KNOWLEDGE AND INNOVATION EXCHANGE

For Decision

Please note: Board papers are deliberative in nature and, in accordance with the GPE Transparency Policy, are not public documents until the Board has considered them at the Board meeting. It is understood that constituencies will circulate Board documents among their members prior to the Board meeting for consultation purposes.

1. STRATEGIC PURPOSE

1.1 This paper recommends key design features of the Knowledge and Innovation Exchange, a reinforcing mechanism approved under GPE's Financing and Funding Framework. As requested by the Board [BOD/2017/03-06], the KIX mechanism is aimed at advancing knowledge, innovation and exchange of good practice across the Partnership as envisaged in BOD/2017/03 DOC 3 – Annex. Further details about the design proposed in this paper are captured in a Technical Annex: KIX Detailed Design Considerations, which is available on the ETeam Site.

Summary of Strategy & Impact Committee Deliberations:

- The SIC endorsed the principles for KIX and refined the proposed goals and objectives. It emphasized that KIX should be clearly positioned as the mechanism for GPE knowledge sharing and innovation, as a means of demonstrating the Partnership's value-added as a convener of good practice, an enabler of effective approaches, and the go-to broker of education sector innovations.
- After substantial discussion, the majority of committee members agreed to an iterative approach for the development of KIX, focusing on four themes to start, with further evaluation of additional themes to be decided by the Board by December 2018. However, some committee members argued that narrowing the initial list of priorities to four themes in the first year could delay progress in thematic areas needed to realized GPE 2020 and SDG4, and might render KIX less responsive to the very diverse needs of the Global Partnership's 89 member countries.
- The initial four themes have been selected on the basis of their link to GPE 2020 and the findings of the Results Report: Learning Assessment Systems, Early Childhood Care and Education, Gender Equality, and Data Systems.
- The committee requested that the description of the KIX learning exchange function and knowledge and innovation funding clearly demonstrate how KIX will benefit GPE's core operating model i.e. support for systems strengthening through financing of sector planning, and sector plan implementation (ESPDGs, ESPIGs).
- The committee requested more detail on the management arrangements and start-up costs proposed, including capacity needed to ensure a successful roll out of the mechanism.
- Some committee members asked that KIX be focused on free publicly funded education and that eligibility of for-profit entities be described accurately using past Board language pending approval of the Private Sector Engagement Strategy.

2. EXECUTIVE SUMMARY

2.1 The key design features proposed in this document position KIX to be the mechanism through which GPE will harness the full knowledge and innovation[1] capabilities of its members, as well as non-traditional partners, to amplify the impact of GPE support for education systems through improving sector plans and their implementation. In doing so, KIX will enable the Global Partnership to fully capitalize on the expertise, capabilities and knowledge assets of its membership in direct support of developing country partners and national education systems. KIX will have a mandate not only to accelerate progress towards GPE2020, but towards longer term goals, notably

[1] Throughout this document, the term "Innovation" is used to capture "the successful exploitation of new ideas that create value at scale and can apply to products, processes, strategies and approaches." In GPE's context, successful innovation is defined as the successful exploitation of a product, process, strategy or approach that alters the effectiveness of education systems.

the 2030 Sustainable Development Goals Agenda. This longer-term view will require on-going iteration, continuous learning, and the emergence of new thematic areas and ways of working.

2.2 The operational and management approaches proposed are in line with the Board's direction for KIX to be managed in a manner that will both ensure strong linkages to core country level processes (through embedding a Learning Exchange function within the Secretariat) while also ensuring administrative and technical resources can be deployed in a flexible way via the engagement of a technical contractor to support design and implementation efforts. Based on lessons learned from GRA, the Knowledge and Innovation funding will be administered by one or more third party Grant Agent(s), selected to minimize potential conflicts of interest and transaction costs at the country level.

2.3 The launch plan as envisioned by this document calls for KIX to be operational by December 2018 and the first round of calls for proposals launched no later than early 2019 . Realizing this timeline will require the immediate launch of technical design work for four themes in January of 2018 – Learning Assessment Systems, Early Childhood Care and Education, Gender Equality, and Data Systems, as well as further analysis on additional thematic areas that could serve as the basis for additional KIX themes. Alongside this will be the rapid operational launch of the Learning Exchange function, initiating systems for knowledge mobilization and peer learning. Realizing this ambitious plan will require an initial budget allocation of $1.5M to cover the initial operating costs, including the engagement of additional technical and administrative capacity for the thematic design work, launch of the Learning Exchange, and design of funding programs. Please refer to Section 8 of the "KIX Annex Technical Design" Paper available on ETeam Site for a more detailed set of specific milestones.

3. RECOMMENDED DECISION

BOD/2017/12 XX—<u>Knowledge and Innovation Exchange:</u> The Board of Directors:

1. Approves the design features for the GPE Knowledge and Innovation Exchange (KIX) aimed at accelerating progress towards GPE2020, and longer term realization of 2030 Sustainable Development Goals. KIX will enhance the exchange of knowledge, innovation and good practices across the Global Partnership, with the Goal, Objectives, Components and Theory of Change (including operational components) as stated in this document [BOD/2017/12-DOC 09].

2. Agrees that the KIX program of work will start with four initial themes: Learning Assessment Systems, Early Childhood Care and Education, Gender Equality, and Data Systems, and requests the Strategy and Impact Committee to guide the selection of additional thematic focus areas with a final decision by the Board by December 2018.

3. Delegates authority to the Strategy and Impact Committee to oversee the launch of KIX up to the end of December 2018, which would include:
    a. Approving the criteria and procedures for selection of the grant agent(s);
    b. Approving the work plan and operating budget for Year 1 of KIX's work (FY2019);
    c. Agreeing to selection criteria and procedures for soliciting and reviewing competitive calls for funding under each thematic area;
    d. Approving the approach to reporting, results monitoring, evaluation, risk management, and grant extension or restructuring;

4. Approves a budget request of $1.5 million as an initial allocation to cover initial administrative and operating costs and to support further technical design work needed to launch KIX over a 12-18 month period.

4. BACKGROUND

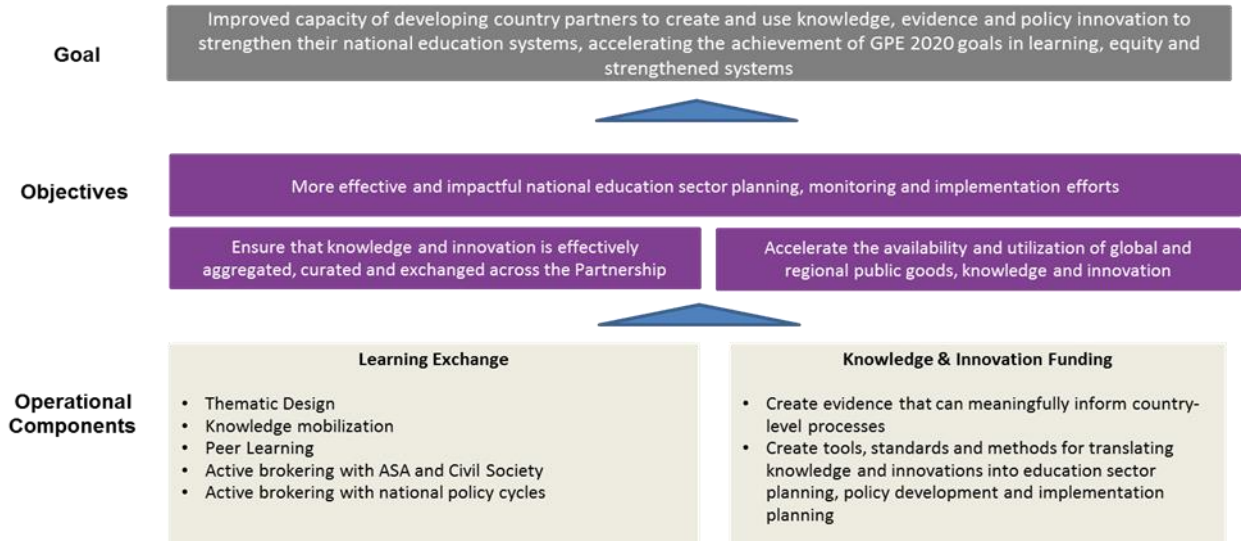
4.1 In March of 2017, the Board approved the establishment of a Knowledge & Innovation Exchange mechanism that "emphasizes the importance of accelerating progress towards GPE 2020 goals by building and harnessing GPE members' knowledge and innovation capacity, amplified by catalytic partnerships with non-traditional partners and bolstered by vibrant exchange both within and beyond the Partnership to develop global public goods" [BOD/2017/03-06]. The Board requested that the mechanism focus on global and regional-level activities, public goods and peer exchange.

4.2 The design of the KIX has benefitted from significant discussion and consultation across the Partnership. The SIC reviewed principles, objectives and specific operational components of KIX during two committee meetings. SIC members have also led extensive consultations among their representative constituencies. The Secretariat also held consultations with Developing Country Partners at a Design Workshop in Washington DC, and CSOs were consulted via webinars and

through the CSO constituency representatives on SIC. Consultations were conducted with Foundation partners via two audio meetings convened by the International Education Funders Group; and a round table with potential Foundation partners was convened on the margins of UNGA. Alongside these consultations, Dalberg Advisors and the Secretariat completed a comparator analysis to benchmark organizations funding similar programs – particularly, learning exchange platforms and direct investments into research, tools, and innovative solutions to policy and programming. They also undertook a market analysis of foundations' investments in knowledge and innovation in global education to determine how and in what areas they currently support, understand what types of partnership opportunities they are seeking, and gauge the potential for partnership with other funders either through co-financing or aligning programmatic efforts. Finally, the Secretariat conducted a review of previous relevant GPE investments (i.e. GRA, KGPE) and developed a paper on the lessons learned from those experiences. Please refer to the ETeam Site for these documents.

5. KEY DESIGN ELEMENTS OF KIX

5.1 Theory of Change. KIX will be designed to deliver on the following Theory of Change.



5.2 Operational Components: Overview. KIX will have two operational components: the Learning Exchange, and Knowledge & Innovation Funding. These two components will be designed to work in close alignment with one another and the Advocacy and Social Accountability (ASA) mechanism. The Learning Exchange will serve as an overall coordination platform with a range of

functions, and will support the solicitation of funded proposals for knowledge and innovation activities in selected thematic areas. The Knowledge & Innovation Funding will then be deployed through the solicitation of proposals for implementation activities. Both of these components will be designed to reinforce GPE's support for national education systems and country-level policy processes. KIX will disseminate, amplify and fund the development and uptake of knowledge tools and resources that are designed to be applied within the context of Education Sector Planning process, or to support effective Sector Monitoring and Joint Sector Reviews, linking closely to work supported through ASA.

5.3 The Learning Exchange will serve as the overall program management function of all KIX activities. It will also deliver specific offerings including the design of KIX themes, coordination of peer learning, mobilization of knowledge from across GPE's operations and serve as the learning platform in support of ASA. The Exchange will be positioned primarily as a broker, so that the extensive knowledge and innovation capabilities of existing GPE members can be more effectively leveraged. The Exchange will be designed to uphold very rigorous technical standards, to ensure that knowledge that it transmits is validated, credible and widely available. The Learning Exchange will follow international standards of transparency and aim to ensure that the knowledge curated under the Learning Exchange is made publicly available as a "global good." The Learning Exchange would also act as the clearing house for tools, guidelines and operational research prepared as part of other operational workstreams - for example, for new tools on Joint Sector Review standards, domestic financing and any outputs from the exploratory work on Risk Reduction and Risk Financing for Education. It is recommended that the initial budget allocation for the Learning Exchange will be 20-25% of the total allocation to the KIX mechanism.[2]

5.4 Knowledge and Innovation Funding. A pool of funding comprised of between 75-80% of the KIX funding allocation will be used to support the implementation of knowledge and innovation activities. Funding will primarily be used to support global and regional activities, public goods and peer exchange, that are designed to be applied in the context of GPE support for education sector planning and sector plan implementation, and their monitoring (as through joint sector review processes. The exact mix of knowledge and innovation activities will be tailored to each specific

[2] A $60 million allocation is recommended per BOD/2017/03-07 and in the FRC recommendation on allocations presented to the BoD for December 2017. In the case of a $3.1 billion replenishment, the FRC has recommended that $150 million would be available to KIX, requiring further decision about the level of allocations to initial KIX themes.

theme based on an assessment of national needs and GPE's comparative advantage, and consultation with DPCs. KIX funding for innovation will target successful exploitation of a product, process, strategy or approach that aims to alter the effectiveness of education systems. The application process will be geared towards regional and global actors that can develop tools, approaches and support innovation efforts that in turn, will benefit Developing Country Partners. KIX funds will not be allocated to activities that can be accomplished through GPE's country level grants (ESPDGs or ESPIGs), but will seek to reinforce and enhance their effectiveness. The KIX funds will be awarded on a competitive basis, using a variety of modalities - including challenge funds, prizes, crowd sourcing, co-creation, matching funds, market-shaping mechanisms, co-financing facilities, technical assistance funding, and research/evaluation funding, based on the requirements of the specific knowledge or innovation goal being funded[3]. Efforts will be made to attract a diverse array of applicants for the funding, especially from actors that have traditionally not worked with GPE but have considerable innovation or knowledge capabilities. Eligibility of for-profit entities to participate in funding opportunities will be informed by the Private Sector Engagement Strategy. Until that time, organizations that operate for-profit, fee-paying schools will be ineligible.

5.5 Thematic areas of focus. The Board directed SIC to design KIX to focus on a small number of thematic areas.[4] After deliberation and constructive dialogue, the Committee took the decision to adopt an iterative approach to selecting what these themes should be. Specifically, the decision was made to identify four initial themes that could serve as the basis for initial prototypes of KIX Thematic Initiatives. This decision to launch with a smaller number of themes is rooted in the strong desire to set KIX up for success by focusing efforts on delivering a small number of initial thematic initiatives well, and then broadening to new thematic initiatives based on lessons learned. The SIC considered a range of criteria for selecting initial priority thematic areas, including the scope and scale of the challenge, criticality of the theme to realization of GPE2020 as revealed by the Results Report, and GPE's comparative advantage in providing goods in each area. One theme, Gender

[3] As stated in BOD/2017/03/DOC 3, Annex 1

[4] BOD/2017/03-06 Financing and Funding Framework. Recommends commissioning of a design based on the Technical Annex that accompanied the Board's approval of the Funding & Financing Framework [BOD/2017/03 DOC 03 – Annex 1]. This technical annex states that "number of overall thematic domains selected would be kept to six or fewer," and proposes that the "SIC committee will draw on thematic areas pre-designated for consideration in GPE's original KGPE strategy."

Equality, was mandated by the Board as KIX thematic area.[5] The SIC also notes that the current pilots underway in Learning Assessment Systems as well as Early Childhood Care and Education offer momentum upon which to elaborate more comprehensive programs of investment. Finally, the GPE Results Report and DCP consultations highlighted the criticality of supporting all GPE countries to strengthen their Data Systems, as a means to drive impact across multiple other priority area. Accordingly, the SIC recommends that KIX funding be initiated in these four areas in 2018, beginning with further consultations and mapping of key areas for KIX investment. Five other themes were identified as being of critical importance: Strengthening Sector Analysis, Planning, Financing and Data Systems; Strengthening Monitoring and Mutual Accountability; Teaching and Learning; Equity and Inclusion; Education in Conflict and Fragile Settings (including resilience, preparedness and education for displaced and refugees). The SIC recommends that by May of 2018, a process is agreed to further assess how additional KIX themes will be refined and/or prioritized, with a final decision by the Board by December 2018.

5.6 Management Considerations- Learning Exchange: It is recommended that the Learning Exchange function be embedded into the Secretariat, with the support of a third-party organization that can provide additional technical and administrative support. This model will ensure that core learning functions are made available across the partnership, and used to reinforce GPE's country level work, while also ensuring that sufficient administrative and analytical capacity can be made available on a flexible basis to implement the various KIX components. An initial budget allocation of $1.5 million is requested to cover the "start-up" costs of KIX which would include arranging for third party technical partner(s) that would support the analytical refinement of each of the four initial thematic programs of work, developing and launching an online platform, and the operational costs of consultative processes (see the KIX Technical Annex for further details).

5.7 Management Considerations: Knowledge and Innovation Funds: For the administration of the Knowledge and Innovation Funds one or more external grant agents will be required. It is strongly advised that these grant agents not be direct implementers of KIX activities so as to prevent conflicts of interest, in line with key lessons learned from the GRA experience. It is further recommended that technical panels be established to strengthen the overall rigor and independence of KIX funding decisions. A panel would be recruited for each round of KIX funding and would be comprised of a

[5] BOD/2017/03-03 (item 5.13) references the need for gender equality to "remain one of the 6 thematic focal areas for knowledge and innovation exchange"; while also mandating that the incorporation of resilience and preparedness in KIX work.

diverse group of 5-7 technical experts that bring specific expertise in the fields of innovation and knowledge pertinent to the thematic focus area. Panel members for each round will be selected to avoid potential conflicts of interest. The Technical Panels may also provide guidance on good practice in undertaking calls for proposals, in particular how to structure each round of funding to as to realize the innovation and knowledge objectives, including the selection of the appropriate grant modality (i.e., traditional grant making or other instruments such as challenge funds, matching funds, etc.).

5.8 Financing and Funding allocations for KIX: As per [BOD/2017/03 DOC 03], the target level of funding for KIX is equivalent to at least 5% of GPE's current annual disbursements. The financial forecast under consideration by the FRC (FRC/2017/10 Doc 2) proposes that a "minimum of $40 million be set aside from the pooled fund for KIX, with $20 million to come from targeted contributions." (p. 14/15). The initial budget allocated for knowledge and innovation funds will 75-80% of the KIX envelope, likely in the range of ~$35- 45 million over 3 years, assuming a minimum $60 million allocation for KIX, with the remaining 20-25% of KIX funds earmarked for the Learning Exchange. A minimum of $ 5 million will be allocated for KIX Funds for each selected theme in order to ensure adequate depth of investment. Grants/funded activity sizes will range depending on the complexity and scope of proposals, but would likely fall between $500,000 and $ 3 million; while grants will be a minimum of 3 years and a maximum of 4 years in duration.

5.9 Governance: The Governance and Ethics Committee (GEC) as part of its regular updating of committee Terms of Reference will review which committee should have on-going oversight of KIX once it is fully launched. The GEC will complete this review and make a recommendation to the Board by the end of 2018.

5.10 Operationalizing KIX in Year 1: Under any management scenario, the Secretariat will face immediate and time sensitive deadlines for launching KIX and completing further design of the KIX themes. To ensure KIX success, it is recommended that the Secretariat engage technical partner(s) to provide design, implementation and administrative support over a 12-18 month period, from January 2018 to early 2019. This support will be essential to the elaboration of the first calls for proposals in the first four thematic areas, and will include initial "start-up" costs such as launching an online platform, facilitating consultations in support of the technical thematic design efforts, and building an internal mapping of existing knowledge resources from across the Global Partnership. Such support will also provide an important bridge in staffing capacity whilst some of the staff to

play dedicated KIX functions are recruited and on-boarded. The Board is requested to approve a budget of $1.5M to cover these costs over a 12-18 month period.

6. KEY CONSIDERATIONS

6.1 These design features reflect extensive feedback provided by GPE Constituencies throughout the KIX design process. DCPs emphasized the importance of engaging them as producers of knowledge and innovation, called for a strong emphasis on peer exchange opportunities and cautioned that the effective transfer of knowledge is dependent on how relevant it is to local contexts. Consultations with CSOs supported the comments made by DCPs on the centrality of DCPs as producers of knowledge, the importance of KIX themes being relevant to context and the context-dependency of knowledge and innovation transfer. CSOs also expressed the view that KIX must reinforce the realization of free publicly funded education at the primary and secondary level, and should prohibit for-profit private firms and enterprises from accessing KIX funding. Bilateral donors and foundations expressed strong interest in the opportunity to more effectively link their own knowledge and innovation efforts to country-level policy processes. Multilateral organizations noted the opportunity to more effectively leverage existing knowledge and innovation efforts into GPE processes.

6.2 The two points that received the most level of discussion by the SIC and broader GPE constituencies are somewhat inter-related: the question of how to sequence the design and launch of the KIX themes, and the question of how to allocate this work across the Secretariat and other organizations, both within and beyond the Partnership. At the root of the decision to prioritize a smaller number of themes is the consideration of implementation capacity of the Secretariat, as well as the need to conduct further analysis on GPE's comparative advantage in some of the thematic areas. Even in a scenario where a third party is engaged to provide a surge in technical capacity, the Secretariat would still need to provide direction, quality assurance and oversight to this work. However, some committee members expressed concern that the initial prioritization of only four themes may lead to inadvertent delays in much-needed progress in some of the other key thematic areas in order to realize GPE2020 and SDG4.

6.3 The related consideration is the extent to which, both in the launch and implementation phases, KIX functions should be embedded within the Secretariat or allocated to other organizations, contracted to design, administer and implement KIX functions. There are some concerns that over-reliance on outsourcing of knowledge brokering may lead to a repeat of the GRA experience where

funded-activities operated at a distance from core country-level processes with little attention to synergies and learning across activities. On the other hand, it was also noted that there are extensive capabilities resident within the Global Partnership that should not be displaced or duplicated by a more robust learning exchange function within the GPE Secretariat. The recommendations put forth in this paper are an effort to strike a pragmatic and balanced approach on both questions.

6.3 There was strong consensus that the design of KIX represents a unique opportunity for the Global Partnership to continue its evolution as a strategic partner to Developing Countries in education system strengthening. While KIX was originally envisioned as a funding mechanism in the Funding & Finance Framework, this design document envisions KIX as the overall learning, knowledge and innovation function that can reinforce and amplify the Partnership's work, fostering a much stronger and vibrant Global Partnership model.

7. IMPLICATIONS FOR SECRETARIAT RESOURCES AND RISKS

7.1 Staffing: Staffing implications for the Secretariat are a function both of the total size of replenishment and the role that the Secretariat will play relative to other parties. For the purpose of the analysis below, we use the minimum of $60 million in funding available for KIX. At this minimum level, Dalberg Advisors has assessed that the management of KIX will require the equivalent of 5 FTE, including a full time senior technical lead, a junior technical lead, and two operations officers to oversee contracting arrangements and ensure monitoring of grantees. In addition, dedicated support from thematic area specialists within existing Secretariat capacity will be required for each theme. The HR plan being presented to the Board includes a request for a Senior Technical lead, and an Operations Officer. The remaining capacity requirements will initially be met from existing headcount in the Strategy Policy and Performance team.

7.2 Additional Resources: It is estimated that the equivalent of 3% of the value of the overall resource envelope for KIX would be needed to support a mid-term and final evaluation of the program, which would be conducted a third-party vendor.

7.3 Risks: The GPE Risk Framework tracks the following risks related KIX "1.1.3. The risk that the Global Partnership fails to leverage the global and cross-national knowledge and innovation exchange for improved education policies and systems and a stronger aligned partnership at the national level." The detailed design paper includes additional risks and mitigation actions, including: a) the risk that KIX mechanisms do not leverage national systems and increase fragmentation; the

risk that KIX grant agent(s) are not contracted in a timely manner; the risk that efforts to raise targeted financing are not successful; and the risk that the Secretariat capacity is insufficient for mounting the learning exchange and funding components of KIX in a timely manner.

8. NEXT STEPS

8.1 After the Board decision, the Secretariat will proceed to recruit an organization to support the establishment of the Learning Exchange and development of detailed technical assessment and investment plan for each of the initial four selected themes. It will also continue with further operational planning, including consideration of potential grant agents for KIX funding and development of criteria for selection of grantees in each thematic area.

8.2 According to the detailed timeline presented in the technical design paper, a call for funding will be issued no later than November 2018, with initial grantees selected no later than January 2019.

9. PLEASE CONTACT KAREN MUNDY at: karen.mundy@globalpartnership.org for further information.

10. ANNEXES/ REFERENCE(S) AND GLOSSARY

Annex 1: Further details on the technical design considerations for KIX.

11. REFERENCE(S) AND GLOSSARY

The following documents are also available on the Eteam site:

- KIX Thematic Prioritization Analysis
- GRA and KGPE Lessons Learned paper
- Comparator Analysis slide deck
- Market Analysis slide deck
- Consultation summary

Glossary:

Innovation: Throughout this document, the term "Innovation" is used to capture "the successful exploitation of new ideas that create value at scale and can apply to products, processes, strategies and approaches." In the context of KIX, innovation is defined as any activity that targets the

successful exploitation of a product, process, strategy or approach that alters the effectiveness of education systems.

Global Good: **a global public good** is a good available on a more-or-less worldwide basis – with knowledge being one of the most often described global good. Under the KIX mechanism all knowledge created or brokered will be made widely and freely available as a public good. GPE is committed to transparency and open access to information.

TECHNICAL ANNEX 1: DETAILED DESIGN CONSIDERATIONS FOR KIX

For Information

Please note: Board papers are deliberative in nature and, in accordance with the GPE Transparency Policy, are not public documents until the Board has considered them at the Board meeting. It is understood that constituencies will circulate Board documents among their members prior to the Board meeting for consultation purposes.

1. BACKGROUND

1.1 KIX, GPE2020, and the Global Partnership's Financing and Funding Framework. In March 2017 the Board adopted KIX as a "reinforcing mechanism" within the suite of financing and funding tools that Global Partnership will use to achieve GPE 2020 and the realization of SDG4. GPE2020 recognizes that collectively, the knowledge assets and innovation capabilities of the full Global Partnership is among its most powerful and least utilized asset for accelerating progress towards achieving the partnership goals in the areas of learning, equity and strengthened education systems. Specifically, the KIX mechanism operationalizes SO1: Strengthening Education Sector Planning and Policy Implementation – "Enhance sector plan implementation through knowledge and good practice exchange;" and SO5: Build a Stronger Partnership – "Effectively use global and cross national knowledge and good practice exchange to bring about improved education policies and systems, especially in the areas of equity and learning."

1.2 Lessons learned from past investments and implications for KIX design: The SIC reviewed lessons learned from GPE's GRA grant activities and its three KGPE pilots and highlighted that the design of KIX must take into account the lessons learned from the GRA program, particularly:

1.2.1 The need for a much stronger link between the knowledge generation process, resulting knowledge products and GPE country-level processes, including through knowledge translation and mobilization efforts;

1.2.2 The importance of a grant making and governance protocol that safeguards against conflict of interest, and encourages developing country engagement and a role for a more diverse range of partners from developing countries;

1.2.3 The importance of strong and realistic early design of activities (to avoid for frequent restructuring and extensions);

1.2.4 The importance of co-construction and collaboration with funders, in the design of grants and activities;

1.2.5 Recognition that additional staff time and budget is needed to secure and administer financing from private foundations and the private sector.

1.3 The Board mandated several design principles: The SIC considered and incorporated a number of Board mandated design features, captured in the March 2017 Board Decision:

1.3.1 KIX will focus on global and regional activities, public goods[6] and peer exchange, and offer mixed implementation modalities depending on the thematic area or specific policy challenge being addressed. (BOD/2017/03-06)

1.3.2 It will focus on improving the capacity of developing country partners in key thematic areas, reinforcing education planning, policy development and their implementation within developing countries party to the Global Partnership. KIX should also be designed to enable countries to more effectively set and realize ambitious targets for the portion of funds that is GPE's variable funding tranche. (BOD/2017/03-06)

1.3.3 It should be designed to attract non-traditional actors into GPE's work, including the private sector. Partnerships with the private sector would be in accordance with the Private Sector Engagement Strategy. (BOD/2017/03-06)

1.3.4 It should avoid fragmentation and utilize a "wholesale" approach, keeping Secretariat costs within 5-7%. (BOD/2017/03-06)

1.3.5 KIX will feature integrated multiyear programs of work in a small number (up to six) of thematic areas (drawing on those pre-designated for consideration in the KGPE strategy). (BOD/2017/03-08). BOD/2017/03-03 (item 5.13) references the need for gender equality to "remain one of the 6 thematic focal areas for knowledge and innovation exchange"; while also mandating the incorporation of resilience and preparedness in KIX work

[6] A **global public good** is a good freely available on a more-or-less worldwide basis. Knowledge is often described global good. GPE is committed to transparency and open access to information. Under the KIX mechanism all knowledge created or brokered will be made widely and freely available to both members of the partnership and to the wider public.

1.3.6 KIX must not duplicate activities that can be funded under GPE ESPDG and ESPIG grants (BOD/2017/03-06).

1.3.7 The KIX will be financed with a minimum of $60 million over three years, from both unrestricted and targeted financing. (BOD/2017/03-07).

1.3.8 Targeted funding may not be accepted at the initiative or activity level (Contributions and Safeguards Policy); Geographic targeting is permitted at a regional level but must not increase overall allocations (BOD/2017/03-08).

1.4 Additional Principles: In the course of the design work conducted in the second half of 2017, the Strategy and Impact Committee developed additional design principles.

1.4.1 KIX will be a reinforcing mechanism through which the Global Partnership will harness the full knowledge and innovation capabilities of its members, as well as non-traditional partners, to amplify the impact of GPE support for education systems through improving sector plans and their implementation. KIX will also harness knowledge generated from evaluations of GPE's existing investments in sector planning and plan implementation. In doing so, KIX will enable the Global Partnership to fully capitalize on the expertise, capabilities and knowledge assets of its membership and aggregate lessons learned from its country level investments, reinforcing support to developing country partners and national education systems.

1.4.2 KIX will have a mandate not only to accelerate progress towards GPE2020, but towards longer term goals, notably the 2030 Sustainable Development Goals Agenda. This longer-term view will require on-going iteration, continuous learning, and the emergence of new thematic areas and ways of working.

1.4.3 KIX should focus on strengthening national education systems, with the aim of ensuring the realization of free, publicly funded equitable quality primary and secondary education, including one year of pre-primary education.[7] While the technical expertise offered via KIX should be sourced from across the Global Partnership, KIX should be primarily organized to support national policy cycles so as to maximize impact and minimize transaction costs at the

[7] This definition aligns with the Incheon Declaration language that calls for ensuring the *"Provision of 12 years of free, publicly funded, equitable, quality primary and secondary education, of which nine years are compulsory, leading to relevant learning outcomes."(p.2)*

national level, and in order to ensure that KIX activities reinforce GPE's country level support to national sector planning and plan implementation.

1.4.4 KIX should be designed so that developing country partners are the principal users and a central source of knowledge and innovation efforts. Accordingly, DCPs should have a strong role in the shaping of the KIX learning platform and associated thematic programs of work.

1.4.5 KIX thematic initiatives should be designed in a spirit of co-construction, with active engagement of partners, including DCPs, civil society, bilateral donors, multilateral partners, foundations and the private sector. KIX should also be designed to harness the capabilities of non-traditional partners, such as research organizations and the private sector, that have thus far not been meaningfully engaged in education system strengthening efforts. Eligibility of for-profit entities to participate in funding opportunities will be informed by the Private Sector Engagement Strategy. Until that time, organizations that operate for-profit, fee-paying schools will be ineligible

1.4.6 There should be a strong link in the design of KIX and the Advocacy and Social Accountability (ASA) mechanism, with civil society engaged as an active source and user of research and innovation. The KIX Learning Exchange could also be used to aggregate and share lessons learned through the activities funded by ASA.

1.4.7 KIX should be designed in such a way to complement and reinforce existing institutions and initiatives with specific mandates to work on knowledge and innovation in global education systems. Accordingly, strong emphasis will be placed on KIX's role as a broker of expertise and a means through which innovation efforts can be meaningfully linked to country-level education system strengthening efforts.

1.5 Diagnosis. On the basis of analysis undertaken by Dalberg Advisors and the Secretariat, consultations with DCPs, CSOs and Foundations, and reflections on lessons learned, the SIC refined the definition of the key challenges that KIX should be designed to address. To fully realize the knowledge and innovation capabilities of the Global Partnership, KIX will need to solve for three inter-related problems: (a) the lack of an existing function within the Global Partnership that actively brokers existing knowledge and innovation capabilities and links them to national policy and planning processes; (b) the under-investment in the capacity of developing countries and their partners as creators of knowledge, as innovators and as active agents in knowledge transfer

activities.; and (c) the relative lack of funding for regional and global public goods that foster knowledge exchange in global education.

2. OPERATIONAL COMPONENTS

2.0 Overview: KIX will be comprised of two operational components: Component 1 – the Learning Exchange; and Component 2 – Knowledge and Innovation Funding. As per [*BOD/2017/03 DOC 03]*, the target level of funding for KIX is equivalent to at least 5% of GPE's current annual disbursements. This is benchmarked against the Education Commission's recommendation that financing for global goods in education be at least 6%. Based on these ratios, between $60 and $150 million would be available to KIX equal to 4.8% of total allocations under various replenishment scenarios, with the level of targeted contributions to be decided after replenishment. The financial forecast under consideration by the FRC (FRC/2017/10 Doc 2) proposes that a "minimum of $40 million be set aside from the pooled fund for KIX, with $20 million to come from targeted contributions." (p. 14/15) pending adjustments during the final approval of the design of the mechanisms.

2.1 Component 1: A Learning Exchange:

2.1.1 Objective: The objective of the Learning Exchange is to ensure that Developing Country Partners have a channel through which to share their expertise and access resources from the Global Partnership in a timely, relevant and practical way so as to strengthen national policy planning and implementation efforts. The Learning Exchange will also serve as the main conduit for learning and knowledge exchange for the Global Partnership, including supporting learning and exchange of knowledge about the role of civil society in advancing advocacy and social accountability (ASA). The Exchange will provide the overall program management function of all KIX activities. It will also deliver specific offerings including the design of KIX themes, coordination of peer learning, mobilization of knowledge from across GPE's operations and serve as the learning platform in support of ASA activities.

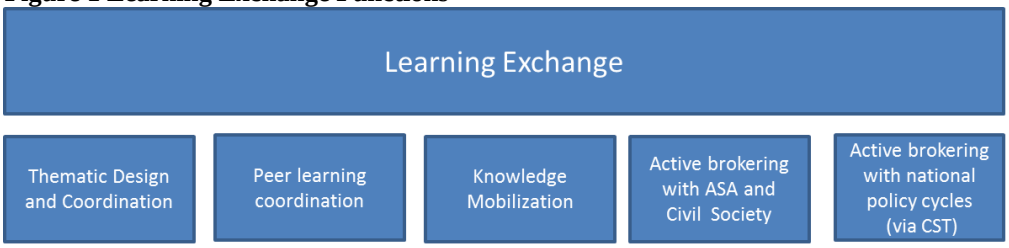
2.1.2 Design Features:

- Participants: The Learning Exchange will seek to engage all GPE constituencies, but will be designed to be particularly relevant to the application of knowledge and innovation by Developing Country Partners and their national partners.

- Content: The Learning Exchange will draw its content from four main sources: (a) Active curation of knowledge resources and expertise from across the Partnerships in each of the nine thematic areas identified below, including through the analytic work conducted by the Secretariat and technical work conducted as part of GPE's support to sector planning and systems strengthening (via ESPDGs and ESPIGs); (b) The outputs from Knowledge & Innovation funding; (c) Learning from the Advocacy and Social Accountability mechanism and associated CSOs and; (d) GPE's own Monitoring & Evaluation activities. The Exchange will be designed to uphold rigorous technical standards, to ensure that knowledge that it transmits is validated and credible. The Learning Exchange will also follow international standards for transparency, aiming to make knowledge available as a "global public good"; thus, all knowledge will be made freely available to both members of the Partnership and the wider public.
- Channels: The channels through which the Learning Exchange will facilitate knowledge will include: (a) active brokering of knowledge from across GPE supported country-level processes, utilizing Secretariat's Country Support Team function and its new country account management approach to ensure that knowledge is available to country level partners; (b) facilitation of peer learning opportunities by the Learning Exchange (study tours, DCP meetings, thematic convenings, etc.); (c) a dynamic online collaboration space where GPE members can both share their own and access new knowledge and innovation resources; (d) active brokering of insights with the ASA portfolio and broader civil society constituencies.

2.1.3 Operational Functions:

Figure 1 Learning Exchange Functions



- Design of Thematic Investments: The Learning Exchange will support further assessment of the Global Partnership's needs and GPE's comparative in providing global goods through technical and consultative processes. This process will involve extensive participation by DCPs as well as other GPE members and lead to the design of thematic programs of knowledge and innovation exchange. This process will also identify areas where critical investments in global and regional

goods can play a catalytic role for the Global Partnership. It is anticipated that in the first year of KIX four thematic design processes will be launched, with additional themes selected by October 2018 for subsequent launch in 2019 and 2020. The structure, sequencing and resourcing of these thematic designs will evolve over time as lessons are learned from the initial round in the first year.

- Peer Learning Coordination: The Learning Exchange will become the coordinating body for peer learning across the Global Partnership, creating more opportunities for GPE members, particularly DCPs, to learn from one another's experiences.
- Knowledge Mobilization: The Learning Exchange will be positioned as the mechanism through which knowledge and innovation are integrated into GPE core country processes. For example, the Exchange will create an inventory of expertise and knowledge resources within the Partnership on each of the thematic priorities. The Exchange would actively work with Grant Agents, Coordinating Agents and the Secretariat's own Results and Performance (M+E) function to gather "lessons learned" on each of the thematic areas that can be shared and disseminated with the broader Partnership. The Learning Exchange would also act as the clearing house for tools, guidelines and operational research prepared as part under other operational workstreams - for example, for new tools on Joint Sector Review standards, domestic financing and any outputs from the exploratory work on Risk Reduction and Risk Financing for Education.
- Facilitating learning and interlinkages with ASA. The Learning Exchange will include activities designed to broker and embed learning from and in to ASA, and from civil society partners. CSOs will be invited to participate in and collaborate on all Learning Exchange activities.
- Active brokering with national stakeholders to reinforce GPE supported country-Level Processes. The Learning Exchange will utilize a 'whole of Secretariat country management' approach, which will feature active brokering by Secretariat staff from GPE's Country Support Team and its Strategy, Policy and Performance team to bring timely, relevant and actionable insights into core policy processes supported by the Global Partnership in the areas of education sector planning, sector plan implementation and monitoring/joint sector review efforts.

2.1.4 Allocation for the Learning Exchange: Based on other benchmarks, we anticipate that the actual expenses of implementing these activities will comprise a modest portion of the overall KIX allocation, since the main aim of the Exchange is to broker and leverage existing expertise and capabilities across the Global Partnership. Accordingly, it is recommended that the initial budget allocation for the Learning Exchange will be 20-25% of the total allocation to the KIX mechanism.

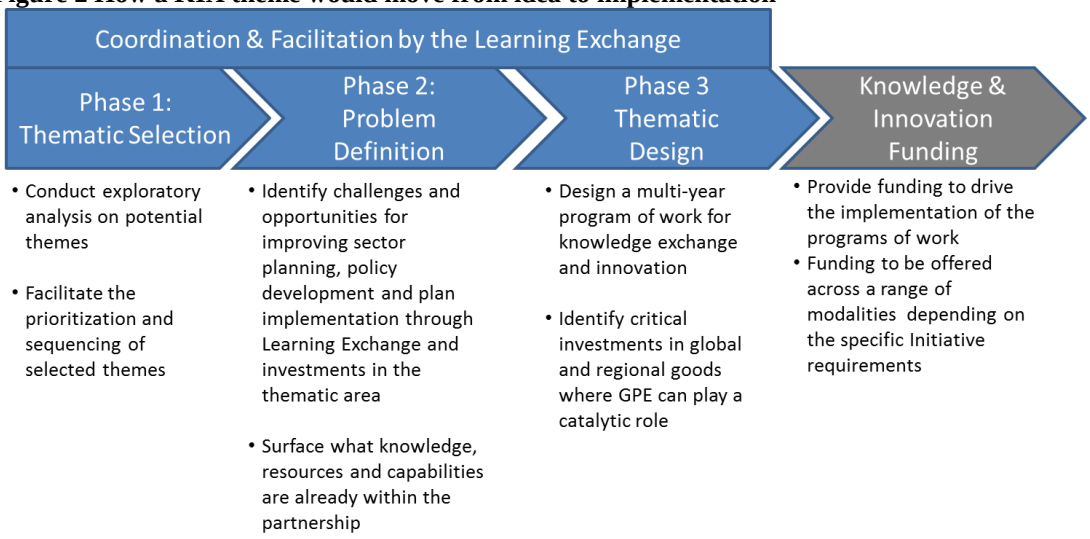
This is based on benchmarks of other comparable organizations that serve in a brokerage role. This Learning Exchange budget should be refined during the first year of KIX's operations when the Secretariat can design a much more robust operating and financial plan for the Exchange's first three years.

2.1.5 Management and Governance Implications for the Learning Exchange: The SIC considered a range of management options for KIX. Some options featured stronger reliance on external parties to lead the design and management of the KIX functions, while others featured embedding functions within the Secretariat. The SIC noted how essential it is that KIX is infused into GPE core country-level processes, as well as the importance of leveraging rather than displacing existing knowledge capabilities within the Global Partnership. Accordingly, the SIC endorsed an approach that features leadership and coordination of KIX within the Secretariat. The Secretariat could then engage a technical partner to implement specific activities. The Board (or its delegated committee) will agree annual programs of work and related budgets, provide input on programmatic policies, and review an annual report on all Learning Exchange activities.

2.2 Component 2: Knowledge & Innovation Funding:

2.2.1 Objective: The objective of the Knowledge and Innovation Funding is to accelerate the availability and utilization of global and regional public goods, knowledge and innovation in support of improved sector planning, policy development and implementation among developing country partners.

Figure 2 How a KIX theme would move from idea to implementation



2.2.2 Key design Features:

- A sequenced approach to thematic selection and design. The technical assessment of the needs across the partnership and GPE's comparative advantages in funding global goods will be facilitated by the Learning Exchange, leading to an integrated program of work – including both peer learning modalities as well as knowledge and innovation funding opportunities. Funding will then be made available to drive the implementation of those programs of work. The first round of funding would be awarded between FY2019 and FY2020, with a first round of funding taking place no later than early 2019, with a second round no later than early 2020.
- Emphasis on leveraging the very best technical capabilities from both within the Global Partnership as well as entities that have not traditionally worked with GPE but have strong innovation or knowledge capabilities**.** Funding rounds will be designed to solicit interest from diverse organizations with distinctive technical capabilities. Eligible applicants will include both implementing and research organizations. Eligibility of for-profit entities to participate in funding opportunities will be informed by the Private Sector Engagement Strategy. Until that time, organizations that operate for-profit, fee-paying schools will be ineligible. Strong emphasis will be placed on attracting organizations that bring new types of capabilities to GPE's work in knowledge and innovation, especially those that are based in the Global South. Criteria for the call for proposals will be developed by the Secretariat for final approval by the Board or its delegated committee.
- Technical Panel. It is further recommended that technical panels be established to strengthen the overall rigor and independence of KIX funding decisions. A panel would be recruited for each round of KIX funding and would be comprised of a diverse group of 5-7 technical experts that bring specific expertise in the fields of innovation and knowledge pertinent to the thematic focus area. Panel members for each round will be selected to avoid potential conflicts of interest. The Technical Panels will also provide guidance on good practice in undertaking calls for proposals, in particular how to structure each round of funding to as to realize the innovation and knowledge objectives, including the selection of the appropriate grant modality (i.e., traditional grant making or other instruments such as challenge funds, matching funds, etc.).
- Flexible use of funds, tailored to each theme: The types of activities that may be funded through the call for proposals may vary by thematic area, but might include: generation of knowledge and evidence; improvements in data and its availability; creation of new tools, methodologies or guidance to support better planning or policies; support for accelerating the development and

adoption of innovations[8] that have a demonstrated proof of concept and initial evidence of efficacy. Accordingly, the modalities for the grant making may vary, and could include modalities such as challenge funds, prizes, crowd sourcing, co-creation, matching funds, market-shaping mechanisms, co-financing facilities, technical assistance funding, and research/evaluation funding [9].

2.2.3 Allocation, Size and Duration of KIX Funded Activities: The initial budget allocated for knowledge and innovation funds will 75-80% of the KIX envelope, likely in the range of ~$35- 45 million over 3 years, assuming the $60 million minimum overall budget for KIX with variations based on the success of raising targeted finance. A minimum of $ 5 million will be allocated for funded activities within each individual KIX theme in order to ensure adequate depth of investment. Grant sizes will range depending on the complexity and scope of proposals, but would likely fall between $500,000 and $ 3 million; and will be a minimum of 3 years and a maximum of 4 years in duration.

2.2.4 Management and Governance Implications of the KIX Funding: The Secretariat will seek third party grant agent(s) to manage Knowledge and Innovation funding. The technical design of the calls for proposals will be led by the Secretariat, with input from the Technical Panel. Approval of the funding allocation criteria will reside with a relevant Committee designated by the Board and informed by input from the Technical Panel The grant agent(s) will be responsible for administering the calls for proposals, execution of the transactions of awarded funds and monitoring of grant performance. The grant agent(s) will also finalize grant agreements, ensure timely disbursements of grants; support effective grant management and reporting by grantees; and provide monitoring and annual reporting services. The grant agent(s) will further ensure that grant outputs are made available to the wider partnership through the Learning Exchange. The Secretariat will oversee the contractual relationship with the Knowledge and Innovation Funding grant agent(s), and play a supporting role in ensuring effective annual monitoring, reporting, curation of knowledge and innovation products, and assessment of risk and fiduciary oversight of grants. It will also ensure the

[8] Throughout this document, the term "Innovation" is used to capture "the successful exploitation of new ideas that create value at scale and can apply to products, processes, strategies and approaches." In the context of KIX, innovation is defined as any activity that targets the successful exploitation of a product, process, strategy or approach that alters the effectiveness of education systems.

[9] As stated in BOD/2017/03/DOC 3, Annex 1

systematic link of Knowledge and Innovation outputs to ASA. The Board (or its delegated committee) will approve annual budgets, provide input on programmatic policies, and review an annual report on knowledge and innovation funding prepared by the grant agent.

3. CRITERIA AND APPROACH TO THEMATIC PRIORITIZATION

3.1 Background: A number of Board and Committee related decisions signal the need to focus KIX activities on a selected set of themes:

3.1.1 The KGPE Strategy, approved by the Board in June 2016 set out 8 thematic areas, aligned to GPE 2020 goals and objectives and specific indicators in GPE's results framework[10] As part of the KGPE strategy, the Board also agreed to pilot knowledge exchange work in two areas and later added a third area under the Gender equality strategy: a) Strengthening learning assessments systems (Assessment for Learning [A4L]); b) strengthening system level approaches to planning for universal quality early childhood care and education (Building Early Learning and Development at Scale [BELDS]); c) strengthening gender responsive sector planning in collaboration with UNGEI. Work on these thematic pilots has begun and will continue throughout the GPE 2020 period.

3.1.2 Board decisions agreed in relation to the Financing and Funding Framework also set out guidance on thematic prioritization:

- BOD/2017/03-06 Financing and Funding Framework. Recommends commissioning of a design based on the Technical Annex that accompanied the Board's approval of the Funding & Financing Framework [BOD/2017/03 DOC 03 – Annex 1]. This technical annex states that
    - The "number of overall thematic domains selected would be kept to six or fewer," and proposes that the "SIC committee will draw on thematic areas pre-designated for consideration in GPE's original KGPE strategy" (p.35).
- BOD/2017/03-08 Contributions and Safeguards Policy requests the Secretariat to develop a list of themes for which targeted funding for KIX would be accepted by FRC and

[10] It is important to recall that the goals and objectives incorporated into the Strategic Plan were the outcome of a process of partnership wide consultation, including a survey of developing country and other partners on thematic areas of focus for the strategy; and consultations with partners in core thematic areas.

SIC, and delegated to them the authority to approve the selection of these themes, noting "this list should be informed by the areas to be included in the Knowledge and Innovation Exchange strategy and previously identified in the Knowledge and Good Practice Exchange Strategy."

- BOD/2017/03-03 (item 5.13) references the need for gender equality to "remain one of the 6 thematic focal areas for knowledge and innovation exchange"; while also mandating that the incorporation of resilience and preparedness in KIX work.

3.1.3 Finally, at its September 2017 meeting, the Strategy and Impact Committee recommended that a) an iterative and programmatic approach be taken to sequencing the thematic activities under SIC; and 2) that a set of criteria be adopted to guide both current thematic prioritization and any future adjustments to KIX themes. While it was recognized that such a set of criteria would evolve, its was acknowledged that such criteria would be essential to support detailed and iterative consideration of KIX themes.

3.2 Consultation with Developing Countries and Civil Society: In addition to these Board decisions, consultation in September 2017 with representatives of developing country partners identified the area of Strengthening Data Systems as one that cut across other thematic objectives, was not offered by other comparable institutions, and could support their sector plans, policies and programs. DCPs also raised whether support for sector planning in contexts of emergency and crisis could be added to the list of original thematic areas. Consultations with CSOs affirmed that the selection of thematic areas had to be driven by DCPs in order to be relevant and should include a focus on aid effectiveness and international education financing.

3.3 A base list of KIX themes: Consideration of thematic priorities for KIX started with an exploration of the original 8 thematic areas identified under GPE's Knowledge and Good Practice Exchange Strategy. Two modifications to the original KGPE themes were made based on inputs from developing country partners, a review of GPE2020 Results and SIC recommendations. Data was separated out and added as a thematic area, based on strong support from developing country partners and the data challenges identified across GPE2020 indicators in the Results Report. "Supporting Inclusion of Refugee Education in Sector Planning" was broadened to include a wider scope to include planning for resilience and preparedness. This yielded an initial list of 9 thematic

areas that form a "base list" of KIX themes, which is likely to evolve as KIX's work unfolds as well as the evolution of the needs of Developing Country Partners.

GPE 2020 Goal	KIX Themes
Goal 1: Improved and More Equitable Student Learning Outcomes through Quality Teaching and Learning	1. Strengthening Learning Assessment Systems (** *Initial pilot with targeted financing for Assessment for Learning (A4L))*
	2. Early Childhood Care and Education (** *Initial pilot with targeted financing for Better Early Learning and Development at Scale (BELDS))*
	3. Teaching and Learning
Goal 2: Increased Equity, Gender Equality and Inclusion	4. Gender Equality (** *Mandated by BOD decision 2017/03 and supported with targeted financing for Gender Responsive Sector Planning)*
	5. Equity and Inclusion
	6. Supporting education sector planning and monitoring in conflict and fragile settings [including for displaced populations, refugees, resilience and preparedness].
Goal 3: Effective and Efficient Education Systems Delivering Equitable Quality Educational Service for All	7. Strengthening Sector Analysis, Planning and Financing
	8. Strengthening Data Systems
	9. Strengthening Monitoring and Mutual Accountability in Education Systems

3.4 Criteria for Thematic Prioritization: A set of criteria was used to analyze the initial list of KIX themes, with this analysis supporting SIC's deliberation. The SIC requested that these criteria be refined and elaborated over time, based on what is learnt in the initial launch phase, to guide subsequent thematic prioritization efforts. The SIC also noted that the capacity of the Secretariat and the Global Partnership be considered in such deliberations moving forward.

1. Scope and Scale of the Challenge:

    - Is this an area of thematic focus for GPE 2020 goals and objectives?

- Is this an area that is identified as in need of accelerated progress in GPE developing country partners by the Results Report findings on GPE2020 indicators and milestones (including indicators related to the quality of sector plans in the areas of learning, equity and stronger systems)?
- Is there a robust network of actors or a lead organization who is spearheading global or regional knowledge and innovation work in this area already?

2. What is GPE's comparative advantage for working in this area?

- Can the Global Partnership have a unique or catalytic impact in this area by funding global and regional goods?
- Can KIX activities in this area provide tangible support to developing country partners, including by promoting more effective sector plans, policies and programs?
- Is this an area in which new KIX activities can complement or reinforce ongoing knowledge investments?

3.5 An Iterative Approach to Prioritization: While all 9 thematic areas on the 'base list' were considered by the SIC, and some were of the view that all should be considered for KIX funding, the committee ultimately agreed that it would be prudent to identify a shorter list of initial themes as the basis for starting thematic design efforts. Several considerations informed this decision: a) selecting a few themes with which to start an initial technical design process can serve as a practical way to "learn by doing" so as to inform subsequent thematic prioritization efforts; b) capacity constraints, within the Secretariat, as well as among GPE members to participate in and lead technical design efforts across multiple themes should be channeled to ensure their success. To avoid the risk that themes that do not get included in the first set will be somehow be deprioritized the SIC has also called for a decision on the inclusion of additional themes by October 2018. This decision process will be based on more in-depth needs assessment in other thematic areas. In some instances, modest investments in diagnostic and mapping of needs may be made building on activities already initiated (for example, collaboration with the Norwegian Teachers Initiative; support for the development of diagnostic tools for effective book procurement through the Global Book Alliance). As already noted, work on gender responsive sector planning would continue as already planned.

3.6 Recommended List of Initial Themes. Analysis prepared for SIC in October 2017 (see Eteam documents) concluded that three areas strongly meet the criteria for need and GPE comparative

advantage. While there are other areas of high need, further analysis of GPE's comparative advantage as a broker and funder of global goods is needed in light of the many existing initiatives by other parties.

3.6.1 Learning Assessment Systems: GPE's 2016 Results Report highlights the critical need for accelerated action to support improvements in learning assessment systems. This is an area of enormous need, and one where KIX can offer a bridge between GPE's support for country level investments in learning assessment systems; and the work being proposed under the UIS-led GAML[11] initiative for better assessment tools and methodologies, improved programs of capacity development, and the commitment under SDG4 for linked learning outcome indicators that allow for comparison across countries. This is also an area of high perceived need among development country partners, as referenced in the DCP consultations held in September 2017.

3.6.2 Early Childhood Care and Education. The GPE Results Report highlights that the partnership's progress on early childhood education has stalled, and elicited a specific request from developing country partners at the June 2016 Board of Directors meeting for further support in this area. GPE has a comparative advantage in supporting global and regional knowledge and innovation exchange aimed at improving the financing, planning and monitoring needed to support expanded access and improved quality of early childhood education within national education systems. KIX activities could also tackle another major challenge: the low levels of international financing for ECCE (estimated at less than 2% of all ODA to education). Work in this area would build from the initial BELDS pilot and, subject to further refinement, include a call for proposals in 2018. There is strong initial interest from foundations for further collaboration in this area.

3.6.3 Data Systems: A cross cutting finding of the GPE Results Report is the need for better data and its utilization in the development of sector plans and policies, as well as for monitoring and mutual accountability of sector results. This is true across all GPE goal areas: learning, equity and efficiency. For example, based on lessons from the GRA programs, not only is there low availability of data on populations that are marginalized or excluded from education systems (be that by gender, ethnicity, poverty or disability) but also that strategic investments in global goods can promote better national approaches to gathering and utilizing such data. Furthermore,

[11] Global Alliance for Monitoring Learning, which GPE sits on the steering group

strengthening data systems is an area of particular opportunity for innovation – as demonstrated by the major gains made in health information management systems through the use of digital technologies for sourcing, tracking and visualizing data. Unique among the proposed KIX themes, this is also an area where there is substantial interest in collaboration from experts in the private sector, as well as strong demand from developing country partner governments and civil society organizations.

3.6.4 Gender Equality was also included as thematic priority, responding to the Board mandate. However, the Secretariat recommends that in this area, the current focus on gender responsible sector planning be maintained, implemented in collaboration in UNGEI. Calls for proposals in this area will not be mounted until further exploration of GPE's comparative advantage in funding global goods in this area is completed.

3.7 Targeted Financing to Prioritized Themes: As indicated in the Contributions and Safeguards Policy, financing that is targeted for the KIX mechanism can be accepted as it is an approved reinforcing funding mechanism (i.e. a contributor can make a contribution targeted to KIX at the mechanism level without further targeting to a specific approved theme). Financing can also be targeted at the thematic level for KIX, and there are several related recommendations in this regard:

- It is recommended that for the second half of FY 2018, financing that is specifically targeted for one or more of the four themes identified above be solicited and accepted (Learning Assessment Systems, Early Childhood Care and Education, Gender Equality, and Data Systems).
- Once additional KIX priority themes are selected (in October 2018), these would also become eligible for targeted financing.

4. MANAGEMENT CONSIDERATIONS

4.1 Options for Managing the Learning Exchange Platform. The Learning Exchange plays two main roles –providing overall coordination and management of all the various Knowledge and Innovation activities, as well as delivering specific offerings to the Global Partnership such as the technical design of KIX themes, facilitation of peer learning, knowledge mobilization, and anchoring learning for and through the ASA mechanism. Accordingly, there are a variety of ways that this could

be operationalized, in terms of how various roles are allocated across Secretariat and other third parties.

- Contracting both the management and technical implementation of the Learning Exchange to third parties. In this scenario, the Secretariat would contract out all technical implementation functions within the Learning Exchange (peer learning coordination, knowledge mobilization, link to GPE country level processes, etc.) as well as management of the overall platform. This option could potentially present advantages if there are third party organizations that have distinctive capabilities in these functions as well as program management expertise to oversee and coordinate the full range of activities. This scenario would also have minimal impact on the Secretariat headcount. The major downside to this option is the potential to replicate the GRA experience of knowledge activities being strategically and structurally distanced from GPE's country-level activities, as well as the potential to create duplicating functions with some of the existing roles within the Secretariat.
- Embedding the management of the Learning Exchange within the Secretariat and engaging a firm to support select technical and administrative activities. In this scenario, the Secretariat would lead the management of Learning Exchange, as well as some of the technical implementation (peer learning coordination, knowledge mobilization, link to GPE country level processes, etc.). A third party organization would be engaged to provide technical reinforcements to the Secretariat team, notably providing facilitative and technical support to the KIX thematic design process. In this scenario, existing functional teams within the Secretariat would play support roles to KIX such as advising on the interface with GPE's country level supports and grants, and ensuring annual reporting and monitoring for the overall mechanism and contractual oversight. This reflects an effort to (a) optimize the efficiency of processes and minimizing transaction costs for DCPs; (b) ensure strong linkages to GPE core country processes and; (c) source the very best capabilities, particularly new capabilities that are not resident in the GPE operating model at the moment, with the aim of ensuring that GPE partners, particularly DCPs receive the support required to participate fully in KIX activities.

It is recommended that the second option, embedding management within the Secretariat with additional technical support from a third party, be pursued for the first three years of KIX's operations. Based on lessons learned from this initial phase, the relevant Board committee should conduct a review of the operational model and refine it as necessary.

4.2 Operational Model for Managing the KIX Funding: As per the Board's guidance, the Knowledge & Innovation grant management functions should be contracted to third party grant agents. These agents would execute financial transactions, provide fiduciary monitoring and ensure compliance. The grant agents should have sufficient experience in managing similar types of grants (i.e., technical expertise in global education and expertise in managing grant portfolios of knowledge and innovation activities). Based on lessons learned from GRA and CSEF, it is strongly advisable to contract an entity that is not involved in the technical implementation of activities. By separating fiduciary oversight from technical implementation, stronger controls will be in place, and there will be less risk of conflicts of interest.

4.3 Operationalizing the initial launch phase: Under any management scenario, the Secretariat will face immediate and time sensitive deadlines for further design of the KIX themes. Specifically, detailed design work will need to be completed by May of 2018 in order for timely progress to be realized in each of the initial four priority themes by 2020. Alongside this technical design work will be several operational work streams such as the design of an online platform, a refined 3 year operating plan and detailed budget. The Learning Exchange function will be mounted and initial activities, including peer exchange and a knowledge platform will be launched. To ensure the successful launch of these activities, it is recommended that the Secretariat engage a third party organization or organizations to provide technical and administrative support over a 12-18 month period, from January 2018. This support will be essential to the elaboration of the first calls for proposals in the first four thematic areas, and will include initial "start up" costs such as launching an online platform, facilitating consultations in support of the technical thematic design efforts, and building an internal mapping of existing knowledge resources from across the Global Partnership. Such support will also provide an important bridge in staffing capacity whilst some of the staff to play dedicated KIX functions are recruited and on-boarded.

4.4 It is estimated that a budget of $1.5M would be suitable to cover these technical programmatic costs over a 12-18 month period. This estimate is based on a rough mapping of key costs, as captured in the table below, and benchmarked against the costs incurred by the Secretariat for a similar function played by a third party to support the design of the Funding and Finance Framework (~$800K) as well as comparable estimates for start up operational costs of the web platform and initiating a knowledge mobilization platform within other organizations ($500-700K).

Indicative Budget for Launching KIX

Component	Cost
Detailed design of learning exchange and program workplan	150,000
Initial DCP Regional Learning Forum/and DCP consultations	350,000
Establish Clearing House / Website/ Knowledge Mobilization	400,000
Design of Thematic Funds (4); Est. Technical Panels; Design Calls for Proposals	400,000
Grant Agent Selection	50,000
Mapping/consultation of additional themes	150,000
Total	1,500,000

5. IMPLICATIONS FOR SECRETARIAT CAPACITY

5.1 Estimating the staffing implications for the Secretariat are a function both of the total size of replenishment and the role that the Secretariat itself will play relative to third parties. For the purpose of the analysis below, Dalberg Advisors used a "low" replenishment scenario resulting in a $60 million in funding available for KIX. It then benchmarked KIX capacity needs against those of other organizations, and also considered whether such capacity needs should be outsourced based on this comparison.

5.2 Based on benchmarks of similar learning exchanges efforts, specifications of secretariat capacity requirements as well as associated contractual roles are described in the table below.

Component (allocation)	**Activities**	**Assumptions**
Learning Exchange	Thematic Design	**Role of the Secretariat** • Participating in technical consultations and panels for the thematic design • Overseeing contractual engagements **Roles assigned to a third party organization** • Research activities to support 'problem definition' • Facilitation of the working groups or other technical and constituency consultations. • Generation of the program of work for each theme • Coordination of the implementation of activities within each theme.
	Knowledge Mobilization and Peer Learning Coordination	**Role of the Secretariat** • Provide technical leadership to all knowledge mobilization and peer learning activities • Support the implementation of key activities, particularly peer learning and knowledge mobilization **Roles assigned to a third party organization** • Administrative and facilitative support for peer learning activities

		• Technical support for knowledge mobilization efforts • Design and launch of an online platform to complement KIX peer learning and knowledge mobilization efforts
	Active Brokering with CST, ASA and Civil Society	**Role of the Secretariat** • Ensuring translation to GPE country level processes and advising on the interface with GPE's country level supports and grants **Roles assigned to a third party organization** • Providing technical support
Knowledge and Innovation Funding	Managing calls for proposal and monitoring grants	**Role of the Secretariat** • Providing technical leadership on the design for calls for proposals, and administration of the selection process. • Design and implementation of monitoring, evaluation and strategic reviews of the portfolio **Roles Contracted to a Grant Manager** • Provide logistical support for calls for proposals. • Grant Management: All fiduciary and compliance oversight of the award of funding. Execution of transactions to individual grant recipients. Risk management.
Additional Secretariat Indirect capacity implications		**Role of the Secretariat:** • Finance & Operations capacity for executing transactions and donor contribution agreements; additional capacity for resource mobilization for targeted financing; M&E supervision
Monitoring & Evaluation	Evaluation Design, Mid Term and Final Independent Evaluation of KIX	**Role of the Secretariat:** • Develop TOR, contract and supervise independent evaluation consultancy **Roles Contracted out to Independent Evaluator** • Design and implementation of a midterm and final evaluation of KIX

5.3 Overall implications for Secretariat capacity: Staffing estimates should be read as a minimum starting point, to be refined once the final replenishments are known. Based on the above specifications, Dalberg Advisors suggests that a small dedicated team within the Secretariat (estimated at 5 FTE) will be needed to ensure successful implementation of KIX. This team would be comprised of a dedicated full time senior technical lead that would participate in all aspects of the KIX, including external engagements and oversight of the learning exchange and funding. This lead should be supported by a junior technical lead and 2 operations officers to provide program management, monitoring of grantees, and coordination to the mechanism as a whole. A Knowledge

Mobilization officer would provide technical direction and implementation of the Knowledge Mobilization and Peer Learning Components, and work with the above staff to ensure that knowledge is effectively brokered and available for dissemination by GPE's Country Support Team, coordinating agencies, grant agents and members of local education groups.

- Technical specialists to provide expertise in the design of each KIX theme. In addition to these requirements, it is estimated that thematic specialists from within the Secretariat's Strategy and Policy team would be required to spend 50% of their time during the design stage of a KIX theme, and 25-50% of their time during implementation phases, depending on the nature of the thematic work. Assuming 6 themes, KIX would therefore require the equivalent of a minimum ~3 FTE. For the first year of KIX, this can be resourced partially by the existing Technical Anchor staff, which includes specialists hired to support the KGPE pilots in learning assessment and early childhood education. The Secretariat does not have a dedicated specialist to support KIX work on strengthening data systems, which will need to be sourced through short term contractual arrangements. Additional resourcing may be needed depending on the final number and nature of the themes.
- Ancillary support need from other GPE Secretariat functions. Additional capacity will be needed across several other Secretariat functional teams. Utilizing the new country account management approach, the Country Support Team will play a critical role in the brokering of insights and knowledge. The Finance team will need additional capacity to execute the various donor contribution agreements and transactions with the Grant agents and other vendors. The Donor relations team will need dedicated capacity to raise the $20+ million of targeted financing – through a dedicated staff position to manage engagements with foundations. These ancillary capacity requirements are included in the HR plan being presented to the Board in December 2017.

6. ANTICIPATED SOURCES OF TARGETED FINANCING

6.1 An analysis conducted by Dalberg Advisors and the Secretariat of trends in private foundation and bilateral funding for knowledge and innovation confirmed that there is strong interest in this area. Interviews with several leading foundations found that the key value proposition that foundations would seek is a meaningful way to contribute not only their funds, but also their own knowledge and innovation capabilities to working alongside countries on more effective education solutions at a scale that foundations typically would not otherwise be able to do on their own.

6.2 That said, the market analysis concluded that raising $20 million in targeted funds from foundations and bilaterals over 3 years is a highly ambitious target. Success will be contingent on three key assumptions:

- Design elements. Attracting foundations into a pooled funding mechanism such as KIX will require some specific design elements. Foundations seek efficient management and governance processes, as well as high levels of transparency in terms of results reporting. Foundations also typically want to contribute not only their funding, but also their capabilities in terms of knowledge, innovation and influence[12]. Accordingly KIX should feature inclusive processes in the initial shaping of the strategic plans for each theme, as well as on-going advisory bodies that enable stakeholders – DCPs and development partners, including foundations – to play on-going roles in the implementation
- Secretariat capacity. Raising this level of targeted funding from the very fragmented foundation landscape will require an enhancement in the Secretariat's current resource mobilization function[13].
- Contributions and Safeguard Policy. The current CSP would only permit a foundation to contribute to fund at the thematic, rather than activity level. The application of this policy will need to take into account some of the practical realties that many foundations require activity-level details in both their grant agreements and ongoing monitoring of the use of their funds.

7. RISKS

7.1 The GPE Risk Framework tracks the following risks related KIX "1.1.3. The risk that the partnership fails to leverage the global and cross-national knowledge and innovation exchange for improved education policies and systems and a stronger aligned partnership at the national level."

7.2 It is recommended that the additional elements be added into "Mitigation Actions/Controls" category of the risk matrix to manage some of the more specific risks that were identified by DCPs,

[12] These dynamics are captured and reflected in the strategic goals and objectives of the Private Foundations Engagement Strategy 2018-2020 that board is being requested to approve.

[13] This is reflected in the capacity needs and Risk Table of the Private Foundations Engagement Strategy 2018-2020 and the Secretariat HR plan.

CSOs and SIC members.

Specific risks identified in the KIX design process	Suggested addition to the Mitigation Actions/Controls for Risk 1.1.3 Knowledge and Innovation Exchange (KIX)
1. There will be too much emphasis placed on KIX as a fundraising mechanism, instead of a whole new way of working for the Secretariat and the broader Partnership.	- Secretariat/SIC: Center initial design efforts on the Learning Exchange, and situate it as the central KIX offering. Position the KIX Funds as a derivative offering, rather than the focal point, of KIX implementation efforts.
2. Concerns that KIX activities will be experienced as top down or adding to fragmentation at the country level, and will not effectively reinforce GPE's support to national education systems.	- Secretariat/SIC: Design the Learning Exchange processes with strong representation from GPE constituents who are deeply involved in national planning cycles, especially representatives from governments. - Secretariat: Ensure that KIX is integrated into the country account management approach and fully owned across the Secretariat; create processes for regular review of how processes are working, as well as a culture of continuous improvements.
3. The goals for targeted financing ($20 million +) are not realized	- Secretariat: Adequately staff and successfully implement a donor relations strategy to realize targeted financing for KIX - SIC: Ensure approval of the private sector strategy and private foundation strategy as two critical milestones for the Global Partnership to realize in order to engage with new sources of financing
4. Challenges identifying and agreeing on terms with third party organizations that will play key operational roles	- Secretariat: Structure the contracting approach with sufficient timelines to enable a rigorous and thorough process. Conduct extensive outreach to ensure high quality applicants are aware and interested. - SIC: Obtain delegated authority from the Board so as to enable a more streamlined process for contracting.
5. Insufficient capacity in the Secretariat limits design completion and implementation of KIX, and the ability to ensure KIX is fully integrated in to the work of the Secretariat	- Secretariat: Ensure sufficient capacity through additional headcount to conclude the design and oversee work planning to integrate and align the work of the Technical Anchor, Country Support Team and Results and Performance teams on KIX.

8. NEXT STEPS

8.1 In order to ensure that the learning exchange is operational in FY 2018 and the first round of calls for proposals is launched in early FY 2019, the Secretariat must be authorized to proceed with further operational planning, including exploring potential grant agents and outline the criteria.

Milestone / activity	Timeline	Board /Cmte Committee decision required?

Board approves decisions recommended in BOD/xx, (Knowledge and Innovation Exchange Design), including endorsement to continue work in Assessments for Learning,Early Childhood Care & Education and Gender Equality, as well as to initiate the design of a new thematic area of work in Data	Dec 2017	Yes
Secretariat commissions additional technical analysis on the other five short listed thematic areas	January 2018	SIC selects new themes (October 2018)
Secretariat screens for and selects a third-party organization(s) to provide technical and administrative support	March 2018	No
Secretariat screens for, selects, and accredits a grant agent	June 2018	SIC approves criteria
Secretariat finalization of the develop initial thematic area strategies and calls for funding	September, 2018	No
1st call for proposals issued	November, 2018	SIC approves criteria for selection of grantees
First grant awarded	January 2019	No
2nd call for proposals issued	January 2020	SIC approves criteria