MEETING OF THE BOARD OF DIRECTORS
VIA AUDIO-CONFERENCE
7 FEBRUARY 2012

GLOBAL PARTNERSHIP *for* EDUCATION

CHAIR'S SUMMARY

Introduction

1. After taking a roll call, the Chair confirmed that a quorum was present and commenced the meeting (see Annex 1 for list of participants).

2. The Chair acknowledged Alice Albright, joining the call as the incoming CEO of the Secretariat. She also welcomed new members of the Board.

3. The Chair advised that the objective of the call was to consider: (i) a funding approval for a Program Implementation Grant for Mali; (ii) an approval of funding for the first batch of concept notes for the Global and Regional Activities program; and (iii) an approval of alternative provisions in the Financial Procedures Agreement with UNICEF.

Mali

4. The Chair reminded the Board of Directors that Mali was originally approved for a program implementation grant of US$41.7 million with the World Bank as Supervising Entity in December 2011.

5. Camilla Helgø Fossberg, Chair of the Financial Advisory Committee (FAC) provided an overview of the recommendation in the FAC report. The Secretariat received a revised application from Mali and the FAC was asked specifically to review it. A full breakdown of the US$41.7 million grant was provided to the Board of Directors in advance. The World Bank as Supervising Entity is requesting US$550,000 for a supervision allocation, which is above the US$400,000 standard allocation. Due to the fragile nature of Mali, the World Bank can submit an application for this higher allocation upon submission of a costed supervision plan and written justification (in line with the Board of Directors decision in November 2012). Discussion during the FAC meeting had centered on having a Supervising Entity versus a Managing Entity, with the majority view agreeing that a Supervising Entity was acceptable and a minority view that a Managing Entity was more appropriate. The FAC report comments stated that it was important that the Local Education Group and the Supervising Entity collaborate; that the program is flexible enough for the current environment; that there should be ongoing conflict analysis to adapt the program as needed; that the current program focuses primarily on the south of the country and that activities should be expanded to the north when possible.

6. The Chair reminded the Board of Directors that the decision language and background documents had been shared in advance and that the decision was to approve the three-year allocation, the supervision allocation and the agency fee.

Discussion

7. Board members requested clarification on the following issues:

    a. **Northern Mali:** Board members requested more information on how the current proposal takes the northern region of the country into consideration.

    b. **Involvement of NGOs:** Board members requested more information about the involvement of NGOs in the current proposal.

8. Douglas Lehman, Country Lead for Mali from the Secretariat, noted that the current proposal includes limited activities to support rural schools in the Gao region in the north, which is dependent on the security situation. Additionally, NGOs are already working in the Education Cluster, which provides monitoring services. The needs of the north have changed for the positive, making a focus on that part of the country likely. However the situation is still unfolding at present.

9. Following the discussion and clarifications, the Chair found that there was a consensus among the Board members present and recommended that the Board move to approve the decision.

10. The Board of Directors approved the following decision:

    BOD/2013/02-01 – <u>Approval of Allocation for Program Implementation Grant</u>: The Board of Directors:

    1. approves the following allocation from GPE trust funds to be used for a program implementation grant as described in the application submitted for funding in December 2012:

    a. Mali:

    i. US$41,700,000 for a three-year implementation period, with the World Bank serving as Supervising Entity;

    ii. US$$400,000 for a supervision allocation; and

    iii. US$729,750 for an agency fee.

Global and Regional Activities (GRA)

11. The Chair reminded the Board of Directors that through a no objection decision on 18 October 2012, the Board approved the Global and Regional Activities Operational Manual and requested the Secretariat to launch a call for proposals as soon as possible and present them to the Board of Directors for approval.

12. The Chair noted that the decision requested at this time was revised from the original language sent. The revised language was sent to the Board on 30 January.

    Bob Prouty, Head of the Secretariat, gave a brief explanation of the proposed decision and the reasons for it. Eleven concept notes were submitted for consideration, and they underwent an independent external review. The Secretariat recommends the approval of 8 of the 11 notes based on review, and those concept notes that are not being recommended at

this time will have the option to be improved and submitted for consideration in later batches. The next round of submissions is due by 5 April 2013, and proposals are to be prepared based on the approved concept notes.

Discussion

13. Board members requested clarification on the following issues:

    a. **Process**: Several Board members requested clarification about how the 8 concept notes were selected. These comments were echoed by other members, saying that more detail was needed in order to fully understand what the Board of Directors is approving.

    b. **Calendar**: Board members requested more clarification about the calendar going forward for proposals and for final approval.

    c. **Agency selection**: It was noted that many of the proposals came from UN agencies. Board members were interested to know what effort was made to encourage the submission of concept notes from other agencies.

    d. **Private Sector**: Board members requested clarification about the scope for the private sector/private foundations to get involved in this activity.

    e. **Monitoring and follow-up**: Board members requested that there be more of an explanation about monitoring and follow-up of these proposals and for the next batch.

    f. **Ownership and capacity building**: Board members raised questions about ownership and capacity building of these proposals at the national level.

14. Board members made the following recommendations going forward:

    a. **Strategic Plan Implementation Plan**: One Board member commented that the next batch of proposals should be reviewed after the approval of the Implementation Plan for the Strategic Plan to ensure the right alignment of priorities.

    b. **No automatic renewals**: Board members recommended that there should be no automatic renewals of projects in the next GRA cycle.

    c. **Diversifying reach**: Board members noted that many proposals in this batch are in West Africa and asked what could be done to have other countries and regions represented in future batches, perhaps representing fragile countries as well.

    d. **Rating**: Board members suggested that future concept notes should be assessed on GPE relevance, and that more information be provided on the rating process.

    e. **Partnership**: Board members suggested that proposals indicate an effort to bring in partners from countries across the Partnership as a way to leverage what other partners are doing.

    f. **Allocating funds**: Board members noted the importance of careful scrutiny with regards to management and personnel costs, including staff time and costs and purpose of travel.

g. **Reviewer of proposals**: One Board member suggested that future GRA proposals might be best reviewed by a Working Group versus the Board itself. The Governance Working Group might want to consider this further.

15. Bob Prouty explained that the decision process used independent ratings, which the Secretariat then used to make internal judgments. The three proposals that are not being recommended had significantly lower scores, providing a natural break in the scores. Full details, including comments from reviewers, were made available to all members upon request. Several Board members requested to see the full package of concept notes.

16. Luis Crouch, Coordinator of the Global Good Practices Team at the Secretariat, described that each concept note had 2 external and 2 internal reviewers and their scores were provided strictly in accordance to the GRA Operations Manual. The Secretariat decided to limit its recommendations to save funds for other allocations that could address other issues and regions. Full details on each concept note were not provided because the Board of Directors had originally asked the Secretariat to digest the proposals and forward a summary, however all details are available to members of the Board if requested. Calls for proposals were made on the Secretariat's website and through the Board, with a discussion throughout 2012. Board members were asked to share the open call for proposals with their constituencies.

17. Mr. Crouch noted that capacity building was part of the specific criteria in the proposals and part of the score, and was in fact the reason some proposals scored lower than others. There is agreement that there should be no auto-renewal of these grants, and there will be a review of the process with a presentation to the Board of Directors at future meetings. Each grant will be monitored. Priorities in the Strategic Plan were also part of the review process. The current proposals before the Board include various partnerships among Board members and institutions as well as with NGOs and universities. High-scoring proposals showed partnership. However this varies across the proposals; the proposals from France include deep relationships with regional institutions, which is why they scored well during the review.

18. Following the discussion and clarifications, the Chair found that there was a consensus among the Board members present and recommended that the Board move to approve the decision.

19. The Board of Directors approved the following decision:

BOD/2013/02-02 – <u>Approval of Funding of GRA Concept Notes*</u>: The Board of Directors:

a. approves an allocation of up to US$13,515,285 from the Global Partnership for Education Fund to fund the Global and Regional Activities (GRA) concept notes 1 to 8, as set out in the "Summary and Decision Matrix of GRA Concept Notes", Annex 1 of the Secretariat's Recommendations for GRA (BOD/2013/02 DOC 01); and

b. requests the Secretariat to prepare the second batch of GRA concept notes to be submitted for approval at the next face-to-face Board of Directors meeting in May 2013. This batch may include resubmissions from the first batch.

***** For your information, the table below reflects the information contained in "Summary and Decision Matrix of GRA Concept Notes", Annex 1 of the Secretariat's Recommendations for GRA (BOD/2013/02 DOC 01)

No.	Idea or Knowledge Product	Agency	Grant Approved in US$
1	Development of methodologies to link reading assessments across regions and to draw lessons regarding best early assessment practices	UNESCO Institute for Statistics (UIS)	610,000
2	Learning outcomes in early grades: integration of curriculum, teaching, learning materials, and assessment	UNESCO International Bureau of Education (IBE)	2,999,082
3	Effectiveness of teaching and learning in bilingual context (School and National Languages Initiative ELAN/Organisation de la Francophonie OIF)	Agence Française de Développement (AFD)	1,408,200
4	Teaching and learning effectiveness for learning outcomes	Agence Française de Développement (AFD)	997,000
5	Education financing - Development of methodologies to improve national reporting on financing flows	UNESCO Institute for Statistics (UIS)	2,119,074
6	Out of School Children: Closing the data gap	UNESCO Institute for Statistics (UIS)	1,100,000
7	Significant reduction in Out of School Children (OOSC), 2nd Phase Out of School Children Initiative (OOSCI)	UNICEF	3,284,900
8	Education financing - school grants	International Institute for Educational Planning (IIEP)	996,829

UNICEF

20. The Chair reminded the Board of Directors that the Financial Procedures Agreement, that allows the transfer of implementation arrangements from the World Bank acting as Supervising Entity to UNICEF acting as Managing Entity, has been under negotiation between the World Bank, the Secretariat, and UNICEF.

21. The Chair emphasized that this is an urgent and important issue, and that she was hopeful to agree to reach a resolution quickly. As things stand now there is no clear alternative to UNICEF as a Managing Entity in most fragile contexts. The Partnership has identified engaging in fragile states as a high and strategic priority. In the future there may be other Managing Entities, but at present GPE is highly reliant on UNICEF to fulfill this role in fragile contexts.

22. The Chair noted South Sudan, Guinea Bissau and Chad are all waiting on resolution in order to move forward with their respective Program Implementation Grants. A further five countries are in the advanced stages of preparation of Program Implementation Grant applications to be submitted in March 2013 (Comoros, Eritrea, Somalia and Zimbabwe with UNICEF as ME and Yemen with UNICEF as SE). In addition, Education Plan Development Grants have been approved for four countries, pending the signing of the Transfer Agreement (Uzbekistan, Pakistan, Comoros, and Somalia) and a Program Development Grant for Somalia.

23. Nancy Pinto, Coordinator of the Finance, Portfolio and Administration Team, explained that the GPE Fund began in November 2011 and is a financial intermediary fund, with the World Bank as the trustee. The World Bank acts on Board approvals to move funds from the GPE Fund to the agency that the Board of Directors has recognized as the Supervising Entity or the Managing Entity. Key documents include the Contribution Agreement the donor signs

with the trustee. The Governance Document is approved by the Board and specifies what the funds can be used for. The Financial Procedures Agreement (formerly Transfer Agreement) is the financial instrument. The proposed Financial Procedures Agreement (FPA) between the World Bank and UNICEF is nearly finalized. The Board of Directors is being asked to approve alternative provisions proposed by UNICEF that deviate from two of the requirements of the Contribution Agreements between the Trustee and Contributors to the GPE Fund. If the provisions are approved, the Financial Procedures Agreement will be able to be finalized.

Discussion

24. The members of the Board agreed that a resolution was urgent. However several Board members raised concerns about the decision:

    a. **Language**: One Board member suggested that the timelines for notification of misuse should be changed from "advise" to "promptly advise" or "quickly advise;" the reporting to the Board of Directors after an identification of misuse should include regular reporting, perhaps on a 3-monthly basis and insure that UNICEF inform appropriate authorities of misuse.

    b. **Definitions**: A Board member asked for the inclusion of a standard definition of "misuse."

    c. **Accountability gap**: One Board member was concerned that the proposed text removed their country's oversight as a donor and that this resulted in an accountability gap.

    d. **UNICEF exception**: Another Board member raised the question of granting a singular exception to one agency.

    e. **Third-party misuse**: A question was raised by a Board member about the misuse of funds by a third party.

25. Nancy Pinto stated that the return of funds is consistent with the current policy for misuse. If funds are misused by a Supervising Entity or a Managing Entity when the money is in their hands, the funds must be returned. If the funds are misused by a country that the money has been given to, the Supervising Entity is required to exercise whatever policies and procedures it can to recover the funds. If the money is recovered, it is returned. If the misused funds cannot be recovered from a third party, there is no requirement to return the funds. The UNICEF document is consistent with GPE's policy on misuse. In addition, GPE's Misuse Policy includes a definition of "misuse."

26. Peter Mason, Principal Advisor to the UNICEF Executive Director, stated that UNICEF is committed to being a responsible steward of public money, handling it responsibly and insuring it is for proper use. Given the realities on the ground, UNICEF will recover misused funds and return them to the GPE Fund as possible. The language proposed in the FPA is consistent with the misuse policy the Board adopted. It was noted that UNICEF has made bilateral arrangements with AusAid and can craft language that addresses their specific concerns.

27. Mr. Mason explained that the term "misuse" is defined by a universally adopted set of definitions in the sector. There are five elements, which are used by other UN agencies. UNICEF does not believe there is an accountability gap and will try to set that out in paper and share it with the Secretariat.

28. Following the discussion and clarifications, the Chair found that there was not a consensus among the Board members present and recommended that a vote not be taken. Rather, the Chair suggested setting up an audio-conference between the Board members not fully satisfied with the present proposal, UNICEF and the Secretariat as soon as possible, with the intention of reaching a consensus of this group no later than the end of February 2013. This will be followed immediately by a Board audio-conference for action on this issue.

Next Steps:

29. The Chair advised that the Secretariat would circulate the final approved decision language by the end of the day and a Chair summary of the meeting shortly.

30. The Chair advised that an audio-conference will be scheduled to discuss the Financial Procedures Agreement for action.

31. The Chair reminded Board members that the Strategic Plan Working Group will be meeting in London on 18-19 February to finalize the implementation plan of the GPE Strategic Plan 2012-2015.

32. The Chair advised that an audio-conference will be scheduled on 3 April to discuss the implementation plan for approval.

33. The Chair informed the Board that the Governance Working Group will soon send the Board of Directors, FAC Members and previous Board members a survey to enable everyone to provide input into the governance work. The Chair encouraged all members to complete the survey as soon as possible. The deadline for responses will be 22 February.

34. The Chair adjourned the meeting.

Annex 1 – Participants in the call

Chair	
Global Partnership for Education	Carol Bellamy
Developing Countries	
Eastern Europe, Middle East & Central Asia	Farid Tanai, Afghanistan (on behalf of Minister Farooq Wardak) Minister Nuriddin Saidov, Tajikistan
Latin America and the Caribbean	Minister Priya Manickchand, Guyana
Donors	
Donor 1	Nicole Gantenbein, Switzerland
Donor 2	Chris Tinning, Australia Francisco Gutiérrez, Spain
Donor 3	Simon Bland, United Kingdom Dan Thakur, Canada
Donor 4	Paul Fife, Norway
Donor 5	Nathalia Feinberg, Denmark François Sow, France (on behalf of Gustavo Gonzalez-Canali)
Donor 6	Natasha de Marcken, United States
CSO & Private Sector/Private Foundations	
CSO 2	Boaz Waruku, ANCEFA
CSO 3	David Edwards, Education International
Private Sector/Private Foundations	Amanda Gardiner, Pearson
Multilateral Agencies	
UNESCO	Olav Seim, UNESCO
UNICEF	Jordan Naidoo, UNICEF
Multilateral and Regional Banks	Beth King, World Bank
Observers	
Alice Albright	CEO, Global Partnership for Education
Fanny Gazagne	France (Donor 5)
Camilla Helgø Fossberg	Chair of the Financial Advisory Committee
Margaret Koziol	USAID (Donor 6)
Peter Mason	UNICEF
Hilde Thyness	Norway (Donor 4)
Global Partnership for Education Secretariat	
Bob Prouty	Head of Secretariat
Luis Crouch	Coordinator, Global Good Practices
Karin Jahr de Guerrero	Senior Operations Analyst
Doug Lehman	Country Lead, Mali
Michelle Mesen	Board of Directors Liaison
Nancy Pinto	Coordinator, Finance, Portfolio and Administration
Padraig Power	Senior Financial Officer