CHIEF EXECUTIVE OFFICER'S REPORT TO THE BOARD OF DIRECTORS

For Information

In December, the Global Partnership for Education (GPE) adopted an ambitious strategic plan (GPE 2020) and has now made substantial progress with the operational and technical preparations needed to implement this new plan and make a contribution toward achieving SDG4. Preparations have involved (i) setting and calibrating a high level of ambition, (ii) strengthening GPE's operational and funding models and the Secretariat's capacity, and (iii) developing the technical and measurement tools needed to track our progress. This CEO report will survey our progress in these areas as we prepare to implement GPE 2020. It will also highlight key decisions before the Board in June, as well as critical path issues for the coming months.

1. SNAPSHOT OF OUR CORE COUNTRY WORK

1.1 It is important to first take note of the continued progress in strengthening GPE's core work, engaging with country partners to address the requirements of the funding model, monitoring their progress, and developing the tools we will need to assess and report on our impact.

1.2 Demand from our country partners for support from GPE continues to be strong. Three **education sector program implementation grant** (ESPIG) applications will be before the Board in Oslo: the Democratic Republic of Congo, Malawi and the Caribbean Islands. The Democratic Republic of Congo and Malawi both include results-based financing tied to indicators in equity, efficiency and learning outcomes as per the requirements of the new funding model. The Caribbean Islands are the first group of countries to apply for an ESPIG through a regional approach; once approved, it will be the first regional ESPIG approved by the Board.

1.3 There are currently five ESPIGs in the Round 2 2016 pipeline, 24 in the Round 1 2017 pipeline and 12 in the Round 2 2017 pipeline. However, we do not expect all of these pipeline applications to meet the September deadline. The Secretariat continuously monitors progress and seeks to ensure a good balance between readiness, good processes and timely submission of applications, with

particular attention to the importance of strong education sector plans as the basis for grant applications.

1.4 Total ESPIG disbursements for the first quarter of calendar year 2016 (January 1 – March 31) were US$105.4 million, but this is expected to increase toward the end of the year. GPE is anticipating approximately US$500 million in annual disbursements this year, based on projections from grant agents and the Secretariat.

1.5 GPE has completed seven applications using the new funding model and we are beginning to get a preliminary sense of lessons learned. Our initial experience suggests that the funding model requires the Secretariat's engagement at a much earlier stage in the country-level process than previously. This has led to a slower start in the number of countries ready to apply in the first few rounds. The emphasis on the requirements around sector plans, financing and data, as well as the focus on sound sector strategies to address equity, efficiency and learning outcomes, mean that the model is most effective when closely aligned to countries' development of a new sector plan.

1.6 One promising element of the funding model is that it is driving a deepened understanding of domestic financing with the development of a consistent methodology to assess budgets and commitments to education. For the results framework baseline, to date the Secretariat has compiled substantive information on education finance for 2014 and 2015 from 36 countries, compared to the 17 countries for which 2014 financing information is available from the UNESCO Institute of Statistics (UIS). This significantly increases the potential to add value to country-level discussions on education financing.

1.7 The Secretariat is also supporting **education sector analysis** (ESA) in 34 countries and 49 **education sector plans** (ESPs) are under preparation with GPE support.

1.8 Nine education sector plan development grants (**ESPDGs**) were approved between January 2016 and April 2016, involving **several new grant agents**, including the Swiss Agency for Development and Cooperation for Benin, the Asian Development Bank for Marshall Islands and Save the Children for Somalia's Puntland.

2. GPE IS IN DEMAND

2.1 As the Board considers the decisions at hand in June, it can take pride in its role in building GPE into a thriving, growing partnership that has evolved considerably from the modest gap-filling financing venture that was FTI. Four more countries — St. Vincent and the Grenadines, Dominica,

Grenada and St. Lucia — have joined the partnership since December, bringing the total number of developing country partners to 65. In April, we signed an MOU for cooperation with the UN High Commissioner for Refugees to improve continuity of education for refugees, and we have moved toward inclusion of UNHCR on the Board.

2.2 GPE continues to build and diversify its list of grant agent partners. In January, the GPE trustee and the Asian Development Bank (ADB) signed a Financial Procedures Agreement (FPA), making ADB the second multilateral bank (in addition to the World Bank) to become a grant agent. We also have added the Swiss Development Cooperation (SDC) as a grant agent, and Save the Children as the first INGO to serve as a grant agent.

2.3 GPE has a considerable global footprint. The partnership brings together the largest assembly of education talent from around the world dedicated to enabling the most vulnerable children to learn. It has invested over $4.4 billion in the education systems of 56 developing partner countries, and as of the end of April there were 55 active ESPIGs in the GPE portfolio, representing an allocation value of US$2.36 billion. GPE's input and engagement are in much demand. The Incheon Framework for Action 2030 and the Financing for Development outcome document last year called for the strengthening and scaling up of GPE to support achievement of SDG 4, and this year we are engaging actively with both the International Commission on Financing Education Opportunity and the development of the Education Cannot Wait platform to be launched in Istanbul.

2.4 Thanks in large part to our Board chair's outreach and advocacy, GPE has also achieved a significantly higher level of visibility and media coverage for the partnership and for education, at both the global and national levels, over the past three years. The number of GPE website users is up 84 percent over the past 12 months, and our "followers" and "likes" on GPE's Facebook and Twitter accounts are up 58 percent.

2.5 The value of GPE's financial and technical support is nowhere more evident than in schools and classrooms. My quarterly missions to meet with country partners afford me an opportunity to see this up close, and to appreciate the day-to-day realities they face, their experience with our funding model, the strengths and weaknesses of the local education groups (LEGS), and the importance of GPE's flexibility and context-tailored engagement. These visits have informed my thinking about GPE's critical role in the sector and our special "brokering" role in countries within an often fragmented dynamic. Among my top objectives with country missions is to promote increased and predictable domestic financing for basic education in my meetings with government and ministry leaders, members of the LEG, civil society and the media.

2.6 I have now visited well over a dozen developing countries, a significant proportion of which are affected by fragility and/or conflict. During my visit to Mozambique in March, I participated in the annual joint sector review, led by Minister Farrao, which in many ways signifies the mutual accountability principle of the partnership at work. The review brought together a broad group of participants, including government, teachers, civil society and development partners, to consider the country's education progress and challenges. I visited several schools and learned about how the country has made significant strides in access by triple-shifting and quadruple-shifting in schools, and the challenges they are now facing in addressing quality. My visit also attracted significant media attention on education. I will be visiting Laos just before our Board meeting and look forward to sharing my impressions with all. I will also travel to Vanuatu after the Board meeting to better understand the unique challenges faced by small island-state country partners.

3. STRENGTHENING GPE'S OPERATIONS TO DELIVER ON GPE 2020

3.1 With the Board's oversight and guidance, much has been done to strengthen GPE's operations over the past three years: a new funding model, organizational change, governance reform, risk management policies and procedures, and a specific set of measures to strengthen GPE's operational framework. Much of this work has involved development of new policies and procedures. GPE is ready to transition from the developmental phase to launch in many areas. The capstone of this period was the approval last December of GPE 2020, an SDG-driven five-year strategic plan that outlines our ambitious vision to improve learning and equity through strengthened education systems in more than 60 of the world's poorest countries.

3.2 The Secretariat itself is stronger: 18 months after completing the organizational review, we have implemented most of its recommendations. We have pivoted more resources to country-facing work, significantly strengthened our technical capacity, and directly linked that capacity to our country support and operational teams. The Secretariat has adopted a functional manner of working with cross-team engagement on country advisory work, quality assurance, grant management, monitoring and evaluation, and strategic planning. This organizational change and additional capacity have enabled the design and launch of the funding model. Looking ahead, however, the Secretariat's capacity is not yet sufficient to deliver on GPE 2020. Often, critical areas are staffed by one person. While we have greater breadth, we continue to lack the depth that GPE 2020 will demand. We will further explore these matters in the upcoming review to examine GPE's readiness to deliver on both GPE 2020 and, potentially, the Education Cannot Wait platform.

3.3 Following the Incheon Board meeting in late May 2015, the partnership undertook a review of its operational model and identified critical areas that required strengthening and amendment to build confidence in GPE and give it the foundation it needs to deliver on GPE 2020. As a result, 21 specific actions were recommended across five areas: LEG effectiveness, education sector plan credibility, grant management, grant application quality assurance, monitoring and reporting, and several other matters related to grant operations. As of this writing, substantial developmental progress has been made in all 18 areas and most are ready for implementation. The following table summarizes the status of development and implementation of these actions and where specific board decisions will be needed in June. (See Annex II for the full implementation report.)

Item	Status	June Board Decision?
LEG EFFECTIVENESS		
LEG minimum standards	Draft with SPC	SPE recommended Board approval
LEG performance into RF	**Completed**	N/A
LEG and sector dialogue into M&E strategy	**Completed**	No (included in existing results framework)
Mutual accountability in GPE charter	Draft with GERF	**Yes**
Conflict resolution mechanism	SPC recommended	**Yes**
ESP CREDIBILITY		
Independent technical appraisal	**On track**	No
GRANT MANAGEMENT		
Criteria for selection of grant agent	**Completed**	No
ESPDG support to financial management analysis	**Completed**	No

Item	Status	June Board Decision?
Change in terminology to **grant agent**	**Completed**	No
Transparent and consistent basis for direct cost recovery	**Completed** (implemented as of Round 2 2016)	No
INGO minimum standards to all grant agents	**Completed**	No
GRANT APPLICATION QUALITY ASSURANCE		
Consistent methodology for review of grant applications	**Completed** — CGPC to pilot for two more rounds of applications	No
Development of costed M&E strategy	M&E strategy recommended by SPC	**Yes**
Minimum reporting standards and core input level measures for GPE grants	**Completed**	No
GRANT OPERATIONS		
Learning from GPE country-level investments	KGPE strategy recommended by SPC	**Yes**
Operational risk framework	GERF recommended	**Yes**
Revision of financial procedures agreements	GERF recommended	**Yes**
Define circumstances in which grant agent not needed	**Completed** (GERF summary report)	No

3.4 Some highlights from key areas are:

- **LEG Effectiveness:** To strengthen ***mutual accountability***, the GPE charter reflects proposed new roles and responsibilities across the partnership. *LEG minimum standards* and a *conflict resolution mechanism* have been drafted for the Board's consideration. Monitoring of CSO and teachers' participation in the LEGs has been incorporated into the Results Framework, and LEG and sector dialogue monitoring have been incorporated into the M&E Strategy. The baseline for these will be compiled following the adoption of the standards.

- **Education Sector Plan Appraisals:** Work to strengthen the independence and rigor of ***education sector plan appraisals*** is on track, with a consultant training program under development with the International Institute for Education Planning (IIEP) and planned rollout of training in June. In the interim, the Secretariat is advising all countries that the appraisals must be done independently using the GPE-adopted appraisal guidelines. We will be watching closely to see whether this new approach leads to improvements in the quality of education sector plans supported by GPE and will be using our new results indicator to monitor changes in ESP quality. The Board will receive an assessment of this new approach in June 2017.

- **Quality Assurance and Grant Management:** To strengthen grant application ***quality assurance***, the Country Grants and Performance Committee (CGPC) has piloted a common methodology for assessing grant applications for the current round of applications. The committee opted to use the draft methodology for another two funding rounds before finalization, refining it further while also providing greater clarity to country-level partners on quality expectations. The Secretariat is also making other improvements to support quality standards. To strengthen ***grant management***, a standard process for selecting a grant agent was adopted in January by delegated authority to the CGPC. As of Round 2, 2016, all new applications will integrate direct cost recovery into the grant. Additionally, ESPDG support to public financial management analysis is being integrated into the updated version of the ESPDG guidelines and application form. This provides a basis for dialogue around capacity for aligned support in countries where financial management analysis is not already in place. Further, the Secretariat has reviewed all existing grant agents against the new standards adopted by the Board, which were previously applied only to INGOs.

- **<u>Minimum Reporting Standards</u>:** The minimum reporting standards for grant agents were reviewed by the CGPC following extensive discussions with the World Bank and UNICEF to capture the strengths of their respective reporting formats. The aim is to introduce a standard template that will allow us to capture and report on key results across the grant portfolio. This effort is linked to the GPE results framework and development of a monitoring and evaluation strategy. Progress also has been made in developing proposed revisions to the ***Financial Procedures Agreement*** (FPA). ***The FPA is the agreement between the grant agents and the trustee that outlines the standard terms and conditions that apply to the allocation, commitment, transfer and use of GPE funds.*** The changes proposed will be consistent with the changes to our operational model, address a number of procedural issues concerning financial management and strengthen donor's abilities to review activities.

- **<u>Direct Access</u>:** *As requested by the Board*, the Secretariat and the trustee have examined the circumstances and potential implications of GPE providing ***direct access*** to GPE funds for national entities rather than through a grant agent. The Governance, Ethics, Risk and Finance Committee (GERF) noted that GPE could not operate without a grant agent unless it had legal personality, and recommended that the Strategic Finance Working Group consider the creation of a legal entity for GPE as part of their work following the June Board meeting. The creation of a legal entity for GPE, which the World Bank could continue to host, could also be relevant to consideration of GPE's possible long-term hosting of the Education Cannot Wait platform, efforts to diversify its funding base, and consideration of new types of financing arrangements to raise funds and funding mechanisms to deliver them. The GERF recommends that the issue of direct access itself continue to be an ongoing dialogue for the Board, but it is premature to make any recommendations at this time.

- **<u>Risk Management</u>:** Much attention has been paid to developing and implementing enhanced risk management procedures for GPE. These range from an assessment of partnership-wide risks to those evident within each grant. The following are key areas of progress:

  — The Secretariat has reviewed the ***corporate risk matrix***, examining the current state of risks and mitigation actions and their potential impact on GPE's implementation of the strategic plan. The risk matrix is presented to the Board in a

new format that responds to the recommendations from the Board last December. In particular, the corporate risk matrix now includes an analysis of inherent risk (risk before controls/mitigation actions are applied), residual risk (current assessment of risk) and target risk (the risk the Board deems acceptable given its risk appetite and tolerance). It has been updated to ensure alignment with GPE 2020 and the changes to strengthen the operational model.

— The ***operational risk framework*** is designed to better assess risk at the country, sector and grant levels. This framework will drive the development of country-by-country risk mitigation action plans that will calibrate quality assurance, technical support and monitoring engagement from the Secretariat. It is not designed to duplicate the risk management processes of grant agents. If approved, the Secretariat will commence risk assessments for our 65 developing country partners, and based on these assessments will prepare country risk management plans with a priority on high-risk and critical-risk countries. We will report to the CGPC, GERF and Board on the status of this work at the end-of-year meetings. I believe this to be an extremely important evolution toward improving our overall risk management and strengthening GPE's operational model.

— The risk framework is enabling the Secretariat to take more of a risk-informed view on our ***grant monitoring*** and to concentrate our staff resources on the most risk-prone grants. The Secretariat is increasingly joining grant agent monitoring missions (there have been 31 such missions since January), and increased capacity for country support has strengthened our ability to engage with grant agents on a regular basis to identify and resolve implementation and fiduciary issues as they arise. We systematically review grant agents' progress reports and audit reports.

- **Stewardship of Funds:** There are currently four cases of misuse of funds that the Secretariat is monitoring. Three of these (Benin, Liberia and Madagascar) are ongoing cases on which the Board was last updated in December, and a further update will be provided on each case in another Board session. In addition, a new case of potential misuse related to a procurement has been identified. In line with our Protocol on Misuse of Funds Section 9, in order to protect the integrity of the ongoing investigation, we do not propose to mention the particular country by name but wanted to make the Board aware that our initial understanding is that this concerns an amount of less than US$100,000. Further details will be given in another Board session.

- **Monitoring and Evaluation:** As part of our overall M&E strategy, we are undertaking a grant coding exercise that will enable a more systematic analysis of our grants and their components. Data captured will be reported in a portfolio review and the annual results report. We are also developing grant-related indicators and baselines for our results framework, which will improve the consistency of grant monitoring and reporting.

- **Governance:** Delivering on GPE 2020 will also require the partnership to assess the efficiency of our highest-level decision making. Consequently, the ***governance review*** is one of the most critical items for Board consideration in June. I support both the GERF's recommendation of a phased approach to enhance GPE's governance structure over the next 18 months, and that committee's agreement to explore incremental changes to enhance trust among partners and between the Board/committees. It is clear that we need to better focus the Board's discussion in order to maximize the limited time of members on strategic issues, and also to test a consent agenda for issues that do not require in-depth Board discussions.

4. MONITORING, TRACKING AND UNDERSTANDING OUR RESULTS

4.1 The Global Partnership for Education's unique value is its ability to lock together sector coordination, planning and finance **in countries** to improve education systems and learning outcomes. To perform that function well, we need a better way to monitor and evaluate what we and our partners are doing. In December, the Board endorsed a Theory of Change based on the assertion that strong and efficient education systems would deliver increased equity, inclusion and quality for all children. We now need a stronger set of tools that will allow us to assess the impact of our support, track our results and learn from our experience.

4.2 The **results framework** serves as the key monitoring tool for the partnership over the duration of GPE 2020 and brings a whole new level of accountability to GPE's work. We are presenting core indicators for Board endorsement in June 2016. The fully developed results framework, with all targets and milestones, will be finalized in September 2016. Connecting outputs, outcomes and impact with indicators will help GPE assess the extent to which results are being achieved. Investment in evaluation will help us confirm whether the actions taken around GPE's strategic objectives are contributing effectively to outcomes within a variety of developing country contexts.

4.3 The **monitoring and evaluation strategy** responds to the recommendations of the GPE independent interim evaluation and Board's December request. It lays out an approach to evaluation that will provide the partnership with strong formative and summative assessment of our strengths and areas for improvement, and ultimately will allow us to understand the extent to which the partnership is achieving, and in due course will have achieved, the objectives of GPE 2020. M&E will strengthen accountability for the work of the partnership, stimulate learning and improved performance across the partnership, and support decision making by the Board, Secretariat and national stakeholders. It is central to our approach to results-based management (RBM) and will provide useful information about the level of risk in our operations.

4.4 To fully realize GPE 2020, we also need the tools to learn from our experience and the experience of others, and to incorporate best practice into every aspect of our work. With this in mind, we are presenting to the Board GPE's **Knowledge and Good Practice Exchange strategy**, designed to better support the achievement of improved learning outcomes, enhanced equity and stronger education systems. Drawing on lessons from GPE's GRA experience, the KGPE strategy proposes a staged implementation approach: Stage 1 will be a developmental phase, and Stage 2 will lead into larger-scale initiatives proposed for funding after GPE's replenishment. The goal of all KGPE is to strengthen national policies and capacities using as an entry point GPE's unique approach to supporting improved sector planning, mutual accountability and effective finance. In some respects, the knowledge and good practice work is our response to the lack of investment in innovation in the education field. Knowledge and Good Practice Exchange (KGPE) activities can also address the need for further investment in innovative solutions to longstanding educational challenges.

4.5 Also before the Board is the proposed new Gender Equality Policy and Strategy, which is intended to work across the core architecture and operations of GPE. Gender-responsiveness is a priority throughout the work of the Global Partnership for Education. Our operational model, funding mechanisms and grants increasingly support gender equality through high-quality sector analyses, planning, implementation and monitoring. The promotion of gender equality is one of the eight guiding principles of GPE 2020, and GPE will collect gender-disaggregated data to report on the results framework. The policy will ensure robust execution of our commitment to gender equality across the partnership.

5. LOOKING AHEAD

5.1 Over the next three to five years, the partnership will need to consider further investments required to ensure that GPE has the full capacity to deliver on GPE 2020. The ***FY17 budget*** represents an initial down payment on the development of this capacity and includes some first-stage investments in the implementation of the mission-critical areas of M&E, quality assurance, and knowledge and good practice. We request in this budget three additional technical posts to strengthen our technical and analytical capacities, and three temporary positions to support preparations for a successful replenishment. We are also requesting the Board's agreement to roll over funds to undertake a review to examine GPE's readiness to deliver on GPE 2020 and potentially on the Education Cannot Wait platform.

5.2 The overall ***financial position*** of GPE has changed little since December, and no further prioritization measures are envisaged. Current expectations indicate no improvement and therefore no potential to reverse the previous measures adopted. There are sufficient funds for the Board to approve the recommended ESPIG allocations from the CGPC, but the financial position is subject to significant risk, including exchange rate fluctuations, the refugee crisis and delays in the signing of donor contribution agreements. GPE's financial position is an important consideration for the Board to take into account for replenishment.

5.3 Throughout 2016, we are reviewing GPE's ***strategic financing*** framework. Implementing GPE 2020 will require the partnership to retool its financing approaches in order to use resources strategically and maximally to respond to different needs and contexts in GPE partner countries. A Strategic Financing Working Group of the Board was established based on the Board's December request; the group is working with the Secretariat to explore new ways to mobilize and deploy additional funding for education to meet the ambition of GPE 2020. With the support of this sub-group of the Board, we are working toward the ability to pivot fundraising and use of financing to better achieve the aims of GPE 2020, and in so doing tackle some of the persistent challenges in the partnership's work to date.

5.4 Having agreed on the indicators for GPE's first partnership-wide results framework in December, we have now completed the development of the methodologies for each of its 37 indicators and are now finalizing baselines and targets. Targets for the core indicators will be presented to the Board for decision in June, with the remainder to be presented in November. GPE will present the first results report on GPE 2020 to the Board in December 2016, with publication expected thereafter.

5.5 One aspect of the Strategic Finance Working Group's consideration is the options for additional funding for ***Education in Emergencies and Protracted Crises*** (EiEPC). At its March 9, 2016, audio conference, the Board requested that the Secretariat develop a business case to host the Education Cannot Wait platform. The platform is due to be launched at the World Humanitarian Summit in Istanbul on May 24. It will initially be hosted by UNICEF and is currently expected to transition to a permanent host after 12 months of operations. The business case before the Board will explore GPE's value-add and examine the operational, financial and institutional arrangements required to take on this role. GPE already works in some of the world's most challenging settings, and almost 50 percent of GPE funds go to countries affected by fragility and conflict, accelerating support to the most vulnerable. Should the Board be favorable to consideration of GPE as a potential host, significant additional work will be required, both to operationalize the platform (in conjunction with UNICEF as interim host) and to prepare GPE to take on a hosting role.

5.6 **GPE's support to countries does not stop when emergencies strike.** Even in the midst of crisis, the partnership brings together key actors and promotes constructive dialogue toward identification of immediate needs and development of transitional education sector plans, bridging the humanitarian and development divide. This results in rapid response, sustained financing and improved alignment and coordination. We have seen this in the Central African Republic, Democratic Republic of Congo, Madagascar, Yemen and most recently in Chad, where GPE responded to an urgent need and disbursed almost $7 million in a matter of weeks. Currently, with GPE support, Yemen is preparing a transitional plan to ensure continuity of education, and South Sudan is establishing an education-in-emergencies unit within the ministry to better coordinate development and emergency activities. In Somalia, GPE provided critical funding and worked with the three regions to put in place transitional plans to rebuild the school system. Somalia is now shifting away from fragmented, emergency activities to a stronger, more efficient education system. The Democratic Republic of Congo, which presented its first GPE application on the basis of a transitional plan, has now moved to a full, costed education sector plan.

5.7 At a global level, the momentum behind education is continuing to grow. At the recent World Bank spring meetings, Michelle Obama promoted her Let Girls Learn campaign and a new global initiative on early childhood development was launched. The Brookings Institution released its new research report, *Millions Learning*, on scaling up quality education in developing countries. Save the Children has just launched its new global campaign, Every Last Child, which focuses on three objectives, including that all children learn through quality education. The pace is set to continue with the World Bank's World Development Report 2018, focusing on education under the working title *Realizing the Promise of Education for Development*.

5.8 While the ongoing refugee crisis and the global economic context have created a challenging environment, the world has laid out an ambitious sustainable development agenda with education at its core. The Global Goal for Education raises the bar, committing the world to inclusive, quality education for all children, and GPE 2020 fully aligns with it. The Addis Financing for Development agenda made it clear that we have to finance development differently, and the International Commission on Financing Global Education Opportunity provides a once-in-a-generation opportunity to transform the financing of the education sector and secure a brighter future for millions of children around the world. Later this year the Commission will present its report, which we all hope will be a major milestone in global education. It is imperative that GPE continue to support this critical work so that the Commission's members and staff recognize GPE's role in the sector and evolution toward an SDG 4-focused partnership.

5.9 Six months ago in Senegal, the Board endorsed a new strategic plan to guide GPE's work over the next five years, and collectively we are pursuing that agenda. The funding model is hitting its stride. The ongoing work to strengthen and fine-tune continues to be a priority, and significant progress has been made to roll out the changes agreed to in October. At this Board meeting in Oslo, we will make key follow-on decisions on the results framework, monitoring and evaluation, a common understanding and framing of strategic finance, and an assessment of GPE's capacity to host the Education Cannot Wait platform. If our last meeting in Dakar was about agreeing on the forward strategy for the partnership, our discussion in Oslo is about beginning to drive its implementation. I very much look forward to joining you there.

6. PLEASE CONTACT:

Alice Albright (aalbright@globalpartnership.org) for further information.

7. ANNEXES OR INFORMATION

7.1 The following Annexes are included in this paper:

Annex 1 — Country Work

Annex 2 — Implementation Plan

ANNEX 1 — COUNTRY WORK

1. Demand from our country partners for GPE's support continues to be strong. Three ESPIG applications will be before the Board in Oslo: Democratic Republic of Congo, Malawi and the Caribbean Islands. The ESPIG for the Caribbean Islands, once approved, will become the first-ever regional ESPIG approved by the Board. The Democratic Republic of Congo and Malawi both include results-based financing based on indicators in equity, efficiency and learning outcomes, as per the requirements of the new funding model. All three ESPIG applications were assessed using the recently developed final assessment methodology, which is designed to assist the CGPC in gauging whether an application merits GPE investment. The final assessment methodology will continue to be piloted by the CGPC in subsequent rounds.

2. OECS ESPIG application process: The Caribbean Islands are the first group of countries to apply for an ESPIG through a regional approach. In preparation for the ESPIG application, the general principles of GPE's funding model have been applied while being responsive to their regional contexts and opportunities. Through the regional approach, the countries decided to use the OESS (OECS Education Sector Strategy), but it initially lacked implementation plans, baselines and targets for indicators, or a financing framework. After receiving an ESPDG in November 2014 to strengthen the OESS, the strategy has now been endorsed and is accompanied by an implementation plan for each of the four states (out of nine in the region), an M&E framework and a financing framework.

3. There are currently five ESPIGs in the Round 2 2016 pipeline, 24 in the Round 1 2017 pipeline and 12 in the Round 2 2017 pipeline. However, we do not expect all of these pipeline applications to meet the September deadline. The Secretariat continuously monitors progress and seeks to ensure a good balance between readiness, good processes and timely submission of applications, with particular attention to the importance of strong education sector plans as the basis for grant applications. Thirteen ESPIG progress reports have been received from Burkina Faso, Eritrea, Guinea-Bissau, Kenya, Mauritania, Pakistan-Balochistan, Senegal, South Sudan, Tajikistan, Tanzania-Zanzibar, Vietnam, Yemen and Zimbabwe. One ESPIG completion report was submitted to the Secretariat from Timor-Leste, and the Secretariat approved four ESPIG revisions for Madagascar, Somalia-Somaliland, Uganda and Yemen.

4. Total ESPIG disbursements for the first quarter of calendar year 2016 (January 1 – March 31) were US$105.4 million, but this is expected to increase toward the end of the year. GPE is anticipating approximately US$500 million in annual disbursements this year, based on projections from grant agents and the Secretariat.

5. The Secretariat is supporting education sector analysis (ESA) in 34 countries, and 49 education sector plans (ESPs) are under preparation with GPE support.

6. ***Education sector plan development grants*** (ESPDGs) help countries perform strategic, consultative and analytical work to develop or revise their sector plans. Nine ESPDGs were approved between January 2016 and April 2016 for Benin, Cote d'Ivoire, Ethiopia, Liberia, Marshall Islands, Somalia-Puntland, Senegal, Sudan and Zambia. These applications involve several new grant agents,

including the Swiss Agency for Development and Cooperation for Benin, the Asian Development Bank (ADB) for Marshall Islands and Save the Children for Somalia's Puntland. January saw the signature of a Financial Procedures Agreement (FPA) between the GPE trustee and ADB, making ADB the first multilateral bank (other than the World Bank) to become a grant agent. The Swiss Development Cooperation (SDC) and Save the Children have also recently become new grant agents for ESPDG grants, continuing the trend of GA diversification. Four ESPDG revisions were approved by the Secretariat between January 2016 and April 2016 for the Caribbean Islands, Kiribati, Nepal and Nicaragua. Six countries/federal states — Cambodia, Guinea-Bissau, Lesotho, Kyrgyz Republic, Somalia-Somaliland and the Federal Government of Somalia — are in the pipeline to submit an ESPDG application by the end of FY16.

7. Program development grants (PDGs) finance the design of an education program that will help the country implement the sector strategy. The Secretariat approved a nine-month retroactive extension of the Caribbean Islands' PDG, and five countries/federal states — Ethiopia, Guinea-Bissau, Lesotho, Liberia and Somalia-Puntland — are currently in the pipeline to submit a PDG application by the end of FY16.

8. Since January 2016, the Secretariat has conducted 11 LEG support missions, five quality assurance missions, 17 ESP development missions, 7 JSR missions and 31 grant monitoring missions. [FN: Some of the missions combine multiple functions, so adding them up does not reflect total number of missions].

9. In January, a mission was undertaken to Cambodia to help with planning for a new ESPIG as well as with preparation for an upcoming JSR. The Secretariat used this opportunity to share recommendations and good practices on JSRs from other GPE countries, stressing particularly the need to maintain all key results and challenges within the review.

10. In March, a mission was undertaken to Lesotho to introduce the grant agent selection guidelines to the ministry and to the local education group (LEG). The LEG accepted the guidelines for Lesotho after a thorough discussion of the guidelines' criteria and process. It was agreed that a relatively simple process would be appropriate for the country, as there are only two agencies interested in becoming the GA for the next GPE grant.

ANNEX 2 – IMPLEMENTATION PLAN

Implementation Roadmap Timeline of Deliverables January - December 2016												
Deliverable	**Jan-16**	**Feb-16**	**Mar-16**	**Apr-16**	**May-16**	**Jun-16**	**Jul-16**	**Aug-16**	**Sep-16**	**Oct-16**	**Nov-16**	**Dec-16**
Strategic Plan 2016-2020												
Final Formatted Strategic Plan					Complete							
Launch of Strategic Plan					Complete							
Update Implementation Roadmap						Complete						
Measuring and Reporting on Global Partnership Results												
Update Results and Reporting Framework (with LEG Performance) with baselines and targets for indicators		SPC		SPC		Complete - No Board Decision			Complete			
A costed Monitoring and Evaluation Strategy		SPC		SPC		Complete - Board Decision						
Annual Results Report												Board Decision
Knowledge and Good Practice Exchange												
A paper on the Global Partnership's global knowledge and good practice exchange role		SPC		SPC		Complete - Board Decision						
A paper on how knowledge and good practice from ESP approach can be used to support education sector planning in partner countries		SPC		SPC		Complete - Board Decision						
A report on outcomes of DCP meetings												
Operating Model												
A report on pilot approach to independent assessment of ESPs with proposal for evaluation of pilot				CGPC		Complete						
Develop the criteria and process for the selection of Grant Agents	CGPC					Complete						

A paper for when an Grant Agent is not required for grant management					GERF	Complete - GERF Report						
Review and update grant guidelines, Grant Agent TORs, and Country Level Process Guide				CGPC		Complete						
Finalize minimum reporting standards and core input level measurements for Global Partnership grants	CGPC					Complete						
Develop consistent methodology for the review of grant applications				CGPC		Complete						
Transparent and consistent basis for direct cost recovery		Complete										
Integrate LEG and sector dialogue monitoring into the Monitoring and Evaluation Strategy				SPC		Complete						
Define LEG minimum standards with justification for context-based exceptions		SPC		SPC		Draft with SPC						
Establish a conflict resolution mechanism for LEGs		SPC		SPC		Complete - Board Decision						
Review and revise the Financial Procedures Agreements (FPAs)					GERF	Complete - Board Decision						
Develop an Operational Risk Framework				CGPC	GERF	Complete - Board Decision						
Ongoing Work on Global Partnership Funding Model												
Completion of the Quality Assurance process for three ESPIG applications		Complete				Complete						
Technical support to application processes of countries expecting to apply for ESPIGs						Complete						
Support to sector analysis and sector planning processes						Complete						

Strategic Financing/ Fundraising and Resource Mobilization A targeted contributions policy A preliminary funding eligibility and options paper A Fundraising and Resource Mobilization Strategy				SPC SPC	GERF GERF	Complete - Board Decision Complete - Board Decision						Board Decision Board Decision
Governance Reforms Update the Board and Committee Operating Procedures and related policies to incorporate changes agreed at December 2015 Board meeting Coordinating Committee or GERF consider potential overlaps in Committee Terms of Reference and recommend amendments to the Board Recommend improvements to GPE decision-making processes, constituency groupings, Board membership criteria, and GPE membership criteria Include a Mutual Accountability matrix as an annex to the GPE Charter				CGPC	GERF GERF GERF GERF	Draft with GERF Draft with GERF Draft with GERF Draft with GERF						
Institutional Processes Secretariat staffing, work plan, and budgeting aligned with the Strategic Plan 2020						Complete						