JUNE 7-8, 2023

MEETING OF THE BOARD OF DIRECTORS

BRUSSELS, BELGIUM

FINAL DECISIONS

Reference	Decisions
BOD/2023/06-01	**FY24 Operating Expenses** The Board of Directors: 1. Approves US$49,798,000 in incremental costs for direct operating expenses for FY24 as set out in BOD/2023/06/DOC 05. 2. Authorizes the Secretariat in addition, to carry over into FY24 any unspent FY23 funds for multi-year and special initiatives. 3. Approves an additional 20.5% of direct costs incurred in FY24 for the World Bank towards its indirect costs, and welcomes the World Bank's decision not to apply the increase from 17% to 24% to the FY23 budget. 4. Referring to its review of the FY22-FY24 staffing requirements set out in BOD/2021/05/DOC 11 Annex C, authorizes the corresponding increase in the staff ceiling for FY24 to 146 regular staff positions, with the expectation that operating expenses for the GPE2025 period remain within 5-7% of total disbursements from the GPE Fund.
BOD/2023/06-02	**Trustee Budget:** The Board of Directors: 1. Approves the estimated administrative expenses of US$1,095,000 for trustee services for the period of July 1, 2023, to June 30, 2024, and a supplementary budget of US$152,000 for the period of July 1, 2022, to June 30, 2023, to cover higher investment management costs resulting from a larger than anticipated average fund balance.

BOD/2023/06-03	**Foreign Exchange Management Proposal** The Board of Directors: 1. Approves the proposed Foreign Exchange Management Solution and the encompassing Foreign Exchange Management Framework as set out in BOD/2023/06 DOC 07 Annex C for a pilot period of two years noting the ongoing operating costs of such arrangements, approximately US$400,000 per year, are to be integrated into the annual Trustee budget. 2. Notes that following approval of the proposed solution, and amendments to the GPE Governance Framework, the Trustee will engage with GPE donors to amend their Contribution Agreements, which is a prerequisite condition and the legal basis for the Trustee to implement hedging activities for the GPE Fund. 3. Notes that an assessment will be initiated 18 months into its implementation to assess the efficacy of the hedging operations, implications on systems and identify issues and improvements. 4. Requests the Finance and Risk Committee to consider the findings of this assessment and report to the Board with any applicable recommendations concerning the continuation of the Foreign Exchange Management Framework.
BOD/2023/06-04	**Strategic Capabilities** The Board of Directors: 1. In accordance with BOD/2020/11/12-03, takes note of the update on implementation, and fund utilization for the initial allocation of US$2 million for strategic capabilities, as set out in Annex A of BOD/2023/06 DOC 08. 2. Approves the Climate Smart Education System initiative proposal as set out in Annex B. 3. Recommends the development of proposals to test initiatives for 1) Gender Equality; 2) School Nutrition, 3) Technology for Education and 4) School safety as set out in Annex C and report back to PILC at its next meeting. 4. Recommends the approval of up to US$15 million for the Climate Smart Education Systems initiative, from the GPE Trust Fund inclusive of a) US$930,900 inclusive of agency fees of US$60,900 for Save the Children, and US$1,219,000 inclusive of agency fees of US$79,800 to UNESCO as the grant agents, subject to the availability of funds; 5. Delegates authority to the CEO to approve country-specific grants ranging from US$400,000 – US$700,000 plus applicable agency fees to

	Save the Children and UNESCO up to a total combined allocation value of US$12,850,100 from the GPE Trust Fund 6. Recommends the approval of up to US$4 million to pilot initiatives for 1) Gender Equality; 2) School Nutrition, 3) Technology for Education and 4) School safety 7. Delegates authority to the CEO to approve such funds to applicable organizations in the form of grants from the GPE Fund or as Secretariat Administered Operating Expenses based on its assessment of the most efficient modality.
BOD/2023/06-05	**GPE Priorities for CEO Performance Feedback** The Board of Directors: 1. In accordance with the CEO performance assessment process (BOD/NO/2022/10-01), approves the priorites set out in Annex A for the period from June 2023 to June 2024.