EFA Fund

by Nancy Pinto



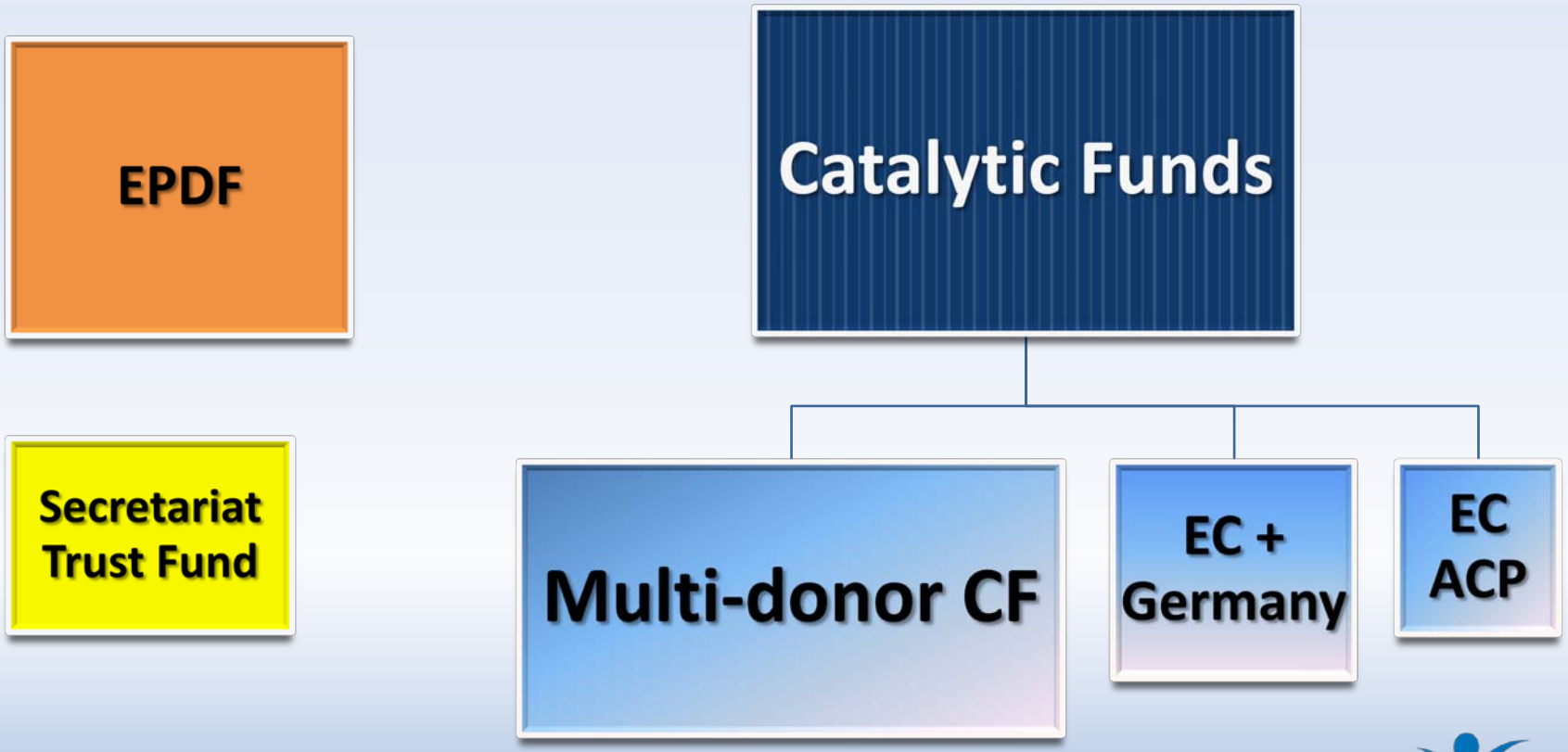
FTI Meetings

November 10 – 12, 2010 | Madrid, Spain

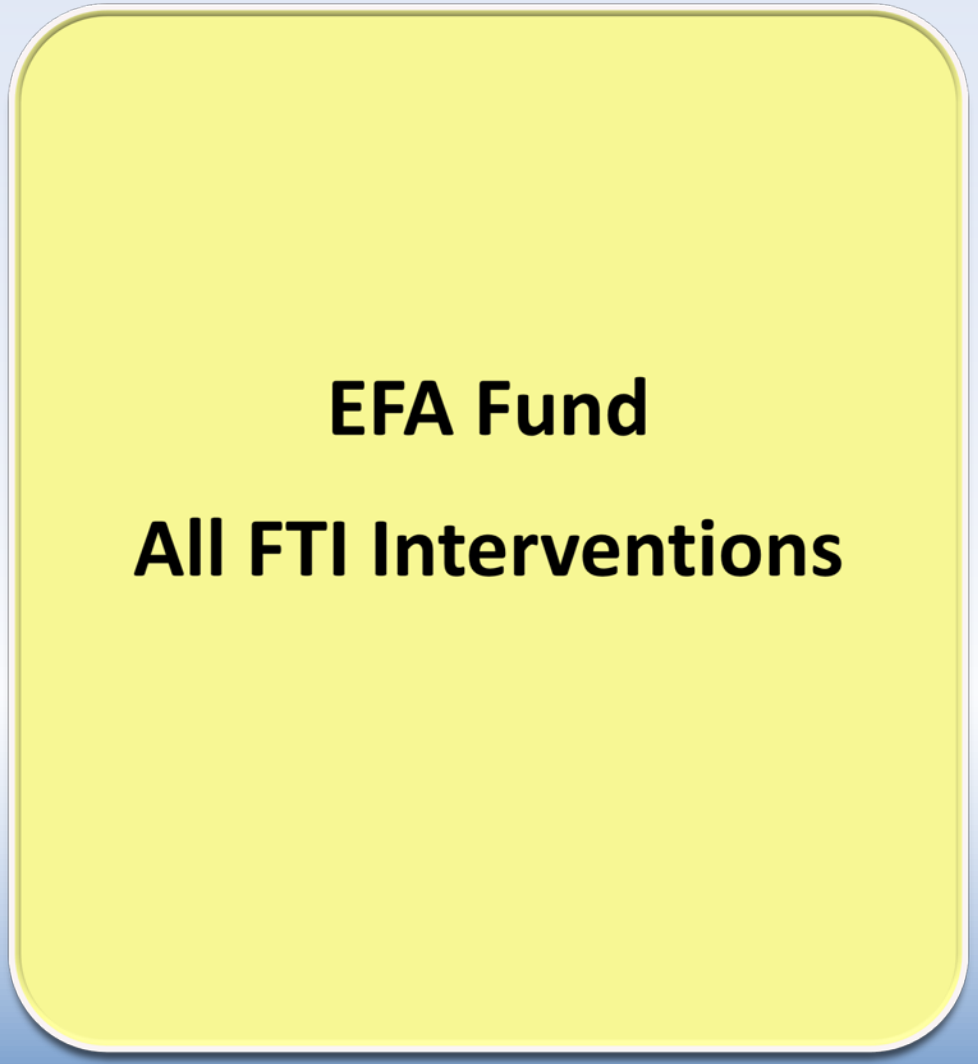
Why move to a single fund arrangement?

- Connect policy decisions with resource allocation decisions
- Strengthen the impact of governance reforms
- Serve countries better through adoption of “PACE” principles
- Focus on implementation monitoring rather than allocation processing
- Streamline fund allocation decision-making and reporting processes
- Increase flexibility of available funding
- Address the multiple roles of the World Bank in FTI

Current FTI Trust Funds



Proposed New Fund Structure



Eligible activities at country level

EFA Fund	Current Fund Structure
• ESP Development/Revision	EPDF
• EFA Fund Program development	EPDF
• Support to ESP Implementation	Catalytic Fund
• Support for strengthening the LEG and Joint Sector Review Processes	*Currently not funded (identified in PACE)*
• Direct grant supervision	Catalytic Fund

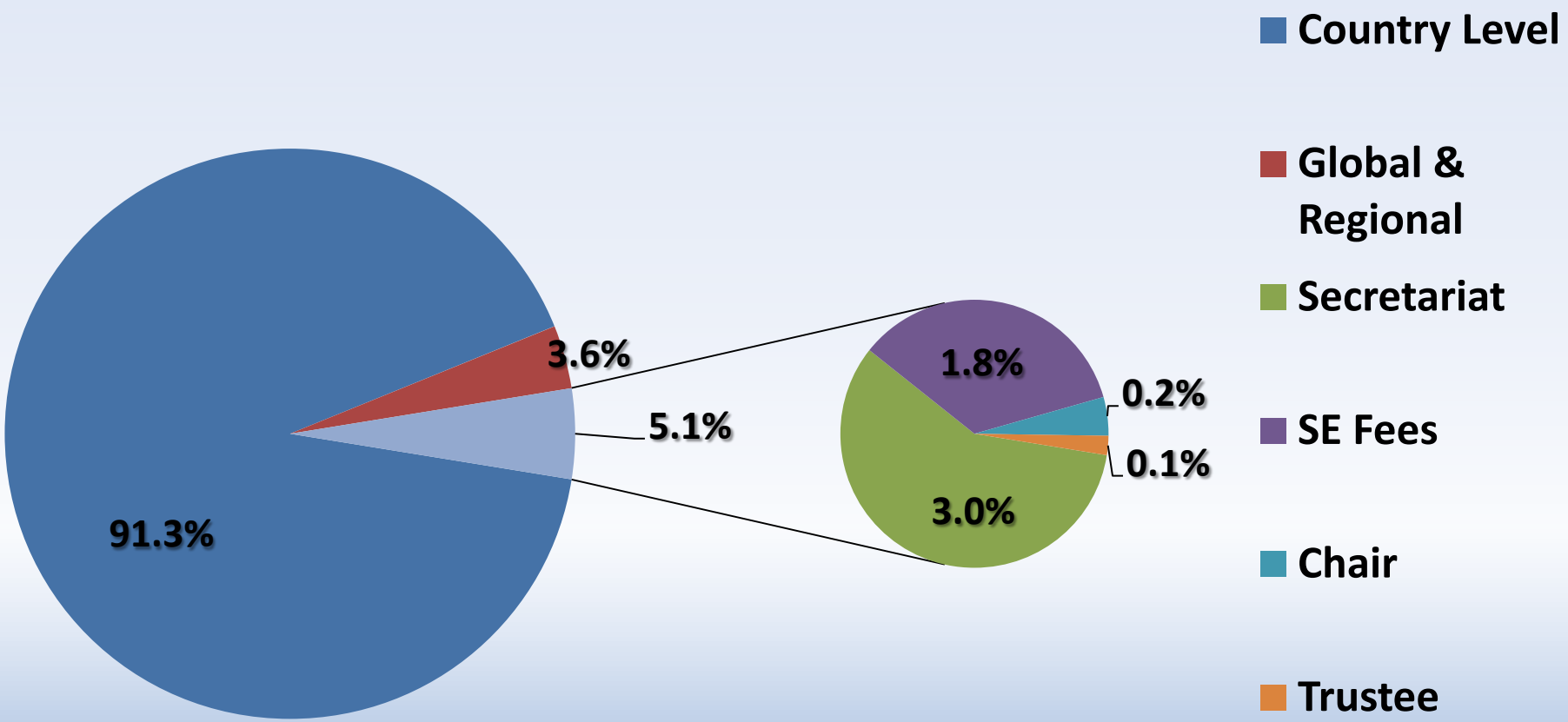
Eligible activities at global/regional level

EFA Fund	Current Fund Structure
• Knowledge and practice “gap filling” initiatives	EPDF
• Activities enabling scaling up global good practices	EPDF
• Activities focused on improving FTI Partnership accountability – through strengthened data availability and quality	EPDF

Eligible activities at Partnership level

- FTI Secretariat work program
- Chair of the FTI Board of Directors position and related expenses
- Trustee financial administration services
- Partner agency fees cover the cost of managing the EFA Fund resources (activities are in addition to the direct grant supervision)

Expected allocation distribution

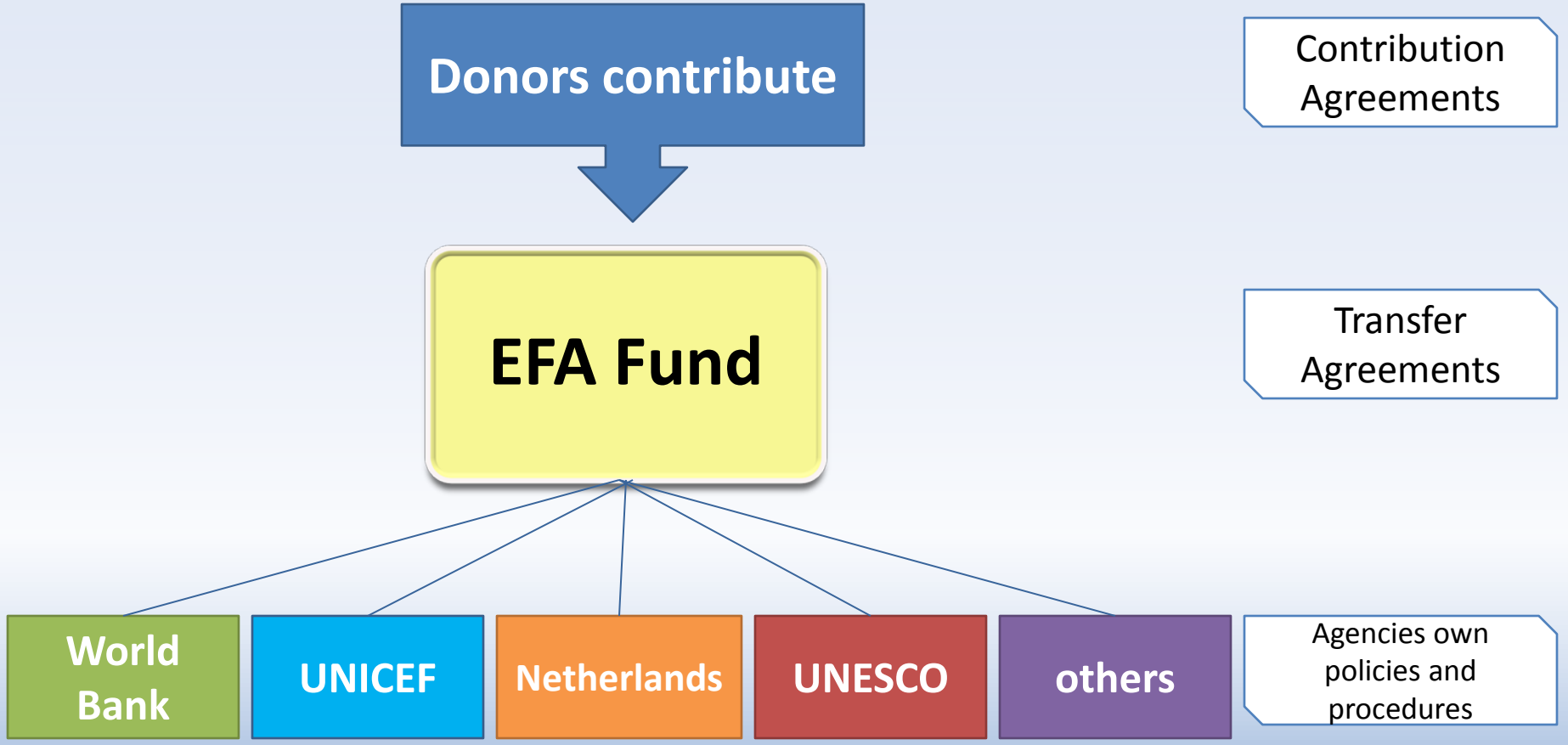


Who makes allocation decisions?

- **FTI Board of Directors** is “supreme” decision-making body

- **Financial Advisory Committee** (FAC) supports Board decision-making

EFA Fund will operate as a FIF



Who can supervise an EFA Fund allocation?

- No “default” SE
- FTI multilateral and bilateral partners may serve as SE
- LEG selects SE for country level work; Call for Proposal process identifies Global/Regional activity SEs
- Funds are made available to SEs through transfer agreements

Roles will change

Current	Future
Decision making	
Committees →	Board
Financial administration	
Secretariat →	World Bank Trustee
Support to LEGs	
focus on upstream allocation request support →	deeper implementation support
New	
	New FAC plays important role in monitoring overall implementation progress, in particular with respect to Joint Sector Reviews
	HQs of SEs take on fund management role

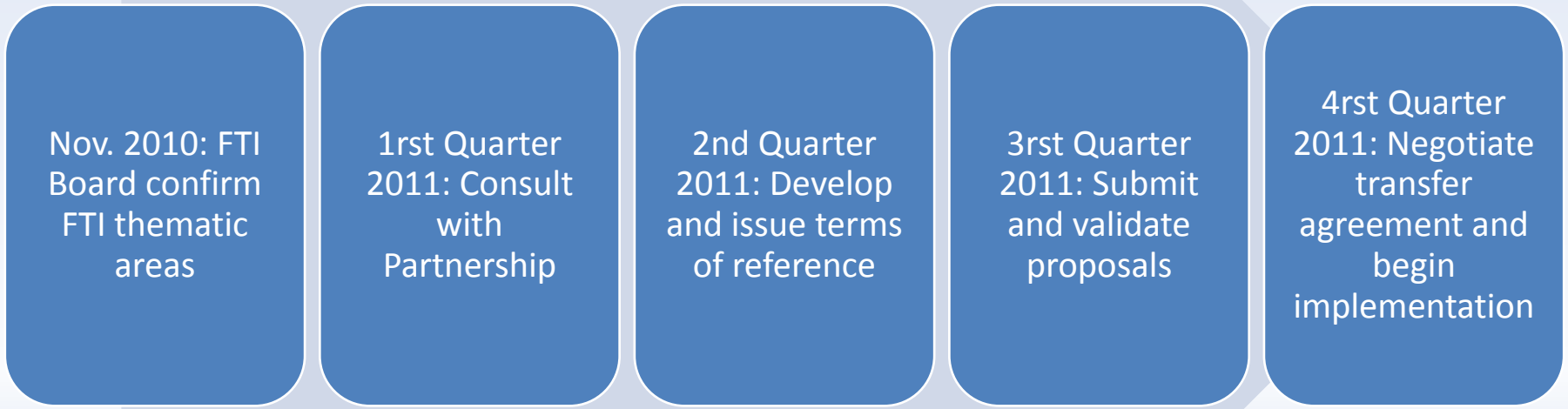
What are we working on?

- EFA Fund governance document
- Transfer agreements and supporting documents
- Contribution agreements with donors
- Guide to administrative procedures and financial management practices across Supervising Entities
- Financial and implementation progress report formats
- Standards and procedures for financial and implementation portfolio progress reporting

Global and Regional Activity program

- Objective: Leverage the value add of the FTI Partnership by expanding and sharing education sector knowledge
- Focus on 3 priority thematic areas for a 3 year cycle (learning outcomes, out of school children, education financing)
- Identify knowledge gaps and results to achieve (link with the results framework)
- Solicit work through call for proposals

GRA program development and implementation process



Decision requested (1)

- **BOD/2010/11-X – Name of New Trust Fund:** The Board of Directors approves the name of the new, single trust fund as the EFA Fund.

- **BOD/2010/11-X – Finalization of the EFA Fund:** The Board of Directors requests the FTI Secretariat to proceed with finalization of all necessary actions to establish the EFA Fund, which will be managed by the World Bank as trustee. The FTI Secretariat shall present to the Financial Advisory Committee the EFA Fund Governance Document, which shall reflect inputs of the Board of Directors November 2010 meeting in Madrid as well as the results of consultations with prospective donors to the EFA Fund, no later than January 31, 2011, for the committee's review and recommendation for approval by the Board of Directors.

Decision requested (2)

- **BOD/2010/11-X – Eligible Activities Supported by the EFA Fund:** All allocations from the EFA Fund shall be approved by the Board of Directors, except as otherwise delegated by the Board of Directors. The EFA Fund shall be used for:
  - a. Eligible activities outlined in Section 1.1 of the document entitled "The EFA Fund Structure and Operational Design," presented at the November 2010 meeting of the Board of Directors
  - b. Any other purpose approved by the Board of Directors.
- **BOD/2010/11-X – Eligible EFA Fund Grant Recipients:** The Board of Directors shall approve the eligibility criteria for recipients of EFA Fund grants. These criteria shall be reflected in the EFA Fund Governance Document.

Decision requested (3)

- **BOD/2010/11-X – Eligible EFA Fund Supervising Entities:** Allocations from the EFA Fund for grants to support country-level activities and global/regional activities shall be transferred to a bilateral or multilateral EFA FTI partner to serve as Supervising Entity or Implementer.

- **BOD/2010/11-X – Allocations for Implementation of Endorsed ESPs:** Proposals for grants from the EFA Fund to eligible countries to support implementation of endorsed ESPs shall be reviewed and recommended to the Board of Directors by the Financial Advisory Committee, as set forth in the Terms of Reference approved for the committee.

Decision requested (4)

- **BOD/2011/11-X – Allocations for ESP Development and Revision, EFA FTI Program Development, and Strengthening of Local Education Groups and Joint Sector Reviews:** Fixed allocation amounts for each of the following eligible categories: ESP development and revision, EFA FTI program development, and strengthening of Local Education Groups and Joint Sector Reviews shall be proposed by the EFA FTI Secretariat for review by the FAC and approval by the Board of Directors. The Board of Directors requests the EFA FTI Secretariat to consult with several potential Supervising Entities and with the Financial Advisory Committee on the allocation amounts no later than January 31, 2011.

Decision requested (5)

- **BOD/2011/11-X Administration of fixed allocation amounts for ESP Development and Revision, EFA FTI Program Development, and Strengthening of Local Education Groups and Joint Sector Reviews** The Board of Directors delegates to the EFA FTI Secretariat the authority to allocate resources from the EFA Fund to support ESP development and revision, EFA FTI program development, and strengthening of Local Education Groups and Joint Sector Reviews in accordance with the fixed allocation amounts approved by the Board of Directors and subject to the availability of funds.