JANUARY 31, 2023

BOARD OF DIRECTORS

BOD/AV/2023/01 DOC 02 REV 01 | FOR DECISION VIA AFFIRMATIVE VOTE

PROPOSED REVISION TO THE ZAMBIA ESPIG-MULTIPLIER GRANT

Please note: In accordance with the GPE Transparency Policy, documents are public only after their appraisal by the relevant governance instance. Governance officials may circulate documents to their constituency for consultation purposes, except for documents of a confidential nature.

Objective

This document sets out, for Board approval, a material revision to the Zambia education sector program implementation grant and Multiplier grant (ESPIG-Multiplier) namely per secretariat's recommendation of one-year extension of the timeline for the indicator targets of 2022-2024.

Recommended decision

BOD/AV/2023/01-XX– <u>Proposed Revision to the Zambia Education Sector Program Implementation Grant and Multiplier Grant:</u> The Board of Directors:

1. Noting the delays in the grant effectiveness of Zambia's education sector program implementation, and consequently, the delays in achieving the variable part targets,
2. Approves the proposed material revision, as set out in Annex 1 BOD/AV/2023/01-DOC 02.

Background

1. The Zambia ESPIG-Multiplier of US$39.836 million was approved in June 2021 (BOD/2021/06-05), with the World Bank as the grant agent. The ESPIG-Multiplier encountered a delay in effectiveness due to Zambia's default on its foreign debt and the ensuing protracted approval of the IDA credit for the Zambia Education Enhancement Project Additional Funding (ZEEP AF), which served as the trigger of the GPE Multiplier grant. Upon signing the ZEEP AF in October 2021, the ESPIG-Multiplier became effective, and the program implementation started in December 2021.

2. As of September 30, 2022, US$4 million (10.0 percent) has been transferred to the World Bank, with US$3.35 million of which (8.4 percent) having been utilized.

3. In light of the delays between the approval and effectiveness due to the debt default and the approval of the IDA credit, the grant agent and the Ministry of Education propose adding a one-year extension to the timelines of 2021-2024 indicator targets as a mitigating mechanism to ensure that all variable part targets can be met.

4. Under the variable part, one target (PBC 1.1[1]) was expected to be achieved by December 31, 2021, and eight targets were to be met by December 31, 2022 (Table 1). The Ministry of Education has submitted the required documents for the attainment of this 2021 target to the World Bank, and a review of the submitted documents is currently underway. If the requested one-year extension is approved, this 2021 target could be considered achieved during the deferred period. The eight 2022 targets are on track to be met within the extended timeframe. However, since retroactive extensions of variable indicator targets' timelines are not possible, the Secretariat recommends approving a one-year extension of the timeline for the indicator targets of 2022-2024, but not the retroactive one-year extension for the one target of 2021.

Annex 1 – Summary of Revisions and Secretariat Assessment

The additional materials are available on the Governance Portal on the Decisions page.

Annex 2 - Zambia ESPIG-Multiplier Material Revision Notification
Annex 3 - Zambia ESPIG-Multiplier Material Revision LEG Endorsement

[1] (i) Training modules and materials to train Parent Center Committee (PCC) on preparation of Early Childhood Education (ECE) development prepared and (ii) training modules and materials to train mothers and young parents prepared.

Annex 1 – Summary of Revisions and Secretariat Assessment

One-year extension of the timelines of the variable part indicator targets of 2021-2024

The proposal is to allow a one-year rollover of the timeframe for meeting the variable part indicator targets of 2021-2024, with no changes to any target values or means of verification. This one-year rollover is equivalent to a one-year deadline extension for the variable part targets.

This proposal to defer the target attainment dates is retroactive for one target (PBC 1.1) that was initially approved to be accomplished by December 31, 2021. Since retroactive extensions of variable indicator targets timelines are not ~~possible~~ advisable[2], the one-year extension of the 2021 target timeline (PBC 1.1) is not recommended for approval.

The Secretariat finds that the requested changes will not alter the level of ambition or potential transformational effect as all indicator targets remain ambitious, given the significant delays in program effectiveness and implementation commencement. **Therefore, the Secretariat recommends approving a one-year extension of the timeline for the indicator targets of 2022-2024, but not the retroactive one-year extension for the one target of 2021.**

[2] Corrigendum to "not advisable" upon Secretariat assessment

Table 1: Variable Part Indicator targets for 2021 and 2022

Period	Target	Allocation (US$)	Projected month & year of target achievement	Disbursement rule
PBC 1 – Equity	**Percentage Increase in enrollment of 3-6 year-old children in public ECE centers in targeted areas**			
2021	**PBC 1.1:** (i) Training modules and materials to train PCC on preparation of ECE development prepared and (ii) training modules and materials to train mothers and young parents prepared	500,000	December 2021	$500,000 if both achieved; 250,000 if one achieved, 0 if none achieved
2022	**PBC 1.2:** 20% of active PCC have ECE development plan under implementation	375,000	December 2022	$18,750 for every percentage achieved, maximum 20 percent
	PBC 1.3: 5% increase in 3- to 6-year-old children enrolled in ECE centers in targeted areas	166,665	December 2022	$33,333 for every percentage achieved, maximum of 5 percent
PBC 2 – Efficiency	**Percentage of public ECE centers in targeted areas meeting minimum staffing standards**			
2022	**PBC 2.1**: (i) ECE national level scoping study and strategy with regulation and (ii) implementation plan on ECE teachers and caregivers' appointment	800,000	December 2022	$800,000 if both achieved; 400,000 if one achieved; 0 if none achieved
	PBC 2.2: Training modules for teachers and caregivers	450,000	December 2022	$450,000 for teacher and caregiver modules developed; 0 if not achieved
	PBC 2.3: Number of ECE teachers, and caregivers recruited and deployed by the project to ECE centers in targeted areas	500,000	December 2022	$5,000 for every additional teacher/caregiver/ teacher intern recruited and deployed in the ECE centers in targeted areas, maximum 100
	PBC 2.4: 20% of public ECE centers meeting minimum staffing standards	750,000	December 2022	$37,500 for every percentage achieved, maximum 20 percent
PBC 3 – Learning	**Proportion of ECE teaching staff in targeted areas using students' individualized learning plans**			
2022	**PBC 3.1:** (i) Formative assessment tools developed and (ii) modules to train ECE teaching staff on formative assessment and preparation of individualized learning plans developed	500,000	December 2022	$500,000 if both achieved; 250,000 for each achieved; 0 if none achieved

	PBC 3.2: 20% of ECE teaching staff preparing individualized learning plans	375,000	December 2022	US$18,750 for every percentage achieved, maximum 20 percent