JUNE 3-4, 2026 – MEETING OF THE BOARD OF DIRECTORS

PARIS, FRANCE – BOD/2026-06-DOC 02 – FOR INFORMATION

REPORT FROM THE CEO

Please note: In accordance with the GPE Transparency Policy, documents are public only after their appraisal by the relevant governance instance. Governance officials may circulate documents to their constituency for consultation purposes, except for documents of a confidential nature.

OVERVIEW

Since December 2025, GPE has continued to operate in a highly uncertain and evolving global context characterized by geopolitical tensions, macroeconomic volatility, and fluctuating commodity prices, particularly in energy markets. These conditions translate directly into difficult fiscal choices for finance ministers, shifting priorities for donor governments, and real constraints on education system in partner countries. At the same time, the need for resilient, inclusive and effective education system has never been greater. Experience under GPE 2025 has reinforced a central lesson: progress at scale depends on sustained, country-led reforms anchored in strong systems and supported by aligned partnerships and financing. As the GPE 2025 strategic cycle comes to a close, this experience provides a clear basis for the next phase.

Independent assessments by the United Kingdom and the European Union confirm GPE's effectiveness in supporting structural reform at scale, while highlighting areas requiring further progress, including learning outcomes, accountability and the alignment of financing with results. These lessons are directly informing GPE 2030. The next phase sharpens the focus on results–particularly learning, equity and inclusion–while strengthening delivery and improving alignment between policy, financing and implementation at the country level.

Financing and partnership are critical enablers for GPE, but neither is an end in itself. The priority is to ensure that domestic and external resources strengthen national systems and support sustained reform, leaving countries better positioned to finance their own education over time. This works best when reforms are driven by those closest to the challenges–parents, teachers, young people, local education officials–and when development partners align behind evidence and country-led priorities, coordinating support to ministries of education to reduce transaction costs, avoid duplication, and improve aid effectiveness. In the current environment, this coherence is more important than ever.

Taken together, progress outlined in this report reflects an organization that is adapting to a changing environment while maintaining clarity on its core mission. The period ahead, including the Global Education Summit, will be among the most consequential in GPE's history. It represents both a financing milestone and a test of whether the international community is prepared to support a model centered on country-led system transformation, with external support playing a catalytic role and results measured in sustained improvements in learning and inclusion. The continued guidance of the Board will be essential as the Secretariat navigates this transition.

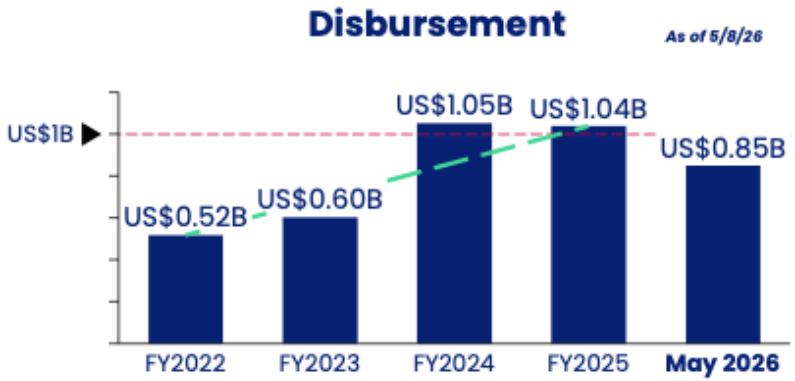
THE CEO'S DASHBOARD

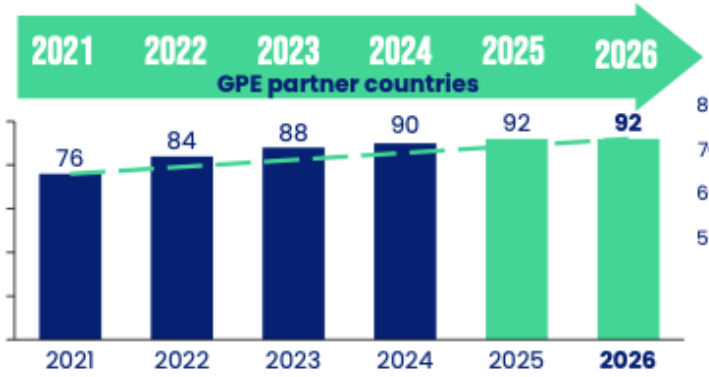
$3.9 BILLION

active implementation **grants** in **80 partner** countries

372 MILLION

children (51% reached by GPE grants are girls), **4.7 million teachers** benefit from GPE2025 grants and cofinancing



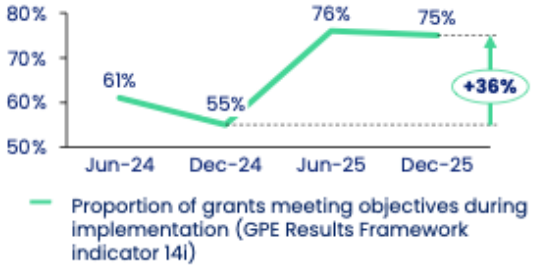


$3.8 BILLION

mobilized from 69 co-financiers in 53 countries

88% OF PREVIOUSLY OFF-TRACK

grants have improved over past 12 months



GPE Transforming Education

A quality education for every child

FROM GPE 2025 TO GPE 2030: LEARNING AND EVOLUTION

The transition to GPE 2030 is grounded in a clear set of lessons from the implementation of GPE 2025. Over the past five years, the partnership has shifted from a project-based approach toward a system transformation model–focusing on the policies, institutions and incentives required to deliver results at scale. This shift has reshaped how GPE supports partner countries and how the partnership operates.

Several elements of this approach have proven effective. **First**, stronger country leadership and ownership have been central to progress. Partnership compacts, anchored in national education sector plans, have helped align governments and partners around a single priority reform, improving coherence and reducing fragmentation. This focus has enabled more substantive policy dialogue, clearer prioritization, and stronger alignment of resources behind nationally defined objectives. **Second**, narrowing attention to a limited set of priority reforms has increased political traction and improved the effectiveness of support. By concentrating efforts on key system bottlenecks, countries and partners have been better able to coordinate actions, mobilize resources, and sustain reform momentum over time. This has been reinforced by more structured monitoring and joint review processes, including mid-term reviews (MTR), which have supported adaptive management and course correction. MTRs are increasingly evolving into forward-looking moments for evidence-based dialogue, helping partners identify delivery constraints, refine reform priorities, and strengthen the link between financing, implementation, and results. **Third**, the partnership model has demonstrated its value when it operates in support of national systems. Greater alignment among grant agents, development partners, civil society and other stakeholders has strengthened coordination while initiatives such as Education Out Loud and the Knowledge and Innovation Exchange have expanded participation and supported learning across countries.

At the same time, experience under GPE 2025 has highlighted areas where further progress is needed. While reforms have advanced, the link between financing and measurable improvements in learning outcomes remains uneven. The availability and use of learning data continue to constrain effective monitoring and decision-making in many contexts. In fragile and conflict-affected settings, accountability and delivery challenges persist. More broadly, the complexity of processes and the transaction costs associated with partnership mechanisms have, in some cases, limited efficiency and slowed implementation.

These lessons are directly shaping GPE 2030, which responds to each of these gaps with greater intentionality. The next strategic cycle strengthens the focus on results–particularly learning outcomes, equity and inclusion–and reinforces the expectation that reforms will be assessed based on tangible improvements rather than inputs alone. Monitoring and accountability mechanisms are being streamlined and integrated more closely into country processes, with annual reform monitoring complementing MTR to support continuous learning and adaptation. This includes the rollout of a more structured results framework, with standardized indicators across grants and cofinancing, and the introduction of a unified annual monitoring approach. Piloting is planned in approximately 15 partner countries by mid-2026, with expansion to around 30 percent of countries with compacts by the end of the year.

GPE 2030 also deepens the operational role of the partnership. Beyond convening, the focus is increasingly on enabling effective delivery–through clearer roles and responsibilities, stronger collaboration with grant agents and coordinating agencies, and more systematic engagement with teachers, civil society, and other core system stakeholders. Simplification of processes, informed by feedback from partners and staff, is reducing transaction costs while maintaining focus on system transformation. This includes updated technical guidance, streamlined grant processes, and continued efforts to strengthen GPE's operating model, with a view to improving support to countries; reducing transaction costs and improving coherence across grants, monitoring, and dialogue.

Financing is being repositioned within this model. Domestic financing is recognized as the foundation of sustainable education systems, with external resources designed to be catalytic and aligned with country priorities. The objective is not only to mobilize additional resources, but to ensure that financing strengthens national systems, supports coherent reform strategies, and contributes to long-term sustainability. In this context, financing and results are being more explicitly linked, with incentives, monitoring, and reporting increasingly aligned to reform progress and system-level outcomes.

Taken together, these adjustments reflect a more integrated approach–linking system transformation, partnership and financing within a coherent framework focused on results. Informed by GPE 2025, GPE 2030 prioritizes clarity, focus, and learning–ensuring that strategy, incentives, and implementation are aligned in support of measurable system transformation.

SUSTAINABLE FINANCING FOR SYSTEM TRANSFORMATION

Financing remains a central enabler of system transformation, but the experience of GPE 2025 has made clear that how financing is structured matters as much as how much is mobilized. The focus is therefore shifting from closing short-term funding gaps to supporting long-term, sustainable financing pathways that strengthen national education systems. The context is increasingly challenging. Fiscal pressures in many partner countries are intensifying due to rising debt servicing costs, declining official development assistance (ODA) and growing demands on public budgets. At the same time, the need for investment in education systems continues to expand, driven by demographic growth, climate vulnerability and evolving skills requirements.

In response, GPE's approach to financing is evolving. **GPE's Sustainable Financing Agenda**, approved by the Board in December 2025, reflects a deliberate shift toward positioning domestic financing as the foundation of education systems, with external resources playing a catalytic and complementary role. This approach emphasizes strengthening the institutions, incentives and policy frameworks that enable countries to sustain and increase their own investment in education over time.

At the global level, this approach is gaining traction. GPE has contributed to elevating education financing within broader development finance debates, including through engagement with the G7 and the High-Level Steering Committee for SDG4. At the country level, the focus is shifting toward operational pathways grounded in fiscal realities–linking macro-fiscal diagnostics, domestic resource mobilization, and sector planning to align different sources of financing within coherent national investment frameworks.

Catalytic instruments are central to this approach. The **GPE Multiplier**, has played a central role in mobilizing and structuring complementary resources. Although the Multiplier financing envelope has been fully allocated, it has driven meaningful diversification of cofinancing partners and strengthened the prioritization of education across multilateral development banks and foundations**, increasing contributions from approximately US$60 million to US$186 million**. Targeted efforts have also secured additional financing for **Burkina Faso, Sierra Leone and** Tunisia through **Japan**'s supplemental window, while sustaining engagement in fragile contexts such as **West Bank & Gaza**. Looking ahead, the Multiplier remains a core instrument within GPE's financing strategy–and a key vehicle for engagement with the Foundation for GPE and GPE's broader replenishment efforts. The strategic framework for the new cycle is built on a clear principle: leveraging partners' expertise, financing platforms, and knowledge rather than substituting for them. This is already reflected in the Multiplier's evolving partnerships with the International Financing Facility for Education (IFFEd), Education Outcomes Fund (EOF), the Arab Coordination Group, and private sector and philanthropic actors.

Building on this, the **Foundation for GPE** is an increasingly important vehicle within this architecture. A jointly developed framework between GPE and the Foundation identifies the distinct value proposition of each institution, clarifies roles, aligns partnership engagement with the sustainable financing agenda, and links resource mobilization directly to country-level impact and system transformation. Within the catalytic financing model, the Foundation is positioned to serve as a catalyst for innovation by engaging a wide range of stakeholders and creating diverse partnership models. It is enabled to attract varied forms of capital, and structure transactions that de-risk private investment and lower the financing cost for public education systems. It is testing innovative ideas, including outcome-based and highly innovative financing models, to generate proof of concept for future scaling.

Beyond volume, catalytic financing is increasingly used to align cross-sector resources with education outcomes. The School Meals Accelerator has mobilized **US$80 million** in additional support from foundations and governments, building on the initial GPE investment. Similarly, efforts to align education with climate finance–through initiatives such as Climate-Smart education system–are expanding access to new funding streams.

GPE partner countries are already taking concrete steps to build stronger, more self-reliant education financing systems. In **Kenya,** education accounted for 28.5 percent of total government expenditure in 2025–among the highest shares globally–offering a compelling reference for peer learning across Eastern and Southern Africa. In **Nigeria**, education financing is highly fragmented across federal, state, and local levels, leaving large amounts of matching grants unspent due to uneven state capacity. The result is a stark gap between what is allocated and what reaches schools–around US$23 per child on paper, but closer to US$7 in practice. A planned 2026 reform to the Universal Basic Education Commission (UBEC) Act directly targets this by doubling the basic education grant allocation to states from two to four percent of federal revenue, while strengthening enforcement to ensure funds are actually drawn down and used.

In context where the fiscal space is more constrained, efforts are focused on expanding the revenue base and strengthening financial management. In **Bhutan**, the introduction of a Goods and Services Tax with a dedicated allocation to education is expected to support more stable domestic financing. In **Liberia**, volatility in external financing exposed the limits of a system without a domestic fiscal anchor; supported by GPE and partners, this triggered closer collaboration between the Ministries of

Education and Finance, shifting toward a shared investment strategy built on realistic fiscal trajectories.

These examples reflect a broader shift in the global dialogue on education financing. Increasingly, the focus is not only on mobilizing additional resources, but on how those resources are aligned, deployed and sustained over time. GPE's role in this context is to support countries in structuring financing approaches that are coherent, country-led and anchored in long-term system strengthening.

Looking ahead, the transition to GPE 2030 will further reinforce this approach. Financing will be more closely linked to results, particularly improvements in learning outcomes and the strengthening of domestic systems. The objective is not only to increase the volume of resources available to education, but to ensure that financing contributes directly to sustainable, system-level impact.

POSITIONING FOR REPLENISHMENT AND THE NEXT PHASE

Against this backdrop, GPE is entering a critical period as it prepares for the Global Education Summit and its next replenishment. Efforts toward replenishment are closely linked to the broader objective of supporting country-led system transformation under GPE 2030. In a constrained global environment, sustaining momentum will require continued engagement with partners and confidence in GPE's model.

The replenishment is showing encouraging signs of progress, even in a challenging environment. High-level leadership missions have taken place across the Middle East, Europe, Africa, Latin America, and the Pacific–sustaining engagement and signaling that partners continue to view GPE as a credible and effective platform. While the path ahead requires sustained effort, these early indicators provide grounds for cautious optimism. These engagements also reflect continued confidence in GPE's approach of aligning partners behind country-led reforms and system transformation.

Private sector and philanthropic engagements are expanding through **"10x10" dialogues** in London, Nairobi, Paris and San Francisco; a Private Sector Financing Roundtable in Nigeria, and a high-level event in El Salvador co-hosted with the Office of the First Lady and the Embassy of Italy. The El Salvador event was a key moment–elevating education financing to the center of national and regional dialogue, showcasing concrete results in early childhood education, and demonstrating how strong domestic commitment can catalyze broader international and private sector engagement.

A central element of this effort is strengthening domestic financing as the foundation of sustainable education systems. Across these engagements, partner countries continue to prioritize investment in education and are seeking support to transition toward more sustainable, domestically driven financing models. **As of May 1**, **forty-three partner countries have submitted domestic finance pledges totaling over US$215 billion.** These figures reflect nationally owned priorities. High-level champions, including President Julius Maada Bio of Sierra Leone and Vice President Ndaba Gaolathe of Botswana, have elevated domestic finance from a technical conversation to a leadership imperative. Countries are increasingly sharing their own pathways toward self-reliance, signaling a broader shift in how education financing is owned at the national level.

Alongside the focus on domestic financing, the dialogue is also shifting toward the effectiveness of delivery. A notable marker of this shift has been the growing convening of Ministers of Finance alongside Ministers of Education, reflecting a recognition that education outcomes depend on joined-up leadership across government. GPE advanced these discussions during the Spring Meetings, convening a series of events with partners including The Center for Global Development, The Inter-American Development Bank, and The World Bank Executive Directors of Nigeria and Italy. These engagements brought together finance and education ministers, development partners, and co-financers to exchange lessons and align on the path forward. This shift reflects a broader move toward linking financing, policy, and delivery within a coherent system approach.

Communications efforts are supporting momentum ahead of the Global Education Summit, helping sustain visibility and engagement across partners and stakeholders. Since launching the 100-day countdown in January, the youth call to action has surpassed 33,000 signatures. The "Back to School with Vee" YouTube series has featured Roger Federer and Malala Yousafzai. The #MultiplyPossibility campaign has reached millions globally, generating over 20,000 monthly engagements and more than 15 endorsement videos from donors, heads of state, and advocacy partners. Since December 2025, media engagement has included 23 interviews and opinion pieces in Le Monde, Il Sole 24 Ore, Asharq Al-Awsat, and The Peninsula, ensuring visibility across Africa, the Middle East, Europe, Asia, and Latin America at this critical moment.

Risks remain. Ongoing geopolitical developments, including conflict in the Middle East, continue to shape the operating environment and may influence timelines and decision-making processes. GPE will continue to monitor these developments closely while maintaining focus on sustaining momentum toward the Global Education Summit.

Taken together, these dynamics point to a critical juncture. The upcoming replenishment is not only a financing milestone, but a test of whether the international community is prepared to support a model of education financing that is anchored in country leadership, aligned partnership, and sustainable system transformation. GPE's readiness for this moment is grounded in the lessons of GPE 2025 and the strategic clarity of GPE 2030.

DELIVERING TRANSFORMATIVE CHANGE THROUGH GPE 2025

Implementation under GPE 2025 continues to demonstrate that a system transformation approach–anchored in country leadership, aligned partnerships, and targeted financing–can deliver results at scale. Across partner countries, reforms are advancing with increasing clarity of focus, stronger coordination among stakeholders, and improved alignment between policy priorities, financing, and implementation.

A defining feature of this approach has been the focus on a limited number of priority reforms. By concentrating efforts on key system bottlenecks, countries and partners have been better able to align resources, sustain political attention, and translate policy commitments into implementation. Partnership compacts have provided a structured platform for this alignment, linking national priorities with coordinated support from development partners, civil society, and technical actors.

Mid-term reviews (MTRs) are playing an increasingly important role in strengthening delivery. Rather than serving primarily as retrospective assessments, they are becoming forward-looking moments to assess progress, identify constraints, and adjust implementation strategies.

Country experience illustrates how this approach is translating into concrete system-level change. In **Nepal**, reforms have focused on strengthening system performance and improving learning outcomes through enhanced planning, financing, and implementation capacity. The MTR–embedded within the broader sector review–confirmed steady progress and helped clarify the next phase of reform, including stronger links between domestic financing commitments and future support. In **Uzbekistan**, the reform agenda centers on inclusive and equitable learning. Progress has been made in strengthening teacher capacity for disability inclusion, improving gender-responsive workforce policies, and introducing more evidence-based budgeting practices. The MTR enabled partners to refine implementation and reinforce coherence between financing and reform. In **Rwanda**, the reform agenda has focused on improving system alignment and coordination across stakeholders. The MTR has strengthened engagement across government and partners while opening new opportunities for aligned financing, demonstrating how coordinated approaches can support both policy reform and resource mobilization. In **The Gambia**, analytical work supported by GPE has helped align the Ministries of Education and Finance around a shared priority: strengthening the education data system. This has improved the allocation and use of domestic resources, enabling more effective planning for teacher deployment, infrastructure, and program targeting.

These examples reflect a broader pattern across the portfolio: reforms are increasingly focused on system-level constraints, supported by more coordinated and adaptive implementation processes, and MTRs have strengthened the ability of countries and partners to respond to evolving conditions and maintain momentum. As the partnership sharpens its focus on results and accountability, the priority is to sustain this trajectory–ensuring that reforms translate into measurable improvements in learning and inclusion at scale.

GPE's financing portfolio continues to expand while improving efficiency, reflecting strong demand and accelerating implementation. Grant approvals reached approximately **US$1.23 billion in calendar year 2025–including US$534 million in the second half of the year alone–**demonstrating sustained alignment with country-led reform priorities. Implementation is also moving faster: the **average time from grant approval to program start has decreased by 20 percent**, enabling more timely delivery of resources to partner countries. Together, these gains have contributed to the largest active portfolio in GPE's history, currently at **approximately US$3.7 billion, with 21 grant agents supporting implementation**. GPE 2025 grants now account for approximately 70 percent of the portfolio, with remaining GPE 2020 grants in final stages–a transition that reflects stronger alignment to partnership compacts and system-level reforms. Early implementation trends point to strong utilization and improved execution: GPE 2025 grants are on track to deliver results at scale.

Disbursements remained high in FY26, continuing the strong momentum observed in previous periods. Based on submitted cash transfer requests currently being processed, disbursements reached approximately US$700 million by May and are projected to be around US$850 million by end of June. This sustained pace reflects continued effective grant implementation and strong country demand. As demand for GPE funds is expected to remain high and the pressure on the cash balance increases, it's critical for replenishment to be followed by a conversion of pledges into contribution agreements and payments made as quickly as possible.

While these trends are encouraging, the next phase will require a stronger and more consistent link between financing and measurable improvements in learning outcomes. The adjustments underway under GPE 2030–particularly strengthened monitoring, simplified processes and clearer accountability–are designed to ensure that progress at the system level translates more directly into improved results for learners.

LEVERAGING PARTNERSHIPS TO DRIVE KNOWLEDGE, INNOVATION AND EQUITY

GPE's multi-stakeholder partnership model remains central to its ability to support system transformation. Under GPE 2030, this role is becoming more operational moving beyond convening toward enabling more effective delivery at the country level. At its core, the partnership model works by aligning diverse actors behind a single, government-led reform priority. Ministries of education and finance, development partners, civil society, teachers' organizations and other stakeholders contribute distinct roles, but operate within a shared framework defined by national systems and priorities. This alignment is increasingly anchored in partnership compacts, which clarify objectives, responsibilities and expected results.

Moreover, GPE 2030 places greater emphasis on system stakeholders who are not directly involved in national level policy dialogue, exploring how GPE's partnership support can support effective links between national policy makers, middle-tier education officials and 'core system stakeholders' like parents' associations and communities that are not represented in local education groups. In this regard there are lessons from and opportunities embedded in the **Technical Assistance Initiatives (TAIs), Education out Loud (EOL),** and **Knowledge and Innovations Exchange (KIX).**

Technical support is being more closely integrated with reform priorities. Through the TAIs, GPE is supporting over 35 partner countries across climate, gender, safety, school health and nutrition, and technology–designed not as standalone activities, but as components of broader system reforms. The Climate-Smart Education Systems Initiative is translating country experience into practical tools and peer learning platforms for ministries. The Gender Equality Initiative is strengthening subnational implementation, including in Chad and Côte d'Ivoire. The Safe Learning Initiative has expanded from Nepal and Sierra Leone to Honduras and Sri Lanka. In school health and nutrition, progress across Kenya, Lesotho, Zambia, the Philippines, and Indonesia helped lay the groundwork for the School Meals Accelerator–launched in January 2026 with support from Germany, the Rockefeller Foundation, the Novo Nordisk Foundation, WFP, and GPE–with Japan contributing an additional US$3.2 million targeting Sub-Saharan Africa. The Technology for Education Initiative (Tech4Ed) is now active in eight pilot countries, strengthening governance and evidence generation, while the Digital Education Leadership Program–delivered with UNICEF and the University of Cambridge–is supporting around 50 policymakers from 18 countries to lead digital transformation and engage in global dialogue on technology and AI in education.

Civil society remains a critical lever for accountability, inclusion, and education financing. Through **EOL,** national and regional coalitions are contributing to policy dialogue, budget accountability, and implementation oversight. In **Lesotho**, civil society evidence on girls' absenteeism successfully shaped national debate. In **Ghana**, sustained advocacy contributed to a policy package addressing rural teacher shortages.

Similarly, as governments navigate complex reform and financing choices, the **KIX** helps translate evidence into concrete policy and system change by connecting applied research, peer learning, and implementation across GPE partner countries. In **Lao PDR**, KIX-supported research informed government endorsement of an innovative pre-primary education model, subsequently integrated into a GPE-financed System Transformation grant–demonstrating a clear pathway from research to policy to investment. In **Eswatini**, KIX research contributed to the integration of disability indicators into the national EMIS, strengthening inclusive planning and resource allocation.

In **fragile and conflict affected contexts,** the partnership model is also being adapted to improve coherence between humanitarian and development approaches in contexts of emergency and protracted crisis. Collaboration with partners such as Education Cannot Wait is helping align short-term responses with longer-term system strengthening, reducing fragmentation and supporting continuity of learning.

GPE's approach to gender equality and inclusion is deepening in reach and ambition. Under GPE 2030, Results Framework introduces mandatory grant-level indicators to strengthen accountability for measurable outcomes on gender equality and inclusion. The share of funds targeting gender objectives stands at 68 percent–up from 34 percent under pre-GPE 2025 grants–and dedicated Regional Gender and Inclusion Specialists are now embedded within regional teams, including responsibility for reviewing the PSEAH standard in the quality assurance process. The Secretariat has also developed a disability marker methodology, mirroring the gender marker approach, to strengthen tracking of disability-related expenditure under GPE 2030. In fiscal year 2025, GPE provided US$217 million in financing–5.7 percent of the grant portfolio–on activities that included tackling school-related gender-based violence across 31 partner countries, up from US$121.8 million in fiscal year 2024.

Country-level implementation illustrates this progress, In **Ethiopia**, Girls' Education Accelerator interventions have trained over 12,800 teachers and education leaders–including 8,574 women, strengthening prevention and response to school-related gender-based violence and supporting broader efforts to improve gender balance in school leadership. Looking ahead, GPE is seeking to raise US$200 million to reach 3.2 million of the most marginalized girls through the Girls' Education Accelerator. At the same time, a strengthened partnership-wide approach to PSEAH and gender-based violence is clarifying roles, responsibilities and accountability across the partnership.

Building on lessons from GPE 2025 and reinforced by external reviews from FCDO and the European Commission, GPE is developing **regional strategies** to complement country-level engagement with more coordinated, efficient approaches that reflect shared challenges across partner countries. In **Latin America and the Caribbean**, the focus is on deeper policy dialogue and addressing persistent equity and learning gaps. In the **Pacific**, the strategy emphasizes tailored support and regional coordination in response to constraints related to small system size, remoteness, and climate vulnerability. In **South Asia**, engagement centers on large and complex systems through peer learning and alignment with national reform priorities. In the **Eastern Europe, Caucasus and Central Asia region**, priorities include system modernization, learning recovery, and more effective use of data and financing. Across **Eastern and Southern Africa**–home to a large share of GPE partner countries–the focus is on strengthening coordination and addressing cross-cutting challenges such as foundational learning, teacher management, and system resilience. These regional

approaches facilitate knowledge sharing, improve resource efficiency, and provide a platform to address priorities such as climate, inclusion, and resilience at scale.

While challenges remain, experience under GPE 2025 demonstrates that the system transformation model is both operationally viable and increasingly effective. This progress provides a strong foundation for the transition to GPE 2030.

INCREASE THE EFFICIENCY OF OUR BUSINESS AND OPERATIONS

Secretariat management and budget. The FY27 Operating Expenses budget reflects a deliberate focus on efficiency and strategic alignment–supporting replenishment efforts and the transition to GPE 2030 while maintaining tight cost discipline. Through a combination of structural efficiency measures and strengthened financial controls, the FY26 operating expenses remains within the Board-approved budget parameters despite inflationary pressures and rising demand. Over the past year, increased administrative efficiency has contributed to controlling costs as well as timely and quality delivery. Back-office and routine administrative functions are centralized in Chennai; procurement was tightened to secure better contract terms and maximize tax reimbursements while centralized translation and correspondence services have improved both quality and value for money. In spite of increased global airfare costs, travel budgets have remained stable, primarily due to forward planning measures and use of lower-cost travel routes enforced by a stricter travel policy and travel prioritization for partner country missions and resource mobilization. Variable costs have also been contained by reducing reliance on external support, most notably a significant decline in the number of consultants and firms. These measures were reinforced by a formal budget challenge process, monthly monitoring of actuals versus planned, and active reallocation by managers to ensure OPEX remains below the Board-defined ceiling as operational needs continue to grow.

Looking ahead, the FY27-FY30 Operating Expenses budget is based on parameters set by the Board in December, whereby it is to remain at seven percent of total disbursements. This will require a 10 percent budget reduction from FY26 levels that will be achieved through a reduced variable budget and reductions in staffing levels, some of which have been achieved over the course of FY26 with more reductions planned over the course of FY27. If Replenishment is around US$3 billion, further reductions over the course of FY28 will reduce the total Operating Expense budget in FY28 to approximately 20 percent below FY26 levels.

Operational efficiency. Over the past fiscal year, GPE has taken concrete steps to work smarter and closer to partner countries. Through GPE Forward and Project Pilates, the Secretariat has strengthened regional teams, relocated staff closer to partner countries, embedded finance and gender specialists in the regions, and introduced co-lead Country Engagement Lead and Country Program Officer roles to sharpen country support. Review processes have been fundamentally restructured: formal review meetings–previously convened as a matter of course–are now held only when genuinely needed, accounting for fewer than 20 percent of cases, with attendance limited to staff directly relevant to the issues at hand. The impact is measurable: the duration of review processes requiring Board or CEO approval has dropped by an average of eight days–from 27 to 19 days–accelerating decision-making and freeing up significant staff time.

Organizational learning. GPE continues to invest in its capacity as a learning organization, building upon the Staff Learning and Development Framework to enhance institutional responsiveness and meet evolving partner country needs. During the reporting period, the Secretariat has organized multiple learning sessions and policy discussions during the reporting period–covering disability inclusion, refugee inclusion, partnership compacts, and engagement in fragility and conflict contexts. Also, as part of internal capacity-building, a new Protection from Sexual Exploitation, Abuse, and Harassment–"PSEAH 101" e-learning course was launched for all Secretariat staff in March 2026. This initiative leverages the Secretariat's internal capability to develop bespoke e-learning modules, which also includes courses on GPE's Due Diligence Framework, grant operations, and innovative finance.

Cost recovery and operational footprint. Discussions with the World Bank on cost recovery arrangements are advancing, with the goal of ensuring that hosting arrangements remain sustainable and aligned with GPE's operational needs–while continuing to leverage the services provided under the hosting agreement. The multi-year contract to support GPE's digital transformation will be excluded from cost recovery and the lease and set-up cost for the new GPE Paris office which will be moving from the World Bank office in June 2027 will also be covered. The signing of the lease for the new office to be hosted in the Agence Francaise de Developpement (AFD) headquarters marks a concrete step in optimizing GPE's operational footprint. With the consolidation of the regional teams in Washington, Paris and Nairobi, the centralization of some functions in Chennai, and some voluntary relocations in the past few months, over 50 percent of GPE's staff are now located outside of DC, in more cost effective and operationally logical locations.

Resource discipline in a challenging environment. Reduced aid flows and increased uncertainty are defining features of the current operating environment–and GPE is responding with rigorous prioritization. Cost control remains active, with resources directed deliberately toward the activities and geographies where they can have the greatest impact. Together, these efforts reflect an organization that is lean by design, financially disciplined, and positioned to deliver results for partner countries even as the global context tightens.

CONCLUSION

This report is presented at a moment of genuine consequence for GPE and for global education. The external environment is increasingly constrained, with fiscal pressures and geopolitical uncertainty shaping the choices of donors and governments alike. At the same time, the need for strong, inclusive and resilient education systems has ever been greater. Over the past period, GPE has continued to support country-led reforms, strengthen partnership alignment and improve the efficiency of its operations. Experience under GPE 2025 has reinforced a central lesson: lasting progress depends on the ability to translate financing and partnership into tangible improvements in education systems and outcomes.

Three priorities will define the period ahead.

The first is **delivering a successful and ambitious replenishment**. The Global Education Summit represents not only a financing milestones, but a test of whether the international community is prepared to support a model centered on country leadership, system transformation and sustainable financing.

The second is **strengthening the link between reform efforts and measurable results.** While progress is evident, further work is needed to ensure that financing, policy and implementation translate consistently into improvements in learning outcomes, equity and inclusion. The adjustments underway under GPE 2030–particularly in monitoring, accountability and delivery–are designed to address this.

The third is **managing the transition to GPE 2030 without losing operational momentum**. The shift to a new strategic cycle, a refreshed operating model, and–in some cases–new grant agents and institutional arrangements create real organizational risk. GPE is managing this transition deliberately: maintaining financial discipline, protecting delivery capacity, and ensuring that the efficiencies gained over the past year are locked in rather than eroded by transition costs. A lean, regionally embedded Secretariat – focused on core functions and supported by a fit-for-purpose budget framework – is the organizational foundation on which GPE 2030 will be built.

The conditions for greater results are in place. The partnership is aligned, the agenda is gaining political traction, and country systems are demonstrating that sustainable financing is achievable.