GLOBAL PARTNERSHIP *for* EDUCATION

Report of the Financial Advisory Committee

Carol Bellamy, Interim FAC Chair

Outline

1- Reconstitution of the FAC
(new decision)

2- Deliberations of the FAC

3- Approval of Revised Needs and Performance Framework and Indicative Allocations for Education Plan Implementation Grants 2011-2014 (for decision)

4- Approval of revisions to FAC Terms of Reference to reflect new Quality Assurance Process (for decision)

Reconstitution of the FAC

May 2011: Revision to FAC Terms of Reference on membership

September 2011: Board approval of new FAC membership and slight revisions to FAC Terms of Reference

November 2011: New FAC membership established*

January 2012: New FAC Chair begins mandate

FAC Chair

New FAC Chair will be presented to FAC tomorrow for their ratification

Nominee is from Donor 4 (Denmark, Ireland, Norway, Sweden)

Donor 2 (Spain/Australia) and Donor 4 had shared representation

Now: Donor 2 and Donor 6 (Japan, Russia and USA) to be buddied

Requested Decision

The Board of Directors approves the following appointments to the membership of the Financial Advisory Committee, which shall take effect on 1 January 2012:

1. Camilla Helge Fosberg to represent the Donor 4 constituency.

2. One representative of the Donor 2 and Donor 6 constituency to be identified.

FAC Deliberations

June 2011: Non-Objection on new Quality Assurance Review process and first discussion of Revised Needs and Performance Framework

August 2011: Guinea Bissau Request to submit application above the amount indicated by the Needs and Performance Framework

August 2011: Second discussion of Revised Needs and Performance Framework

October 2011: Policy and Communications Protocol on Misuse of Trust Funds; Revision to FAC terms of reference (consistency with new Quality Assurance Review Process); Final discussion of Revised Needs and Performance Framework

Revised Needs and Performance Framework

Funding formula based on *Needs* and *Performance;* determine individual country allocations ("share") over three-year period

=> Predictability and transparency

Kigali Board meeting:

- endorsed three additional prioritization criteria (fragility; learning outcomes; gender equity in primary school)
- request revision to reflect prioritization criteria

FAC unable to reach full consensus despite major progress

Key Components

Areas of agreement

- **Formula itself (indicators of needs and performance)**

- **List of countries (2011-14)**
- **=> All countries eligible for funding for implementation grants except**
- **9 countries in first year of grant implementation**
- **1 country with low disbursement rate**
- **2 countries eligible for graduation grants**

- **Annual Review of Indicative Allocations List**

- **FAC and Board Discretion**

Area of disagreement: Cap at US$80 million

Cap or No Cap

Country	U$ (million) no cap	US$ (million) with cap
Nigeria	177.8	80.0
Congo, DR	166.5	80.0
Ethiopia	156.4	80.0
Bangladesh	133.9	80.0
Pakistan	105.6	80.0
Tanzania	58.7	80.0
Sudan (prorated population)	57.4	80.0
Uganda	53.5	76.9
Kenya	45.0	64.6
Madagascar	43.4	62.4
Viet Nam	43.1	61.9
Niger	42.8	61.5

Needs and Performance Framework: Next Step

- **Final list of indicative allocations communicated to developing country partners and posted on the Global Partnership website**

Requested Decision (Part 1)

BOD/2011/11-XX – Revised Needs and Performance Framework and Indicative Allocations for Education Plan Implementation Grants: The Board of Directors approves: (i) the revised Needs and Performance Framework (NPF) as presented in BOD/2011/11-DOC 07, Annex 3; and (ii) indicative allocations for education plan implementation grants from the Global Partnership for Education Fund for the period 2011-2014 as presented in BOD/2011/11-DOC 07, Annex 3, Attachment 3.

Requested Decision (Part 2)

The Board of Directors requests the Secretariat to advise developing country partners of their indicative allocations (other than those previously notified) and post the list on the Global Partnership website as soon as possible.

Amendments to FAC TOR to Reflect Quality Assurance Process

July 2011: Board approved revised External Quality Review (EQR) process, now Quality Assurance Review (QAR) process

Request to revise FAC terms of reference for consistency with new QAR process

Revisions to FAC Terms of Reference

•Refer to Secretariat's "assessment of readiness" rather than "recommendation" *(TOR, Section I, 1, e-f)*

•Simplify categories of FAC recommendation to Board *(TOR, Section I, 2)*

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FAC TOR: Next step

Once approved, amendments will take effect in 2012

Requested Decision

BOD/2011/11-XX – Amendments to the Terms of Reference of the Financial Advisory Committee: The Board of Directors approves the amendments to the Terms of Reference of the Financial Advisory Committee as set out in BOD/2011/11-DOC 07, Annex 4, Attachment 1, which shall come into effect on 1 January 2012.



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