UNICEF Implements the Programme as part of its programme of cooperation with the Government of Yemen

As a result of non-approval of the UNICEF and GPE Trustee Financial Procedures Agreement (FPA) using UNICEF's special account modality during the 10th February 2014 GPE Board call, UNICEF provided three options for the GPE for discussion with stakeholders. In short these were (i) the GPE Board to reconsider and approve the FPA SE special account agreement for specific use in Yemen, (ii) an alternative entity would be identified that can quickly take on the Supervising Entity role and (iii) UNICEF, with agreement from the Government of Yemen, assumes the role as part of its programme of cooperation with the Government of Yemen.

In the event the Government of Yemen, Local Education Group and the GPE Board decide on the third option then implementing the GPE Yemen Programme through the programme of cooperation will require that UNICEF assume some of the roles currently assigned in the proposal to other entities. These differences are broadly outlined below, and in more detail with the revised "Implementation Arrangements" section (see annex 1) and, if endorsed by the Government of Yemen, need to be approved by the GPE Board of Directors. It is important to note that although UNICEF assumes responsibility for the implementation, the country programme approach supports the Government and where appropriate provides funds to Government. UNICEF works with Government to plan, implement and monitor the programmes and will utilise the oversight mechanisms of the Government as well as apply UNICEF's control framework to ensure funds are used for purpose they are intended.

UNICEF would still utilise, where appropriate, the national coordination processes as described in the current proposal. These include, using the established Joint Steering Committee (inter-ministerial), for programme guidance, however UNICEF will join this group as a member and the Coordinating Entity as an observer. UNICEF would conduct the planning, monitoring, evaluation and coordination of the programme in support of the Ministry of Education and will continue to use the Joint Technical Working Group (UNICEF, MOE Technical Office staff, and the Coordinating Entity as members). This technical cooperation would then be replicated at Governorate level between staff from UNICEF's five Field Offices and staff from the Governorate Education Office for implementation, monitoring and evaluation.

Changes to the proposal:

(1) the financial management and reporting, monitoring and evaluation, and procurement proposed to be managed by the Ministry of Education's Project Administration Unit (PAU) would shift to UNICEF. However, UNICEF will continue close coordination with the PAU to ensure synergy with other external financing flowing through the MoE;

(2) the procurement and supervision of out-sourced contract for engineering including assessment of school sites, supervision, monitoring and evaluation of rehabilitation and construction activities, sign-off on completed school sites proposed to be managed by the Ministry of Planning's PWP would shift to UNICEF.

(3) UNICEF will strengthen its fiduciary and programmatic capacity in order to support the Government's implementation and conduct capacity development and technical support. UNICEF will also strengthen the project coordination, liaison with Yemen based partners (CA, LEG etc), monitoring and evaluation and risk oversight functions.

Day to day management, monitoring and evaluation of the programme would be conducted by dedicated staff (and overseen and supported by existing staff) within UNICEF Yemen Country Office with field monitoring conducted by UNICEF's provincial offices. The operational expenses as outlined in the proposal budget would still be provided to the Government of Yemen as part of the cost of implementing those activities where funds will be disbursed to Government. The additional capacity that will be added (under UNICEF contracts) to ensure UNICEF can exercise its accountability (under UNICEF contracts) are outlined in the budget below. Some of these costs are already captured within supervisory allocation and the implementation budget of the proposal budget (for expanding the capacity of the MoE's PAU and adding external risk oversight). UNICEF existing staff will continue to coordinate with relevant national authorities and provide capacity development support, these costs are therefore not reflected in the below budget. An additional allocation of $1,231,600 will be required (see table 1) and will be in addition to the $72.6 million already approved to complete the activities as outlined in the proposal.

Table 1: UNICEF staffing structure and budget

			Funding Source	
Level	**Title***	**Total Cost (USD**	**Existing Proposal**	**Allocation from GPE**
P4	GPE Education programme Manager	770,000	156,000	614,000
SSA/P4	Financial & Risk Adviser	480,000	105,800	374,200
P3	Education Specialist M&E	682,500	55,000	627,500
NO3	Engineer	227,500	0	227,500

NO2	Procurement and coordination	192,500	54,600	137,900
GS7	Prog Asst	157,500	27,000	130,500
SSA	Annual & Final evaluation	80,000	80,000	0
SSA	International Audit Firm Verification	150,000	30,000	120,000
TOTAL		**2,740,000**	**508,400**	**2,231,600****

*New staff posts are calculated as full time for 3.5 years to allow for recruitment.

** The Board, in May 2013, already approved $1,000,000 as a supervisory allocation for Yemen.

UNICEF, where possible, will seek savings, while maintaining sufficient fiduciary and programmatic oversight. In the event of additional costs, UNICEF will endeavour to cover these through existing resources. However, if implementation extends beyond the 4 year programme, then costs of continuing the oversight and programme support staff outlined in table 1 will be extended and a request may be made to cover these costs through an additional allocation from the GPE Fund.

Organisation Wide Support

UNICEF Regional Office (RO) will exercise their accountability for oversight over the country office programme through continued guidance support and monitoring of performance indicators against the proposal programme activities (disbursement rates, quality assurance of reports, etc). The ongoing support will also include at least semi-annual support visits by the Regional Education Advisor and the Regional Operations Officer. The Regional Human Resource Officer and Regional Operation Officer will support the office (also with support from HQ Division of Human Resources) in identifying and accelerating recruitment of the staff and consultants noted in table 1 as well as ensuring continuation of existing staff or smooth transition when rotation of staff occurs.

UNICEF Headquarters will support the country office in the revision of the implementation arrangements. A briefing of the country office and relevant stakeholders on GPE processes and practices will be provided. Supply Division will provide procurement support and expertise regarding the construction components of the GPE Fund contribution. The Programme team will make available information of technical assistance from the education talent pool and will support outreach to “talent”.

In addition to ongoing technical guidance, the Programme, Supply and Public Sector Alliance offices will work with the Regional Office to conduct an annual stocktake of progress (including deployment of staff to Yemen if required). The country office will prepare progress updates 3 times per year to track context changes, programme and financial progress or constraints. HQ and the RO will support the country office where needed and take action on issues in order to smooth country level implementation.

ANNEX 1 - REVISED IMPLEMENTATION ARRANGEMENTS

The proposal of the Government of Yemen was approved by the GPE Board of Director in May 2013. The proposal outlined that the US$72.6 million directed to UNICEF as Supervising Entity (SE) will be received and administered not as UNICEF revenue but as funds held in trust, and thus will use UNICEF's 'Special Account' modality.

As per the decision of the GPE Board of Directors and endorsed by the Government of Yemen (GoY) and Local Education Group (LEG) in February 2014, UNICEF's support for the national Governments will change and be undertaken within the framework of its Country Programme of Cooperation with the GoY, which it implements using funds received by UNICEF as revenue under its Financial Regulations and Rules, and for which UNICEF takes accountability. This accountability is reflected in the April 2013 (BOD/2013/04-01) FPA for UNICEF acting as a Managing Entity (ME)[1].

All references in the proposal related to UNICEF's and the GoY's role will now follow the policies, practices, processes and procedures of the programme of cooperation.

The implementation arrangements were captured in section 5 of the proposal. Outlined below is a revised Section 5 to capture the different accountabilities and subsequent change in roles in certain cases. The programmatic activities and associated budget of the proposal remain intact, with the understanding that the GPE Board of Directors will approve an additional allocation to UNICEF from GPE Fund (GPEF) for enhancing UNICEF's programme support and oversight capacity in accordance with the new accountability the GPE Board has requested UNICEF to assume.

Revised Text for Section 5:"Implementation Arrangements" of the approved Government of Yemen Proposal to the GPE.

Through UNICEF and the Government of Yemen Programme of Cooperation, UNICEF in support of the Ministry of Education (MoE) to implement the GPE Programme, working where required with other ministries within GoY (in particular the Prime Minister's Office, MoF, Ministry of Civil Service, MoPIC, and the Ministry of Local Authority). UNICEF will apply its standard practices of cash transfer to Government or other implementing partners in order for the GoY to implement the GPE-supported Programme. Where funding is disbursed from UNICEF to the GoY, the GoY will use the existing GoY systems and UNICEF will apply its control framework and provide programme and financial support (including extra capacity provided through the GPE grant and mentoring provided by UNICEF and other development partners). UNICEF will deploy the resources of its office in Yemen, of its Regional Office for the Middle East and North Africa (headquartered in Amman), and of

[1] Now amended to cover both Supervising and Managing Entity arrangements using UNICEF's Country Programme of Cooperation modality

its New York Headquarters. GIZ, through its representatives in Sana'a, will serve as CA.

MoE will approach the GPE-supported Programme as an element of the Education Sector Plan, or so-called MTRF (Ministry of Education, 2012). The GPE-supported Programme implementation arrangements will follow as much as possible the arrangements already made by GoY for implementation of MTRF, and will take stock of the arrangements made and capacities developed by MoE to implement other donor-supported programmes before and during 2013-2015. The GPE-supported Programme implementation arrangements will make every effort to capture efficiencies and minimize transaction costs in planning and implementation, and lessen possible administrative burden and transaction cost for MoE staff and the staff of other GoY ministries.

GoY and MoE Arrangements for Implementation of MTRF

This section describes the GoY and MoE arrangements for an effective MTRF planning, implementation and monitoring and evaluation to provide the context within which the GoY will implement the GPE-supported Programme. It will discuss the coordination mechanisms of implementation including: annual planning processes; alignment of development partners with the MTRF and MoE plans; coordination of MoE with other ministries and government educational agencies; and coordination with the offices of education in governorates and districts.

MoE Implementation Mechanisms for MTRF implementation

The MoE is accountable for planning, implementing, and monitoring and evaluating the MTRF, operating as a stand-alone ministry and also in partnership with other entities of GoY and in the private sector. Several line ministries, and other public institutions at regional and local level, including schools, donors and NGOs, also contribute to education outcomes, under the leadership and coordination of MoE. Coordination of those activities comes through the following mechanisms and processes:

- Preparation of MoE single Annual Work Plans (AWP);
- Harmonization and alignment of the support provided by development partners and the civil society organizations within the framework of the medium-term results;
- Coordination of all ministries in their activities related to general education;
- Coordination with the offices of education in the governorates and districts in order to integrate MTRF into respective local annual plans and other working modalities.

The implementation of the MTRF requires all MoE departments to translate the objectives, expected results, and activities into one annual plan document and process, by all MoE departments (see Annex 3 MoE organogram). One single planning process helps MoE to avoid an isolated department-based or donor-funded-programme based managerial structure, to allow conversion and links between each other's activities and objectives as set out in the MTRF, ensuring focused MTRF implementation, somewhat reduced transaction costs, more efficient monitoring and evaluation, and

easier reporting.

MoE has established a dedicated professional team, called the Technical Office, tasked to prepare and follow up on MoE's annual plan. This team works closely with MoE departments to ensure proper sequencing, and budgeting of activities. It also seeks feed-back from the development partners to make sure that the Annual Plan can be further improved even before it is approved by the Council of Deputies. Its role is also to work closely with all partners in education for the Joint Annual Reviews of the sector.

Inter – ministerial coordination mechanisms for MTRF implementation

Inter-ministerial mechanisms are needed to facilitate the discussion between the MoE and Ministries of Local Authorization, Finance, Planning and International Cooperation, and Civil Services on educational issues. These mechanisms are described extensively in the MTRF document, and are summarized briefly below.

MoE cooperates with the Ministry of Finance (MoF) in order to address issues that affect financing of education, and connection of the education plans with the budgets approved by MoF. More specifically this partnership seeks to: (i) establish mechanisms to pay operational funds directly to schools, along with approved expenditure lines, spending procedures, auditing methods, and financial management standards for schools; (ii) increase the current, non-wages MoE budget to fund education quality improvements; (iii) agree on a manual for planning MoE's yearly and mid-term budget; (iv) agree on a formal education budget preparation process involving other related ministries such as the MoLA; (v) agree on the expected outcomes of investment in education facilities; (vi) agreeing on criteria for financing of the contingency plans; and (vii) incorporate donor funds into the same financing plan for education subsectors.

MoE cooperates with Ministry of Civil Services (MoCS) in order to address issues related to the selection, distribution, management, and motivation of teachers and other education personnel. MoE will seek an agreement with MoCS regarding: (i) setting additional standards for selection and employment of teachers; (ii) setting up a performance-based evaluation for teachers; (iii) adopting a system for encouraging teachers, particularly female teachers, to work in rural areas; and (iv) enabling implementation of the Prime Minister's decree No. 167 of 2006, which links teachers' posts to particular schools.

MoE cooperates with Ministry of Planning and International Cooperation (MoPIC) to ensure convergence of general education plans and strategies with Yemen's poverty reduction plans including the current transitional plan, and link education outcomes with economic outcomes of the country.

MoE will cooperate with Prime Minister's Office, together with development partners to support GoY efforts to adopt general and public policies that orient governmental and non-governmental organizations towards development issues and subsequent interventions and programmes with clear education outcomes. Development issues to be promoted should include: (i) family planning, and its benefits for children, families, and society; (ii) promotion of the importance of education and especially for women and girls; and (iii) awareness-raising on disadvantages of underage marriage, and the associated legislation for a minimum age for marriage.

MoE cooperates with Ministry of Local Authority (MoLA) to ensure that: (i) integration of the National Basic Education Strategy (BEdS) and MTRF in the framework of the local planning is coordinated by MoLA; (ii) guidelines to support the decentralized educational planning process between the two ministries are developed; (iii) coordination guidelines are developed between MoE, MoLA and MoF, MoPIC, and Civil Services as well as the Social Fund for Development, Public Construction Works, and Social Welfare Fund for the overall planning and financing of education, especially on the field of teachers training and contracting, and development infrastructure; (iv) MoE's educational policies in supervising, and reviewing the educational activities conducted by the Social Fund for Development, and Public Works Project are implemented; and (v) Monitoring and evaluation processes of the MoLA are incorporated into the MoE educational information system to avoid duplication of reporting.

Coordination between MoE and governorate and district offices at local level

Local authorities are responsible for preparing, budgeting, and monitoring of their Annual Work Plans at district and governorate levels. Plans and budgets are prepared at the district level by the District Education Office. Subsequently, District Plans are sent to the governorate office to be integrated into one governorate plan, prepared by the Governorate Education Office. Finally, governorate plans are sent to MoLA, which then forwards them to MoF to be incorporated into the overall national budget, after approval by the Cabinet.

The MoE builds the capacity of the local structures, in order to enable effective analysis of educational issues and development of annual and medium-term plans, aligned with the MTRF. As a general rule of planning, different governorate indicators are compared to national benchmark figures to identify governorate priorities to be incorporated into each governorate plan. Governorates with higher than national average rates in enrolment will be more focused on improving the quality of education, while governorates with lower than national average rates in enrolment will focus on increasing such rates with an emphasis on gender. MoE will prepare a planning manual on how to link the district and governorate plan to the MTRF, and will train small teams at the governorate levels on planning, monitoring, and evaluation techniques.

UNICEF's five provincial level offices will provide planning, implementation and monitoring support.

GoY and MoE Administrative Arrangements for GPE Programme Implementation

MoE will implement the GPE-supported Programme, working where required with other ministries within GoY (in particular the Prime Minister's Office, MoF, MoCS, MoPIC, and MoLA). MoE will implement the GPE-supported Programme using the existing GoY systems and with additional support (including extra capacity provided through the GPE grant and mentoring provided by UNICEF and other development partners). For funds transferred from UNICEF to the GoY, all financial management, staff appointment and engagement of consultants, and all procurement for implementation of the GPE-supported Programme will be undertaken in accordance with the relevant national law, regulations, and rules of GoY. All disbursement processes and reporting processes to verify use of funding and monitoring of the programme implementation will also be undertaken in accordance with the programme of cooperation and UNICEF financial rules and regulations and application of UNICEF control framework

Supervision and Coordination; Implementation; Monitoring and Evaluation

As was the case with implementation of the previous FTI grants, of the on-going BEDP 1 and SEDGAP, and of the planned BEDP 2 (which was approved by the Bank Board of Executive Directors on February 14th and signed by the Government on February 27th), the GPE-supported Programme will operate under the overall supervision, guidance and oversight of an Inter-ministerial Steering Committee (IMSC), chaired by the Minister of Education and comprising representatives of the above-mentioned ministries. Regular monthly management meetings between MoE and concerned development partners to review progress made to date, will assess progress and resolve issues if any. The SE, as a member, and CA, as an observer, will attend these meetings and be available to offer guidance and support as required.

In addition, the general planning, monitoring and evaluation activities for the GPE-supported Programme will be the responsibility of MoE's Technical Office and UNICEF's monitoring and evaluation systems. The coordination of GPE-supported Programme implementation at national level will be ensured by dedicated public officials in MoE's Technical Office who will serve as focal points for the GPE-supported Programme, and who will be assigned the role of the coordinators for issues concerning more than one MoE directorate. UNICEF will enhance its existing programme management, programmatic and fiduciary capacity in order to undertake its accountabilities in support of the GoY.

Moreover, the central GEOs in governorates where the GPE-supported Programme is implemented will provide coordination at governorate and district level. GEOs and DEOs will receive support from MoE Technical Office focal points, and the other implementation structures that are described below.

The civil works activities, extension and rehabilitation of classrooms, and procurement of furniture and equipment of schools under component two, which, in line with standard accountabilities within

GoY, will be implemented by the Project Management Unit (PMU) of the Public Works Project (PWP) of MOPIC, also in line with programme of cooperation between UNICEF and the GOY.

The MoE and UNICEF will use the GPE Programme as an opportunity to make certain capacity development improvements. The MoE will provide increased training for all relevant MoE officials in national laws, regulations and procedures for procurement and consultant contracting, and development of contracts including proper Terms of Reference and statements of deliverables. As part of the process of capacity development and principle of using and strengthening national systems, UNICEF will support the MoE to establish a capacity development plan for MoE to build capacity within the MoE and ensure effective and efficient discharge of the GPE-supported Programme. UNICEF will work with MoE to review the existing capacities and systems of MoE and the support implementation of the capacity activities as outlined in the proposal and, subject to mobilizing sufficient donor funding, will fund additional capacity strengthening and training for MoE in accordance with the Programme.

Monitoring and Evaluation

Past and current national reforms have focussed on building capacity around two key functions in education monitoring and evaluation: (i) the consolidation of resource allocation for the sector under one single planning and reporting mechanism, based on the medium term expenditure framework (MTEF) and the (multi)Annual Work Plan (AWP); and (ii) the consolidation of statistical information on education results and outcomes through the Education Management Information System (EMIS). Much of the overall framework and principles of these two functions have been designed and constitute clear strengths on which to capitalise.

The Annual Work Plan was introduced in 2007 to support greater transparency in the planning, monitoring, evaluation and reporting on consolidated resource allocation for the (sub)sector. The AWP is the result of an understating with the Ministry of Finance (MoF) to develop an approach to budgeting and planning in relation to expected outputs and results (results-based planning and budgeting). Resource allocation in the AWP is based on clear budget ceilings provided by MoF:

The AWP provides the annual implementation plan and budget based on the MoF budget ceiling. It provides one consistent foundation for implementation of all the outcomes defined for access, quality and institutional capacity. The AWP coordinates all implementation to achieve outcomes and the basis for all alignment [of] all stakeholders to sector results and outcomes (only one official implementation plan).[2]

[2] MTEF – Allocation of Resources to achieve Education Outcomes in Yemen 2007-2011(MoE, 2007). This document was presented at the May 2007 Joint Annual Review.

The AWP has been consolidated in the intervening years, providing vital inputs for monitoring and evaluation. A consolidated report of each AWP is presented and discussed in the Joint Annual Reviews (JAR). Despite the political and social crisis that occurred in 2011, MoE was able to present consolidated data on execution of the 2011 AWP at the last JAR held in October 2012. This consolidated data covers the national Budget and funding from all the major development partners' projects. This mechanism for the monitoring and evaluation of resource allocation is regularly reviewed in the JARs, with recommendations for its improvement. This includes the need to reinforce the financial and costing elements of the mechanism. The GPE-funded Programme, the BEDP 2 and UNICEF annual workplans of support to sectoral line ministries have strong capacity building components to support this.

Likewise, the provision of statistical information on the state of the education sector has undergone major improvements over the last years, with strong support from Development Partners. The General Directorate of Statistics and Planning is now able to consolidate all educational statistical data in an annual statistics book, in a timely manner in order to provide relevant information for decision-makers and the budgeting process. Further improvements are planned for EMIS, notably its computerised roll-out in all governorates in order to strengthen the compilation and analysis of data at that level and increase the autonomy and capacity for the management of the education system at the decentralised level.

In addition to UNICEF's monitoring and evaluation capacity and processes, the GPE Programme will take full advantage of the national monitoring and evaluation framework and contribute to its improvement through the following measures:

- The activities and budgets of the Programme components will be fully aligned on the AWP framework, providing comprehensive annual planning and financial reporting on that basis. This will be consolidated with all funding sources, both domestic and external.
- The Programme will build capacity in the areas of planning, budgeting and reporting through component 3 (strengthening of institutional capacity). This will be reinforced through the policy dialogue on financial management, carried out through the Local Education Group and involving all key institutional stakeholders, including the Ministry of Finance (see box below on the structural importance of improving planning, budgeting and reporting).
- Supporting the decentralised management of EMIS and its computerised roll-out in all governorates, in close collaboration with other DPs and BEDP 2 in particular (cf. Sub-component 3.1).

In addition to these measures, the GPE Programme has a strong sub-component on building capacity for greater autonomy for the management of education at school levels, with commensurate capacities in local monitoring and evaluation. Sub-component 1.1 (School-based development) will strengthen the ability of school management and local communities to monitor performance and to act

on measures to improve on performance. This will include direct action through the school capitation grant system and indirect action, by pressing their local governments for improved service delivery. If this approach proves successful and financially sustainable, it can provide a blueprint for a nation-wide extension after 2016.

The importance of strengthening (multi)annual planning, budgeting and reporting

The consolidation of resource allocation and reporting around one single framework is structurally important for the sector and MoE. It paves the way for the following reform processes:

- Increase the transparency of resource allocation (for all stakeholders)
- Increase operational alignment of external aid and therefore improved coordination and greater efficiency of aid
- Develop greater trust between MoF and MoE, and across all key institutional stakeholders
- Develop MoE's capacity in modernising its mandate, from traditional implementation to policy and operational oversight and support
- Prepare the ground for structural reforms that will allow progressively greater autonomy and responsibility across spending units from central to local levels (if MoF has greater trust, it is more likely to encourage this)

In order to fully prepare for the integration of the Programme components and budgets within the programme of cooperation, UNICEF will set up the GPE funded programme within its programme and finance software system in order to be able to provide regular financial reports in line with the programme componets of the proposal.

Additional operational measures for the regular monitoring of GPE Programme implementation

Follow up to and monitoring of the implementation in the Governorates and Districts will be carried out by the Sectors responsible for implementation of each GPE program and Quality control directorate at central level and UNICEF 5 provincial offices (supported by the country office). At the decentralized level, this will be conducted by Governorate Education Offices (GEOs) and the Districts Education Offices (DEOs) where the project is active. GEOs and DEOs with support from and coordination with the PAU will: (i) ensure project implementation in the targeted governorates and districts; and (ii) monitor progress (through regular progress reports) to the sector. Local community will play a role in monitoring and follow up implementation of some of the GPE Programs such as school base development, Female teachers and Out of school children.

The MoE will share all related implementation progress reports that it receives from the 13 targeted governorates, its GEOs and DEOs. Relevant staff in the GEOs and DEOs will monitor progress at the governorate level and submit progress reports to the MoE. The MoE will submit the GEO progress reports to UNICEF when requested and will ensure that a technical summary of these reports will be included in its bi-annual implementation progress reports to MoE and UNICEF. Most importantly, the summary technical and financial reports will be compiled and integrated fully with the national reporting framework (AWP-based reporting) consolidating all resources.

UNICEF will provide guidance, support and capacity building where required to the MoE units, and programme related staff in the governorates and districts. In particular, the directorates that will be supported are those responsible for statistics, monitoring and evaluation, including the local level. In terms of content it will include indicators, data and information collection, processing and analysis linked to the national results framework and indicators of MTRF. The MOE and UNICEF will be responsible for: (i) monitoring of input, intermediate and outcome indicators; (ii) supporting the targeted governorates to develop and carry out their implementation plans; (iii) preparing and submitting bi-annual progress reports, including the baseline and values of specific implementation indicators by component and activity, as provided by the MoE technical office. The MoE will share with UNICEF, as requested, any related implementation progress reports that it receives from the relevant governorates, GEOs and DEOs.

Collecting the data and reporting

The data will be collected through MoE administrative units from the level of school up to district and governorate education offices and up to central level. The technical office will be responsible for the analysis of the data and the preparation of the consolidated annual and semi-annual reports needed for Joint Annual review (JAR). Statistical data will be compiled as per current procedures for the annual statistical book. The following diagram shows how data will be shared in connection with the preparation of the reports. UNICEF will verify such data.

The GPE supported Programme will contribute to further building capacity in the 13 targeted governorates and their school districts to improve data collection and analysis, and subsequent improvement in the expansion of access and the school environment (notably to encourage girls' enrolment). The implementation period of three years is proposed to allow enough time for completion and measurement of the preliminary outcomes of the project. One of the principal lessons learnt from the previous FTI grants is that it is difficult to measure a significant impact on enrolment and especially on quality in such a limited time-span, particularly when a significant proportion of the grant is financing construction activities. GPE funds will contribute to construction in order to help bridge the primary access gap in remote areas. In the context of the limited scope and implementation

duration of the GPE grant (compared to GoY's overall basic education sector support) its results will have to be measured using output / results indicators.

Partnership Arrangements

Donor coordination for education in Yemen is based on a Partnership Declaration (MoE, 2005, 2007, 2010) signed in 2004, and renewed in 2007, and 2010 between MoE and development partners. The agreement aimed at coordinating the efforts of the government and donors to achieve the objective of BEDS as of 2004, and was renewed to support NBEDS and NSEDS as of 2010. This partnership continues to be strengthened through on-going regular forums between MoE and partners. Furthermore, MoE will continue to strengthen its programming for better management of development assistance, through the following instruments:

- **A single Annual Work Plan (AWP):** The AWP provides the annual implementation plan and budget based on the MoF assigned education budget ceiling, including donor-funded projects. The AWP is progressively becoming the basis for alignment of all partners for education.

- **Joint Annual Reviews (JAR):** Both MoE and the donors have agreed to hold annual comprehensive review of what has been implemented in the previous year and draw policies and directions for the new year in the framework of JAR. Seven JARs were held for the years 2005, 2006, 2007, 2008, 2009, 2010, and 2012 (MoE, 2005, 2006, 2007, 2008, 2009, 2010, 2012)

The matrix of donors' contribution by type of activities is in Annex 5, while by geographical areas is in Annex 6.

GIZ as GPE Coordinating Agency

GIZ became the Yemen LEG's GPE Coordinating Agency (CA) in October 2012. As such, GIZ will play a central role in facilitating the work of the LEG under the leadership of GoY and MoE (GPE, May 2012). GIZ will coordinate and facilitate partners' engagement with the GPE-supported Programme, serving as the communication link between the LEG and the GPE Secretariat. While UNICEF and the GoY have the main responsibility for monitoring progress on GPE-supported Programme implementation, GIZ coordinates and facilitates the LEG members in monitoring the implementation of the GPE-supported Programme, the MTRF, and aid effectiveness for the education sector in Yemen in general. In addition, GIZ ensures that the LEG is informed of progress on GPE Programme implementation and agrees to any necessary Programme revisions. GIZ also supports GoY in the effective organization of JARs. This includes promoting an inclusive process for the JARs and mobilizing the respective strengths of partners to support the implementation of activities as well as fiduciary risks and outcomes. GIZ will share JAR reports with UNICEF and GPE Secretariat.

UNICEF as “Managing” Entity for the GPE-supported Programme

The role has two components: programmatic, and fiduciary. UNICEF will discharge the two elements of its functions in line with its standard practices of the programme cooperation with the GoY.

Programmatic component: UNICEF will perform the programmatic component of the SE role: (i) by providing technical support to MoE in connection with capacity-building funded from the GPE grant (including the MoE’s PAU initially and then MoE more broadly); and to MoE implementing partners to discharge their accountability to monitor progress in GPE-supported Programme implementation; to assess on-going GPE-supported Programme achievements; and to provide a “real time” lessons learning capability; and (ii) by reviewing programmatic reports prepared by MoE (though MoE’s PAU initially and then MoE more broadly) and, jointly with the LEG and CA, engaging with MoE in any appropriate follow up to those reports. If required, capacity building can be done for MOPIC also. All of this will be done in close consultation and collaboration with the LEG and CA.

Fiduciary component: UNICEF will perform the fiduciary component by using its standard processes and process, regulation and rules as per its country programme of cooperation. UNICEF and the provisions outline in the agreement betwenn UNICEF and the Trustee of the GPE Fund. GoY’s Central Organization for Control and Auditing (COCA)[3] will, through annual audits of the GPE-supported Programme, provide stakeholders (including UNICEF) with assurances, reasonable in the context of the environment in which the GPE-supported Programme is being implemented, that the elements of this control environment are functioning. UNICEF will also conduct audits of its country programme in line with its Executive Board approved audit plan.

UNICEF, funded through additional allocation from the GPE Fund, will recruit/contract a Financial/Risk Adviser - most likely from an internationally-accredited auditing and accounting firm -to support UNICEF and the Government to plan and implement the fiduciary components of the GPE Programme and to provide general quality control in connection with the financial management of funds from the GPE. The Financial/Risk Adviser will: (i) identify the key bottlenecks in planning and implementation arrangements of the fiduciary components of the GPE Programme and (ii) advise UNICEF on when to transfer funds to MoE after a process of reviews, consultations, and joint planning and workshops on GPE. In the management and control of Fiduciary Risk and to assure a "sound control environment", the Financial Adviser will form part of UNICEF Finance and Administration team that will:

- ensure regular reconciliations on funds disbursed to the MoE and implementing partners;
- review outputs of the implementing partners including Financial Planning and supporting cash flow forecast, procurement forecast, together with the supporting cash flow forecast, budgetary control and analysis;
- support the MoE with the necessary professional Technical Support and in the process build

3 See http://www.coca.gov.ye/index.php?lang=2&page=p4

capacity.;

- form part of UNICEF's standard practice for validating disbursement requests and programmatic and financial reports, and review the disbursement requests and financial reports prepared by the MoE;
- monitor the any procurement and disbursement activities conducted directly by UNICEF or implementing partners to ensure that they are carried out with the principles of "value for money" and "transparency";
- undertake verification of disbursements to monitor the effectiveness of flow of funds to service delivery facilities and actual beneficiaries, checking both for timely delivery and controls for "leakage of funds"
- due to the unique risk environment in-country, undertake, at least annually, a fiduciary risk assessment on the use of the GPE Programme funds to include the identification of short- and long-term risk mitigation measures.

Central Organization for Control and Auditing

COCA will provide conduct and provide annual external audits of the funds disbursed by UNICEF to line-ministries for GPE-supported Programme UNICEF will advise and accompany the process and, if deemed necessary, will engage its Office of Internal Audit and Investigation or an external independent audit firm for technical support.

Flow of funds, implementation, reports, and further disbursements

The GPE Trustee will transfer GoY's financing from GPE to UNICEF in annual tranches equal to eighteen months' worth of cash flow needs (as disclosed in the GPE-supported Programme's implementation plan and budget), based on replenishment notifications from UNICEFaccompanied by a cumulative expenditure report and Programme implementation report prepared by UNICEF and the MoE. UNICEF will hold the funds and disburse to the implementing partners in line with progress on the proposal activities and budget and satisfactory reporting on, and verification of, the use of funds disbursed.

The MoE and MoPIC will implement the GPE-supported Programme working with civil society and local community leadership and using the existing national laws, regulations, rules and procedures applicable to the operation of GoY and the standard practices for UNICEF transfers to Government and partners that are already in place. Each Ministry will use its respective existing internal arrangements to receive and manage funds made available for the GPE-supported Programme; to transfer such funds within the Ministry (including to the governorate and district department levels); and to expend those funds (including in connection with procurement of goods or services) and to report on that expenditure. As noted earlier, the Inter-ministerial Steering Committee will provide

Government coordination and alignment of the activities of the Ministries directly implementing the GPE-supported Programme.

Auditing

The GPE Programme will be subject to audit through the internal and external audit services of GoY. More particularly, MoE, MoPIC and MoF will each be subject to internal audit by their respective internal audit departments in accordance with the standards established by COCA, which internal audits will review both: (i) GPE-supported Programme internal control systems, and (ii) expenditure of funds and implementation of the GPE-supported Programme. The internal audit departments will apply their own respective risk assessments, risk models, and audit plans, in connection with the GPE-supported Programme. Part of the GPE grant will fund additional capacity in the MoE, MoPIC and MoF internal audit services.

MoE, MoPIC, and MoF will each be subject to annual external audit by the Supreme Auditing Institution of Yemen in accordance to standards established by the International Organization of Supreme Audit Institutions. Part of the GPE grant will fund additional capacity in the Supreme Auditing Institution of Yemen to enable it to perform these annual independent external audits. In addition, UNICEF, as part of the procedures to ensure a sound control environment will work with the Supreme Auditing Institution and audit offices of the relevant Government counterparts to identify technical support for capacity building and, if deemed necessary, external technical support from an independent audit firm to conduct periodic checks of the audit control framework.

GoY will make the internal and external audit reports relating to the GPE-supported Programme available to UNICEF as soon as they are delivered to it.

UNICEF's Office of Internal Audit and Investigations will also conduct and audit of the programme of cooperation, including the GPE project. UNICEF will make these reports available on the UNICEF public website as per standard practice.

Transparency – the GPE-supported Programme Public Website

Consistent with an overall commitment to transparency in the GPE-supported Programme, UNICEF and the MoE will establish and operate a public access internet site with information about the GPE-supported Programme. Documentation relating to the GPE-supported Programme will be available on this website including this proposal, reports from the GPE Board and Secretariat, and expenditure and implementation reports, together with all cumulative expenditure and implementation reports and audit reports. The cost of administering this website will be met by UNICEF from GPE grant funds.