Meeting of the Board of Directors
December 5-7, 2017
Paris, France

FINAL DECISIONS

BOD/2017/12-01—<u>June 6-7, 2017 Board Meeting Report</u>: The Board of Directors approves the Report of the Meeting of the Board of Directors in Ottawa, Canada on June 6-7, 2017 as set out in BOD/2017/12 DOC 03 Annex 1.

BOD/2017/12-02—<u>Vice-Chair Terms of Reference</u>: The Board of Directors:

1. Endorses the proposed Vice-Chair Terms of Reference and the selection process, as presented in BOD/2017/12 DOC 03 Annex 2.
2. Requests the Board to establish a Vice-Chair Nominations Group, with the mandate to oversee the Vice-Chair selection process and provide a recommendation for Board approval no later than April 2018. The Coordinating Committee would be tasked with identifying the members of the Vice-Chair Nominations Group, with appropriate representation including from each constituency category, the Governance and Ethics Committee and the Coordinating Committee, as well as due consideration to gender and North/South balance.

BOD/2017/12-03—<u>GPE Priorities for CEO Performance Feedback</u>: The Board of Directors endorses the proposed GPE Priorities as attached in BOD/2017/12 DOC 03 Annex 3 as the basis for the CEO feedback in 2017-18.

BOD/2017/12-04—<u>Adjustments to the Affirmative Vote Procedure</u>: The Board of Directors:

1. Welcomes progress made with the shift to the Affirmative Vote from the previous non-objection procedure.
2. Noting that the Affirmative Vote procedure is still in its early stage, approves the proposed improvements as set out in BOD/2017/12DOC 03 Annex 4 and requests the Governance and Ethics Committee to report back to the Board in December 2018 on the effectiveness of the procedure, including progress made in the implementation of the adjustments, and recommend further adjustments where necessary.
3. Requests the Governance and Ethics Committee to review the decision rules across the various voting procedures for alignment by end of 2019.

BOD/2017/12-05--<u>Accelerated Funding and the Size of the Variable Part of the ESPIG</u>: The Board of Directors in reference to BOD/2012/11-12-*Guidelines for Accelerated Support in Emergency and Early Recovery Situations* (Accelerated Funding) and BOD/2014/06-02--*Operational Framework for Requirements and Incentives in the Global Partnership for Education Funding Model for the 2015–2018 Replenishment Period*:

1. Notes that when a country receives funding under the Accelerated Funding mechanism, the Maximum Country Allocation (MCA) for an Education Sector Program Implementation Grant (ESPIG) is reduced by the amount of the accelerated funding, up to 20 percent of the MCA.
2. Agrees that in this scenario, the size of the fixed part (70%) and the variable part (30%) of the ESPIG will be based on the remaining MCA.

BOD/2017/12-06—Risk Reduction and Risk Finance for Education–The Board of Directors instructs the Secretariat to:

1. Support the integration of disaster risk reduction, analysis, and planning as part of the Education Sector Plan development process as set out in BOD/2017/12-DOC 05 Option 1 and in alignment with national priorities.
2. Develop a Risk Reduction and Risk Finance Approach, including to supplement the education sector plan development process with risk measurement and risk mitigation for natural disaster risks in a small number of countries as set out in BOD/2017/12-DOC 05 Option 1.
3. Elaborate an approach to evaluation and transparent criteria for inclusion, and mandates the FRC to review these.

BOD/2017/12-07—Risk Management Report - The Board of Directors:

1. Endorses the changes to the Risk Matrix, including modification of risks, revisions to the overall score of some risks, update on current mitigations actions and addition of future mitigation actions, as presented in BOD/2017/12 DOC 06 Annex 1.
2. Requests the Secretariat to review the Risk Management Policy, including further clarification of the risk ownership and to report back to the Finance and Risk Committee by April 2018.

BOD/2017/12-08–**Approval of Allocation for an Education Sector Program Implementation Grant to Burkina Faso**: The Board of Directors with respect to the application submitted in the third round of 2017:

1. Notes compliance with the requirements for accessing the fixed part of the maximum country allocation, as described in the application and summarized and assessed in Annex 2 to BOD/2017/12 DOC 13 Rev. 1.
2. Notes compliance with the incentives for accessing the variable part of the maximum country allocation and approves the indicators on Equity, Efficiency, and Learning and their means of verification, as described in the application and assessed in Annex 2 to BOD/2017/12 DOC 13 Rev. 1.
3. Approves an allocation from GPE trust funds for an Education Sector Program Implementation Grant (ESPIG), as described in the application submitted and summarized in Table 1 in BOD/2017/12-08 3 (c), subject to:
   a. Availability of funds.
   b. Board decision BOD/2012/11-04 on commitment of trust funds for ESPIGs in annual installments.
   c. GPC recommendations for funding include (all amounts in US$):

Table 1 Application Summary and GPC Allocation Recommendations for an ESPIG in US$:

	Country	**Burkina Faso**
a.	Maximum Country Allocation	33,800,000
b.	Allocation Requested (100%)	33,800,000 [1]
c.	Fixed Part	23,660,000
d.	Variable Part	10,140,000
e.	**Allocation Recommended by GPC**	33,800,000
f.	Grant Agent	French Development Agency (AFD)
g.	Agency Fee % - Amount	3.74%– 1,263,690
h.	Period	4 years

[1] Includes US$560,000 for the cost of the grant agent to perform its roles and responsibilities (formerly supervision fees). Per decision BOD/2015/10-02 supervision fees are funded from the maximum country allocation effective from the second funding round of 2016.

i.	Expected Start Date	March 31, 2018
j.	Variable Part Disbursement Modality	Ex-Post
k.	Funding Source	GPE Fund

4. Requests the Secretariat to:
   a. Include in its notification to Burkina Faso, the relevant grant agent and coordinating agency, for distribution to the local education group (LEG) of the approval of the allocation and the expected timeframe for signing of the Grant Agreement and grant effectiveness, as applicable, the conditions, requests for report-back, and observations on the program as recommended by the GPC and adjusted by the Board and set out in Annex 1 to BOD/2017/12 DOC 13 Rev. 1.
   b. Include an update on the issues listed as "conditions" and "report back" in the annual Portfolio Review in accordance with the specified timeline.

BOD/2017/12-09–**Approval of Allocation for an Education Sector Program Implementation Grant to Zanzibar**: The Board of Directors with respect to the application submitted in the third round of 2017:

1. Notes compliance with the requirements for accessing the fixed part of the maximum country allocation, as described in the application and summarized and assessed in Annex 2 to BOD/2017/12 DOC 14.
2. Approves an allocation from GPE trust funds for an education sector program implementation grant (ESPIG), as described in the application and summarized in Table 1 in BOD/2017/12-09 2 (c), subject to:
   a. Availability of funds.
   b. Board decision BOD/2012/11-04 on commitment of trust funds for ESPIGs in annual installments.
   c. GPC recommendations for funding include (all amounts in US$)

Table 1 - Application Summary and GPC Allocation Recommendations for an ESPIG in US$:

Zanzibar		
a.	Maximum Country Allocation	8,230,000[2]
b.	Allocation Requested (70%)	5,761,000 [3]
c.	Fixed Part	5,761,000
d.	Variable Part	n/a
e.	**Allocation Recommended by GPC**	5,761,000
f.	Grant Agent	Swedish International Development Cooperation Agency (SIDA)
g.	Agency Fee % - Amount	-
h.	Period	4 years
i.	Expected Start Date	April 1, 2018
j.	Funding Source	GPE Fund

3. Requests the Secretariat to:

[2] Zanzibar is semi-autonomous from the United Republic of Tanzania. In accordance with the Board's decision on federal systems
(BOD /2012/06-05), the Governments of Tanzania Mainland and Zanzibar agreed to divide the maximum country allocation of US$82.3 million, granting 10% of the MCA to Zanzibar and the remaining 90% for the Mainland.

[3] Includes US$300,000 for the cost of the grant agent to perform its roles and responsibilities (formerly supervision fees). Per decision BOD/2015/10-02 supervision fees are funded from the maximum country allocation effective from the second funding round of 2016

a. Include in its notification to Zanzibar, the relevant grant agent and coordinating agency, for distribution to the local education group (LEG) of the approval of the allocation and the expected timeframe for signing of the Grant Agreement and grant effectiveness, as applicable, the conditions, requests for report-back, and observations on the program as recommended by the GPC and set out in Annex 1 to BOD/2017/12 DOC 14.
b. Include an update on the issues listed as "conditions" and "report back" in the annual Portfolio Review in accordance with the specified timelines.

BOD/2017/12-10—Resource Commitments by Developing Country Partners for ESPIGs: The Board of Directors in reference to BOD/2017/03 7.b.1-Financing and Funding Framework:

1. Notes that the provisions on verification, monitoring and consequences in the *Operational Framework for Requirements and Incentives in the Funding Model of the Global Partnership for Education* (Funding Model) are no longer fit for purpose, nor helpful to countries in mobilizing and monitoring more and sustainable domestic financing for education, especially those countries in fragile and conflict situations where budget realities are particularly challenging.
2. Agrees that domestic financing commitments are monitored and reported through established mechanisms, specifically the Operational Risk Framework and Portfolio Review.
3. Agrees that the assessment of delivery on domestic financing commitments takes place through the established process for considering the funding model requirements in the upstream grant approval process for the next grant, with the government responsible for providing sufficiently strong justification in cases where commitments linked to the previous grant are not met.
4. Where there is no robust justification, requests the Grants and Performance Committee in its recommendations to the Board on ESPIG applications for the next funding period to consider whether there is a need for the proposed grant budget to specifically address underlying issues that hinder domestic financing allocation and expenditure, or whether, in exceptional cases, to not recommend a new allocation.
5. Requests the Secretariat to revise the provisions on verification, monitoring and consequences for non-delivery in the Funding Model accordingly and further elaborate where needed, including ensuring adaptations around the requirements for countries in fragile context are provided for, for the Grants and Performance Committee's review and Board decision in June 2018.
6. Noting the GPE principle of mutual accountability, calls on GPE Partners from all constituency categories to prioritize delivering on their commitments.

BOD/2017/12-11—GPE Multiplier Maximum Country Allocations: The Board of Directors:

1. Approves the list of Maximum Country Allocations (MCAs) for the countries outlined in the table below. The MCAs will remain valid through the final funding round of 2018 unless otherwise adjusted by the Board, and will be subject to the requirements of the *Operational Framework for Requirements and Incentives in the GPE Funding Model* (Funding Model). MCAs are also subject to the relevant requirements of the Multiplier mechanism. For countries with an existing MCA, the amounts below are additional.

Country	**ESPIG MCA (*All amounts in US$ Millions*)**	**Multiplier MCA**	**Total MCA**	***Estimated Additional Co-Financing from Partners***
Ghana	5.7	15	20.7	*50*

Kyrgyz Republic	0	5	5	*50*
Nepal	5.6	15	20.6	*69*
Senegal[1]	19.8	10	29.8	*35.9*
Uzbekistan	0	10	10	*30*
Zanzibar[2]	0	2.5	2.5	*16.7*
Zimbabwe[3]	0	10	10	*43.5*
Total	**31.1**	**67.5**	**98.6**	***295.1***

2. Requests the Secretariat to develop options for review by the Finance and Risk Committee and for their subsequent recommendation to the Board on the expansion of the Multiplier. The paper should include consideration of potential changes to eligibility, allocation, and modifications to improve the efficiency and effectiveness of the process. It should take into consideration lessons learned on the process to date from the relevant Committees and Partners involved, the projections of available resources arising from the GPE Financing Conference, and the evaluation of the Multiplier.

BOD/2017/12-12—<u>Advocacy and Social Accountability:</u> The Board of Directors:

1. Approves the goal, objectives, outputs and operational components for the Advocacy and Social Accountability (ASA) funding mechanism.
2. Adopts the parameters for (1) eligibility criteria; (2) allocation of resources by objective; (3) frequency of grants as stated in BOD/2017/12-DOC 10.
3. Delegates authority to the Strategy and Impact Committee to approve stage 2 operational design options for the ASA mechanism. This includes the authority to:
   a. Approve the criteria and process for the selection of the grant agent(s).
   b. Approve selection criteria and procedures for calls for proposals.
   c. Review and approve the overall approach to reporting, monitoring and grant extension or restructuring

BOD/2017/12-13—<u>Private Foundations Engagement Strategy</u>: The Board of Directors:

1. Approves the Private Foundations Engagement Strategy 2017-2020.
2. Requests the Strategy and Impact Committee to provide annual updates to the Board on progress of work with foundations.
3. Requests the Strategy and Impact Committee to review the portfolio of work with foundations in early 2020 and initiate the development of a post-2020 Private Foundations Strategy based on lessons learned and key opportunities identified.

[1] Eligibility exception endorsed by FRC
[2] Will be combined with an application for variable funding from an existing approved MCA. Eligibility exception endorsed by FRC
[3] Will be combined with an application for variable funding from an existing approved MCA. Eligibility exception endorsed by FRC

BOD/2017/12-14— GPE Management Proposed Actions in Response to Milestones Missed For 2016: The Board of Directors:

1. Endorses management actions for FY18 in response to the areas for improvement identified in the 2016 Results Report, as well as those that are recommended for the broader partnership.
2. Endorses the proposed approach to the presentation of management actions on a routine basis, beginning with the 2017 Results Report. Proposed management actions to address the areas identified for improvement will be presented alongside the Results Report presentation to the Board, and will be included in the Secretariat's annual workplan and budget.

BOD/2017/12-15—Human Resources Plan: The Board of Directors:

1. Welcomes the Secretariat's efforts to provide greater visibility and predictability on potential human resource requirements to support implementation of GPE2020 over the 2018-2020 period.
2. As set out in Annex 1 of BOD/2017/12/DOC 19:
   a. Approves the extension of four temporary (one year) positions previously approved under the GPE Replenishment Surge budget through 31 December 2018.
   b. Approves three additional positions to recruit a deputy CEO, country portfolio team lead, and a senior specialist for Knowledge and Innovation Exchange.
3. Requests that any further staffing increases be incorporated into the scheduled annual budget and work plan process, and should be guided by the key shifts set out in the HR Plan, the Board's deliberations on the Plan, the outcome of the GPE Financing Conference, further clarity on Education Cannot Wait hosting arrangements, institutional arrangements, and the work on effective and efficient partnerships at country level.

BOD/2017/12-16—Operating Expenses: The Board of Directors:

1. Requests the Secretariat to make best efforts to absorb any incremental operating expenses as a result of implementing actions related to the effective and efficient partnership review, institutional arrangements, and human resource decisions within the existing FY18 operating expenses budget.
2. Further delegates authority to the Finance and Risk Committee to review and approve an increase not to exceed US$1 million to the FY18 budget at its April 2018 meeting should the need arise based on the Secretariat's projections, noting that this does not materially impact GPE's financial position.

BOD/2017/12-17—Institutional Arrangements: The Board of Directors requests the Secretariat in consultation with the World Bank to prepare a paper for the Board's consideration by June 2018 presenting an analysis of options for any required changes to GPE's institutional arrangements deriving from the GPE's evolving mandate, strategy, and business needs. The paper should consider the implications of the outcome of the GPE financing conference, potential human resource requirements for GPE over the 2018-2020 period, the ongoing World Bank Trust Fund reform process, progress on currency hedging solutions, and the latest information on ECW hosting.

BOD/2017/12-18—Financing Options: The Board of Directors:

1. Approves the principles for prioritization of resources in the 2018-2020 period as set out in Annex 3.
2. Authorizes the Finance and Risk Committee to approve the announcement of new maximum country allocations for ESPIG eligible countries expected to have an application approved before the end of 2019 based on a financial forecast to be prepared by the Secretariat immediately following the GPE financing conference.

3. In relation to maximum country allocations for ESPIGs, determines to:
   a. Maintain the cap of US$100 million if the amount of funds used to calculate maximum country allocations is less than US$2.25 billion.
   b. Increase the cap to US$125 million if the amount of funds used to calculate maximum country allocations is more than US$2.25 billion but less than US$2.75 billion.
   c. Increase the cap to US$150 million if the amount of funds used to calculate maximum country allocations is more than US$2.75 billion.
4. In relation to the minimum allocation size for ESPIGs for countries subject to a floor of US$1.3 million and US$5 million respectively, determines to:
   a. Maintain the minimum allocation size for ESPIGs if the amount of funds used to calculate maximum country allocations is less than US$2.25 billion
   b. Increase the minimum allocation size for ESPIGs from US$1.3 million to US$2million, and from US$5 million to US$7.5m respectively, if the amount of funds used to calculate maximum country allocations is more than US$2.25 billion but less than US$2.75 billion.
   c. Increase the minimum allocation size for ESPIGs from US$1.3 million to US$2.5 million, and from US$5 million to US$10 million respectively if the amount of funds used to calculate maximum country allocations is more than US$2.75 billion.
5. Endorses the approach used to treat potential donor contributions that are subject to uncertainty for the purpose of forecasting available resources for allocation as outlined in Annex 5.

BOD/2017/12-19—<u>Knowledge and Innovation Exchange</u>: The Board of Directors:

1. Approves the design features for the GPE Knowledge and Innovation Exchange (KIX) aimed at accelerating progress towards GPE2020, and longer term realization of 2030 Sustainable Development Goals. KIX will enhance the production, exchange and utilization of knowledge, innovation and good practices across the Global Partnership, with the Goal, Objectives, Components and Theory of Change (including operational components) as stated in BOD/2017/12 DOC 09.
2. Agrees that the KIX funding will start with four initial themes: Learning Assessment Systems, Early Childhood Care and Education, Gender Equality, and Data Systems for launch before the end of calendar year 2018.
3. Approves the launch of two additional themes for KIX funding: equity and inclusion, and teaching and learning in calendar year 2019.
4. The Learning Exchange will support knowledge and innovation exchange across the Global Partnership and support all partners to learn from one another's experience on issues relevant to the GPE Strategic Plan. DCPs are encouraged to contribute to the learning exchange.
5. Recognizing that the Board has agreed to the two main components of the KIX and the core design principles captured in BOD/2017/12-09, requests the Strategy and Impact Committee to oversee the development of a detailed design blueprint for the learning exchange and knowledge and innovation funds, ensuring that there are robust opportunities for all constituencies to substantively engage in the design process.
6. Delegates authority to the Strategy and Impact Committee to oversee the launch of KIX up to the end of December 2018, which would include:
   a. Approving the criteria and procedures for selection of the grant agent(s);
   b. Approving the design blueprint and grant allocations for the approved themes;
   c. Agreeing to selection criteria and procedures for soliciting and reviewing competitive calls for funding under each thematic area;
   d. Approving the approach to reporting, results monitoring, evaluation, risk management, and grant extension or restructuring.

7. Approves a budget request of US$1.5 million as an initial allocation from the KIX envelope to cover initial administrative and operating costs and to support further technical design work needed to launch KIX over a 12-18-month period.

BOD/2017/12-20 –Approval of Allocation for an Education Sector Program Implementation Grant to Liberia: The Board of Directors in reference to BOD/2017/09-01 and the Board decision to delay the notification of grant approval until after the election:

1. Recognizes that the prolonged process around the election risks delaying implementation of key education reforms if grant notification is further delayed.
2. Requests the Secretariat to formally notify the country of the allocation.

BOD/2017/12-21 –Indicator 10 Decision: The Board of Directors:
Requests the Strategy and Impact Committee to review the formula underlying indicator 10 and come back to the Board in 2018 with the results of their review.