Nonetheless, two partner agencies predominate: The World Bank is the supervising entity for 77 percent of all approved grants and 80 percent of grant amounts; and UNICEF accounts for 15 percent of approved grants and 10 percent of grant amounts. Other partner agencies, including AFD (France), Belgium, DFID (United Kingdom), the Netherlands, SIDA (Sweden) and UNESCO, represent only 7 percent of all Program Implementation Grants and 10 percent of approved amounts.

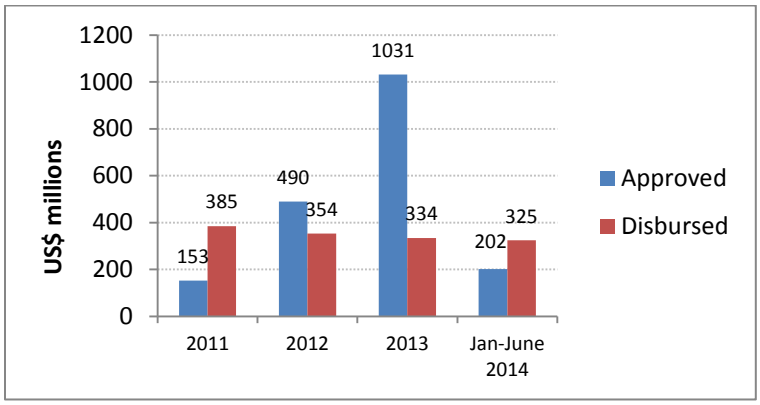
Both the number and value of approved Program Implementation Grants rose sharply between 2003 and 2014, except in 2011 due to an allocation hiatus to accommodate the first replenishment of the GPE Fund. A record of 29 Program Implementation Grants were approved in 2013, totaling US$1 billion. As of end June 2014, US$3.9 billion have been approved and US$2.3 billion has been disbursed.

Cumulative Program Implementation Grant approvals and disbursements as of June 2014



Amounts approved per year increased sharply between 2011 and 2013, up to US$1.0 billion approved in 2013 (Figure 4.6). Amounts disbursed declined slightly between 2011 and 2013, from US$385 million to US$334 million. As disbursement is beginning for grants approved in 2013, however, amounts disbursed in 2014 have stepped up significantly.

Amounts approved and disbursed per year in GPE developing country partners, from 2011 to 2014



2.2.2 Disbursement and Implementation Performance during 2013-2014

Over US$750 million has been allocated between July 2013 and June 2014. The allocations of active and pending program implementation grants in the Portfolio now exceed US$2.4 billion.

During the period July 2013-June 2014, US$472 million were disbursed, of which US$325 million were disbursed in the first half of 2014. The main reason for the disbursement increase is the large value of allocations approved in the second half of 2012 and in the course of 2013 (US$1.5 billion in 18 months). The high disbursement volume is expected to continue for the rest of 2014 and into 2015 and 2016, but further growth will depend on the value of allocations made in the next replenishment period (2015-2018).

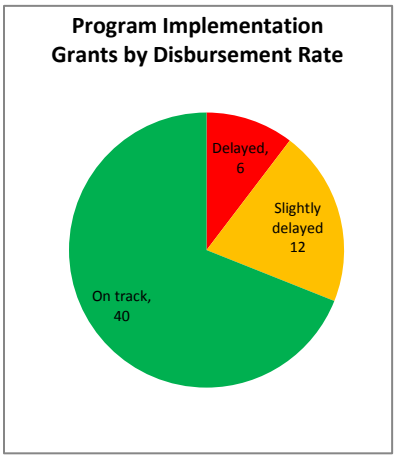
However, the high level of approvals over a short period of time also means that undisbursed approved funds have reached US$1.5 billion. The relative disbursement to undisbursed fund should be watched closely, and in the coming years disbursement performance should be monitored in both absolute and relative terms.

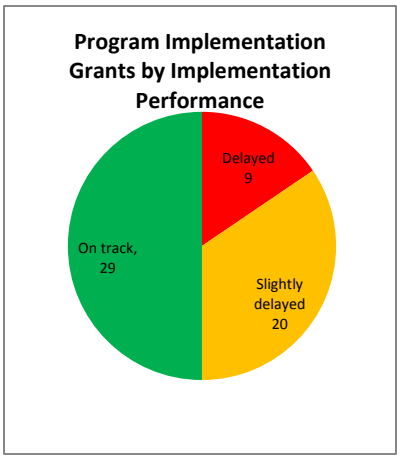
In the 2013 Portfolio Review report, the Secretariat highlighted the discrepancy between the disbursement data of the World Bank versus other Supervising and Managing Entities. For the World Bank, disbursement data is based on the amount disbursed from the SE to Developing Country Partners, while for other agencies disbursement data has been based on funds transferred from the Trustee to agency headquarters. Since last year, the Secretariat has made efforts to systematically gather and monitor the projected and real disbursement data from partner agencies at both headquarter and country levels. In this Portfolio Review, disbursement data has been reconciled to uniformly provide a picture of disbursement performance to country level. This enables a more accurate assessment of progress in terms of disbursements and is a contributing factor to an increase in the number of grants assessed as disbursing slower than the grant period, compared to last year.

Thirty-one percent of active grants (18 of 58 grants) are disbursing slower than the grant period[5], an increase of seven percent compared to last year's Portfolio Review (24 percent, corresponding to 11 of 45 active grants). Six of the grants disbursing slower than the grant period are considered significantly delayed, meaning that the percentage of the grant period elapsed is at least 25 percent higher than the

[5] The percentage of the grant period elapsed is at least 15 percent higher than the grant amount that has been disbursed.

percentage of the grant disbursed. A further 12 grants are considered slightly behind in terms of disbursement, meaning the difference is somewhere between 15 and 25 percent. Some grants have shown improvement in disbursement performance compared to last year, notably Guinea, Lesotho, Papua New Guinea, and Togo, all with the World Bank as Supervising Entity (SE). Countries that have been in delayed disbursement status for two years include Cote d'Ivoire, Liberia, Mongolia, Moldova and Timor-Leste—also all with the World Bank as SE. Explanations for delays as well as corrective actions are provided following table 2.2 below.





Most grants with disbursement delays also experience implementation delays. Compared to last year, the Secretariat has performed a more systematic assessment of implementation performance in this Portfolio Review[6].

The proportion of delayed and slightly behind grants in terms of implementation is higher than the proportion of grants delayed in terms of disbursement. Sixteen percent of grants experience delayed implementation, compared to 10 percent of grants that have delayed disbursements. Thirty-four percent of grants have slight delays in implementation compared to 21 percent in disbursements.

Six grants identified as significantly delayed in implementation in last year's Portfolio Review are no longer categorized as delayed (Guinea (two grants)), Lesotho, Moldova, Papua New Guinea, Timor-Leste and Togo), while four grants remained delayed in implementation for two consecutive years (Afghanistan, Cote D'Ivoire, Liberia and Mongolia). In addition, seven grants have been newly identified as delayed. Two of these are in the first year of implementation (Benin and Eritrea), four are in the middle of their implementation period (Central Africa Republic, Nicaragua, South Sudan and Sudan), and one grant is set to close (Malawi). It is worth noting that the occurrence of delays increases with the age of the grants.

The main reasons for significant delays were related to conflict situations, problems with original program design and low capacity at management and/or implementation levels. The delay factors for

[6] To evaluate the implementation status of each grant, the Secretariat has considered information from available reports on grant performance, the performance criteria for each stage of program implementation and the Secretariat's knowledge and assessment of each grant. The active grants were divided into two groups (i) grants that have been implementing for less than 12 months since grant agreement signing date (SE) or Fund Transferring date (ME) and (ii) grants that have been implementing for more than 12 months. For the first group of grants, if the grant agreement was signed beyond the 9-month deadline from GPE's Board approval date or if the first disbursement was not transferred in the first 12 months after grant agreement signing, the grant is considered as "delayed" in implementation (Red). The "slightly behind" (Orange) classification means the grants were signed between 6 and 9 months after Board approval or the first fund transfer/disbursement took place in the second six months following grant agreement signing date (SE) or Fund Transferring date (ME). Grants were also assigned red status if there are serious known problems that hamper the start-up of the grants. To assess grants that have being implementing for more than 12 months, the Secretariat used ratings from the latest progress reports from Supervising/Managing Entities in addition to Country Leads' knowledge of the grants. For grants that are supervised by the World Bank, a moderately unsatisfactory or unsatisfactory rating would classify the grants as "delayed" (Red).

grants in early stage of implementation include lack of implementation readiness (such as the development of operational manuals, recruitment of program staff) and difficult political situations.

No	Country	Entity	Grant Approval Date	Grant Agreement Date	Closing Date	Grant Amount	Cumulative Disbursed	Undisbursed	% Grant Period Elapsed	% Grant Amount Disbursed	Disbursement Status	Implementation Status
For the grants that have been in grant agreement signing status (SE only) in the period from July 1, 2013 to June 30, 2014 and for the grants that have been implemented less than 12 month since grant agreement signing date (SE) or Fund Tranferring Date (ME) as of June 30, 2014												
	Pending Grants											
1	Haiti	World Bank	6/28/2014			24,100,000	0	24,100,000	0%	0%	Pending	Pending
2	Pakistan (Balochista	World Bank	6/28/2014			34,000,000	0	34,000,000	0%	0%	Pending	Pending
3	Pakistan (Sindh)	World Bank	6/28/2014			66,000,000	0	66,000,000	0%	0%	Pending	Pending
4	Togo	World Bank	6/28/2014			27,800,000	0	27,800,000	0%	0%	Pending	Pending
5	Uzbekistan	World Bank	6/28/2014			49,900,000	0	49,900,000	0%	0%	Pending	Pending
6	Uganda	World Bank	11/19/2013	8/19/2014	6/30/2018	100,000,000	0	100,000,000	0%	0%	On Track	Slightly Behind
7	Niger	World Bank	11/19/2013	7/19/2014	9/30/2018	84,200,000	0	84,200,000	0%	0%	On Track	Slightly Behind
8	Sierra Leone	World Bank	11/19/2013	8/1/2014	2/28/2017	17,900,000	0	17,900,000	0%	0%	On Track	Slightly Behind
	Active Grants											
9	Tanzania	Sida	11/19/2013	5/15/2014	6/30/2017	94,800,000	28,404,556	66,395,444	4%	30%	On Track	On Track
10	Cambodia	World Bank	11/19/2013	5/16/2014	7/31/2017	38,500,000	0	38,500,000	4%	0%	On Track	On Track
11	Kyrgyz Republic	World Bank	11/19/2013	5/10/2014	6/30/2017	12,700,000	0	12,700,000	5%	0%	On Track	On Track
12	Ethiopia	World Bank	11/19/2013	5/9/2014	2/17/2017	100,000,000	0	100,000,000	5%	0%	On Track	On Track
13	Djibouti	World Bank	11/19/2013	4/13/2014	6/30/2017	3,800,000	0	3,800,000	7%	0%	On Track	On Track
14	Gambia, The	World Bank	11/19/2013	4/9/2014	2/28/2018	6,900,000	0	6,900,000	6%	0%	On Track	On Track
15	Eritrea	UNICEF	11/19/2013	3/28/2014	12/31/2016	25,300,000	15,340,029	9,959,971	9%	61%	On Track	Delayed
16	Benin	World Bank	5/21/2013	3/21/2014	6/30/2016	42,300,000	0	42,300,000	12%	0%	On Track	Delayed
17	Cameroon	World Bank	11/19/2013	3/11/2014	9/30/2018	53,300,000	2,092,050	51,207,950	7%	4%	On Track	On Track
18	Mauritania	World Bank	5/21/2013	2/18/2014	5/1/2017	12,400,000	0	12,400,000	11%	0%	On Track	Slightly Behind
19	Sao Tome and Princ	World Bank	11/19/2013	1/15/2014	6/30/2017	1,100,000	0	1,100,000	13%	0%	On Track	On Track
20	Yemen, Republic of	UNICEF	5/21/2013	1/1/2014	12/31/2016	72,600,000	0	72,600,000	17%	0%	Slightly Behind	On Track
21	Senegal	World Bank	5/21/2013	11/22/2013	5/31/2017	46,900,000	238,798	46,661,202	17%	1%	Slightly Behind	On Track
22	Zambia	DFID	5/21/2013	11/15/2013	11/15/2016	35,200,000	8,600,000	26,600,000	21%	24%	On Track	On Track
23	Burkina Faso	AFD	5/21/2013	11/14/2013	6/30/2017	78,200,000	28,000,000	50,200,000	17%	36%	On Track	On Track
24	Madagascar	World Bank	5/21/2013	10/24/2013	6/1/2017	85,400,000	12,875,918	72,524,082	19%	15%	On Track	On Track
25	Somalia (South Cen	UNICEF	11/19/2013	10/9/2013	12/3/2016	8,200,000	4,201,800	3,998,200	23%	51%	On Track	On Track
26	Tajikistan	World Bank	5/21/2013	10/1/2013	9/30/2016	16,200,000	1,000,000	15,200,000	25%	6%	Slightly Behind	On Track
27	Tanzania (Zanzibar)	Sida	5/21/2013	8/1/2013	8/1/2016	5,200,000	2,494,002	2,705,998	30%	48%	On Track	On Track
28	Zimbabwe	UNICEF	5/21/2013	1/1/2014	6/3/2016	23,600,000	932,266	22,667,734	20%	4%	Slightly Behind	Slightly Behind
The grants that have been implemented more than 12 months since grant agreement signing date (SE) or Board approval date (ME) as of June 30, 2014												
29	Comoros	UNICEF	5/21/2013	6/4/2013	6/3/2016	4,600,000	1,828,751	2,771,249	36%	40%	On Track	On Track
30	Somalia (Puntland)	UNICEF	5/21/2013	6/4/2013	6/3/2016	2,100,000	685,582	1,414,418	36%	33%	On Track	On Track
31	Somalia (Somaliland	UNICEF	5/21/2013	6/4/2013	6/3/2016	4,200,000	799,296	3,400,704	36%	19%	Slightly Behind	On Track
32	Burundi	Belgium	11/20/2012	6/18/2013	6/17/2016	52,900,000	28,600,000	24,300,000	35%	54%	On Track	On Track
33	Mali	World Bank	2/7/2013	5/27/2013	12/30/2016	41,700,000	4,717,306	36,982,694	30%	11%	Slightly Behind	Slightly Behind
34	Congo DR	World Bank	11/20/2012	5/15/2013	8/31/2016	100,000,000	20,896,616	79,103,384	34%	21%	On Track	On Track

35	Guinea-Bissau	UNICEF	12/15/2011	5/8/2013	5/7/2016	12,000,000	2,560,107	9,439,893	38%	21%	Slightly Behind	Slightly Behind
36	Chad	UNESCO	11/20/2012	4/30/2013	12/31/2016	7,060,000	3,759,881	3,300,119	39%	53%	On Track	On Track
37	Nicaragua	World Bank	7/31/2012	4/20/2013	4/30/2016	16,700,000	2,115,367	14,584,633	40%	13%	Delayed	Slightly Behind
38	Chad	UNICEF	11/20/2012	4/15/2013	12/31/2016	40,140,000	25,000,000	15,140,000	40%	62%	On Track	On Track
39	South Sudan	UNICEF	11/20/2012	4/15/2013	4/14/2016	36,100,000	5,638,396	30,461,604	40%	16%	Slightly Behind	Delayed
40	Sudan	World Bank	11/20/2012	4/11/2013	2/28/2017	76,500,000	4,522,279	71,977,721	31%	6%	Delayed	Slightly Behind
41	Vietnam	World Bank	7/31/2012	1/9/2013	5/31/2016	84,600,000	44,892,103	39,707,897	43%	53%	On Track	Slightly Behind
42	Ghana	World Bank	7/31/2012	11/22/2012	10/31/2015	75,500,000	40,456,589	35,043,411	55%	54%	On Track	On Track
43	Afghanistan	UNICEF	12/15/2011	8/3/2012	9/30/2015	55,700,000	31,483,751	24,216,249	60%	57%	On Track	Delayed
44	Cote d'Ivoire	World Bank	12/15/2011	7/16/2012	9/30/2015	41,400,000	10,036,454	31,363,546	61%	24%	Delayed	Delayed
45	Timor-Leste *	World Bank	12/15/2011	6/25/2012	7/31/2015	2,800,000	1,051,000	1,749,000	65%	38%	Slightly Behind	Slightly Behind
46	Moldova *	World Bank	12/15/2011	3/27/2012	10/29/2014	4,400,000	2,865,296	1,534,704	87%	65%	Slightly Behind	On Track
47	Mongolia	World Bank	12/15/2011	3/6/2012	6/30/2015	10,000,000	4,345,528	5,654,472	70%	43%	Delayed	Delayed
48	Papua New Guinea	World Bank	11/10/2010	3/3/2011	6/30/2015	19,200,000	11,251,413	7,948,587	77%	59%	Slightly Behind	Slightly Behind
49	Nepal	World Bank	11/5/2009	12/7/2010	12/15/2014	120,000,000	117,790,394	2,209,606	89%	98%	On Track	Slightly Behind
50	Malawi	World Bank	5/6/2010	11/22/2010	12/30/2014	90,000,000	81,935,225	8,064,775	88%	91%	On Track	Delayed
51	Togo	World Bank	5/6/2010	10/29/2010	10/31/2014	45,000,000	43,450,339	1,549,661	92%	97%	On Track	Slightly Behind
52	Liberia	World Bank	5/6/2010	9/29/2010	6/29/2015	40,000,000	18,507,417	21,492,583	79%	46%	Delayed	Delayed
53	Lesotho	World Bank	11/5/2009	8/25/2010	11/30/2014	20,000,000	14,365,928	5,634,072	90%	72%	Slightly Behind	Slightly Behind
54	Lao People's Democ	World Bank	5/6/2010	8/12/2010	8/31/2014	30,000,000	27,093,866	2,906,134	96%	90%	On Track	Slightly Behind
55	Haiti	World Bank	3/12/2010	6/10/2010	10/31/2015	22,000,000	20,539,258	1,460,742	75%	93%	On Track	Slightly Behind
56	Senegal	World Bank	12/10/2007	7/29/2009	9/30/2014	81,500,000	75,373,266	6,126,734	95%	92%	On Track	Slightly Behind
57	Central African Repu	World Bank	12/13/2008	4/6/2009	3/31/2015	37,800,000	35,770,333	2,029,667	88%	95%	On Track	On Track
58	Central African Repu	UNICEF	11/19/2013	12/3/2013	6/30/2015	3,690,000	386,517	3,303,483	58%	11%	Delayed	Delayed
59	Rwanda	DFID	11/10/2010	9/12/2011	9/30/2014	70,000,000	70,000,000	0	92%	100%	On Track	On Track
60	Guinea	UNICEF	5/6/2010	8/28/2010	12/31/2014	24,000,000	24,000,000	0	88%	100%	On Track	On Track
61	Guinea	World Bank	5/6/2010	8/13/2008	12/31/2014	40,000,000	40,000,000	0	92%	100%	On Track	Slightly Behind
62	Mozambique	World Bank	11/10/2010	7/18/2011	3/31/2015	90,000,000	90,000,000	0	80%	100%	On Track	Slightly Behind
63	Yemen, Republic of	UNICEF	5/21/2013	6/4/2013	10/30/2014	10,000,000	10,000,000	0	100%	100%	On Track	On Track
	Closed Grants as of June 30 2014											
64	Madagascar	UNICEF	12/7/2011	1/13/2012	12/31/2013	26,982,000	26,982,000	0	100%	100%	Complete	Complete
65	Ethiopia	World Bank	5/6/2010	7/26/2010	12/31/2013	97,828,573	97,828,573	0	100%	100%	Complete	Complete
66	Yemen, Republic of	World Bank	11/12/2006	9/30/2009	8/31/2013	19,989,071	19,989,071	0	100%	100%	Complete	Complete
67	Gambia, The	World Bank	12/13/2008	8/6/2009	9/30/2013	27,998,912	27,998,912	0	100%	100%	Complete	Complete
68	Ethiopia	World Bank	12/10/2007	11/21/2008	9/30/2013	69,535,734	69,535,734	0	100%	100%	Complete	Complete
69	Mongolia	World Bank	12/31/2006	3/16/2007	12/31/2013	29,400,000	29,400,000	0	100%	100%	Complete	Complete

*Status as of 6/30/2014 except Moldova and Timor-Leste, for which disbursement figures have taken into account the amount disbursed in July, 2014

Note on Zimbabwe: The activities were scheduled to begin implementation 1 January 2014 as per the application, therefore the grant was moved to the group of grants under implementation of less than 12 month.

Grants that improved compared to 2013 status

GUINEA

Grant	Amount : US$24m; US$40m ME: UNICEF; SE: World Bank	% period elapsed: 88% for US$24m grant, 92% for US$40m grant % disbursed: 100% for both grants Closing date: Dec 31, 2014 for both grants	**Status : From Red in implementation to Green in implementation**
Current Status	Disbursement is completed and the program will close in Dec 2014.		

LESOTHO

Grant	Amount : US$20m SE: World Bank	% period elapsed : 90% % disbursed : 72% Closing date: Nov 30, 2014	**Status : From Red in both disbursement and implementation to Orange in both disbursement and implementation**
Current Status	The project has made progress despite delays with school construction. Improved government implementation led to an increase in disbursement to 72%, and the project is now on track to achieve its development objectives. Grade 1-3 textbooks have been distributed to all schools and phase two of school construction is ongoing. The Ministry of Education has learned lessons from phase one and integrated them into the second phase. Almost all activities of the governance plan developed to accelerate progress have been or are in the process of being implemented. Measures of the plan relate particularly to civil works and include: • Frequent implementation support missions by the World Bank, which have been taking place every 3 months since June 2013. This includes physical verification of civil works by the World Bank team • Increased but simplified reporting on civil works progress (every two weeks) • Strengthened system for civil works and materials supervision: a third-party mobile monitoring system for school construction and textbook distribution is being piloted under the project via SMS by the head of the parents' associations and school principals.		

MOLDOVA

Grant	Amount : US$4.4m SE : World Bank	% period elapsed:87% % disbursed : 59% Closing Date: Oct 29, 2014	**Status : From Red in disbursement and Orange in implementation to Orange in disbursement and Green in implementation**
Current Status	The current disbursement rate is 70%. This means that the disbursement lag is approximately 17%, which moves the grant to the orange category for disbursements. The current closing date of the grant is end of October 2014. To date, targets for important sector indicators are exceeded, such as the overall gross enrollment rate in pre-school education; 82.1% compared to the 78% target. Moreover, the gross enrollment rate in pre-school education in rural areas is 71.4%, exceeding the target of 68%. Outputs have been fully achieved related to the promotion of inclusive education through revised legislation and norms, provision of key didactical materials to all pre-school teachers, establishment and endowment of mentoring centers, and the training of mentors and inspectors on selected modules. To access school readiness, a school piloting exercise was launched and implemented in 15 kindergartens.		

PAPUA NEW GUINEA

Grant	Amount: US$19.2m SE : World Bank	% period elapsed: 77% % disbursed : 59% Closing Date: Jun 30, 2015	**Status : From Red in both disbursement and implementation to Orange in both disbursement and implementation**
Current Status	The revised indicators to measure progress towards PDO achievement have shown promising results:		

	(i) Reading scores have improved in Madang province for both boys and girls; (ii) reading interventions in Western Highlands are on track and expected to be completed before December 2014; and (iii) all grade 3-8 supplementary readers are being distributed to schools, after which teachers will be trained to effectively use them in classrooms. In addition, elementary learning kits are being procured to be delivered by February 2015; an approved list of vernacular reading materials has been received; and classroom libraries are being procured and distributed while associated teacher training materials have been completed. A Monitoring and Evaluation (M&E) consultant has recently joined the project team to assist in finalizing the project's M&E strategy and assist with overall monitoring. Outstanding financial management issues that led to delays have also been addressed. The National Department of Education (NDOE) is preparing a sustainability strategy. The project was restructured in the first quarter of 2014 to: (i) extend the closing date from June 30, 2014 to June 30, 2015; (ii) adjust the project development objective (PDO) and associated indicators; and (iii) adjust interventions related to Early Grade Reading Assessment (EGRA) under component 3 to allow for deeper analysis within a reduced geographic scope. The World Bank and Government teams have committed to continue close and rigorous follow-up and monitoring to avoid any slippages that could undermine achievement of project objectives.

TIMOR - LESTE

Grant	Amount : US$2.8m SE : World Bank	% period elapsed: 68% % disbursed: 45% Closing Date: Jul 31, 2015	**Status : From Red in disbursement and Orange in implementation to Orange in disbursement and Orange in implementation**
Current Status	The grant was still classified as red based on information on SE disbursements at June 30, 2014. However, a large disbursement was made in July. Taking this into account gives a cumulative disbursement of 45% of project budget and the SE estimates the grant is on track to close on 31 July, 2015. In addition, all the activities of the project are technical assistance-related and almost all the technical assistance personnel have now been recruited, covering activities for capacity building in HR management, mother tongue instruction, school-level management, data analysis and monitoring, planning, budget & finance, and procurement. There is therefore strong confidence in the projected disbursement rates going forward. A mission from the Secretariat was carried out in June. The mission worked with the Ministry of Education and Development partners to encourage the setting up of a functional sector dialogue to support improved transparency and mutual accountability, covering the sector and all its projects. In July the Ministry of Education proposed new terms of reference for the organization of sector dialogue, subsequently finalized with observations from the Development partners. In August, the Technical Joint Action for Education in Timor-Leste (equivalent of a Local Education Group) held its first meeting.		

TOGO

Grant	Amount : US$45m SE : World Bank	% period elapsed: 92% % disbursed: 97% Closing Date: Oct 31, 2014	**Status : From Red in disbursement and Orange in implementation to Green in disbursement and Orange in implementation**
Current Status	The program had been rated as moderately satisfactory mainly due to delays observed in the construction component in urban areas and for teacher training centers, and was lagging far behind schedule at the time of the last portfolio review report (disbursement rate at 53 percent as of the end of August 2013). Since then, momentum has been gained and results are visible with a disbursement rate of 97 percent as of March 2014. The program was supposed to have closed in May 2014 but the government requested a 6-month extension to finalize and catch up delays to meet the targets. The program is expected to close by the end of October 2014.		

Grants that were delayed in 2013 for which the status has not improved significantly

AFGHANISTAN

Grant	Amount : US$55.7m SE : UNICEF	% period elapsed: 60% % disbursed: 57% Closing Date: Sep 30, 2015	**Status: From Orange in both disbursement and implementation to Green in disbursement and Red in implementation**
Delay Factors	Program Design/Restructuring and Conflict		
Current Status	As of 30 June 2014, (23 months after the grant transfer agreement was signed) 57 percent of grant amount has been transferred to the SE but disbursement at the project level as reported by the Ministry of Education was only 7 percent of total budget. This represents a very significant delay, due to several factors, including difficulties associated with working in security-challenged districts targeted by the project, a six-month delay in effective project start, significant budgeting errors in the original program document and changes in implementation arrangements; the last two factors requiring a substantial revision. A request for material change to the budget and program has been submitted to the GPE Board. It should be noted that project disbursement as reported on August 18, 2014 was significantly higher, at 16.5 percent of total project budget (and 33 percent of funds currently disbursed by GPE). Positive results have been reported by the Ministry and confirmed by the Supervising Entity (UNICEF), particularly on priority-component 3 of the project: 126 qualified women teachers (out of a project target of 300) have been hired and relocated to districts with low levels of girls' education. The overall risk rating in Afghanistan is high, particularly in the current climate with post-election uncertainty, a change of government and risks of heightened violence. According to the UN, the number of civilian casualties from armed conflict rose by 24 percent in the first half of 2014.		
Remedial Actions	The grant revision currently under consideration, if approved, will correct significant budgeting errors in the original program document. It will also formally revise the implementation arrangements concerning community grants for school improvement projects through NGOs in very insecure environments, where reliable NGOs do not necessarily function. Going forward, these school improvement projects will be implemented with direct support from the Ministry of Education, through national procurement of works. The Secretariat is planning a technical review mission in the last quarter of 2014. The SE is in the process of recruiting more staff to support and provide additional oversight in the implementation of the project.		

COTE D'IVOIRE

Grant	Amount : US$41.4m SE : World Bank	% period elapsed: 61% % disbursed: 24% Closing Date: Sep 30, 2015	**Status: From Red in disbursement and Orange in implementation to Red in Disbursement and Red in implementation**
Delay Factors	Capacity		
Current Status	Education indicators (GER, Completion Rate, girls' school attendance) have improved for primary and secondary education since the end of the crisis, but the implementation of the program remains moderately satisfactory due to delays in the implementation of several components. The contracts for school construction (primary schools) and the provision of desks and books have been awarded but the civil work and distribution of school inputs (textbooks and student desks) remain a concern. Visits to school construction sites reveal that: (i) quality of work is poor; and (ii) construction is experiencing considerable delays. The launch of the construction program through the community approach (which comprises 80% of primary schools to be built through the program) has also experienced major delays. Activities planned to support students' learning assessment have been launched and are on schedule. A workshop will also be organized to determine the most appropriate approach to take in order to reduce the high (16%) repetition rate. The implementation of the new pre and in-service teacher training policy is another source of concern, as it is lagging far behind schedule. The school feeding Program is a last concern but no solution has been identified yet. The Minister has issued a Ministerial Ordinance to charge 25 XOF per day and per student while the Grant Agreement stated that the policy governing		

	school feeding program should be free of charge.
Remedial Actions	Close supervision will be organized by the implementation team to monitor the deficiencies observed in the school construction program. The team has also recruited a consultant to develop an implementation plan and accelerate the start of the pilot phase for the community approach. Discussions are on-going to find alternative options to solve the problem of school canteens mentioned above. To address delays observed in the implementation of the new teacher training policy, the ministry has engaged the process of recruiting a consultant to support the reform of the teacher training center. The disbursement plan for the next 12 months shows that the results of measures taken to accelerate the implementation are expected soon, as the disbursement rate should reach 47% in November 2014 and 74% in February 2015 (a significant part can be attributed to the payment of the first instalment of the community school construction component).

LIBERIA

Grant	Amount : US$40m SE : World Bank	% period elapsed: 79% % disbursed: 46% Closing Date: June 29, 2015	**Status: Unchanged at Red in both disbursement and implementation**
Delay Factors	Project Design/Restructuring and Political Factors		
Current Status	The Basic Education Project is funded with a US$40 million FTI grant approved in 2010. It was restructured in 2012 and extended to June 2015. The program suffers significant delays, as reported in the 2013 portfolio review. This year to date, implementation of the project improved, however. Although the grant is still in the red according to the criteria used to assess the status, disbursement doubled from US$9,202,678 to US$18,507,417. With regard to school construction and learning material acquisition components, expenditures depend on procurement procedures being completed. In this respect, contracts for construction and to acquire learning materials were concluded in July 2013, which leaves only the contract for school furniture to be signed. However, the last World Bank supervision mission established there was a substantial risk that some of the recently concluded construction contracts would not be fully executed by the current closing date. Moreover, the school grant component has not yet been rolled out nationally and the distribution plan for the purchased learning materials has been delayed. The current Ebola crisis causes severe societal impacts, affecting the population first and foremost, but also the education sector.		
Remedial Actions	The GPE Secretariat has been in close contact with the Ministry of Education and the Supervising Entity to monitor and support progress, including through two missions in 2014. During Secretariat missions in January and June 2014, project implementation was discussed with the local education group to identify reasons for delays and possible solutions. Liberia is among the five countries aiming to submit a grant application using the new funding model in the first round of 2015. However, progress with the current grant will be monitored closely in the months ahead to determine whether this will be possible.		

MONGOLIA

Grant	Amount : US$10m SE : World Bank	% period elapsed: 70% % disbursed: 43%[7] Closing Date: June 30, 2015	**Status: From Red in disbursement and Orange in implementation to Red in both disbursement and implementation**
Delay Factors	Capacity		
Current Status	Mongolia's Early Childhood Education Project is a US$10 million "graduation grant", and focuses on increasing access to Early Childhood Education, primarily through construction of kindergartens in urban areas and creation of alternative pre-schools (mobile kindergartens) in rural areas. The project also supports the rollout of mobile kindergartens for the children of nomadic herders in the summer. 100 kindergartens are currently operating and providing ECE services to herder children. A parental satisfaction survey will be administered to the parents of these children at the end of the summer to gain		

[7] Disbursement increased to 81% as of October 30, 2014.

	insight into the quality of service and areas for improvement. This project is co-financed by the Ministry of Education (construction of 17 kindergartens with GPE funds, 8 with government funds). The project was restructured in 2012 to scale back the scope of activities, mainly due to a price escalation in raw materials. At the time, the results framework was adjusted, as was the Financing Agreement. The project was further restructured in June 2014 to extend the project duration by 12 months (to complete in June 2015) and reallocate the budget towards supervision (1.2% of the total budget). As of end August 2014, 56.5% of the grant had been disbursed. One of the reasons for low disbursement is that the payment of the construction companies takes place ex-post, after certification of milestones in the construction. In addition, the start of construction was severely delayed for two of the 17 kindergartens because of disputed claims over the site of construction. This was eventually solved, but the extreme winter weather conditions delayed progress. Another reason for the general delay in construction was insufficient supervision capacity of the Ministry of Education's Client Construction Unit.
Remedial Actions	In response to these problems and previous year's World Bank recommendation to hire a Third Party Monitor, the Ministry of Education's Client Construction Unit appointed one in May 2014 in order to ensure better quality control. The Client Construction Unit was restructured in May 2014, and construction site supervisors were replaced with three new ones. A World Bank supervision mission carried out in June 2014 visited 16 of the 17 constructions sites. It is expected that all 17 kindergartens will be finished by October 2014.

Grants that moved to red in 2014

BENIN

Grant	Amount: US$42.3m SE: World Bank	% period elapsed: 12% % disbursed: 0% Closing Date: June 30, 2016	**Status: Red in implementation**
Delay Factors	Implementation Readiness		
Current Status	In order to enable the project to release the first disbursement very quickly, the SE tried to ensure that the implementation arrangement was fully operational before the signing of the grant agreement with the government. However, the recruitment of the staff of the implementation unit was delayed because of the cancellation of the hiring process by the Authority of Regulation for Public Procurement (*Authorité de Regulation des Marches publics- ARPM*) in November 2013, due to complaints.		
Remedial Actions	Aware of the negative impact of this delay, the Ministry of Education has already started to look for solutions to remove or reduce administrative bottlenecks with Ministries involved in the implementation of the project, including the Ministry of Finance.		

CENTRAL AFRICAN REPUBLIC (ACCELERATED FUNDING[8])

Grant	Amount : US$3.69m ME : UNICEF	% period elapsed: 58% % disbursed: 11% Closing Date: June , 2015	**Status : Red in disbursement**
Delay Factors	Conflict and Capacity		
Current Status	The implementation of the grant has been delayed compared to the initial timeline. The main reasons given by UNICEF concern: - The continuing insecurity in the country (with a spike of violence in November 2013-January 2014) has impacted the ability to carry out activities as planned and has resulted in a slower than anticipated start up. Partners were not able to access or be active in certain areas of the country, such as Haute Kotto and Bamingui-Bangoran (North-East of the country). The LEG was forced to revise some target areas and carefully identify schools in the most deprived but accessible regions, during a collaborative field mission (seven prefectures, which includes Bangui, are targeted). Project implementation was slowed by this		

[8] An application for the remaining grant was submitted in September 2014.

	process. The areas which are still too volatile (particularly in the East and North East) will be reassessed for possible inclusion once peacekeepers have set up operations. - The partners' capacity in CAR to implement educational programming was very low in early 2014; Since March, some NGOs have (re-)started educational activities in CAR (Norwegian Refugee Council, Save the Children, Plan International, InterSOS and FinChurch Aid). Three of these NGOs have been selected as implementing partners for the GPE program. Nevertheless, they are in the process of establishing offices, searching for complementary funding and recruiting staff. They are still not fully operational, but should be in the next months. - The sharp increase in prices for basic commodities, including construction materials, has directly affected the school rehabilitation component, whose objectives have been revised (in terms of number of schools to be rehabilitated, but the number of children targeted remain the same due to major population move). NGO partners will also contribute their own funds to support the achievement of the project's objectives. - Program staff's arrival was delayed due to the security situation (arrival in CAR at the end of January 2014, two months after the start of the grant; the vacant UNICEF chief of section position was filled at the same time).
Remedial Actions	The overall security situation improved slightly, and is expected to continue with the arrival of UN Peacekeeping forces in September 2014. This should allow an increase in the pace of implementation. UNICEF has also contracted additional staff to closely monitor and support a stepped-up rate of implementation for the different components, and ensure a good quality execution. GPE Secretariat granted a non-material extension of the grant until the end of June 2015 to allow the implementation of activities planned, taking advantage of the expected ease of the situation thanks to peacekeepers' arrival. The most recent information received from UNICEF shows improvement in the disbursement rate (65% as of end of August 2014), and demonstrates that the remaining pending activities have been launched.

ERITREA

Grant	Amount:US$25.3m SE : UNICEF	% period elapsed: 12% % disbursed: 0% Closing Date: Dec 31 , 2016	**Status : Red in implementation**
Delay Factors	Political factors		
Current Status	As of mid-August 2014, no funds had been transferred from UNICEF to the Ministry of Education, which raises concerns around implementation and the commitment of Government to the program. At the 2014 Replenishment Conference, the Ministry reaffirmed its commitment to the objectives outlined in its education sector plan and to accelerating implementation progress of the GPE financed program. Apart from the implementation delays, concern has also been raised around the role of the Education Working Group.		
Remedial Actions	Upon the request of partners, a GPE mission will be carried out in November in order to support an agreement with the Government on a way forward.		

MALAWI

Grant	Amount: US$90m SE: World Bank	% period elapsed: 88% % disbursed: 91% Closing Date: Dec 30 , 2014	**Status: Red in implementation**
Delay Factors	Political factors		
Current Status	The project has been downgraded from moderately satisfactory to moderately unsatisfactory by the Supervising Entity on account of the following factors: (i) the achievements on the Project Development Objectives and intermediate outcome indicators are lower than the targets set for the period; (ii) the pace of implementation of various activities under the three components (access and equity, quality and governance) and sub-components have been slow and yet to meet the stipulated targets; (iii) there is not enough information/data or analysis of existing data to establish progress; (iv) there were issues with financial management and delays in procurement; and (iv) remedial actions at policy and program levels are not in place to improve the pace and effectiveness of the project.		

	The project implementation pace was affected by various factors that emerged from political and economic developments in the country including withdrawal of support to the pool funding (SWAp) by other Development Partners. As an aftereffect of the cash-gate scandal that hit the country in August 2013, DfID and KFW (German Cooperation) withdrew their support to the program, leaving only IDA and GPE resources in the pooled fund. IDA and GPE together support 66% of all eligible expenditures under the project. In addition, the development partners who were supporting the government budget under the Common Approach to Budget Support (CABS) withdrew their budget support, and this has further depleted resources allocated by the government to complete capital expenditures in the education sector. This has adversely affected the implementation of classroom construction. It has also affected timely payment of salaries.
Remedial Actions	The World Bank is working with the Ministry of Education to assess the activities that can be completed with the remaining IDA and GPE support, and will work towards revising the targets for classroom construction by the end of the project. The Bank is also working with the Ministry towards an action plan to enhance the timeliness of bursaries distribution. The Secretariat carried out a country mission in September 2014. Malawi is among the countries eligible to submit a new application for the first round in 2015. However, their readiness to do so is being monitored closely by the Secretariat.

NICARAGUA

Grant	Amount: US$16.7m SE: World Bank	% period elapsed: 40% % disbursed: 13% Closing Date: April 30, 2016	**Status: Red in disbursement**
Delay Factors	Capacity		
Current Status	The disbursement rate for the first semester of project implementation (July-December 2013) was lower than 5% ($764,000), compared to the original target of 26% ($4,516,000). The main causes were delays in pre-investment studies for infrastructure activities and preparations for teacher training; shortcomings in the procurement processes of three major contracts (preschool learning materials, $1,670,000; preschool supplies, $498,400; preschool teaching materials, $270,000); and bottlenecks in the fiduciary systems, affecting the reporting processes.		
Remedial Actions	In the first months of 2014 the Ministry of Education took measures that are improving project implementation in each of the mentioned areas. These include: • Fiduciary processes: a) contracted new procurement staff and reorganized the procurement team; b) trained the team responsible for the financial reporting processes; c) strengthened the capacities of the technical teams in order to improve efficiency during the fiduciary processes. • Infrastructure: Reinforced MINED`s team in charge of the pre-investment studies and clarified infrastructure procurement processes. • Teacher training: Strengthened the national team with two experts focused on preschool teacher training; and reviewed teacher training strategies, reducing costs through a more decentralized and compact training process. As a result, management of infrastructure was significantly improved. MINED's team is being supported by infrastructure consultants who are assisting the preparation of pre-investment studies financed with the World Bank-funded Project. These pre-investment studies determine the technical and financial feasibility of schools in targeted areas to be supported with funding from the Global Partnership. Processes for distribution of textbooks, didactic materials, and class materials were all completed within four months (January through April 2014) and boosted disbursements. At the end of FY14 (June 30th), disbursements reached 12% ($2,115,367), mainly due to the conclusion of the above-mentioned contracts, the launch of teacher training activities and the reinforcement of the fiduciary systems. MINED's forecasted disbursements through December 31, 2014 are $3.8 million, reaching 35% of the total budget by mid-FY15.		

SOUTH SUDAN

Grant	Amount:US$36.1m SE : UNICEF	% period elapsed: 40% % disbursed: 16% Closing Date: Apr 14 , 2016	**Status : Red in implementation**
Delay Factors	Conflict		
Current Status	Due to armed conflict in the capital and elsewhere during the reporting period, implementation has been significantly delayed and it is likely that parts of the project will need to be revised. Earlier in 2014, the Secretariat convened discussions with local partners to determine whether any GPE resources should be re-allocated to emergency activities, in accordance with the Operational Framework for engagement in fragile contexts. However, at the time it was agreed that because other donor resources covered emergency response, GPE funds could play a complementary role to continue development activities where this was still possible.		
Remedial Actions	A planned Secretariat visit in the first half of 2014 could not be implemented because of the security situation. A visit is now scheduled for October or November.		

SUDAN

Grant	Amount:US$76.5m SE: World Bank	% period elapsed: 31% % disbursed: 6% Closing Date: Feb 28 , 2017	**Status: Red in disbursement**
Delay Factors	Other		
Current Status	Disbursement is close to the expected level since project design anticipated that only limited activities would begin in the first year. For instance, bidding for the first batch of textbooks, a $25 million contract is only proposed for Sept. 2014. The project has already reviewed the textbooks for content and gender/conflict sensitivity issues. In addition, only 10% of the total number of classrooms is planned for year 1. These are the two major project components. The classroom construction component was delayed as the required data was not collected by the Ministry as planned. This data is now available and construction of 144 classrooms is underway. The World Bank rated implementation progress as moderately satisfactory in the latest Implementation Status Report in May 2014.		
Remedial Actions	No further actions required.		

Note: The following grants had a "moderately unsatisfactory" rating from the SE (World Bank) but the Secretariat has determined that they should not be categorized as red. Reasons are given below.

***Haiti**: The SE (World Bank) rated progress towards achieving the Project Development Objective as Moderately Unsatisfactory. Their explanation is that even though the targets for all three PDO indicators have been met or exceeded, they feel they still cannot claim to have improved access or equity to basic education as the PDO states. The basic issue then is one of design in that the PDO indicators measure outputs and project implementation but do not measure overall impact. In this case the PDO is broad and not specific to the project. As a result, the SE has given this MU rating, though a satisfactory rating is also justified on the basis of achieving the indicator targets. For that reason the Secretariat recommends removing the red rating since project targets have been met.*

***Central African Republic (remaining World Bank SE grant)**: Prior to the crisis that began in December 2012, project implementation performance was rated satisfactory. The impact of project activities on the ground was deemed highly positive for the primary education sector. Unfortunately, with several phases of political upheaval and its overall impact on the education sector, progress towards achieving the Program Development Objective has been downgraded to moderately unsatisfactory by the World Bank. Furthermore, the security situation is still preventing regular school activities. Nevertheless, only few activities remain (purchase of 3 vehicles, small repairs, training and preparation of the Implementation Completion Report) and will be implemented before December. There is no*

more pending expenditures due to the suspension of activities after the coup (payment made thanks to the extension), which explains why the secretariat does not red-flag this grant.

2.2.3 Grant Implementation Effectiveness

The Global Partnership pays special attention to delays between conception and implementation of its programs. This section focuses on the following major elements: (i) the time spent developing the GPE program; (ii) delays between grant approval and first disbursement;[9] and (iii) the duration of implementation from the first disbursement to grant closing.[10]

Average time to develop a GPE program, get approval, and obtain the first disbursement, in months

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Development to approval	6.5	5.8	8.0	8.1	6.0	6.4	8.2	9.5	13.3
Approval to first disbursement	11.3	16.7	20.6	14.9	12.8	16.8	9.7	9.2	9.3

Source: GPE Secretariat.

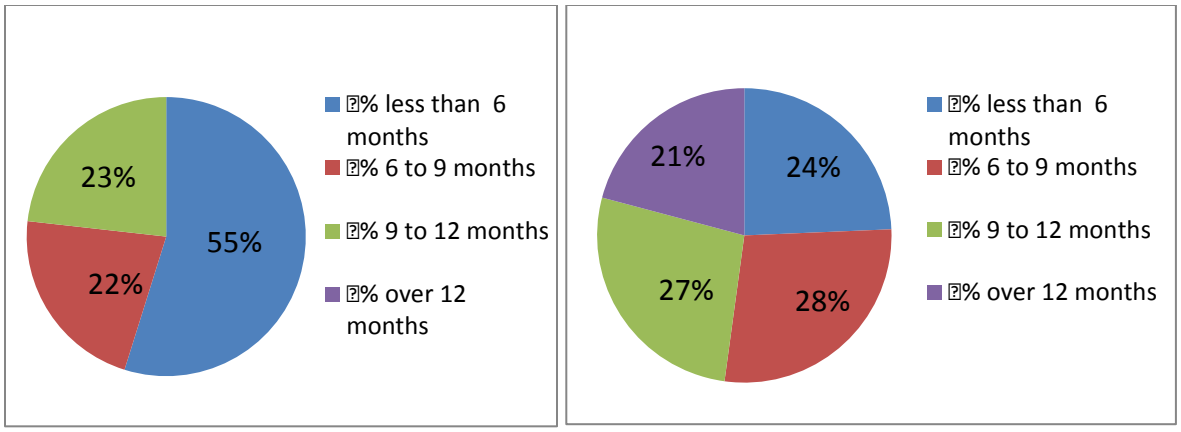
Average duration between first disbursement and closing of GPE grants, in years

Delay, in years	Before 2009	2010	2011	2012	2013
First disbursement to close	1.6	2.5	2.3	3.5	3.3

Source: GPE Secretariat.

On average, it took eight months to develop a GPE program to be supported by a Program Implementation Grant over the 2006-2014 period. The average duration of program development has increased over the past few years, as more time has been devoted to ensuring programs' relevance and alignment to country priorities and the GPE Strategy, and to improving programs' readiness for implementation. Average development time exceeded 9 months for the first time in 2013 and 2014. In the 2009-2011 period, more than half of the grant programs were developed in less than six months, and no program took more than 12 months to develop. In contrast, between 2012 and 2014 only a quarter of programs took six months or less to develop; and 21 percent of programs took 12 months or more: ***2009-2011 period*** ***2012-2014 period***

[9] First disbursement to the country is only known for World Bank grants for this analysis.
[10] This only applies to World Bank closed grants.

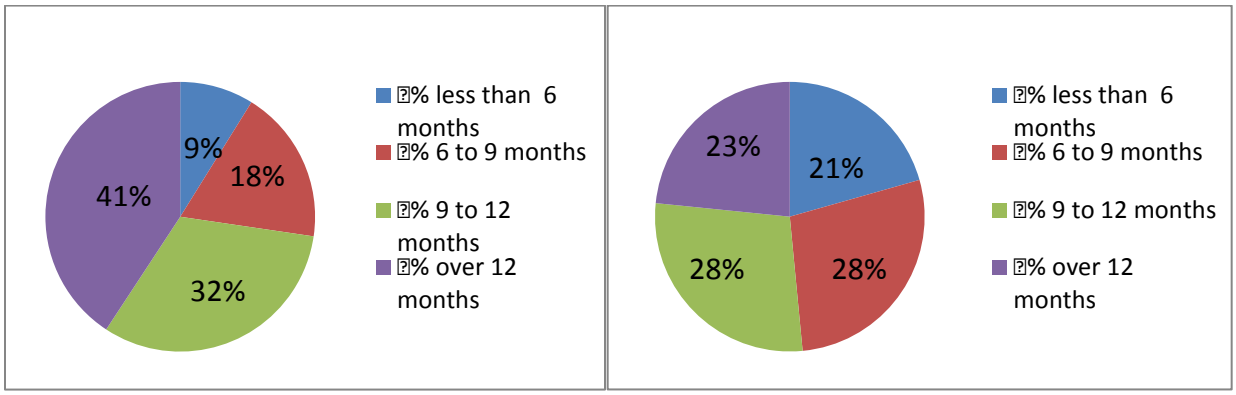


Until 2011, the average delay between grant approval and first disbursement for programs managed by the World Bank[11] was 13.8 months. Joint efforts to reduce this delay have brought it down to 10 months for the 2012-2014 period. In 2009-2011, the delay between approval and first disbursement was less than six months in 9 percent of the grants; up to nine months for 27 percent of the grants; and one year or more for 41 percent of grants. During the 2012-2014 period, the first disbursement took up to six months for 21 percent of grants; up to nine months for 48 percent of grants; and more than a year in 23 percent of grants.

A more in-depth analysis of these trends shows that past changes in the delay between approval and disbursement were primarily driven by the time spent to sign the grant agreement after Board approval. While the average delay between grant signature and the first disbursement was less than six months, the average delay between GPE Board approval and grant signature, which was originally around six months, increased to 14 months in 2008. The increase was driven by a change in simplified grant procedures, which caused backlogs and delays as staff strived to abide to the new procedures. Once this problem was resolved, the average grant signing delay declined.

Delay between grant approval and first disbursement

2009-2011 period *2012-2014 period*



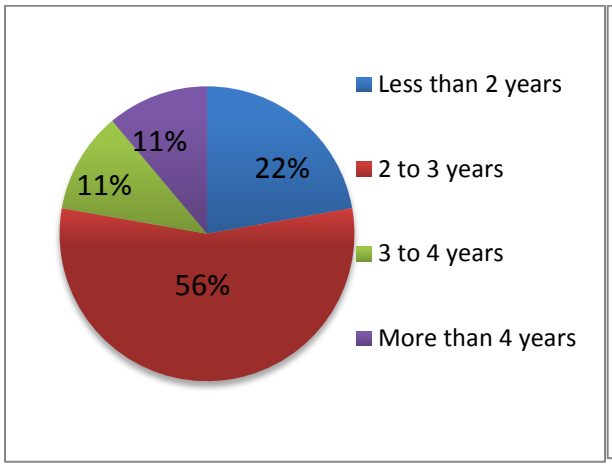
Initially, the FTI approved Program Implementation Grants for one year, but the average time to implement these grants was 1.6 years. The Global Partnership adopted standard three-year Program

[11] Data on first disbursement to the country is not reported by other partner agencies.

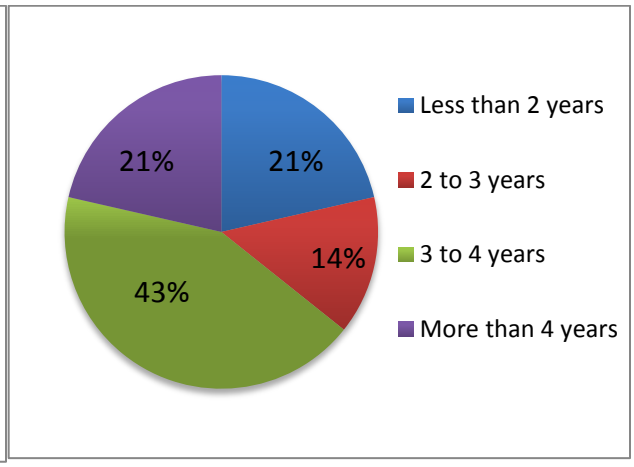
Implementation Grants starting from 2008-2009. Grants implemented over three to four years made up 43 percent of all grants that closed during the 2012-2013 period, whereas in the 2010-2011 period, grants implemented in two to three years represented 56% of all grants.

Duration of implementation between first disbursement and grant closing

2009-2011 period

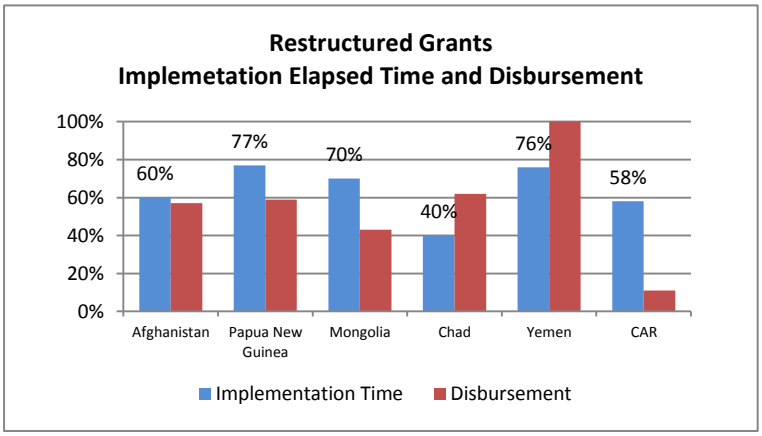


2012-2014 period



2.2.4 Grant Restructuring

During the review period, several grants were restructured to remove implementation obstacles. In total, the Secretariat received six requests for revisions of programs, of which one was classified as a material change requiring a no-objection of the Board of Directors (Afghanistan). Five restructuring proposals were minor according to the criteria set out in the policy on restructuring (Papua New Guinea, Chad, Mongolia, Yemen and Central Africa Republic accelerated funding).



Thanks to restructuring, Papua New Guinea moved from being significantly delayed to making progress in implementation. The restructuring and extensions requested by Afghanistan, Mongolia and Central African Republic should also contribute to remove implementation bottlenecks. Yemen and Chad are currently on track for implementation but have requested extensions as a consequence of previously delayed disbursements (Chad) and conflict (Yemen).

2.2.5 Initial Results of Program Implementation Grants

Of the 69 grants being examined in this year's Portfolio Review (58 active grants, 5 pending grants, and 6 closed grants), 43 have been under implementation for at least a year and are providing information on implementation progress. Implementation reports were received for all 43 grants (37 of which have been implementing for over a year and 6 that recently closed).

Program Implementation Grants support various education components such as teacher effectiveness, access for out-of-school and disadvantaged children, support to girls' education, early childhood education and care, management capacity building, school/classroom construction and supply of learning materials. Although analysis of financing allocated to all programmatic areas is approximate because there is no standard results framework that classifies activities in a uniform way, it is nonetheless worthwhile to highlight the main components supported by current grants and showcase some of the results reported. For instance, key inputs such as new classrooms, learning materials and teacher training have been provided to developing partner countries thanks to GPE grants. The following table contains totals for these inputs in effective and recently closed grants covered by this report, where these are specifically reported, but does not include grants that do not or have not yet reported at input level.

Selected Cumulative Grant Results

Key indicator	Results in FY 2013	Cumulative results since grant effectiveness
Number of classrooms rehabilitated/constructed	7,385	17,443
Number of teachers trained	98,347	155,309
Number of textbooks/learning materials procured	36,267,469	103,075,651

The following section highlights selected country level cumulative direct key results of GPE Program Implementation Grants.

School Construction

Cumulative results show that GPE grants to support school construction have contributed to improved learning environments and allowed more children access to a safe and adequately equipped learning space.

In **Tajikistan**, about 14,720 students have benefited from the construction or renovation of 261 classrooms in 28 schools. More than 2,840 classrooms have been equipped with furniture, benefiting 106,600 students. A total of 298,000 students have benefited from the supply of learning materials in 1,000 schools.

Teacher salaries and incentives

Some Program Implementation Grant funds have been dedicated to the provision of salaries and incentives for teachers in countries that need support to boost the number of teachers and their morale and reduce direct education costs for vulnerable families.

In **Madagascar** (closed grant managed by UNICEF), about 170,000 salary subsidy payments (or 340,000 months of pay) have been provided for community teachers. This contributed to maintain Government support to community teacher salaries at the level achieved before the 2009 political crisis, in turn contributing to reducing the protracted political crisis' negative effect on education.

In **Somalia-Puntland**, 330 teachers have so far received incentive payments. GPE funding will support the Ministry of Education in selecting 60 additional female teachers who are already working in remote pastoralist areas or who would be willing to be deployed to these areas.

In **Somaliland**, Head Teachers from primary public schools across six regions received a top-up payment of US$25 per month for the first quarter of 2014. The payment was conducted through an electronic system, with every head teacher receiving the payment through his/her mobile phone.

In **Lesotho**, GPE has provided monetary or training allowances to over 1,300 teachers as part of incentives to attract and retain teachers in rural schools. The grant also paid the salaries of 140 pre-primary education caregivers, and supported the training of 7,780 teachers, principals, district resource teachers, education officers, and inspectors on the new simplified curriculum and learning materials which the GPE project helped introduce.

Promoting girls' education

Program Implementation Grant funds also support the advancement of education equity, with particular focus on girls and disadvantaged children.

In **Somaliland**, 168 new teachers have been recruited, 43 percent of whom are females. Many of the female teachers also serve in leadership and mentoring positions for girls.

In **Zanzibar,** 350 school counsellors received training in gender related issues such as gender and sex, obstacles to gender equality in education, and challenges of gender inequality at community and school levels. Twenty-four advisors and resource teachers have been trained in inclusive education and life skills and 30 children with special needs have received learning materials. Awareness meetings between school counsellors and girls have been conducted since January 2014.

Afghanistan. Given the challenging security situation of the country and the cultural constraints around girls' education, the GPE project has focused on broadening and strengthening the engagement of communities around schools, specifically for girls. Thirteen Provincial Coordinators and 120 District Social Mobilizers have been recruited, trained, and deployed to engage with communities. In coordination with the Ministry of Women Affairs, about 126 qualified female teachers have been recruited from the urban areas and deployed to targeted girls' schools in the districts.

Teacher Effectiveness

GPE programs have also supported teacher capacity building to improve learning quality.

Moldova has established a teacher training program serving more than 8,000 pre-school teachers. The program established 130 mentoring centers (or training hubs) for pre-school teachers; it has trained 30 national and 230 local mentors that are involved in pre-school teacher training.

In **Mozambique**, over 4,000 additional qualified teachers have been added to the primary school system.

In **Yemen**, the GPE program supported at least three inspection visits per year in each of the 2,000 schools in project areas. The regular inspection visits have ensured that central and local level Ministry of Education staff work more collectively and provide teachers and staff with a clearer vision for the learning and teaching process. The intervention has supported a project impact study consisting of qualitative and quantitative data drawn from questionnaires, interviews, and classroom observations.

Increasing basic numeracy and literacy skills

GPE's Program Implementation Grants have been invested in improving learning quality by supporting student assessment and improving learning assessment systems.

In **Guinea,** between March 2011 and November 2013, the GPE intervention reached its target to get 60 percent of schools to implement reading assessments. As of November 2013, a system for learning assessment in primary schools was instituted, and assessments were carried out in grades 2, 3, and 4.

Togo and **Cote d'Ivoire** also established a system of learning assessment at primary level.

In **Nepal,** the assessment of grade 8 learning outcomes has been completed and the findings were published. An assessment has also been completed for grades 3 and 5, and the final assessment report has been published on the Department of Education website.

In **South Sudan**, the GPE grant has supported the development of national learning outcomes and assessment tools in literacy and numeracy for students in early grades. The final national literacy and numeracy strategies are expected to be disseminated to all 3,700 primary schools and key stakeholders. The National Curriculum Conference held in December 2013 produced an endorsed National Curriculum Framework which articulates the values and principles that guides the curriculum and defines expected learning outcomes for primary school learners.

Monitoring, Evaluation and EMIS

GPE grants support the development of partner countries' capacity to collect, analyze and produce reliable data in a timely manner.

In **Sudan**, GPE funding supported the Rapid EMIS data collection that was conducted in 17 states in December 2013. Data verification took place in January 2014 and a fully established Rapid EMIS database is near completion. Sudan has launched a national assessment pilot in the state of Khartoum, and about 1,310 students were assessed in 60 schools. As of March 2014, the education ministry had prepared a draft "National Education Sector Strategic Plan" in Arabic, which is currently being translated to English.

In **Ghana**, 798 regional and district education officers have been trained in education management skills, including data collection, analysis and financial management. About 95 percent of public basic schools in deprived districts have adopted School Report Cards as a monitoring tool and 7,857 head teachers and circuit supervisors in deprived school districts have been trained in their use.

In **Tanzania**, the Ministry of Education and Vocational Training has developed a tool on school management responsibilities and trained 18 school inspectors and 270 school leaders from 139 government primary schools in using basic education standards. The education statistical abstract has been completed and disseminated to 1,460 heads of public and private schools.

In **Somaliland**, solid progress was made under the Quality Assurance and Supervision component of the GPE funded program, with work under way on the development and finalization of the National Quality

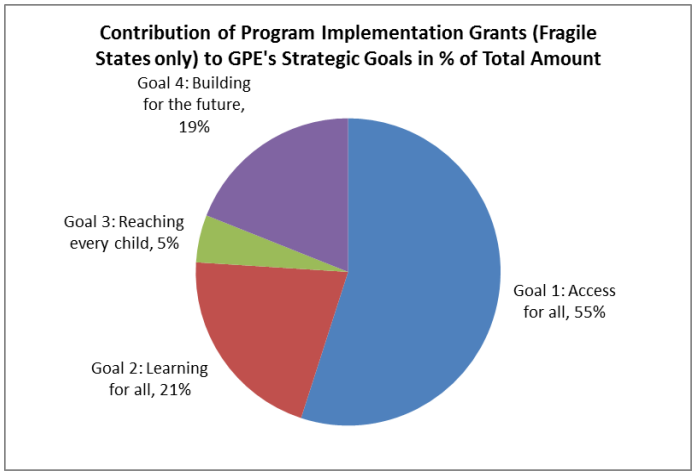
Assurance Framework and the Quality Assurance Monitoring Tool.

As of January 2014 in **Malawi**, a total of 5,267 primary schools in all 34 districts had received school improvement grants and developed School Improvement Plans, including strategic and annual work plans and budgets.

2.2.6 Program Implementation Grants' Contribution to GPE's Strategic Goals

Active Program Implementation Grants[12] clearly support the four GPE Strategic Goals. According to the Secretariat's estimates, nearly half of the current Portfolio amount (49 percent) supports Goal 3, *Reaching Every Child* by ensuring that resources are focused on the most marginalized children and those in fragile and conflicted-affected countries. A large portion of this amount, nearly US$1.2 billion, goes to grants for fragile states. By this methodology, Goal 1, *Access for All*, consumes 23 percent of the Portfolio amount. Activities that contribute to this goal are generally output-based and include school construction and teacher training. Programs contributing to Goal 2, *Learning for All,* comprise only 12 percent of the total grant amount (if the category of fragile states grants is put in the Goal 3 category). Within this small percentage, most funding is used to procure teaching and learning materials. Finally, Goal 4, *Building for the Future*, absorbs approximately 16 percent of grant funds.

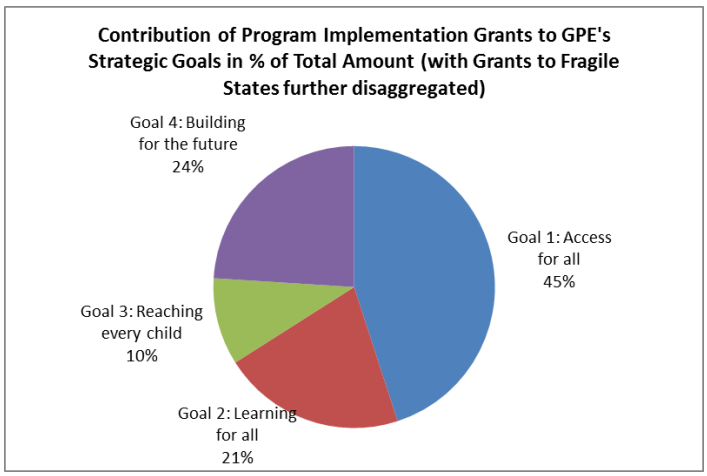
This analysis has a number of caveats. In addition to the fact that some types of activities could be considered to contribute to more than one goal, costs cannot be a proxy for priority and added value, as lower cost activities can add as much or more value in terms of results for children as higher cost activities. For example, training and certifying a teacher would generally cost much less than building a classroom, but the value of this investment in terms of children's learning outcomes may prove far greater.



[12] The sub-totals of components supported by GPE grants are based on financial information available in grant applications at the time of GPE Board approval. Due to the varying levels of details provided, the Secretariat can only assign approximate dollar value to each component examined. The calculations for **Goal 1** (Access for All) include activities to increase access such as school construction and activities to support teachers, including teacher training and salaries, as defined by the Goal's definition that *all children have access to a safe, adequately equipped space to receive an education with a skilled teacher*. **Goal 2**-related activities (Learning for All) comprise quality measures such as learning assessment-related work and provision of textbooks, teaching and learning materials. The sum of all GPE grants to fragile states is shown in **Goal 3** (Reaching Every Child), in addition to activities that contribute to equity such as promotion of girls' education, inclusive education, and access to education for out-of-school and disadvantaged children. The calculations for **Goal 4** (Building for the Future) include capacity building and decentralized activities such as school grants. Program management costs and other miscellaneous costs have been divided by four and added to each goal equally.

The fact that entire grants for fragile states have been put in the Goal 3 category means that this category is somewhat inflated. When funding to fragile states is examined separately to identify contributions to strategic goals, most of the grant funds (55 percent) contribute to Goal 1, *Access for All*, ensuring that all children have access to a safe, adequately equipped space to receive an education with a skilled teacher. Activities to support school construction consume 30 percent of total grant value to fragile states. This is perhaps to be expected, due to destruction and deterioration of schools in fragile states, as well as low availability of domestic funding to invest in school construction. However, only five percent of funding to fragile states specifically supports girls' education and education for marginalized and disadvantaged children.

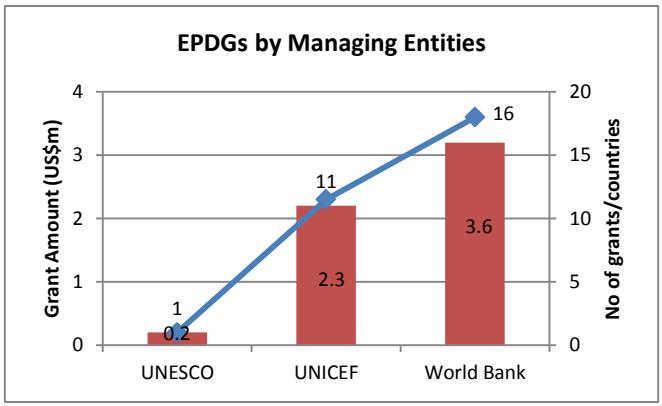
The chart below shows the share of contributions to GPE goals when grants to fragile states are *not* included in Goal 3. The results are similar to that of goals supported by fragile states alone, but with a ten percent decrease for access (Goal 1) and a five percent increase in support to equity (Goal 3). Since the split between fragile state grant total amounts and non-fragile states grant totals is roughly 40-60 percent, a ten percent decrease in support to access suggests that non-fragile states allocate a significantly lower percentage of GPE grant funds to school construction and teacher training, at roughly 38 percent. Similarly, the five percent increase in support to equity compared to fragile states suggests that grants for non-fragile states contribute approximately 13 percent of funding to equity. The percentage of grant funds that contribute to learning for all (Goal 2) is comparable between fragile and non-fragile states, at 21 percent.



2.3 Education Plan Development Grants (EPDGs)

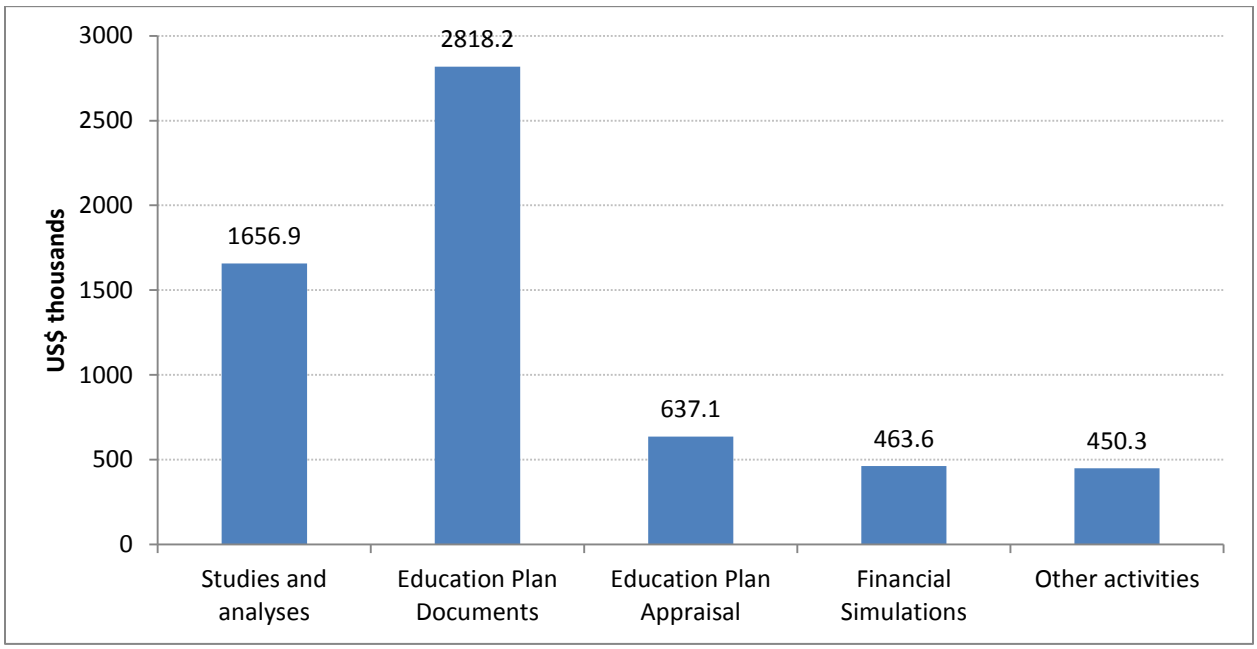
Education Plan Development Grants were established in 2012 to support the preparation or revision of education sector plans. Between 2012 and June 30, 2014, the Global Partnership approved over US$6.1 million for 28 Education Plan Development Grants in as many countries, with an average grant amount of $217,000. Almost 70 percent of these grants (19 out of 28) were approved at the maximum amount of US$250,000. As of end June 2014, there were 11 Education Plan Development Grants still under implementation and 17 that had been closed.

Out of 28 Education Plan Development Grants, 17 grants (or 61 percent) were approved in fragile and conflict-affected countries, totaling US$2.4 million, or 61 percent of the total



amount approved under these grants. These countries include Central African Republic, Comoros, Congo, Eritrea, Haiti, Liberia, Madagascar, Malawi, Niger, Nigeria, Pakistan, Sierra Leone, Somalia (2 grants), Togo, Uganda and Zimbabwe. Three GPE partners acted as managing entities for these Grants. The World Bank managed 16 grants for a total amount of US$3.6 million (59%); followed by UNICEF for 11 grants totaling US$2.3 million (38%). Cambodia selected UNESCO as the managing entity for its Education Plan Development Grant of US$226,682 (4%). The majority of Education Plan Development Grants (70 percent of the total amount) went to countries in Sub-Saharan Africa, which accounts for 63 percent of GPE's developing country partners.

Education Plan Development Grants support a variety of activities. These include studies and analyses to inform education plan development, the development of education sector plan documents, evaluation of their quality, financial simulation models, and activities such as disseminating the plan and managing the grant. Each of these activities may be undertaken using a variety of means, including data collection, desk work, consultations or capacity building.



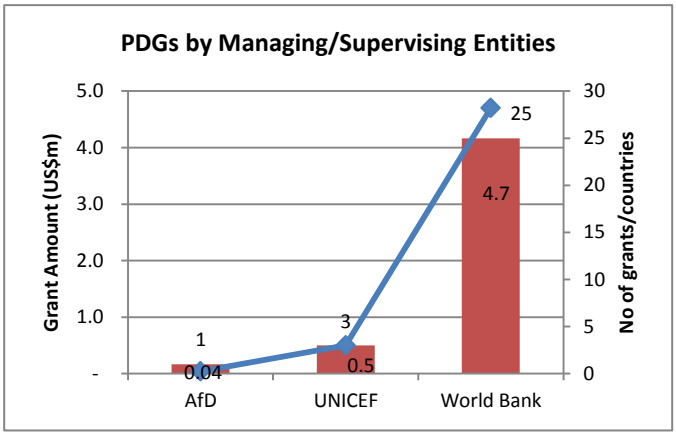
Completion reports from the first batch of EPDGs indicate that the objectives of the grants as stated in grant proposals have been achieved. In a number of cases, the reports indicate significant outcomes. The Zimbabwe EPDG grant, for example, with an objective to support the Ministry of Sports, Arts and Culture (MOESAC) to develop a Transitional Plan based on its Medium Term Plan 2011-2015, developed an Education Medium Term Plan-Operational Plan (EMTP-OP) that was endorsed by the Local Education Group and allowed Zimbabwe to become a member of the Global Partnership. The plan is part of the public record and laid a good foundation for partners to better engage with MOESAC in the education sector. Lao PDR also received a grant to undertake a review of Lao PDR's Education Sector Development Plan (2011-2015). The sector analysis conducted was reported as being "instrumental in diagnosing key constraints and identifying entry points for interventions." Based on the adjusted ESDP, Lao PDR

submitted an application for a Program Implementation Grant in September 2014. The Central African Republic was able to update its Education Sector Plan as proposed, despite the crisis. The plan was used as the basis for the development of a Program Implementation Grant proposal submitted in September 2014.

2.4 Program Development Grants (PDGs)

Program Development Grants support the preparation of implementation grant applications. They were also established in 2012 and capped at US$400,000, though justifications are required (e.g. federal country, or a fragile or conflict-affected context) to receive a grant higher than US$200,000. Grant resources can be used to (i) conduct technical and financial analyses of GPE-supported programs; and (ii) fund the documentation for both grant applications and implementation preparations. By mid-2014, 29 such grants had been approved[13] for a cumulative amount of US$5.6 million: 11 in 2012, 14 in 2013 and 4 plus an extension to a previously approved grant in 2014. The average grant amount was $192,000 and 12 countries received US$200,000. Five countries have received allocations of more than US$200,000 for a PDG: Kenya (US$243,488); Nigeria (US$480,000), Sierra Leone (US$207,567), Uganda (US$300,000), and Uzbekistan (US$238,050). The higher allocation amounts are generally due to higher costs associated with development and implementation of PDG activities. The smaller grant allocations, such as from Niger (US$124,440) and Burkina Faso (US$44,000), are generally due to the small number of program activities required or the availability of other funding for the program development from other partners.

Seven grants were approved between July 2013-June 2014: Chad, Guinea, Lao PDR, Kenya, Nigeria (supplemental grant), and Pakistan (Sindh, and Uzbekistan). Fifteen grants are active as of end June, 2014, and 13 have been closed.



As with Education Plan Development Grants, a large majority of Program Development Grants was approved for Sub-Saharan African countries, accounting for 69 percent of the total amount. In addition, most program development grants were managed by the World Bank (25 grants for US$5.0 million), with UNICEF managing 3 grants (Chad, Eritrea, Somalia) for US$0.5 million and the *Agence Francaise de Developpement* (AFD) manages a grant for Burkina Faso for US$45,000.

[13] Given the increased focus on fragile and conflict-affected states, 8 out of 25 program development grants were approved in those states; amounting to US$1,493,017. These represent 30% of the total amount, or 32% in terms of the number of grants.

Program Development Grants approved between 2012 and June 2014

Country	Grant amount	Board approval date	Partner agency	Country	Grant amount	Secretariat approval date	Partner agency
Burkina Faso	$44,885	12/10/2012	AFD	Kyrgyz Republic	$200,000	1/28/2013	World Bank
Haiti	$120,200	10/1/2012	World Bank	Lao PDR	$200,000	7/29/2013	World Bank
Niger	$124,440	12/17/2012	World Bank	Madagascar	$200,000	11/12/2012	World Bank
Chad	$143,213	6/17/2014	UNICEF	Mali	$200,000	8/30/2012	World Bank
Guinea	$150,000	6/17/2014	World Bank	São Tomé & Príncipe	$200,000	8/30/2012	World Bank
Eritrea	$169,250	1/7/2013	UNICEF	Senegal	$200,000	1/23/2013	World Bank
Mauritania	$170,000	8/21/2012	World Bank	Tajikistan	$200,000	2/26/2013	World Bank
Pakistan (Sindh)	$190,000	10/7/2013	World Bank	Togo	$200,000	6/3/2013	World Bank
Cameroon	$190,650	12/10/2012	World Bank	Sierra Leone	$207,567	9/27/2012	World Bank
Central African Republic	$196,000	10/1/2012	World Bank	Uzbekistan	$238,050	2/4/2013 (5/2/2014 for an additional $40,000)	World Bank
Gambia, The	$197,500	1/7/2013	World Bank	Kenya	$243,488	1/28/2014	World Bank
Somalia	$200,000	12/3/2012	UNICEF	Uganda	$300,000	3/11/2013	World Bank
Cambodia	$200,000	1/23/2013	World Bank	Nigeria	$81,500	1/7/2014	World Bank
Djibouti	$200,000	3/25/2013	World Bank	Nigeria	$398,500	2/4/2013	World Bank
Guyana	$200,000	6/3/2013	World Bank				

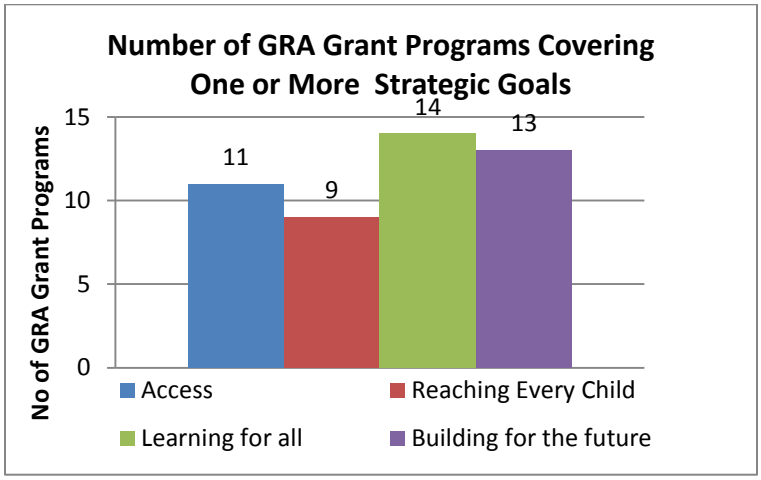
2.5 Global and Regional Activities (GRA) Program

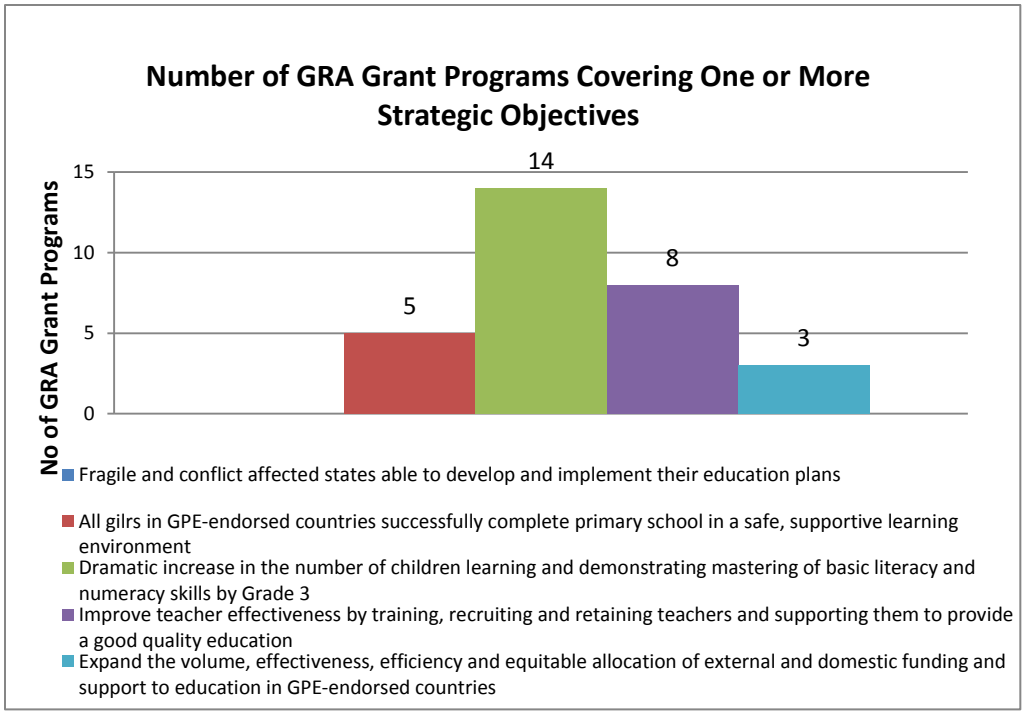
The GRA program was approved by the GPE Board at its November 2010 meeting. Following the Board decision, GRA concept notes were developed through an extensive consultation with the GPE partners and approved by the Board. Some GRA program activities are co-financed by partners.

The GRA program supports capacity development and knowledge creation and sharing at the regional and global levels as well as at the country level. The aim is to accelerate the achievement of the goals and objectives outlined in the 2012-2015 Strategic Plan of the Global Partnership.

In 2013 the GPE Board approved US$33 million for 16 GRA concept notes in two batches: batch 1 (BOD/2013/02-02) and batch 2 (BOD/2013/07-01). In compliance with the GRA Operational Manual, the approved concept notes were developed into full proposals and results agreements. Implementation of batch 1 programs commenced in September 2013 and batch 2 programs began in April 2014. To date, only one of the 16 programs has not started implementation.

All GRA projects are aligned with GPE strategic goals of access, equity, learning and building systems (see tables below). Under the first batch of GRA projects, core areas contributed to GPE strategic objective 3 (learning outcomes) and strategic objective 5 (education financing). The regional focus was on francophone Africa. In the second batch of GRA projects, priority was given to other regions and themes not included in the first batch, including teachers, out-of-school children, school health, and girls education. The largest grant at US$8,505,075 aims to develop research-based instruction in school readiness and early grade reading for Pacific island countries.





The managing/supervising entities of the GRA projects are required to report on progress twice a year: by June 30 and December 20 (Annex I, Operational manual). As of September 2014, all GRA projects are being rolled out, except the project proposed by the Center for International Cooperation in Education Development (CIDED). The next implementation reports are due at the end of December 2014.

Intermediary Results

Based on the received progress reports, the first batch of GRA projects show intermediary results in terms of developing innovations and producing new knowledge or contributing to knowledge platforms, communities of practice and technical reference groups for the key thematic areas where gaps were identified (learning, financing and out-of-school children).

Key intermediary results include:

1) ***Positive impact on country technical knowledge, innovation and policy dialogue***: Developing country partners have started to participate in knowledge generation activities in the areas of *learning*, *out-of-school children* and *financing*. The UNESCO Institute for Statistics (UIS) program for the development of methodologies to improve national reporting on financial flows reported that the process has resulted in policy impact in Cote d'Ivoire, Senegal and Nepal.
2) ***Contributions to knowledge platforms***: GRA project activities are strengthening existing knowledge platforms and contributing to the creation of new ones, such as the knowledge platforms of Francophone organizations in West African countries and UNESCO Bangkok's Asia-Pacific regional platform on learning assessments. The collaboration between UIS and UNICEF on the issue of out-of-school-children, established earlier, has been strengthened through the GRA project. In 2014, UNESCO and UNICEF launched joint reports on out-of-school children in Africa, South Asia and Latin America.
3) ***Strengthened partnerships and creation of new partnerships***: New partnerships have been created at both regional and global levels and existing collaborations have been intensified. One GRA goal—to enable CSO and NGO partners to take part in the implementation of programs—has been achieved, with partners including Education International, Save the children, Children without Worms, and *Organisation Internationale de la Francophonie* (OIF) playing active roles. The GRA project on education, health and disability sparked global collaboration across sectors and stakeholders with the creation of the Soil Transmitted Helminthiasis (STH) Coalition, which aims at scaling up deworming, fostering cross-sector collaboration and exploring new strategies for interrupting transmission.
4) ***Leveraging of resources (co-financing)***: GRA projects succeeded to leverage more funding for knowledge development through co-financing and strengthened partnerships to carry out the GRA activities. To date, 10 projects have reported co-financing from other organizations including UNICEF, UNGEI, Pole de Dakar, IIEP, UNESCO, the World Bank, AFD and other development partners at country level.
5) ***Involvement of Academic Institutions***: Involvement of the academic institutions is increasing as a number of GRA projects include research and analytical work**.** GRA project activities boost research capacity of universities in developing country partners and support

north-south and south-south cooperation (University of Koudougou, University of Geneve, University of Nantes, among others).

6) ***Visibility of mid-term results***: Managing entities, universities and international organizations are posting and sharing the mid-term results of GRA projects through blogs, presentations in conferences, knowledge sharing workshops, and publications. Managing/supervising entities have already started to carry out dissemination activities on the first findings.

Key Issues and Recommendations

1) Synergies with GPE Program Implementation Grants: While GRA activities are being rolled out in a number of GPE countries, the degree to which they provide synergies with Program Implementation Grants needs to be analyzed. Mechanisms should be in place to ensure results from all GPE projects and activities benefit the broader Partnership and feed into thematic reflections at the global level.
2) Harmonization with partner projects: Along the same line as the point above, GRA activities should not overlap with other partner projects in countries. Interventions with a similar focus (learning outcomes in francophone countries, out-of school-children, etc) should be better coordinated through the Local Education Groups and the Partnership at large.
3) Evidence-base knowledge: It is not yet clear how intermediary and mid-term results could qualify as evidence-based knowledge that will impact policy development and implementation at country level. The evidence-based knowledge produced through GRA projects should be first vetted and validated.
4) Dissemination strategy: A challenge to be addressed by the managing/supervising entities is how to share and disseminate information. An effective strategy for dissemination of knowledge to the Partnership with specific attention to the country level context needs to be developed. At the country level, managing/supervising entities should regularly inform the Local Education Group on the progress and findings of GRA activities, and report on how knowledge is discussed and how discussions feed into country level processes.

2.6 Civil Society Education Fund (CSEF)

The Civil Society Education Fund (CSEF) was established in 2008 with a grant of US$17.6 million funded from the closed Education Program Development Fund (EPDF), and has been instrumental in enabling meaningful civil society participation at national level in the planning and monitoring of Education Sector Plans (a total of 45 coalitions were supported, including 28 in Africa, 13 in Asia, and 4 in Latin America/The Caribbean). A second Civil Society Education Fund grant of US$14.5 million was approved by the Board of Directors in December 2012, with UNESCO as the Supervising Entity. Under the management of the Global Coalition for Education (GCE), the program supports National Education Coalitions (NECs) of Civil Society Organizations to (i) participate in the planning and development processes of education policies and sector plans; and (ii) monitor and track overall progress towards the Education for All goals. For this phase, 51 CSO coalitions submitted proposals for funding. 46 of these were approved and were implementing activities by the end of 2013.

The Global Coalition for Education reports that the CSEF program is on track to achieve its current objectives. A major achievement noted in the GPE Civil Society Review is that the fund has been

instrumental in enabling meaningful civil society participation at the national level and in positioning CSOs as credible actors to dialogue with development partners and governments. On the other hand, delays in disbursement of funding have resulted in a number of challenges particularly for coalitions that depend on this funding for program sustainability.

3. Analysis of Implementation Modalities

Alignment on national systems is deeply anchored in both the aid effectiveness and the post-2015 agendas – as well as in the GPE Charter. Building on the 2005 Paris Declaration on Aid Effectiveness, the Busan Partnership defines four shared principles for effective development cooperation: ownership, focus on results, inclusiveness, and transparency/accountability. Strengthening and using national country systems ("as default approach") is a core action for achieving most of these principles, and build effective institutions. These principles are reiterated in the Post-2015 Development Agenda, which calls for a transparency revolution to foster ownership and accountability, and stresses development partners' responsibility to harmonize with national plans and operate through government budgets.

In addition, the Global Partnership for Education recognizes the crucial role of domestic financing and national systems for sustainable education outcomes, and hence the importance of leveraging external funding to improve national systems. This leveraging potential can be realized when a critical mass of external funding aligns to, and engages with, national systems, rather than circumventing them. Quality of education and learning outcomes are critically linked to recurrent expenditure in the Budget: teachers, teacher training, administration services and oversight, school inspection, etc. Having grants aligned on the Budget allows development partners to support the improved management of this expenditure, in addition to more traditional project approaches that finance investment spending (school construction, one-off interventions, etc.). The Global Partnership is committed to encouraging the alignment of its grants on national systems, with appropriate safeguards.

In the 2013 Portfolio Review, grants were classified using four main categories of modalities (following the types of aid distinctions used in the OECD/DAC Creditor Reporting System):

General Budget Support: (GBS): SE disburses funds once certain key conditions (not all necessarily related to education) are fulfilled. With this modality, external aid is comingled with domestic resources. Funds are not traceable through the national budget systems.

Sector Budget Support: SE channels funds specifically to the education sector budget, and grant implementation fully uses country systems. Funds may or may not be traceable through national budget systems.

Pooled Funds Support: This describes a diverse group of grant modalities with varying instruments and mechanisms. The specificity for pooled funds is that multiple contributing partners deliver funds in a coordinated fashion to support a common program. Although actions and interventions are coordinated with funding agreements, funds do not necessarily use national systems

Project Funding: This describes a diverse group of grant modalities with varying instruments and mechanisms. In general, project funding is the modality that is least aligned on national budget systems.

This classification showed that the vast majority of GPE funded programs are implemented through a project modality. This overall picture has not changed during the past year. The table below shows the number of active grants per modality in 2013 and 2014.

	2013 Portfolio		2014 Portfolio	
Modalities	**Number of grants**	**Share (%)**	**Number of grants**	**Share (%)**
General Budget Support	1	1%	0	0%
Sector Budget Support	1	1%	2	3%
Pooled Fund	14	18%	8	14%
Project	62	79%	49	83%
with Supervising Entity			38	64%
with Managing Entity			11[14]	19%
Total	*78*	*100%*	*59*	*100%*

Note: The 2013 Portfolio Review examined all 78 Program Implementation Grants approved since 2003. The 2014 Portfolio Review examined only grants that were active between July 1, 2013 and June 30, 2014.

As indicated in the 2013 Portfolio Review, the use of a project modality does not exclude the use of country systems for the procurement and financial management aspects of administration. Moreover, while budget support per definition assumes use of country systems, this is not necessarily the case for pooled funds, which may or may not involve the use of country systems for procurement and financial management aspects and as such, and may be as diverse or unaligned as "regular" projects.

For the modality analysis of the 2014 Portfolio Review, the Secretariat conducted a desk review of 59 active grants[15]. The assessment methodology is derived from international best practices and the classification of dimensions of aid on budget proposed by the Busan Task Force on Public Financial Management. Limitations of this approach include its pilot nature for the Global Partnership, as well as the fact that the program documents do not necessarily or fully reflect actual implementation arrangements. The results of the analysis nevertheless provide a more nuanced overview of the extent to which GPE support is aligned to national systems. The analysis reveals the following:

On plan: This dimension reflects how aid is captured at the strategic planning stage. As GPE programs by nature support a Sector Wide Approach (SWAP), they score particularly well on this dimension, with all programs (100 percent) aligned to Education Sector Plans. However, this dimension does not provide meaningful analysis in terms of implementation modalities and practices. The Secretariat will work on defining a dimension that can more adequately capture the extent to which GPE grants are integrated in a country's annual planning and budgeting processes.

[14] Yemen's $10M accelerated funding was implemented with UNICEF as the ME but is not counted as a project with ME. For the review on modalities, it is combined with the larger $72.6M grant managed by the World Bank as SE.

[15] The 6 closed grants were not part of the review. In addition, older grants from Togo ($45M), Senegal ($81.5M), and Central African Republic ($37.8M) were omitted because the newer grants were part of the desk review. Lastly, the accelerated funding for Yemen ($10M) and the larger $72.6M grant were considered as one grant for the review on modalities.

On budget/system and Parliament: This dimension assesses how aid is captured in official budget documentation approved by Parliament. Grant documents are generally not explicit enough regarding this aspect, and this dimension could not be assessed through a simple desk review of program documents.

On treasury: This dimension captures to what extent aid is disbursed through the main revenue funds of government and managed through its systems. For 29 GPE grants (49%), the program documents indicate the use of an account at the Treasury or Central Bank, including budget support, most pooled funds and some projects. This comparatively large figure of 49% captures different situations, however. For example, most pooled funds and projects in this category will almost invariably use segregated sub-accounts and are therefore not totally aligned on the national single Treasury account. In the future the Secretariat will try to distinguish these varying situations.

On procurement: 17 program documents (29 percent) indicate that the national procurement law will be applicable. These include twelve projects, though in nearly all cases safeguards are included, and sometimes the SE procurement rules are given clear precedence in case of conflict with national rules.

On accounting: This dimension captures evidence that aid is accounted for using the country's accounting system. According to program documents, this is the case for 21 GPE grants (36 percent). This does not preclude other projects from transferring their accounting data into the government system at a later stage, so the actual number may be higher.

On audit: This dimension reflects how aid is included in government's audit process and reports. The Supreme Audit Institution is responsible for the external audit of 18 out of 59 GPE grants (31 percent).

On report: This dimension assesses how aid is reported in official government ex ante and ex post (financial and non-financial) reports. Information provided by the desk review is not sufficient to assess this dimension.

The analysis demonstrates that GPE grants actively contribute to the use of national systems to varying degrees. Only 18 grants (31 percent) do not use any of the assessed dimensions (except for the planning dimension); these include some grants in particularly fragile contexts.

The desk review also establishes that program documents do not always clearly indicate the use of country systems, nor do they always explain why certain dimensions of country systems are not used. In the revision of the Quality Assurance Review process to adapt to the new funding model, the Secretariat will ensure a more comprehensive exchange of information on the different dimensions of the use of country systems, and will recommend that the potential use of country systems be taken more explicitly into account when selecting supervising/managing entities, and that use or non-use of country systems is explicitly reported in grant application forms. Emphasis will be put on dimensions that are both low-risk and highly related to education sector management. In line with the mandate set out in the GPE Charter, the Secretariat will encourage, where possible, a qualitative inclusion of the program's budget

in the government budget law and integration of financial results in government accounts. In so doing, the Secretariat will work on reinforcing GPE's commitment to development cooperation effectiveness and better alignment on national systems.

4. Analysis of Administrative Costs

The Secretariat prepared an analysis of the costs associated with the supervision and management of GPE grants in October 2013, based on grants approved between December 2011 and May 2013. The Board of Directors requested that the Secretariat continue to monitor and analyze supervision, agency, and direct management and administrative costs on an ongoing basis and provide this information in the annual Portfolio Review report. A description of the type of costs is included in the table below.

Type of Cost	Description and Purpose
Supervision Allocation (*Supervising Entities Only*)	• Supervising Entities are eligible to receive funding for the period of the program, plus an extra year to cover 6 months prior to the start of grant implementation and 6 months following the close of implementation. • GPE has guidelines that permit higher amounts for supervision allocations in fragile and conflict affected countries, and adopt a tiered approach based on the size of the grant to reflect the different levels of risk and therefore supervision and support required from the SE. • Supervision Allocations are identified in the application separately from the allocation to the country. A supervision allocation can be used flexibly by the Supervising Entity to fulfill its roles and responsibilities related to supervision of an approved allocation.
Agency Fees *(Supervising and Managing Entities)*	• Agency fees required by the Supervising and Managing Entity to manage the funds are determined by the agency's own internal regulations. Agency fees are identified in the application separately from the allocation to the country. Agency fees are typically used to assist in the defrayment of administrative and other costs incurred in connection with the management and administration of grant funds. • Agency fees are typically expressed as a percentage of the amount of the grant allocated to the country. Costs have so far ranged from 0 percent to 8 percent. For newly eligible INGO's the costs are capped at a maximum of 7 percent of the grant amount (including amounts allocated to Sub-Recipients for agency fees).
Direct Management and Administrative Costs (Managing Entities and other Implementers)	• The direct administrative costs of managing a grant (e.g. the salary of a program manager etc.) are charged to the grant itself (i.e. payable from the country's allocation) provided they are not included as part of the agency fee and therefore are **not additional** to the approved allocation. • These costs are typically included in the proposal application and there are currently no limits on the percentage or dollar value of the grant that these costs may incur. • In the case of a Supervising Entity arrangement, administrative costs of the government or other implementing partners would also typically be included in the application budget.

Between July 2013 and June 2014, the total value of the allocations related to Program Implementation Grants amounts to US$774 million of which US$54.3 million is comprised of agency fees, supervision allocations, and direct program management and administration costs that are included within the actual grant amount. As a percentage, these fees comprise **7 percent** of the value of the allocations.

When combined with all Program Implementation Grants approved in the December 2011 to June 2014 period, the figure is US$1.9 billion approved, of which US$164 million represents agency fees,

supervision allocations, and program management and administration costs built into the grant. The overall percentage of supervision, agency, and direct management and administrative costs of the total allocations approved has been reduced to 8.6 percent compared to the figure reported in November 2013 of 11 percent.

Type of Arrangement	Total Approved Value of Allocation (Dec 2011-June 2014)	Agency/Supervision and Direct Management & Administrative Costs %
Managing Entity	US$162m	13.85%
Supervising Entity	US$1,741m	8.11%
Total	**US$1,903 m**	**8.6%**

Examples of positive efforts to reduce these types of costs in the past year include Cameroon, where the Government is financing all the management and administrative costs of the grant. In Tanzania, the Swedish International Development Agency (SIDA) is not charging any agency fee for taking on the role of Supervising Entity.

Typically, fragile states and smaller grants continue to account for higher percentage-based administrative costs, while larger grants and joint funding arrangements typically incur reduced administrative costs when expressed as a percentage. Managing Entity costs tend to be higher because only UN agencies are currently carrying out this role and their agency fees are in the range of 7-8% of the grant value.

Country Status	Total Approved Value of Allocation (Dec 2011-June 2014)	Agency/Supervision and Direct Management & Administrative Costs %
Fragile or Conflict Affected Countries	US$1,112m	10.74%
Non-Fragile or Conflict Affected Country	US$791m	5.58%
Total	**US$1,903m**	**8.6%**

Grant Size	Total Approved Value of Allocation (Dec 2011-June 2014)	Agency/Supervision and Direct Management & Administrative Costs %
Less than US$10 million	US$59m	16.38%
Greater than US$10 million	US$1,844m	8.35%
Total	**US$1,903m**	**8.6%**

The Global Partnership does not have its own defined budget categories and relies on the classification of costs provided by the Supervising and Managing Entities when submitting proposals. Therefore, the information on these costs can be distorted where management and administrative costs cannot be separated from technical assistance/capacity building costs. The Secretariat does not believe this has too much of a distorting effect on the overall numbers as it is possible that there are cases where capacity building or other components also have administrative costs included within the categorization.

5. Update on 2013 Portfolio Review Recommendations

Five key issues with associated recommendations were raised in the 2013 Portfolio Review. The following is an overview of actions taken on these and their status in 2014.

Issue 1 – Implementation Arrangements

The 2013 Portfolio Review summarized this issue as follows:

There is little evidence of progression towards increased use of the most aligned modalities, with the majority of the portfolio using a Project modality and within these, only a small number fully using national systems.

Further reflection is needed around implementation arrangements and potential strategies and incentives to optimize the use of context-appropriate modalities that maximize capacity building through the use of country systems. This should include increased use of pooled funding in fragile contexts.
An opportunity to create incentives could be developed as part of any revisions to the funding model for the next replenishment period, although significant additional analysis of the options and implications would be required before any decision could be taken.

The following actions have been taken by the Secretariat:

- Further analysis is included in this Portfolio Review, focusing on the use of national systems.
- In the context of the rollout of the new funding model, the on-going revision of the Quality Assurance Review proposes a more targeted and up-front focus on the identification and promotion of context-appropriate modalities and capacity building for greater use of country systems.
- Incentives for the use of more aligned modalities were raised with the reference group and Board during the development of the new funding model, but it was decided not to provide direct incentives for more aligned modalities in the model.

Additional actions recommended:

- To facilitate monitoring of the use of aligned modalities, GPE application formats need to be adjusted to explicitly request information on the use of government systems, broken down into categories such as those used in this Report's analysis.
- Development partners at country level and global level need to work within a clearer framework of mutual accountability when it comes to modality decisions at country level. Development Partners' own decisions on modalities in a given context have an impact on the availability of aligned modalities for GPE funds, and these decisions are sometimes made at country level without significant guidance from headquarters or those who are directly involved in GPE

governance. A broader analysis of trends, issues, capacities and results could help the Global Partnership move forward towards the Strategic Goal of Building for the Future.

Issue 2 – Implementation Readiness

The 2013 Portfolio Review summarized this issue as follows:

There continues to be a significant gap between the date of Board approval (on average 128 days between Board decision and first disbursement), and when implementation actually commences.

The need to pay closer attention to implementation readiness during the program approval stage is one area that may need to be addressed as part of the Quality Assurance Review (QAR) and FAC review stage.

Consideration might also need to be given to additional scrutiny of grant signing timeframes, but also to monitoring the date that implementation actually commences at the country level.

The following actions have been taken by the Secretariat:

- The Policy on Timeframes for Grant Agreement Signing and Implementation and Procedures for Proposed Revisions to Implementation Grant Programs is being replaced by a proposed Policy on Education Sector Program Implementation Grants.
- The on-going revision of the Quality Assurance Review process in the context of the rollout of the new funding model will strengthen attention to implementation readiness.

Issue 3 – Supervising versus Managing Entity

The 2013 Portfolio Review summarized this issue as follows:

The terminology around grant supervision should be reviewed, since the distinction between SE and ME is not always clear and both use a range of implementation arrangements. At present, Supervising Entities are entitled to supervision allocations that are additional to the grant amount, while Managing Entities cover their costs from within the grant amount. Both Supervising and Managing Entities may use government systems, and within both categories there are grants implemented in project mode.

As GPE relies on the policies and procedures of its partner organizations, there are differences in the approach taken to these roles, and it is recommended that further analysis be undertaken and guidance provided as to whether these roles are distinct, or rather the role is essentially the same, but with differences in implementation and oversight arrangements based on the partner organization involved and the characteristics of the country and grant.

The following action has been taken by the Secretariat:

- An overview of issues and considerations was presented to the Governance, Ethics, Risk and Finance Committee in May, 2014, but no recommendation was made.

Additional actions recommended:

- The elaboration of new SE/ME roles should be considered in conjunction with the ongoing work on risk management and the development of GPE's next strategic plan.
- A change in terminology, to one single term, should also involve identifying a more collaborative term that highlights government leadership, such as Partner Agency.

Issue 4 – Reporting Requirements

The 2013 Portfolio Review summarized this issue as follows:

GPE policy to date is to rely on the policies and procedures of its partner organizations, including those related to reporting requirements. As the Global Partnership is not prescriptive in terms of the requirements of what to report, when to report it, and in what format, there is a significant challenge for the Secretariat and demand on human resources in collecting information, analyzing it, and reporting back to FAC and Board of Directors in a way that meets their needs. As the Global Partnership continues to diversify the number of SEs and MEs, this challenge will grow.

An example of this is tracking disbursements. As GPE is hosted within the World Bank, the Secretariat can access disbursement information from the World Bank to Developing Country Partners in real time. Where entities other than the World Bank are SE or ME, the Secretariat can track disbursements from GPE to those Entities in real time, but it does not have a systematic way of obtaining information on expenditure or disbursement of funds to those Developing Country Partners other than in cases where the SE or ME reports this information to the Secretariat based on their own reporting formats and frequency.

A potential way to address this issue is to introduce standardized reporting requirements or be more prescriptive in the information required of SEs/MEs and Developing Country Partners both in the application documents and in reporting on implementation and use of funds. However, due consideration needs to be considered to the trade-off between additional requirements for SE/MEs and Government partners on the one hand, and promoting greater harmonization and alignment on the other. Further consideration needs to be given to the need to report on GPE-specific grant funding versus the Education Sector, taking into account that in the more aligned modalities, reporting on Education Sector Progress in general will be the norm, given that GPE funds are not allocated to specific activities.

The following actions have been taken by the Secretariat:

- A system is in place for monitoring disbursements from MEs to government/implementing partners.
- The Secretariat has conducted a preliminary analysis of 'lowest common denominators' in terms of content of reports from the main SEs and MEs (World Bank, UNICEF, UNESCO) in order to determine what common information could be extracted from existing reporting formats.
- Standardized reporting formats have been developed for Education Plan Development Grants and Program Development Grants.

Additional actions recommended:

The development of the new funding model has taken precedence over the work on reporting standards, and new grant guidelines are being developed for its rollout. As long as there is no agreement on a set of indicators that should be monitored in all GPE grants, it has been difficult to establish a common framework for reporting on results across grants. The new funding model is providing some guidance for a common standard with its focus on indicators related to efficiency, equity and learning. A pragmatic approach needs to be taken to this issue, however, and standardization needs to be weighed against the diversity of contexts in which the Global Partnership operates and what this means in terms of the level of indicators monitored (process, output and outcome).

Issue 5 - FAC recommendations

The 2013 Portfolio Review summarized this issue as follows:

While the FAC provides comments to the LEG with each proposal that the Board approves, there is evidence that some of these comments may not be clear to the LEG or counterproductive considering the context. As a result, the follow-up of FAC comments has not been consistent across the portfolio.

It is therefore recommended that the FAC provide greater clarity in the comments in order for the LEG to take action on them, and for the FAC to set clear expectations on whether a comment is purely for consideration and may be rejected after due consideration by the LEG, or is a critical issue that the FAC expects to be implemented. In these latter cases, comments should be specific and actionable with implications on funding if the issue is not appropriately addressed.

The FAC could also consider introducing a process whereby the LEG would have the opportunity and responsibility to formally consider and respond to the FAC comments.

The Secretariat recognizes that it also needs to improve its guidance to the FAC when comments are being formulated at the FAC meetings in order to alert the FAC to any unintended consequences that these comments may create.

The following actions have been taken by the Secretariat/FAC:

- At the October 2013 FAC meeting, following review of the Portfolio Review report, a new system was adopted which separated comments into remarks and comments for follow-up. This system has been adopted by the Country Grants and Performance Committee. Follow-up points are systematically monitored and reported in the Country Pages in the 2014 Portfolio Review.