Meeting of the Board of Directors
June 11-13, 2019
Stockholm, Sweden

FINAL DECISIONS

BOD/2019/06-01—Contribution Safeguards Policy: The Board of Directors approves the revisions to the Contributions and Safeguards Policy as set out in BOD/2019/06/02 Annex 1.

BOD/2019/06-02—Investment Strategy:

The Board of Directors further to its decision BOD/2018/06-10 permitting the Trustee to invest GPE Funds in Model Portfolio 4 (MP4) as outlined in BOD/2018/06 DOC 08, delegates authority to the Finance and Risk Committee to authorize the Trustee to invest GPE Funds in a socially responsible investment portfolio based on the assumption that the risk and investment return profile isn't materially different to that of MP4 as set out in BOD/2019/06/02 Annex 2.

BOD/2019/06-03—Trustee Budget:

The Board of Directors approves of the estimated administrative expenses of US$587,000 for trustee services for the period of July 1, 2019 to June 30, 2020 and a supplementary budget of US$222,593 for the period of July 1, 2018 to June 30, 2019 to cover one-time expenses associated with the establishment of the Euro as a second operating currency and completion of GPE Hosting Arrangements review as set out in BOD/2019/06/02 Annex 4.

BOD/2019/06-04—December 6-7, 2018 Board Meeting Report:

The Board of Directors approves the Report of the Meeting of the Board of Directors in Dublin, Ireland from December 6-7, 2018 as set out in BOD/2019/06 DOC 02 Annex 5.

BOD/2019/06-05—Requirements for Accessing a Multiplier MCA:

The Board of Directors in reference to BOD/2017/03-06–Financing and Funding Framework:

1. Recalls that the purpose of the Multiplier funding mechanism is to improve prospects for co-financing and to leverage additional resources for the education sector.
2. Requests the Grants and Performance Committee (GPC) to analyze transaction costs associated with the funding model requirements that affect or undermine countries' ability to access a maximum country allocation from the Multiplier and secure associated co-financing.

3. Based on the analysis, delegates authority to the GPC to make any adjustments to the applicability of the requirements to applications for Multiplier funds while ensuring that applications reflect the funding model dimensions of equity, efficiency and learning outcomes and government commitment to education. This delegation does not include changes to eligibility or allocations, or to requirements of additionality, co-financing and debt sustainability.

BOD/2019/06-06—Private Sector Engagement Strategy: The Board of Directors:

1. Extends its appreciation to the Strategy and Impact Committee for its work to date.
2. Reaffirms its commitment to education as a public good, a fundamental human right and a basis for guaranteeing the realization of other rights and strengthening of public education.
3. Recognizes that governments should ensure 12 years of free, publicly funded, equitable, quality primary and secondary education.
4. Further recognizes that GPE's development model is country led and supports country ownership.
5. Approves the Private Sector Engagement Strategy as set out in BOD/2019/06 DOC 08.
6. Affirms that no GPE funds can be used to support for-profit provision of core education services.
7. Directs the Strategy and Impact Committee and the Grants and Performance Committee to submit to the Board meeting in December 2019 the definition of exceptional circumstances exemptions to paragraph 6 and directs the committees to develop a framework that identifies appropriate conditions, safeguards, time limits and processes to apply in these exemptions. In accordance with GPE grant processes, it is only Developing Country Partners that can apply and seek these exemptions
8. Determines that the Board will review the PSES by June 2022.

BOD/2019/06/07 – Location: The Board of Directors:

1. Expresses its appreciation to the Governments of Denmark, France, and Switzerland for their generous and comprehensive expressions of interest, along with the World Bank for the support provided to the GPE Secretariat during this process.
2. In considering the combination of strategic, operational, and financial implications of an increased Secretariat presence in these countries, accepts the offer from the Government of France.
3. Requests the Secretariat in close consultation with the World Bank and Government of

France proceed with establishing an increased Secretariat presence in as an economic, efficient, and effective a manner as possible.

4. Notes that the financing proposals are anticipated to fully cover one-time costs related to the transfer of staff, and establishment of the office. That annual recurrent costs are expected to decrease. Therefore:
   a. authorizes the receipt of targeted financing from the Government of France as set out in the proposal to fund such costs
   b. Authorizes a multi-year budget for FY20, FY21, and FY22 of US$1.6 million to allow such one-time costs to be incurred.
5. Requests the Secretariat to provide a regular update to the Finance and Risk Committee on the status of implementation and associated costs as part of its regular updates on the Operating Expenses budget.

BOD/2019/06-08 – Operating Expenses Work Plan and Budget: July 2019 – June 2020: The Board of Directors:

1. Approves an incremental amount of US$39,890,000 to fund the FY20 Operating Expenses Budget as set out in BOD/2019/06 DOC 11 for the period July 1, 2019 – June 30, 2020 including US$2,400,000 for the fourth-year budget of the Monitoring & Evaluation Strategy.
2. Authorizes the GPE Secretariat to carry over any unspent FY19 funds related to multi-year initiatives and Secretariat administered program activities.

BOD/2019/06-09—Splitting of the PS/PF Seat: The Board of Directors:

1. Approves the creation of a Private Foundations constituency, and a separate Private Sector constituency to replace the combined Private Foundations and Private Sector constituency with an effective date of July 1, 2019.
2. Notes that expectations of private sector members are outlined in the GPE Charter and other key GPE documents.
3. Approves the modifications to relevant governance documents and policies as set out in Annex 1.

BOD/2019/06-10 – <u>CEO Performance and Term</u>:

1. The Board notes:
    a. Alice Albright's exemplary performance as CEO during her two terms of appointment and;
    b. That the GPE Charter provides that after the CEO has served a second term a new process of selection must be undertaken.
2. The Board determines:
    a. As required by and to maintain the integrity of the Charter, to commence a selection process.
    b. That the Chair and the Vice Chair will oversee an open and competitive selection process with regular reports to the Coordinating Committee.
    c. The Board acknowledges that Alice Albright has indicated that she intends to apply.

BOD/2019/06-11 – <u>Complementarity and Coordination in Education</u>: The Board of Directors:

1. Emphasizes the importance of and supports efforts to promote greater strategic alignment and reductions to the risk of fragmentation and duplication in the education sector at the country and global levels.
2. Notes the efforts being made under the Effective Partnership Roll-out to strengthen coordination and cooperation at the country level with the aim of minimizing transaction costs and the burden on country level partners.
3. Recognizes that fragmentation in the global education architecture can be a driver of multiple non-harmonized processes, high transaction costs and increased burden on country level partners.
4. Notes that a Family of Funds is one option for avoiding fragmentation in the global education architecture.
5. Determines that GPE should continue to be a participant in the current global discussions on the emerging education aid architecture but should not take active steps to further develop the Family of Funds option until after adoption of GPE's next strategic plan when complementarity with the plan can be better assessed.

BOD/2019/06-12—Operationalization of Syria Maximum Country Allocation: The Board of Directors in reference to BOD/2018/12-06–GPE Operating Principles in Complex Emergencies:

1. Affirms the MCA for Syria in the amount of US$25 million.
2. Notes the dire education needs and the fast-evolving situation on the ground in Syria while acknowledging the need to explore appropriate conditions for GPE's support in Syria in light of the funding model and GPE's Operating Principles in Complex Emergencies.
3. Emphasizes the need for continued consultation with GPE partners through the Syrian Education Dialogue Forum.
4. Requests the GPC to develop a paper for the December 2019 Board meeting describing the special considerations, challenges, risks as well as the possible framework for moving forward considering GPE's current principles for operating in emergencies. This paper should identify the necessary practical arrangements for the operationalization of the MCA. The proposed scope of this paper should be discussed in the next meeting of the Coordinating Committee.

BOD/2019/06-13—Review of Risk Policies and Practices: The Board of Directors:

1. Approves the risk appetite statement and approach to risk indicators and country risk as set out in Annex 2, 3a, and 3b of BOD/2019/06/13 posted on the Board eTeam site, and requests the Secretariat to replace the current risk management policy accordingly.
2. Delegates authority to the Finance and Risk Committee to oversee the finalization of remaining risk indicators in 2019, and to approve any future adjustments to the risk taxonomy, risk indicators including country risk, and risk appetite statement deemed necessary to improve clarity and efficiency.
3. Requests the Finance and Risk Committee to review the risk management policy every two years or more frequently as needed, and to recommend any material changes to the Board.

BOD/2019/06-14– Strategic Plan: The Board of Directors:

1. Launches the process to develop the next GPE Strategic Plan and associated Funding Framework.
2. Recognizing the mandate of the Strategy and Impact Committee on strategy development, approves the timeline and governance approach included in BOD/2019/06 DOC 15.

BOD/2019/06-15— Effective Partnership Roll-Out: The Board of Directors:

1. With regard to mutual accountability:
   a. Approves the revisions to the GPE Charter as set out in Annex B-1 to BOD/2019/06 DOC 05.
   b. Approves the Accountability Matrix as set out in Annex B-2 to BOD/2019/06 DOC 05.
   c. Agrees in principle to a diagnostic self-assessment mechanism of the functioning of Local Education Groups that is context specific, simple and highly focused. Agrees this mechanism to be trialed through multiple pilots during the period July 2019-July 2020, overseen by the GPC, with a resulting recommendation to the Board for decision in December 2020.
   d. Requests the GPC to monitor country-level dialogue and sector focus through the ESPIG application and monitoring process.
   e. Requests the Secretariat advise on and promulgate good practice on LEG collaboration and mutual accountability across the partnership.
   f. Requests the GPC to update the Board at the December 2019 Board meeting on ways of effectively examining grant performance and how the Board can further improve its responsibilities in relation to grant performance as set out in the Accountability Matrix
2. With regard to financing of the coordinating agency role:
   a. Requests the GPC to oversee the development and implementation of a series of pilots during the period September 2019-December 2020 to assess the feasibility of GPE financing administrative aspects of the country-level coordination function, with a resulting recommendation to the Board in June 2021.
   b. Such financing will be in addition to a maximum country allocation and, during the pilot phase, will not exceed a ceiling of $50,000 per annum.
3. With regard to joint sector reviews:
   a. Notes that financing for joint sector reviews is currently available from within a maximum country allocation for an education sector program implementation grant (ESPIG). Agrees in principle to consider an additional financing window through the ESPDG. Such a financing window will not exceed a ceiling of US$50,000 per annum.
   b. Requests the Secretariat and GPC to review optimal administrative approaches for such financing and, if deemed feasible, recommend to the Board for approval in December 2019 an additional funding window in the ESPDG.
4. With regard to the Operational Framework for Requirements and Incentives in the GPE Funding Model (Funding Model):

a. Agrees that the current funding model requirement for a costed implementation plan covering at least the first two years of the ESPIG may be waived if a functioning annual planning and budget process is in place, preferably with links to a medium-term expenditure framework.

BOD/2019/06-16 – <u>Additional Maximum Country Allocation</u>:

The Board of Directors recognizing the need to maximize the level of funding to support implementation of GPE2020 and to respond to the needs of partners approves the following:

1. Increases the unfinanced carryover used to calculate the total available resources for allocation from 20% to 25%.
2. Authorizes countries that are currently subject to the cap on allocations of US$100 million to submit an application for up to US$125 million either as a new grant allocation or as additional financing to an allocation already approved in the 2018-2020 period.
3. In recognition of the change in circumstances to fragile and conflict affected status and in response to the request from an existing partner country, approves a Maximum Country Allocation of US$10.7 million to enable the Republic of Congo apply for an Education Sector Program Implementation Grant, noting this is an exception to the eligibility criteria per BOD/2017/03-07.
4. The above allocations will remain valid through the final application round of 2020 unless otherwise adjusted by the Board and will be subject to the requirements of the GPE funding model.