BOD/2017/03 DOC 03 – Annex 4
Meeting of the Board of Directors
March 1, 2017
Washington, D.C.

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FINANCING AND FUNDING FRAMEWORK

ANNEX 4: ECW INTERFACE - IMPLICATIONS FOR GPE

FEBRUARY 14, 2017

I. EXECUTIVE SUMMARY

Today, one in four of the world's school-aged children live in countries experiencing crises. Around 75 million of youth in crises are either already missing out on their education, receiving poor quality schooling, or at risk of dropping out of school altogether.[1] The Education Cannot Wait Fund (ECW) and the Global Partnership for Education (GPE) share an objective of ensuring quality education for children affected by conflict and crisis. ECW, the first official humanitarian fund for education, aims to generate greater shared political, financial and operational commitment to meet the educational needs of children affected by crisis. GPE, the only global partnership exclusively focused on education and one of the largest education donors in the international development space, has adopted education in fragile and conflict-affected states as a focus area in its 2020 strategy. Currently, approximately half of GPE's developing country partners are classified as fragile and conflict-affected countries (FCACs).[2]

This memo intends to help the GPE Board think about opportunities for complementarity and collaboration with ECW. While we recognize existing concerns regarding fragmentation and duplication, we suggest that these can be overcome by focusing on how to work together in service of the overarching goal of ensuring access to education for all children rather than focusing on potential downsides.

Ultimately, GPE and ECW will play different roles in this space, particularly given the different levels at which they work (with GPE focusing primarily on the system and ECW needing to work with more non-traditional actors) and the fact that ECW was created for and is tailored to the needs of countries experiencing emergencies and protracted crises. There is also a difference in terms of geographical targeting, with GPE's focus on LIC and LMICs and ECW's broad geographical mandate. However, GPE and ECW can and should collaborate to better address relevant high-level gaps in education in emergencies and protracted crises (EiEPC), many of which ECW has been explicitly designed to fill:

- Lack of funding and relatively lower prioritization of education
- Discontinuity between humanitarian and development efforts
- Lack of investment in global public goods
- Increased need for support directed at forcibly displaced people (particularly refugees)

[1] "New fund launches to address global education crisis," UNICEF, May 2016.
[2] 28 GPE developing country partners (46% of GPE's total DCPs) are currently classified as fragile and conflict-affected countries (FCAC).

To do so, GPE and ECW will need to collaborate across three interfaces and answer a variety of questions as ECW is operationalized this year:

- Interface #1 (planning and implementation funding): Should there be a structural link between ECW's First Response window and GPE's accelerated funding mechanisms to optimize the channelling of funds following an emergency? How will GPE and ECW coordinate around the application, disbursement, and monitoring processes in countries where both a GPE ESPIG and ECW multi-year grant are in place in order to minimize transaction costs for grantees and the two Secretariats? How can GPE work with countries during the education sector planning process to enhance resilience and preparedness?
- Interface #2 (global and regional public goods): How can GPE and ECW work together to ensure coordinated prioritization and investments across the GPE Knowledge and Innovation Exchange and the ECW Acceleration Facility?
- Interface #3 (global Secretariat operations, namely strategy, advocacy, and replenishment): How can the relevant Secretariat teams on either side work together to ensure aligned strategies and outward messaging, as well as coordinated outreach to different global and local actors?

At this time, given ECW's comprehensive operational design, there is no explicit need for the development of additional funding mechanisms targeting emergencies and protracted crises within GPE's financing and funding framework. However, the two organizations will need to align regularly to ensure that, where they are delivering funding in the same region, they are complementing each other and operating with an understanding of each other's strategic priorities. From the perspective of the DCP, it will be important that the two entities strive to deliver their core offerings in ways that minimize transaction costs for DCPs and that maximize the overall efficiency and efficacy of total quantum of funding directed to supporting countries during emergencies.

The GPE Secretariat will conduct further work over the course of 2017 – in consultation with the ECW Secretariat as it is put in place – to answer the previous questions regarding collaboration and outline clearer processes for doing so.

II. PURPOSE AND APPROACH

This memo is written for consideration by the GPE Board as the GPE Secretariat proceeds with implementation of GPE 2020 and the design and operationalization of its new Financing and Funding

Framework. There are currently no board decisions that stem from this document. While we recognize that it will likely be circulated further, our treatment of the GPE/ECW interface is primarily in the context of questions that the GPE Board and Secretariat will need to answer. To that effect, the memo reflects on opportunities for complementarity and collaboration in service of the overarching goal of ensuring access to education for all children and intends to prove GPE with recommendations that aim to:

- Capitalize on these opportunities to work towards addressing some of the gaps facing education in humanitarian crises
- Identify areas of synergy between the two organizations in order to make activities more efficient for both
- Minimize key risks of interfacing with ECW, such as fragmentation of financing or duplication of programmatic activities

It is important to note a few caveats:

- While this memo primarily considers the interface between ECW and GPE, it also recognizes that they are different in some fundamental ways
    - ECW focuses a higher proportion (100%) of its operations in more complex and risky countries. While GPE does operate in many FCACs and has mechanisms available to deliver support in crises, the majority of its grant making activity is not explicitly tailored as emergency or protracted crisis funding
    - Consequently, it has a higher tolerance for operational risk ; whereas GPE has a results-based model with clear functions in place to monitor and manage operational risk
    - GPE focuses on systems strengthening working primarily with governments (although through grant agents) on a longer time cycle. ECW is intended to respond to often unpredictable needs, sometimes outside of the system, and work with actors on the ground best suited to deliver services and on a shorter time cycle
- Developing a collaborative approach will be an iterative process, given that ECW is in its early stages (i.e., currently finalizing an operating model, developing its strategy in the next quarter and likely to learn and alter its own model and strategy over the first few years of operation). Thus, this memo focuses on defining the interfaces, identifying opportunities for collaboration, and in some instances coordination, and suggesting a sequence of key interface decisions to be to made as ECW is operationalized

- Humanitarian response is very complex in terms of issues, actors, and activities. This memo does not aim to provide a GPE/ECW solution to all the complexity; rather, it identifies opportunities for collaboration among GPE and ECW in emergency response, and identifies opportunities for GPE to fill gaps through its Financing and Funding Framework (FFF) and organizational capacity

Ultimately, this memo cannot, and is not intended to, answer a comprehensive set of potential questions on the ECW / GPE interface. GPE and ECW will need to look more closely at these interfaces as ECW operations expand. Many of the relevant decisions will be affected by where ECW is permanently hosted, as well as the pending development of ECW's strategy. When ECW is fully designed, GPE may want to re-consider design elements to meet ECW where it is and close any gaps that may remain between the two funds.

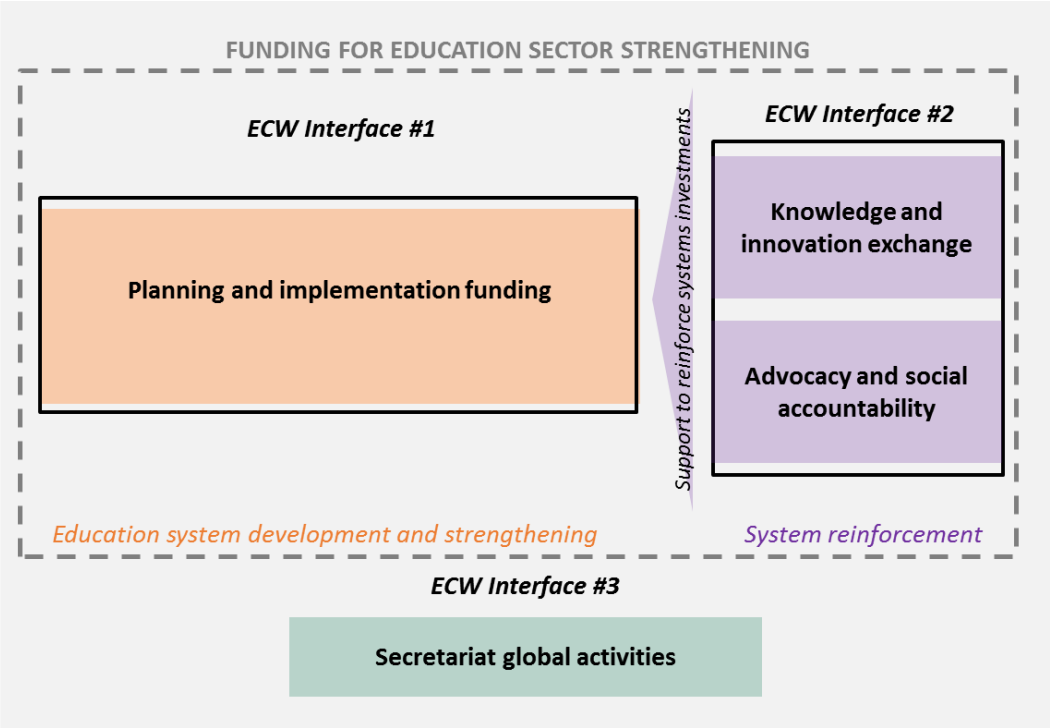
This memo also does not provide an overall indication of how to collaborate with other important funders and actors in education in emergency settings, beyond ECW and GPE.

Analysis was conducted primarily in the form of interviews with relevant stakeholders, in conjunction with a review of available documentation.

III. ECW/GPE INTERFACES

This paper considers an ECW / GPE interface across three dimensions: (i) planning and implementation funding, (ii) funding for global and regional public goods, and (iii) global Secretariat operations related to strategy, advocacy, and replenishment.

Figure 1. *ECW and GPE interface along three dimensions*



ECW will have two funds: **The Acceleration Facility** and the **Breakthrough Fund**.

- **The Acceleration Facility** will make targeted investments in global and regional public goods to advance the delivery of high-quality education services in crises. Based on current estimates, it will account for ~5 - 10% of the total financing on the ECW platform. Targeted investments will be made by conducting a focused Request for Proposal (RFP) process informed by ECW's strategy and aligned with ECW's five functions: political commitment, planning and response, financing, capacity, and accountability.

- **The Breakthrough Fund** is designed to account for ~90 - 95% of the total financing on the ECW platform, through two funding windows: the First Response Window and Multi-Year Window.
  - The First Response Window will provide early support at the onset or escalation of a crisis, and consists of four possible funding modalities:
    - An initial provision of funds to an appeal

    - Matched funding for a coordinated humanitarian response
    - Funding for specific project proposals from pre-accredited organizations
    - Funding for needs assessments.
- The Multi-Year Window will provide sustained funding support for 3-5 years to help bridge the divide between acute emergency response and longer-term education systems strengthening work, and to provide multi-year funding in high need, protracted crisis contexts. Funding will be provided to joint proposals developed by a broad coalition of actors, and ECW will provide coalition-building and pre-grant application support to help facilitate the development of these proposals.

GPE has two funding mechanisms to respond in an emergency setting: **Accelerated funding**, and **grant reprogramming.**

- Through **GPE's accelerated funding** mechanism, countries can draw down up to 20% of approved but not yet accessed Maximum Country Allocations over a one year implementation period to meet immediate needs when a crisis strikes. These funds are only accessible when a humanitarian appeal has been launched and when a country can demonstrate that GPE funds will not displace government or other donor funds.
- In addition to drawing down accelerated ESPIG funds, ongoing **GPE grants can also be reprogrammed** through an accelerated restructuring process to meet emergency needs, including by delivery through a different Grant Agent. Restructured grants can be deployed for direct service provision to address urgent needs.

In addition to these funding mechanisms, GPE provides support through financing of **Transitional Education Sector Plans (TESPs**), as well as sector analysis to assess needs, through the Education Sector Development Grant, for countries emerging from crisis. A TESP develops a common framework to align governments, development and humanitarian partners in support of education in early recovery activities and medium-term education sector development.

GPE is also exploring options to support DCPs in accessing **risk financing** instruments.[3]

[3] This work is on-going and the Secretariat will provide an update at a future board meeting.

Figure 2. Resources across each interface

	GPE	ECW
Interface #1	• Implementation funding (accelerated funding and grant reprogramming) • Planning funding	• First response window • Multi-year window

Interface #2	• Reinforcement funding
	  ○ Knowledge and innovation exchange
	  ○ Advocacy and social accountability
		• Acceleration facility

Interface #3	• Advocacy, replenishment, strategy (global Secretariat activities)	• Advocacy, replenishment, strategy (global Secretariat activities)

IV. VALUE OF GPE/ECW COORDINATION AND COMPLEMENTARITY IN ADDRESSING GAPS FOR EDUCATION IN HUMANITARIAN CRISES

As previously discussed, our examination of the GPE/ECW interface has considered both opportunities to achieve more through collaboration and areas of risk to be minimized. While many have raised concerns about fragmentation and duplication if both GPE and ECW aim to serve education in emergencies and protracted crises (whether as part or all of their mandate), these are, in some ways, a distraction from the potential benefits. With less than 2% of the humanitarian budget being directed to education, the emergency education space is severely underfunded and there is room for both organizations provide support.[4] As with all development and humanitarian efforts, the two funds will need to do so with consideration for what each other and other stakeholders are doing. The concern should be less about whether or when GPE and ECW will fund the same situations and more about how they can do so most effectively from the recipients' perspectives (e.g. minimizing transaction costs and taking into consideration relative levels of absorption capacity).

In terms of opportunities to achieve more, GPE and ECW will need to think about how their planned and existing structures can complement each other to work towards addressing relevant gaps for education in emergencies and protracted crises. While there are a variety of challenges for current humanitarian response mechanisms and approaches, many of which ECW has been designed to address (e.g. pooled funding to coordinate donor contributions, ability to channel funds to smaller actors on the ground and ability to disburse funds quickly), here we focus on challenges that could be influenced by coordination and complementarity between GPE and ECW. In particular, these include the general funding gap, the discontinuity between humanitarian and development funding, the need

[4] ODI, "Education Cannot Wait," 2016.

for more global and regional public goods, and the growing need to support forcibly displaced people (IDPs and refugees).

General funding gap: The notable overarching gap is that of the amount of available funding itself and, tied to that, the level of priority of education within overall humanitarian efforts. Indeed, a key driver for the creation of ECW was the increase of funds for and the elevation of the importance of EiEPC. Where relevant, GPE and ECW can work together on these goals through their advocacy and replenishment activities.

Link between development and humanitarian efforts: Another broad gap is the link between development and humanitarian efforts. Several elements of ECW's design (e.g. multi-year funding and funding for development of global public goods through the acceleration facility) will provide avenues through which to address this. However, collaboration, and eventually coordination, between GPE and ECW will be key for moving towards more continuity between development and humanitarian efforts. In part, this is a question of grant design and delivery (e.g. Are there structural links between mechanisms? Is there a defined pathway that makes clear how countries receiving ECW funding might 'graduate' to GPE funding? Are there guidelines for how different elements – like planning and monitoring – might be coordinated across ECW and GPE funding?). It will also involve fostering a nature of collaboration between the Secretariats of the two funds and developing clear guidelines for more official coordination when working in the same areas. This will not be as simple as identifying the 'hand-offs' as there often will not be clean 'hand-offs' in a transition situation.

Beyond funding, there may be a role for GPE and ECW to play in filling policy gaps between humanitarian and development approaches. This may include policies around certification of teachers for emergency settings, recognition by governments of learning provided by non-government actors in crisis settings, and other policy issues specific to EiEPC.

Global (and regional) public goods: There are a variety of global and regional public goods (e.g. data on the status of and knowledge about what works in EiEPC; capacity-building for potential grantees and a general pool of capacity in the space) that are currently underfunded. Once again, ECW has been designed to help address the gap, in this case through its Acceleration Facility, which will specifically fund the development of global and regional public goods. GPE currently funds knowledge exchange through its Knowledge and Innovation Exchange initiative and would expand this work to include the funding of global public goods through its Knowledge and Innovation Exchange (pending Board

approval). While the thematic areas of focus for GPE's Knowledge and Innovation Exchange mechanism are still to be determined, there will likely be some areas where joint initiatives could amplify each individual organization's work.

Growing needs for forcibly displaced people: 2015 saw an unprecedented number of forcibly displaced people worldwide (~63.9m, ~16.1m of which were refugees), up ~16% from 2014[5]. In many countries, these populations are not accounted for in planning or implementation. This is particularly true of refugee populations, who can find themselves in host countries either unprepared or unwilling to provide the necessary support. As previously mentioned, this is an area of interest for GPE under its plans for knowledge and innovation exchange; ECW allows for targeted funding around this 'theme'. The two can have a larger impact in this area by collaborating and sharing information. Furthermore, GPE can play a unique role in supporting countries to account for refugee populations in their education sector planning, while ECW channels direct funding.

V. POTENTIAL GPE FUNDING MECHANISMS

In considering how GPE and ECW mechanisms interface, and whether additional GPE funding mechanisms are required to address gaps, it is important to distinguish between two questions:

a) Across the proposed ECW and actual GPE mechanisms targeting emergencies and protracted crises, are there gaps in terms of possible windows through which funding can be channeled to different crisis needs? *(structural gap)*

b) Given the available resources and each fund's approach to prioritizing needs, are there gaps in terms of what actually will be funded? *(strategic gap)*

Based on the current plans for the ECW operating model and GPE's existing funding mechanisms, there is currently no explicit need for a new emergency funding mechanism.

***Structurally*, a potential gap lies in resilience and preparedness**. While GPE does encourage its developing country partners (DCPs) to incorporate these elements in the development of an education sector plan (ESP), most stakeholders consulted believed that more explicit action could be taken to ensure that this is happening. There is an opportunity to focus on resilience and preparedness, especially for FCAS countries within the assessment of credible plans.

[5] UNHCR Statistics, 2015.

At this time, there is no explicit need for additional GPE funding mechanisms (beyond the current risk financing options that are being explored by an external firm, as mandated by the GPE Board). The SFWG has considered whether to allow targeted funding to for emergency purposes, but ultimately the proposed CSP will not permit this except in Board-approved exceptions.

***Strategically*, GPE may need to review its approach regarding the conditions under which countries can trigger the accelerated funding mechanism** (e.g., for what reason can accelerated fund be triggered, in what amount) and whether the accelerated funding mechanism should be available in conjunction with ECW funds, or as a back-up mechanism when ECW is unable to provide support. However, this will not be possible until ECW develops its strategy providing evidence to inform which needs may be systematically underfunded. There is also a strategic question of expediency: if GPE is already in country through an ongoing grant mechanism, it may be able to move funding more quickly in countries with standing relationships, whereas ECW may be in more of short term relationships with countries. It will be important to use both types or relationships with DCPs efficiently.

PROPOSED FUNDING MECHANISMS AND ENHANCEMENTS

Planning

- Two related options aim at leveraging GPE's role in planning:
    - Potential incentives for those seeking to meaningfully incorporate refugees into planning
    - Potential incentives for countries seeking to meaningfully incorporate general resilience and preparedness in the event of emergencies into their planning
- A key remaining question is whether these incentives could be financial
    - At this point in time, the SFWG has not recommended a financial incentive
    - The Secretariat, in collaboration with the GPC should continue their efforts to ensure countries are well supported with technical capacity in resiliency planning in the ESP process, and underscore the importance of this element in the QA process

Risk finance

As mentioned previously, an external firm has been commissioned to explore options for the use of risk financing instruments. The results of this work are pending and it is unclear whether such instruments will best sit with GPE or ECW.

This is not included in the FFF proposal: for further discussion following the completion of that work.

Implementation

- As previously discussed, the ECW operating model, as it currently stands, does not sufficiently justify the establishment of a new funding mechanism at GPE, given the complexity of doing so (i.e., ECW has a range of mechanisms and modalities for funding across crises)
- However, given resource constraints, there may be a need to explore prioritization methodologies once ECW has developed its strategy
- One concrete recommendation considered by the SFWG in developing its proposed Financing and Funding Framework allowing targeted funding to supplement the 20% that would usually be drawn down from a DCP's MCA as part of GPE's accelerated funding mechanism; however, the SFWG ultimately decided against proposing this level of geographic targeting under the new Contributions and Safeguards Policies

No changes to implementation funding are currently included in the FFF proposal.

VI. KEY GPE DECISIONS TO BE MADE ACROSS EACH INTERFACE

While this memo considers GPE planning and implementation funding mechanisms and enhancements, these only represent one set of decisions that need to be made to determine coordination across the three interfaces. This section lays out, at a high level, key decisions for coordination required across each interface, including funding. It proposes rough dates, suggesting a sequencing of decisions necessary to determine an effective interface between GPE and ECW in emergency settings.

Figure 3. Key GPE decisions to be made across each interface

	GPE Decisions	Approximate date
Interface #1: Planning and implementation funding	**Planning:** • Determine how GPE can tailor processes and/or the support it provides during planning to drive meaningful incorporation of general **resilience and preparedness** measures and refugees in planning	• By January 2018
	Implementation: *Funding* • Decide if GPE is to maintain **accelerated funding** mechanism in geographies where ECW is operating	• By January 2018

	• Agree on conditions for accelerated funding mechanism (e.g., require targeted funding to minimize impact on overall ESPIG funds) • Explore possibility of direct **structural link** between ECW First Response Window and GPE accelerated funding • Determine, for **expediency**, whether GPE resources can provide initial support and be offset by ECW resources in cases where GPE would already have an existing mechanism in place *Functions* • Develop guidelines for how **country-level participating agencies** should coordinate where an ESPIG and the Multi-Year Funding Window co-exist • Explore the feasibility and potential benefits of a **shared data repository for M&E** of GPE and ECW grants, particularly in shared geographies	
Interface #2: Funding for global and regional public goods	**Reinforcement funding:** • Establish a process for **prioritizing areas of shared interest** across ECW's Acceleration Facility and GPE's Knowledge and Innovation Exchange, and coordinating investments accordingly • Determine how the GPE and ECW Secretariats will work together to **align across their respective processes** (e.g., application commissioning phase, grantee eligibility) • Identify additional responsibilities GPE staff may need to take on to **ensure coordination with ECW knowledge management staff** (e.g., share interim updates, joint evaluations of potential public goods investments) **Note*: Decisions on funding for global and regional public goods interface to be decided after the ECW hosting decision in mid-2017, by which point ECW will have developed its strategy	• By January 2018
Interface #3: Global Secretariat activities related to strategy, advocacy, and replenishment	**Strategy, advocacy and replenishment:** • Identify additional responsibilities that GPE staff in SPP may need to take on to ensure **coordination for overall strategy** setting between GPE and ECW on an annual basis • Determine **processes for strategic coordination** across each of the grant interfaces, in terms of strategic planning, crisis selection and maximum funding levels • Determine how GPE's **advocacy and donor relations** teams will interact with ECW's political advocacy and external relations around messaging and relative roles with different stakeholders • Ensure that ECW and GPE **communications** teams **coordinate to ensure consistent outwards messaging**, except in areas where communication efforts are intentionally differentiated and not overlapping	• By June 2018

	• Determine how GPE's **donor relations and replenishment** team will work with ECW's fundraising, financial management and innovative financing team to develop a **common approach and shared messaging** in outreach to shared donors • Determine how GPE and ECW donor relations and replenishment team can **coordinate in establishing relationships with new donors** and attracting other sources of innovative financing **Note*: These mechanisms of coordination will be developed over the 6 – 12 month transition to a permanent ECW host, and may be refined as ECW scales up operations and quantity of funds disbursed	

ANNEX A. QUESTIONS AND POTENTIAL DECISION POINTS FOR ECW INTERFACE

Figure 4 outlines questions surrounding the interface addressed in this memo, as well as the potential decision points that will answer these key questions. These questions should be revisited and addressed in more detail as ECW's operational model, strategy and hosting location are finalized.

Figure 4 : Questions to be explored and potential decision points for ECW interface

Key questions	Potential decision points
• What are the specific gaps in funding for education in emergencies that GPE and ECW could collectively aim to address in a coordinated way?	• Should GPE and ECW develop mechanisms for structural coordination in these areas?
• How should GPE's approach to funding education in emergencies evolve considering the potential role that ECW may play at the country and global levels?	• What design features should GPE's FFF have for countries that are experiencing conflict or emergencies? • Should GPE work with ECW in filling policy gaps between humanitarian and development approaches?
• How can GPE and ECW collectively provide better support for refugees and IDPs?	• How GPE can tailor processes and/or planning support to incentivize GPE countries to meaningfully incorporate refugees and IDPs in education planning?
• What kinds of implications may ECW have for GPE's work in terms of: - Application and selection - Disbursement - M&E • How could GPE and ECW be designed to minimize transaction costs and burden placed on grantees?	• What structural changes might be required to facilitate coordination • How might the GPE country or grant process be altered to incorporate coordination points with ECW? • What additional responsibilities might GPE CST staff need to take on to ensure coordination?

• Should there be some effort to link the two funds structurally to ensure coordination? • What guidelines should be provided to staff in country and at the global level to advance collaboration?	
• How can ECW and GPE coordinate in funding advocacy, creation of global public goods, and innovation?	• What additional responsibilities might GPE staff need to take on to ensure coordination?
• How can ECW and GPE coordinate their own advocacy and replenishment activities to both reinforce each other's' efforts and minimize risk of competition?	• What additional responsibilities might GPE PERT and CST staff need to take on to ensure coordination?

ANNEX B: ECW AND GPE OFFERINGS ACROSS CRISIS NEEDS

Figure 5 provides a snapshot of planned ECW and actual GPE funding options across needs of crises, considering that these needs are not sequential and will often overlap. Additionally, it calls out options for funding for refugee populations, which can often be left out of the national process. This purposely does not explore the specifics of what each might fund, as neither organization sets parameters for this. Nor does it speak to the full range of non-financial support that each can offer. However, it does aim to highlight points at which ECW or GPE involvement and/or collaboration is most appropriate given the financial tools each [will] have to support its grantees.

This figure does not visually reflect proportionality or overall focus of each fund. Specifically, all of ECW's activities are indeed targeted and designed for countries in emergencies and protracted crises. GPE's activities are more broadly focused on systems strengthening and its mechanisms tend to be available options for its country partners but are not necessarily accessed by the majority.

Figure 5: Funding for education across needs of crises; Refugee funding

	Emergency funding across needs of crises						*Refugee funding sources*
Actor	**Resilience & preparedness**	**Early needs assessment**	**Early response**	**On-going response**	**Early recovery**	**Rebuilding**	**Refugee support**
ECW	•*No dedicated funding*, but can disburse funding to support resilience and preparedness of grantees	•First Response Window can fund rapid or comprehensive needs assessments at onset of a crisis	•First Response Window can provide funds at onset or escalation of a crisis	•Multi-Year Window can provide sustained funding for 3-5 years in high need, protracted crisis contexts	•Multi-Year Window can fund early recovery •Acceleration Facility can invest in systems strengthening for recovery	•Multi-Year Window can support early rebuilding efforts	•Strategic focus on refugees and IDPs; thematic fund earmarking allowed for marginalized groups in the Acceleration Fund
GPE	•*No dedicated funding*, but the ESPDG provides financial support to develop credible ESPs or TESPs, which are encouraged to include resilience measures	•*No dedicated funding*, but ESPIG accelerated funding could support an nearly needs assessment if recommended by the education cluster	•*No dedicated funding, but* ESPIG funds available through accelerated funding for up to 1 year (up to 20%) at the discretion of national governments	•*No dedicated funding*, but ESPIG funds can be programmed for on-going response	•ESPDG funds Transitional Education Sector Planning (TESP) which can support countries recovering from crisis •ESPIG funds can be programmed for early recovery	•ESPIG accelerated financing can be used for rebuilding education services •ESPIG funds can be programmed for rebuilding	•*No dedicated funding*, but refugee support could be included in ESPIG

ECW and GPE focus areas and opportunities to fill existing gaps:

- Given the different relative focus of each organization, the fact that they have mechanisms which could channel money to the same needs is not particularly duplicative; but they should remain coordinated should use of GPE's emergency-focus mechanisms increase
- Ultimately, education needs in humanitarian situations remain significantly underfunded, so both should work to expand available resources
- Given GPE's involvement in the education sector planning process, it is well positioned to incentivize resilience and emergency planning before a crisis strikes
- Refugees and IDPs require support in terms of both planning and increased funding; GPE is currently more likely to provide planning support while ECW has a strategic focus on the funding side[6]

[6] Currently, GPE ESPIG funding can support refugee and IDP populations, especially in an integrated way that also considers host community needs.

ANNEX C. POTENTIAL GPE / ECW COMPLEMENTARITY AND COLLABORATION ACROSS INTERFACES

Interface #1

This section presents three hypothetical scenarios to demonstrate how planning and implementation funding might interact under different circumstances. This will not always mean choosing one mechanism over the other; in many cases, particularly where the need is great, it may make sense for both GPE and ECW to provide funding in a complementary manner. This complementarity can be in a variety of forms, including: recipient (whereas GPE works with large, pre-accredited grant agents, ECW may be able to work with a wider variety of implementing partners including local, on the ground, partners), specific activity funded, or timing of disbursements.

The scenarios are illustrative and not an exhaustive list of possibilities.

Scenario 1: GPE Partner country experiencing one-off disaster

In this scenario, we imagine that a country receiving GPE support in the form of an ESPIG is hit by an acute, one time crisis. The country launches a humanitarian appeal. ECW provides 'initial provision funds' (small initial provision of funds to a humanitarian appeal at the onset of a crisis) and matching funds through the First Response Window. The country must then consider whether or not to draw down 20% of its ESPIG through its accelerated funds.

Complementarity

Based on current design, GPE and ECW would operate on staggered time frames. ECW's First Response Window will use the 'initial provision of funds' modality, distributed within three weeks, to meet immediate education needs and support upfront costs of establishing an education response. ECW's initial provision funds are intended as a modality to incentivize the inclusion of education in humanitarian appeals. GPE's accelerated funding will be disbursed within eight weeks. Although it might be beneficial to try to structurally link these to mechanisms so that the money could flow even faster, countries could also coordinate the use of each grant based on immediacy of needs. The First Response Window may subsequently provide matching funds when there is likely to be a minimum level of funding flowing to education through a humanitarian appeal, such that matching will be

impactful. The accelerated funds from GPE may be sufficient to merit ECW matching funds to meet the full set of emergency education needs, which could be one of several reasons why a country may draw down on its ESPIG.

Collaboration / coordination

From a coordination perspective, a structural link between the First Response Window and ESPIG Accelerated Funding could allow the accelerated funds to flow faster, if needed. In addition, a structural link between the two funding mechanisms could reduce transaction costs on the recipients, as it would allow both sets of funds to be delivered through one channel. The recipients could then direct funds to the most appropriate needs, reducing the transaction costs of on the ground coordinators.

Scenario 2: Country experiencing protracted crisis, with GPE planning support

In this scenario, we assume that a country is in the process of implementing GPE's Education Sector Plan Development Grant (ESPDG) to develop an Education Sector Plan (ESP), or in conflict affected and fragile states a Transitional Education Sector Plan (TESP). While implementing, it becomes eligible for ECW support within the Multi Year Window.

Complementarity

The ESPDG funds activities necessary to develop an education sector plan, including an Education Sector Analysis (ESA). The sector analysis includes context analysis, including demographic analysis, as well as analysis of existing policies, costs and financing, system performance and system capacity and marginalized groups, and is ultimately used as input for an education sector plan. As part of the grant application process, Multi-Year Window proposals require a needs assessment that provides a comprehensive understanding of 3 - 5 year education needs in the crisis-affected area, including the needs of marginalized groups. Multi Year Window grant proposals could benefit from inputs from the ESPDG to inform needs assessments. In addition, the Multi-Year Window funds can complement national government plans to address specific needs identified through the ESPDG.

Similarly, when a country applies to GPE for an ESPDG, it could incorporate any recent needs assessments (e.g., from the Multi-Year Window) in the application as evidence of existing resources that would support ESPDG activities. This would strengthen a country's application.

Collaboration / coordination

Collaboration between the GPE Secretariat and the grant management team at ECW could facilitate the flow of information from ESPDG's to inform prioritization and disbursement of funds in the Multi-Year Window. GPE staff can coordinate with the ECW staff to leverage existing information and relationships for GPE DCPs. Through this interface, the Multi-Year Window funding could be used to address priorities identified in (T)ESPs in protracted crisis situations.

Scenario 3: Country experiencing protracted crisis, with GPE implementation support (ESPIG)

In this scenario, we assume that a country is in the process of implementing a GPE ESPIG during an on-going crisis, and receives ECW funding from the Multi Year Window. The country also elects to reprogram its GPE ESPIG funding.

Complementarity

The ESPIG provides funding to partner countries for the implementation of the national Education Sector Plans, whereas ECW's Multi-Year Window provides sustained funding support for 3-5 years in both crisis contexts. ECW's Multi-Year Window funding is provided to coalitions of actors working in education in crises and aims to improve how work is conducted in the EiE sector, by engaging this broader set of actors. There is an opportunity for the Multi-Year Window to provide additional funding to different actors focusing on a specific response to a crisis, which ESPIG funds may be unable and/or unlikely to support.

Collaboration / coordination

Strategic prioritization upfront between the ECW Multi Year Window and the ESPIG will leave the Multi Year Window funds well positioned to address risks unaddressed by an existing or reprogrammed ESPIG. The GPE Secretariat can communicate awareness of gaps in the ESPIG programming during a protracted crisis to the ECW Multi-Year Window grant management team, with updates as crises experience change.

From an application and selection process, if a country applying for an ESPIG already receives ECW Multi-Year Funding, the country level coalition grantees should participate in the program identification consultation phase, and identify the most appropriate applications of GPE funds.

<u>Interface #2: Funding for global and regional public goods</u>

GPE and ECW both aim to increase the impact of their funding through targeted investments in global and regional public goods, led by the Knowledge and Innovation Exchange (GPE) and the Acceleration Facility (ECW). There is an opportunity for coordination particularly in terms of data gathering to support M&E and accountability. This could manifest in collaboration around or more structured coordination of data sharing between the ECW and GPE knowledge functions to ensure that both organizations can most effectively use the limited data available on education in emergency settings. GPE Knowledge and Innovation Exchange staff should develop and maintain a shared database.

Such coordination would allow both funds not only to increase the use of data to drive learnings and improved results, but also to make available more broadly information on education in emergencies. In addition, availability of shared data to support M&E functions will reduce the burden and transaction costs for grantees working with GPE and ECW in the same geography.

In addition, GPE and ECW should coordinate on knowledge topics that are developed through public goods and thought leadership. GPE and ECW can collaborate to ensure complementarity of the work funded in this realm, both in terms of areas of shared interest (e.g., vulnerable populations) and separate non-overlapping interests. Coordination of GPE and ECW funding in this space can ensure that all investments link back to coordinated messaging that elevate each fund's respective mission, and shared objectives.

Interface #3: Advocacy, replenishment and strategy

GPE and ECW can amplify each other's voices through coordination across advocacy messages. This would require collaborative strategy setting between the two organizations, both broadly and with respect to specific focus areas (e.g. refugees and IDPs).

In terms of replenishment, coordination when approaching shared donors will benefit both GPE and ECW. The GPE PERT team and ECW's Donor Engagement, Communications and Advocacy Specialist team should maintain a tool to ensure coordination, such as a database tracking conversations to maintain coordinated communication. While there is some overlap in donors, ECW will also be leveraging new forms of financing as a core part of its fundraising strategy.

The SPP team at GPE should maintain communication with the ECW strategy team, remaining abreast of existing and future strategic priorities that will ensure overall complementarity and coordination between the two funds. This may be in the form of meetings at key points (e.g. as ECW develops its 3-5 year strategy, or as ECW prioritizes countries for engagement) between the strategy leads of each organization.