# CEO DECISION MEMO

DATE MARCH 1ST 2023

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| **TO:** Laura Frigenti, CEO | | |
| **FROM:** Nilse Ryman, CEP Regional Manager; Javier Luque, Country Team Lead; Sven Baeten, Grant Operations Team Lead; Kirsten Majgaard, Quality Assurance Team Lead; and Ana A. Tobar, Risk and Finance Team. | | |
| **SUBJECT:** Approval of Nicaragua's Accelerated Funding grant | | |
| **Country:** Nicaragua | **Grant Agent:** UNICEF | **Co-financing:** n/a |
| **Grant Type:** Accelerated Funding | **Agency fee % (US$ amount):** 7% (US$70,000) | **Expected Start Date:** 04/03/2023 |
| **Amount:** US$1 million<br>**GA implementation support cost % (+US$ amount):** 10% (US$100,000) | **Grant duration:** 18 months | **Expected End Date:** 09/30/2024 |

**Action request**

Approve the request for Accelerated Funding for Nicaragua.

**Grant Summary**

This grant aims to support the reconstruction and rehabilitation of 6 targeted centers of pre-primary and multigrade primary education, which were severely damaged by Hurricane Julia in October 2022. It will, therefore, contribute to building resilience and ensure the future continuity of education in safe spaces in those communities. In addition, the program also seeks to strengthen the organizational and socio-emotional skills of the students and teachers and build their resilience to face crisis, especially as a result of natural disasters. The program will provide evidence to guide future actions with regards to climate change in Nicaragua.

The program, endorsed by the local education group, was designed by MINED with support from UNICEF as Grant Agent. Its two components integrate gender equality as a cross-cutting issue. Furthermore, gender responsiveness will be considered as a priority for the reconstruction of the six centers, while the socio-emotional component is planned to address students' emotional well-being with an inclusive, gender sensitive, approach. Selected schools serve highly vulnerable students and are located in remote rural areas. They were identified taking into account the overall poverty conditions of the communities, other interventions to address Hurricane Julia impacts financed by the government, and the total amount of resources available.

These interventions are part of the government's broader emergency response plan launched after hurricane Julia hit. Although Nicaragua's location in the Central American isthmus has made them historically vulnerable to hurricanes, these tropical storms have recently exacerbated, both in frequency and intensity, presumably due to climate change. In that

sense, the proposed program will help build the resilience of both school infrastructure and educational communities to continue to face the challenges posed by climate change.

The program has two outcomes:

Outcome 1: Students in 6 schools in 6 communities, affected by Hurricane Julia, have access to safe and adequately furnished physical spaces that complies with the updated construction and environmental standards. The current student population is 150 boys, girls and adolescents that are attending multi-grade pre-primary and primary classrooms. The updated construction standards were agreed upon in the on-going GPE-financed ESPIG program. New standards make schools more resilient to natural disasters. Therefore, it is expected that these schools/classrooms will continue to support future cohorts of students for many years to come.

Outcome 2: The educational community of 6 schools affected by Hurricane Julia (150 girls, boys and adolescents; 9 teachers and 484 mothers and fathers and community members) develops knowledge and skills for socio-emotional support with a gender approach that allows them to develop resilience and welfare in the face of crises of any order, especially natural disasters as a consequence of climate change.

### Current Portfolio

Nicaragua currently has one active GPE grant.

| Grant | Amount in US$ | Grant Agent | Closing date | Notes |
|---|---|---|---|---|
| ESPIG | 7,500,000 | World Bank | April 30, 2023 | Implementation began in April 2021 |

The ESPIG supports the expansion of the Quality Education Model for Preschool Education, which has been under implementation since 2012 as part of the Alliance for Education Quality project, financed by the World Bank and GPE. The ESPIG implementation was initially impacted by the global logistics crisis, which entailed an increase in prices of goods and services. However, despite these challenges, the project only required a four-month extension and remains on track for completion by April 2023. Note that the ESPIG grant, and its parent program financed the creation of master plans for school infrastructure, which are to be used by this Accelerated Funding grant.

### Eligibility

Nicaragua is eligible to allocate 20% of its STG allocation for emergencies as stipulated in the Fragile and Conflict-affected States (FCAS) guidelines to keep its education system operating after a natural disaster.

### Significant Opportunities

Nicaragua has shown interest in participating in GPE's initiative to respond to climate change. The program is a great opportunity to showcase how GPE is supporting countries to address the challenges posed by climate change. The activities on socio-emotional skills can be a learning opportunity for other countries likely to face similar disasters in the future.

### Significant Issues and Risks

In the past years, the Government of Nicaragua has been accused by international organizations of human rights violations against opposition groups. These accusations have intensified in the past weeks as a result of a government decision in mid-February 2023 to deprive over 300 individuals associated with opposition groups of their Nicaraguan nationality and persecute others. Therefore, supporting this Accelerated Funding request may pose a reputational risk to GPE.

Despite this risk, the approval of this grant can also be grounded on humanitarian needs, as schools to be supported are in remote areas of the country and not likely to be used for political propaganda. Moreover, the endorsement process by the local education group was highly participative.

### Recommendation

The Review Meeting (RM) concluded, based on the Secretariat's quality assurance review, that the **RM recommends to the CEO the approval of an allocation of US$1,000,000 plus an additional US$70,000 in agency fees to UNICEF as Grant Agent**.

**RECOMMENDED DECISION**

**Grant:** Accelerated Funding
**Country:** Nicaragua

**CEO/2021/05-XX–XXXX** The CEO, in her delegated authority from the Board of Directors: approves the accelerated funding request for Nicaragua in the amount of US$1,000,000 plus an additional US$70,000 in agency fees to UNICEF as the grant agent.

Date: March 3, 2023



Laura Frigenti, CEO

**The CEO Decision Memo should not exceed 3 pages.**