GLOBAL PARTNERSHIP for EDUCATION

BOD/2014/06 DOC 06
Meeting of the Board of Directors
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REPORT FROM THE CEO

For Information

1. INTRODUCTION

1.1 After some reflections regarding our progress since our Board meeting in Addis and our extraordinary meeting in February, the following report will highlight the priorities of the Secretariat for the coming months as we chart a course for the Global Partnership leading into a post-2015 world. As one of our donors has recently remarked, the Global Partnership is still evolving. But in truth, we always will be and should be. The challenges of delivering education to the world's poorest children are not static. And we must constantly seek to re-tool and refine the Global Partnership to deliver the best support possible to children in our developing partner countries and their ever-changing contexts.

1.2 As the Global Partnership enters the post-Replenishment period, the Partnership and its Secretariat must switch gears to focus attention on execution of the goals and pledges made at the Replenishment conference in Brussels.

2. REFLECTIONS SINCE OUR LAST BOARD MEETING

2.1 The Global Partnership must maintain a **relentless focus on results**, harnessing all of the technical muscle and political will it can to help deliver on its goals, including current Education For All and the Millennium Development Goals. For the Global Partnership to make a difference in the lives of children, this focus must include not only getting all children into school, but assuring that they are indeed learning. Many in the Secretariat have spent considerable time on the road with our stakeholders and partners over recent months. We see a palpable appetite to "get education right" and to secure confirmed outcomes quickly. This sense of urgency is coming from everywhere: countries, communities, constituencies, teachers, survey data, and from many in other development sectors whose progress depends on educated children. Most notably, this urgency is coming from the children themselves. They are

remarkably eloquent and outspoken in their insistence that the adults get it right – and they are right to hold all of us accountable.

2.2 One of the most exciting things that has happened in our Partnership since Addis is the **development of our new funding model.** Prompted by feedback from our stakeholders that the Global Partnership needs a tighter linkage between funds and results, specifically, learning outcomes, the Secretariat undertook, in close collaboration with the Board, a major reform of the Global Partnership business model in late November. Now, seven months later, we have a new approach that puts the Global Partnership firmly in the "results-based" camp – but in a way that is tailored to the particular challenges that we see in the education sector.

The hard work of operationalization and implementation of this new model now lies ahead.

2.3 Increasingly, we are assessing the **financial sustainability of delivering quality education**. Linking the ambition in an education sector plan to available resources is at the heart of one of the requirements in the Global Partnership's new funding model; which calls for governments to invest 20 percent of domestic budget resources in education, and 45 percent of that in basic education in countries where universal primary education has not been reached. Financial viability is also at the heart of why we advocated at a recent Education For All meeting in Oman to include an education financing goal in the post-2015 agenda. At country level, the Global Partnership will work with our national partners to examine the financing challenge, including issues of efficiency, to ensure that the ambitions set out in education sector plans can be financed.

2.4 It is critical that the new **GPE Strategic Plan** aligns seamlessly with the post-2015 development agenda. The Independent Evaluation will also be vital to the Global Partnership's thinking on the strategic plan. The report on the Civil Society Organizations (CSO) Strategy and post-2015 Agenda (BOD/2014/06 DOC 10, Annexes 2 and 3) will delve into this in greater detail. In July, we will start to develop the planning process for a new Strategic Plan.

2.5 As demonstrated throughout this Replenishment, CSOs in the north and south, including teachers, have been indispensable allies of the Global Partnership, working closely to drive an advocacy agenda that promotes increased priority for education financing. Additionally, the Secretariat has engaged its **CSO, teacher, and youth networks,** as well as other advocacy tools to draw global attention to the challenges facing students, educators and policymakers. As we have seen most visibly in Northern Nigeria, but which is a serious issue in many countries, children, particularly girls, face violence, abduction and even death on their

way to or in school. It is imperative that we explore how we can leverage the convening and advocacy power of the partnership, and our alliance of governments, civil societies and communities, to put an end to the violence against students. Continuing, therefore, to refine our strategy for working effectively with civil society, including through the Civil Society Education Fund (CSEF), is critical and will be discussed further in Brussels.

2.6 Some of the strongest members of our partnership are **developing country partner Ministers.** They have travelled extensively with the Secretariat and are amongst the most effective advocates to help secure a strong future for basic education and for the Global Partnership. The developing country partner board constituencies have provided invaluable input into the development of our new funding model, assuring that it is grounded by the realities in countries. We could not be more pleased to support the developing countries' proposal to further strengthen their engagement in the Global Partnership.

2.7 The Global Partnership for Education must continue to have a **particular focus on fragile and conflict affected countries**, which continue to represent over 40 percent of our financing. With most of the world's out-of-school children living in conflict affected states, the Secretariat's enhanced flexibility and speed plus our strategic collaboration with the education in emergencies community will enable children access to education despite instability and crisis. Given the special challenges to education in crises and complex humanitarian disasters, and the gaps that can exist, we are exploring how the Global Partnership can work in these circumstances. We will update the Board in this regard in Brussels.

2.8 **Data, monitoring, evaluation, review and assessment** are becoming increasingly well-developed aspects of the Global Partnership's work. We need to understand the differential impact of our approach and support to maximize impact. The Global Partnership Monitoring and Evaluation team (M&E) is off to a terrific start, completing its first Results for Learning Report late last year. Having started on this path, the M&E team is now evaluating all of the current Education Sector Plans. Further, the Board has initiated the process to start an independent evaluation of the Global Partnership, which will be completed in the summer of 2015. This will be critical in shaping the Global Partnership next strategic plan.

2.9 Following the **strengthening of our country support team**, we have now been able to better support the development and implementation of education sector plans. The response from our developing country partners to these changes has been very positive, revealing demand for the Global Partnership Secretariat support and engagement. Key milestones have been

reached in Tanzania, which renewed its agreement on a coherent sector strategy; in Niger in better aligning modalities; and in Bangladesh, where the Global Partnership brokered roles and responsibilities in the Local Education Group (LEG). Further, the country support team completed its first ever full Portfolio Review which strengthened the monitoring of grants and helped identify the challenges that fed into the decision to revise the funding model. Following the US$1 billion in approvals that the Global Partnership made in 2013, we expect disbursement levels will continue to increase as we finalize funding arrangements for the grants approved last year.

2.10 Having set out in June 2013 to **strengthen operations** with a re-organization and the addition of 12 staff members (all on board by February 2014), the Secretariat has improved how it operates. Marked progress over the past year is clear in many areas. The country support team has enhanced its ability to engage strategically in countries through the joint sector review process and added focus to monitoring grant performance. Internal operations on human resources, budget planning, information management, and financial forecasting have benefited substantially from further focus and cohesion. The Global Partnership has extended its advocacy reach notably over the past months, responding to the opportunity of replenishment in a way that will endure beyond the end of this month. The support that the Global Partnership has now built with parliamentarians, key advocacy groups, and selected media sources is a testament to this new reach.

2.11 Work remains to be done in other key areas - and these will become priorities for the Secretariat over the coming months. One, the Secretariat needs to build a dedicated internal capability to develop and execute innovative finance opportunities. Two, while the Secretariat's communications have improved, we need to make further progress on strategic messaging and on telling our story to an increasingly wider community, particularly heading into the conclusion of the post-2015 dialogue. Having completed the first Portfolio Monitoring review, the Secretariat needs to continue to build its capacity to monitor its portfolio, particularly as the new funding model is put into practice.

2.12 Prompted by the prospect of a major replenishment – only the Global Partnership's second – and further inspired by the opportunity to develop a new funding model, **every person in the Secretariat has contributed to our progress** over the past 16 months. It has been an absolute delight to see the Global Partnership team pull together. While the replenishment has tested the Secretariat and identified areas that need further work, it has also revealed a team that is top-notch. We will continue to modestly add staff in areas that require

further investment on a targeted basis. In this regard, we look forward to welcoming new secondees. We are also nearing the end of our search for the Chief Technical Officer who we hope to be on boarded by the end of 2014.

3. KEY PRIORITIES FOR THE SECOND HALF OF 2014

3.1 There is a significant amount of work ahead for the Global Partnership over the next few months. It is important to prioritize so that we concentrate on a few strategic issues that will improve the quality and increase the results of the Global Partnership's work. The Secretariat has identified four priorities for the next six months.

a. Deliver on the pledges of replenishment by improving learning outcomes and results at country level. In this regard, the implementation of the funding model is imperative. Our aim is for it to be fully operational by January 1, 2015, but to begin to incorporate its standards on grants already under review.

b. Develop the Global Partnership's next strategic plan for the period 2015-2018, as well as certain policies related to the strategic plan, including the Global Partnership's role in humanitarian and emergency situations and its engagement with civil society.

c. Continue to advance governance. The new committees give the partnership additional leverage that will enable us to devote our face-to-face board meetings to strategic dialogue. As instructed by the Coordinating Committee, the Secretariat has looked at how the work of the three technical committees comes together. We will propose a call with the Coordinating Committee to share initial thoughts in this regard. The upcoming conversations on risk management will be particularly instructive as the Global Partnership continues to refine the business model.

d. Develop and supplement our sources of financing, both conventional and innovative. The Secretariat will need to continue to fundraise through 2018 and beyond so it can meet the rising demand of its partner countries. A new cross team has been formed to guide and support this work, which will be focused on the development of Innovative Finance products, with emphasis on innovations that leverage and/or develop alternative sources of funding. However, we must keep in mind that developing meaningful innovations of this nature takes time and very specific expertise.

4. STEWARDSHIP

4.1 In May 2013, the Board was notified that an audit was ongoing of the US$60 million GPE grant in Zambia. The Zambia grant, of which the Netherlands was the Supervising Entity, closed in 2011. An audit was undertaken due to potential misuse of part of the pooled funds. The audit revealed a refund attributable to the Global Partnership of approximately US$80,000 which is in the process of being paid by the Government of Zambia. Based on the audit documents, 10 percent of this amount, or US$8,000, has been confirmed as ineligible expenditures. The Secretariat will advise the Board when the funds have been received.

4.2 Additionally, as the Board was notified of in February of 2014, there is one instance of irregularity that is currently under investigation. Madagascar received a US$64 million grant from the Fast Track Initiative in 2009 for the period 2010–2013. An audit of the 2012 community teacher salary payments revealed irregularities and UNICEF, the Managing Entity for the grant, reported it immediately. The investigation into the irregularities is still ongoing. Once the final results are available we will discuss the findings and implications with UNICEF and communicate further with the Board on this issue.

4.3 As the Board is aware, the Secretariat is also working to develop the Global Partnership's Risk Management Framework in close collaboration with the Governance, Ethics, Risk, and Finance Committee (GERF) for consideration by the Board in December. A critical part of this work will be working with partners to clarify and potentially revise the roles and responsibilities of our supervising and managing entities, the Secretariat, and local partners, particularly in relation to oversight of grant funds. If this is reviewed, this work stream would help to ensure the fiduciary responsibilities of all actors are clear and the risk of misuse of GPE funds is appropriately managed.

5. IMPLICATIONS FOR SECRETARIAT RESOURCES

5.1 The implications for Secretariat resources are outlined in detail in BOD/2014/06 DOC 15.