Strategy for a Replenishment Campaign for EFA FTI

by Charles Tapp



FTI Board Meeting

18 – 19 May 2011 | Kigali, Rwanda

For Decision

1. Endorse Replenishment Strategy

2. Agree to pledging conference timing, venue and approach

3. Agree to the Education for All Fund replenishment contribution targets

4. Endorse a Results-based Replenishment Approach

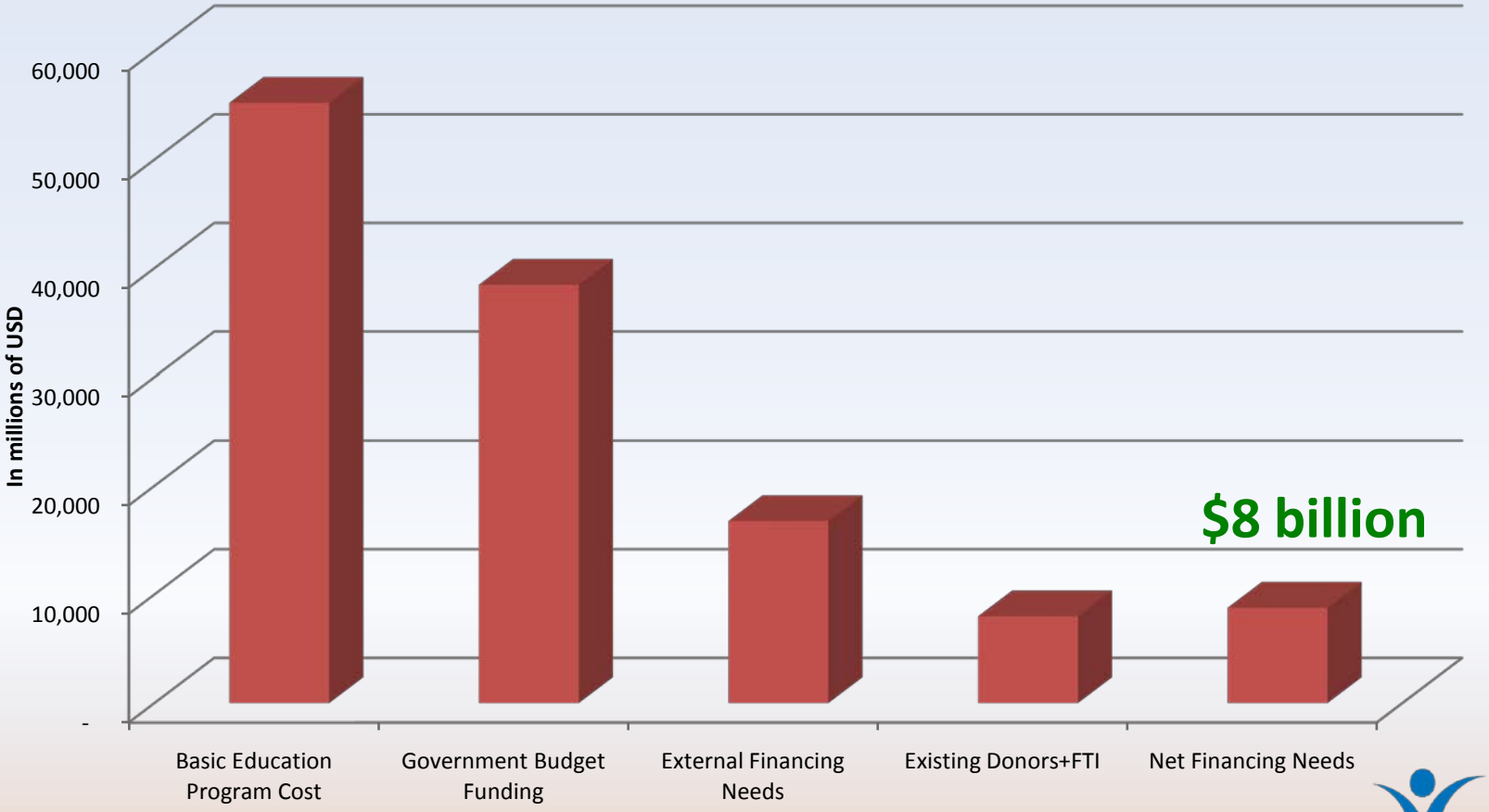
Background: Building the Strategy

- Madrid meeting asked for greater attention to fundraising and replenishment
- Dec 2010: Review possible approaches, consult some donors
- Agreement of Board Chair and Head of Secretariat: 3-year replenishment exercise through 2011
- Assess key policy areas as basis of replenishment, including core focus of out-of-school populations
- Assess financing needs and scenarios
- Focus on the EFA FTI Partnership

Education Funding Environment

- Difficult for basic education
- Joint study with Brookings Institution
- Bilateral funding for basic education flat-lining or decreasing
- c.f. UNESCO data showing domestic financing increasing by 6% / annum
- Emerging “orphan” countries: Cambodia, Zambia, Yemen, Burkina Faso
- UNESCO call for $16 billion per year to meet EFA goals

Financing Needs *not funding gap*: 2011/12-2013/14 (all 68 FTI eligible countries for funding)

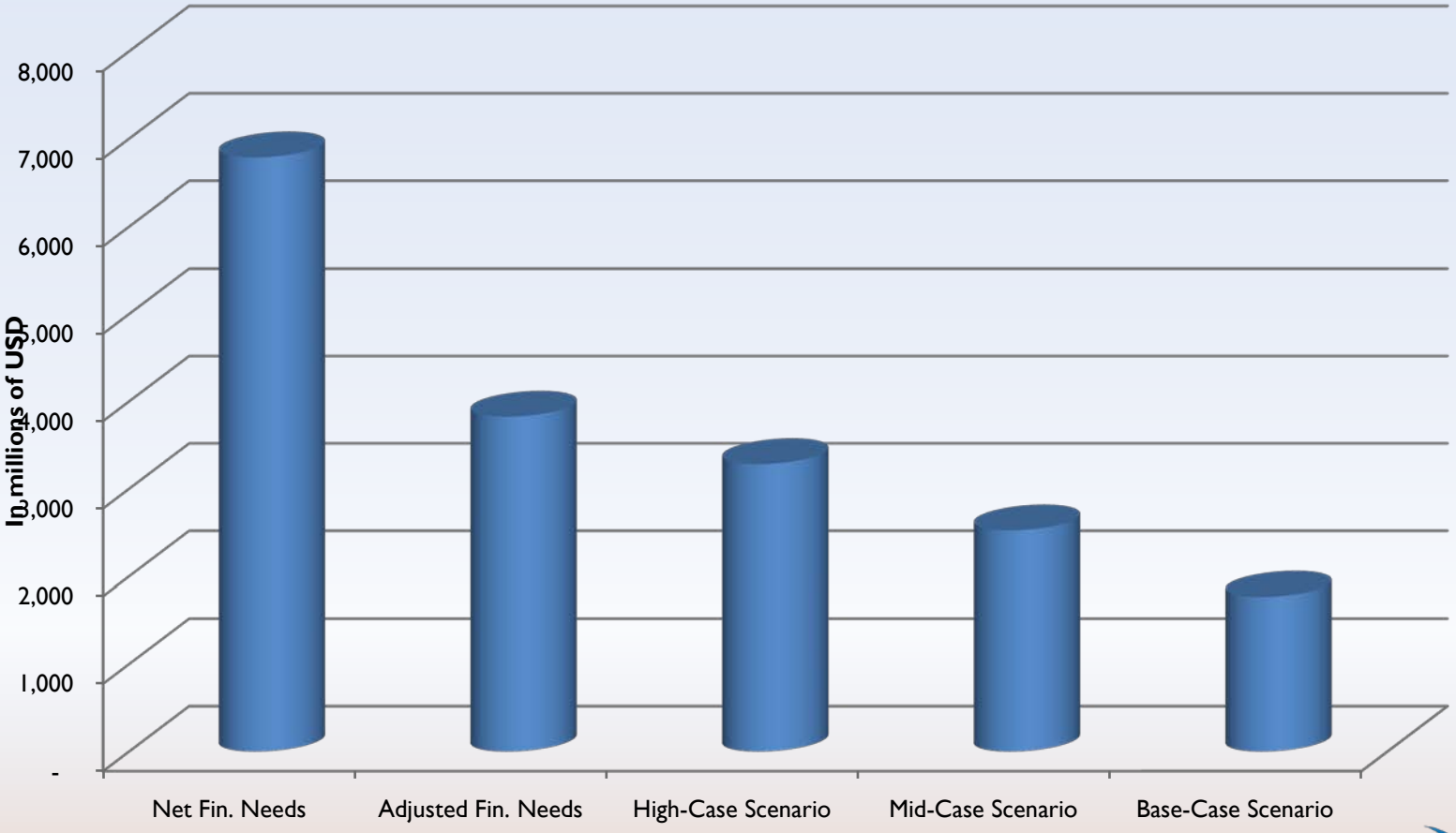


Replenishment Levels: 52 Countries 2011/12 – 2013/14

- Overall goal for EFA FTI Partnership for the replenishment: US$ 8 billion

- Specific targets for the Education for All Fund:
  1. Base Case: US$ 1.75 billion
  2. Mid-Case: US$ 2.5 billion
  3. High Case: US$ 3.25 billion

Replenishment Levels: 52 Countries
2011/12 – 2013/14



Funding Scenarios (Burden Sharing)

1. Historical contributions to the EFA FTI Catalytic Fund
2. Contributions to IDA 16
3. ODA Education Expenditure
4. ODA Basic Education Expenditure

Replenishment Policy Platform

Fragile States	• More engagement
Quality	• Especially early-grade reading and writing
Girls' Education	• Especially transition to lower-secondary

Replenishment Policy Platform (cont…)

- Reinforce the “traditional” focus on out-of-school populations
- Build on the Board-endorsed evaluation recommendation: engage more with countries with large out of school populations
- Focus on whole EFA FTI partnership
- Address operational issues
- Results-Based Financing

Results-Based Financing

- Donors: Increase financial support to education and to contribute to the Education for All Fund
- In return, the EFA FTI Partnership will commit to achieve critical result in terms of access and quality
- Facilitates donor accountability for impact of funds and also incentives at country-level
- EFA FTI will support the development of results-based financing systems at the country level in line with the three replenishment priorities.

Results-based Financing (cont)

(e.g.)

- Output-Based Aid
- Conditional Cash Transfers
- Cash on Delivery
- Global and Sector Budget Support

→support to civil society to advocate, manage and demand long-term accountability for results

→country specific: not one size fits all

Pledging Conference

- Timing: Will be held in late October or early November 2011
- Co-Sponsors: Australia; Donor 4 constituency (tbc); developing country partner constituency (TBD)
- Goal: To secure US $8 billion in additional external financing for education (figure to be discussed by the Board).

- *UN General Assembly lead-up event*

Next Steps

- Policy, results and operations papers to be finalised by the end of August
- Continued face to face engagement
- Focus on non-traditional donors
- CSO joint strategy implemented
- Rebranding
- Major communications focus, cohesion of messaging, galvanising advocates
- Supporting events
- Planning and holding Pledging Conference

Requested Decision (1)

BOD/2011/05-XX – <u>Replenishment Strategy</u>: The EFA FTI Board of Directors endorses the Replenishment Strategy described in BOD/2011/05—DOC 08.

Requested Decision (2)

BOD/2011/05-XX – <u>Pledging Conference</u>: The EFA FTI Board of Directors requests the EFA FTI Secretariat to convene a pledging conference in support of the replenishment campaign as referenced in BOD/2011/05-DOC 08. The pledging conference will be co-sponsored by a number of donor countries and a developing country partner or partners (to be finalised) and will be held in Europe in late October or early November 2011.

Requested Decision (3)

BOD/2011/05-XX – <u>Education for All Fund Targets</u>: The EFA FTI Board of Directors endorses the following replenishment targets for contributions to the Education for All Fund for 2011-2014:

1. Base Case: US$1.75 billion
2. Mid-Case: US$2.5 billion
3. High Case: US$3.25 billion

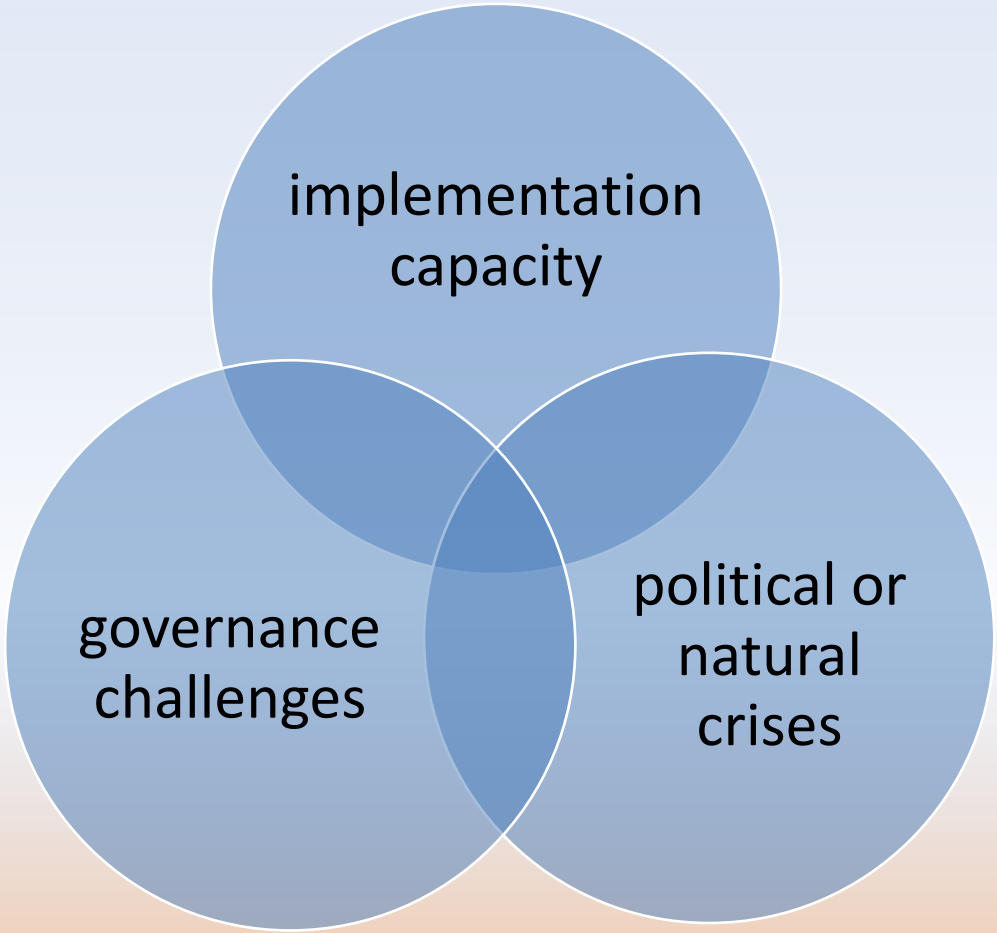
Requested Decision (4)

BOD/2011/05-XX – <u>Results-Based Financing</u>:
The EFA FTI Board of Directors endorses the results-based approach to replenishment outlined in Annex 1 to BOD/2011/05—DOC 09 and requests the EFA FTI Secretariat to provide to the EFA FTI Board of Directors by 31 August 2011 the detailed report on the mechanisms described in Annex 1, for further endorsement.

Requested Decision (4 v. 2)

BOD/2011/05-XX – <u>Results-Based Financing</u>:
The EFA FTI Board of Directors endorses a results-based approach to replenishment noted in BOD/2011/05—DOC 09 and requests the EFA FTI Secretariat to provide to the EFA FTI Board of Directors for approval by 31 August 2011 a detailed description of an approach to results based financing taking into consideration its comments and the policy priorities for EFA FTI.

Causes of slow disbursement



How to do better

1. Better identifying and managing risks to effective implementation

- A focus on strong plans and government capacity to deliver
- Getting the program design right
- Monitoring sector performance
- Managing grant performance closely

2. Clearer expectations and tougher decisions on underperforming grants

- New protocol around time frames for grant signing and full disbursement
- Getting implementation conditions right ***before*** applying for EFA FTI financing

3. Changing the way we give funding

- Increased use of more aligned modalities
- More predictable financing
- More 'absorbable' funds
- Performance-based financing
- Direct implementation
- Greater flexibility

AND A STRONGER, MORE PROACTIVE COUNTRY SUPPORT TEAM, ACTING AS HONEST BROKER TO RESOLVE BOTTLENECKS