Review Meeting Memo to CEO

December 4, 2020

Grant Information	
Grant Type:	**Education Sector Program Implementation Grant and Multiplier**
Amount:	**US$ 3,000,204**
Country:	**Vanuatu**

The Review Meeting (RM) was held on November 20, 2020 and was led by: Kirsten Majgaard (Quality Assurance, Team Lead), Sven Baeten (Grant Operations, Team Lead), Nilse Ryman (Regional Manager) and attended by: Daisuke Kanazawa (CL), David Balwanz (QA), Anthony Fifa Bentil (Finance), Alexandra Rocha (ES), Yulia Makarova (CEP), Lida Homa (Note Taker) and Arijeta Blakqori Mjekiqi (Drafted CEO Memo).

The RM concluded, based on successful completion of the Secretariat's quality assurance review, to recommend to the CEO the approval an allocation of US$3,000,204 for the ESPIG and Multiplier application for Vanuatu with the Save the Children Australia as Grant Agent.

The full recommendation is included in the next page.

Kirsten Majgaard

Quality Assurance, Team Lead

Sven Baeten

Grant Operations, Team Lead

Nilse Ryman

Country Engagement and Policy, Regional Manager

RECOMMENDED DECISION

Grant: Education Sector Program Implementation Grant and Multiplier
Country: Vanuatu

CEO/2020/12-XX– Allocation for an Education Sector Program Implementation Grant and Multiplier Grant to Vanuatu: The CEO, in her delegated authority from the Board of Directors with respect to the application submitted by Vanuatu in 2020:

1. Notes compliance with the requirements for accessing the maximum country allocations for an ESPIG and a Multiplier grant (MCAM), as described in the application and assessed in the Secretariat quality assurance review phase III report, including the requirements of co-financing, additionality, and debt sustainability for accessing the MCAM.

2. Approves an allocation from GPE trust funds for an ESPIG and multiplier grant, as described in the application submitted and summarized in Table 1, subject to:
   a. Availability of funds.
   b. Board decision BOD/2012/11-04 on commitment of trust funds for ESPIGs in annual installments.
   c. Review Meeting's recommendation for funding, including (all amounts in US$):

3. Requests the Secretariat to:
   a. Include in its notification of grant approval to Vanuatu the requests for report-backs and observations as recommended by the Review Meeting and set out in Table 2.
   b. Include an update on the issues listed as "report backs" in the Grant Performance Report in accordance with the specified timeline.

Approved: 

Not Approved: _____

Date: December 8, 2020

Table 1: Application Summary and Allocation Recommendations (in US $):

Country: Vanuatu		
a.	ESPIG Maximum Country Allocation	2,000,204[1]
b.	Multiplier Maximum Country Allocation	1,000,000
c.	**Allocation Requested**	**3,000,204**
d.	Fixed Part	3,000,204
e.	**Allocation Recommended**	**3,000,204**
f.	Grant Agent	Save the Children Australia
g.	Agency Fee % - Amount	7% or 210,014.28
h.	Grant Agent's Implementation Support Costs	395,168[2]
i.	Period	Two years and nine months
j.	Expected Start Date	April 1, 2021
k.	Funding Source	GPE Fund
l.	Multiplier Co-financing Institution(s) - Amounts	DFAT (Australia) 6,009,900 & NZAid (New Zealand) 640,000

Table 2 – Review Meeting Observations, Report-Backs, And Conditions

Country: Vanuatu	
Observations	The Secretariat would like to commend the Government of Vanuatu on the development of its comprehensive and long-term sector strategy, Vanuatu Education and Training Sector Strategic Plan (VETSS) 2020-2030, developed with LEG engagement, and hopes for this inclusive approach to continue as part of the LEG dynamics and in the Joint Sector Review as part of VETSS monitoring. The Secretariat is also aware of the complementarity of the three GPE grants in the country. It is pleased to see the coordination and alignment across these grants and among other government and donor programs in the pursuit of aid effectiveness and strategic use of funds. The program makes significant investments in teacher development and inclusive education through support from Short and Long-Term Technical Advisors and program management through the Program Support Unit. The Secretariat positively recognizes the program approach to capacity building and skills transfer and looks forward to program reporting on capacity building in these areas. The Secretariat commends the Government for its commitment to absorb the costs related to the Inclusive Education Resource Center and the staffing of the Inclusive Education Unit. Similarly, it is notable that the program has a strong focus on children with disabilities with investments to improve data collection and meet their special education needs. To sustain these interventions, it will be relevant to

[1] The Maximum Country Allocation (MCA) for Vanuatu was increased in 2019 to US$2.5 million. US$ 499,796 was deducted from the MCA in June 2020, and allocated to ESPIG Accelerated Funding, hence the amount of US$ 2,000,204.

[2] This amount is to be funded from the grant and is not in addition to the grant amount

	integrate this data into annual monitoring mechanisms and ensure ongoing efforts (including financial commitments) are continued to integrate all children with disabilities into school. Given the program's ambition which tries to achieve the intended program objectives within a relatively short period (33 months), the Secretariat encourages a rapid roll out of preparation activities to start the program implementation as planned. Given the commitment of the MoET to continue improving UNESO Institute of Statistics (UIS) data submission and that the latest year of reported UIS data was in 2015, the Secretariat will monitor progress made for UIS data submission.
Report Back	*For the Local Education Group, through the Coordinating Agency:* Noting the importance of sustainability of the program's investments and of the new Inclusive Education Resource Center, the Secretariat would like to request an annual report back by the LEG, through the Coordinating Agency, on the national budget for education, particularly towards inclusive education.
Condition	**none**

GPC Comments Section	**none**

QUALITY ASSURANCE REVIEW – PHASE 3 (SECRETARIAT DELEGATED AUTHORITY)

DECEMBER 4, 2020

VANUATU

Education Sector Program Implementation Grant (ESPIG) and Multiplier ESPIG

Total Program Cost: US$3,000,204
Proposed GPE Grant Amount: US$3,000,204
Fixed Part: US$3,000,204, of which **US$395,168** for Grant Agent's Implementation Support Costs;
Variable Part: N/A
Implementation period: two years and nine months
Projected implementation start date: April 1, 2021
Grant Agent: Save the Children Australia

1 BACKGROUND AND EDUCATION SECTOR OVERVIEW

1.1. COUNTRY BACKGROUND

Vanuatu is a Pacific Small Island Developing State (SIDS) composed of 83 small islands (64 of which are inhabited). The country has three official languages (French, English and Bislama) and more than 100 indigenous languages. Vanuatu is a parliamentary democracy, with the President of Vanuatu having a primarily ceremonial role. The election for prime minister (elected by Parliament) was last held on April 20, 2020 and will next be held in 2024, along with Parliamentary elections.

Table 1. Vanuatu

Population	299,882 (2019, United Nations Population Division)
Human Development Index Ranking	141 out of 189 countries (2019, HDR 2019)
Learning-adjusted Years of School	Boys: 5.5, Girls: 5.8 (2020, HCP country brief)
GDP	US$917 million (2019, WB and OECD data)
GDP per capita	US$3,058 (2019, WB and OECD data)
World Bank Income Classification Level	Lower-Middle Income (2020, World Bank)

Various natural hazards such as tropical cyclones, volcanic eruptions, earthquakes and tsunamis impact the country throughout the year. These natural hazards combined with the impact of climate change have hindered the country's main economies - agriculture, fishing and tourism. Vanuatu recently suffered from twin emergencies in 2020, the Coronavirus Disease of 2019 (COVID-19) pandemic and severe damage inflicted by Tropical Cyclone Harold.

Regarding the COVID-19 pandemic, there has been only one confirmed case of COVID-19 reported in Vanuatu. The first case, reported on November 10, was asymptomatic and detected while the patient was in quarantine. The case seems to be already contained[3]. However, the country has been in fact under a declared state of emergency since March 26, 2020. It is expected to continue until December 2020 to strengthen prevention and containment measures in response to the COVID-19 pandemic.[4] Among the measures to limit the spread of COVID-19 are continued travel restrictions to the country, such as limiting flights to occasional repatriation flights organized by the Vanuatu government. The threat of COVID-19 led to the closure of 1,453 schools in six provinces for a period in March 2020 to protect vulnerable populations. These schools were gradually reopened beginning in April.

Tropical Cyclone Harold hit Vanuatu in April 2020 as the second strongest cyclone on record to hit the country and inflicted substantial damage to all provinces except Taefa (on the south end). Approximately 885 schools with 2,400 teachers and 50,688 students (48 percent female) were directly affected. The Ministry of Education and Training (MoET) developed the COVID-19 Contingency Plan in March and the Tropical Cyclone Harold Education Emergency Response Action Plan in April to address the twin emergency needs.

It is highly likely there will be a severe fiscal contraction in 2020-2021 due to the combined impact of COVID-19 and TC Harold, particularly as economic development is dependent on relatively few commodities. [5] The rural poor are particularly vulnerable to external shocks. They are isolated by rugged geography and scattered across far-flung islands. Three-quarters of the population (75 percent) live in rural areas.

Vanuatu's unique geography and constant natural hazards make public service delivery challenging. The country has remained reliant on overseas development assistance for education, health and infrastructure, with education being the most far-reaching service the government supports. [6] Combined with a large young population (approx. 39 percent aged 0-

[3] https://www.rnz.co.nz/international/pacific-news/430908/vanuatu-covid-lockdown-lifted-apart-from-on-tanna
[4] Vanuatu Ministry of Health, https://covid19.gov.vu/
[5] ESPIG program document, p. 7
[6] ESPIG program document, p. 7 and Vanuatu Education and Training Sector Strategic Plan (VETSS) 2020-2030, p.1

14 years and 26 percent between 15-29) and a population growth rate of 2.4 percent (3.82 births per woman), there are significant challenges for service delivery and education infrastructure.[7]

1.2. EDUCATION SECTOR OVERVIEW

Vanuatu's education system comprises two years of early childhood care and education (ECCE), six years of primary, four years of junior secondary and three years of senior secondary plus post-secondary education. The MoET is the overarching authority of the country's education sector, which in addition to government schools also comprises many community, church and private schools.[8] A total of 92,644 students were enrolled in 2019, served by 4,230 teachers at 1,453 schools.[9] For ECCE, the sub-sector has a large number of private institutions at 51 percent of centers.[10] In addition, ECCE is also provided in partnership between the communities, NGOs and the Government of Vanuatu (GoV).

Table 2. Enrollment by sub-sector and authority, 2019

Education authority	ECCE			Primary			Secondary		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Government	1,1,68	1,036	2,204	19,145	16,907	36,052	6,375	6,742	13,117
Community	1,732	1,717	3,449	156	131	287	111	81	192
Church (government-assisted)	501	566	1,067	9,172	8,273	17,445	3,705	3,904	7,609
Church	0	0	0	40	57	97	15	16	31
Private	4,947	4,778	9,725	475	464	939	221	209	430
Total	**8,348**	**8,097**	**16,445**	**29,988**	**25,832**	**54,820**	**10,427**	**10,952**	**21,379**

Source: ESPIG program document, p. 6

Free education is provided from ECCE to Year 10[11]. However, even with the provision of school grants, parental contributions are not yet entirely eliminated to access education[12]. Despite these contribution and Vanuatu being an island-state with many remote and isolated populations, the country has been able to achieve high primary enrollment and completion

[7] ESPIG program document, p. 7; VETSS 2020-2030, p.4
[8] Schools run by the government and non-government schools run by churches and communities, assisted by the government, are regulated through the regulatory framework described in the Education Act (No.9 of 2014) and the Education Authority and School Regulation Policy (2017). Application Form, p.11
[9] ESPIG program document, p. 8
[10] ESPIG program document, p. 8
[11] VETSS 2020-2030, p.39
[12] Fees include those needed for exams and boarding among other items and are mainly for secondary education but also exist for primary and ECCE, although at a lower amount. Source: VETSS 2020-2030 p. 43

rates, with a gross intake rate (Year 6) of 96.9 percent in 2018, a net enrollment rate (NER) of ECCE of 78 percent in 2018 and a NER for primary education of 92 percent in 2018.[13]

1.2.1. Equity:

Vanuatu has shown significant progress in access to education over the last three years analyzed in the VETSS (2016-2018), with increasing rates of entrants in Primary Year 1, increasing transition rates from Year 6 to Year 7 and increasing transition rates from Year 12 to 13. The percentage of Out of School Children (OOSC) has also dropped for children ages 4 and 5 during this time, from 56 percent in 2016 to 16 percent in 2018[14]. The school grant scheme for ECCE (in 2018) and primary level (2010) positively contributed to this OOSC reduction[15].

In terms of gender, the gender parity index (GPI) for NER in 2019 was 0.99 in primary and 1.17 in secondary education[16]. This trend persists over the past three years, showing that more boys than girls drop out between primary and secondary education[17]. There was a large drop of ECCE and primary enrollments in 2016 following Tropical Cyclone Pam, with girls' enrollment much lower than that of boys', suggesting that when a family's income is affected, they prioritize boys over girls[18]. With disasters like Tropical Cyclone Pam (2015) and Ambae Volcano (2018), all provinces experienced a slight decline in enrollment at all levels of education. Furthermore, in areas with small populations, enrollment rates are lower.[19]

Data collection on children with disabilities is weak. For example, the latest statistical bulletin did not include disaggregated disability data. According to the Vanuatu Education Management Information System (VEMIS), between 7 and 8 percent of primary school children have a disability. [20] Vanuatu introduced an Inclusive Education Policy in 2010, but it was revealed in 2016 that inclusive education was neither understood as a concept nor implemented as a practice in schools. [21] The new Vanuatu Education and Training Sector Strategy (VETSS) calls for all schools in Vanuatu to promote and mainstream inclusive education by 2030. The VETSS also requires the current Inclusive Education Policy to be reviewed on an annual basis to ensure all

[13] VETSS 2020-2030, p.5
[14] VETSS 2020-2030, p.6
[15] VETSS 2020-2030, p.7
[16] ESPIG program document, p. 9
[17] VETSS 2020-2030, p.18
[18] VETSS 2020-2030, p.8
[19] VETSS 2020-2030, p. 8
[20] Vanuatu National Statistics Office and UNICEF. (2015). Children, Women and Men with Disabilities in Vanuatu: What do the data say?
[21] ETSA 2020, p.61

pupils are tracked within VEMIS. It stipulates that all groups and demographics should improve attainment and increase learning by a minimum of 10 percent annually.[22]

1.2.2.Efficiency:

According to the Education Sector Training Analysis (ETSA) 2020, primary education is characterized by relatively good internal efficiency, with low dropout and repetition rates and high average promotion rates (4, 8 and 88 percent respectively). The gross enrollment rate (GER) and NER in primary education in 2019 were 127 percent and 96 percent, respectively.[23] NER have increased in the last years due to the impact of MoET's school grants and expansion of school facilities.[24] The gross intake rate to the last year of primary education (GIRLY) was 96.9 percent (97.5 percent for males and 96.0 percent for females) in 2018[25].

However, there are internal efficiency-related issues at the secondary level of education. The secondary level has the lowest NER, at 43 percent for 2019. [26] While there is automatic promotion from year 6 (primary) to year 7 (secondary level), in 2017, promotion from year 8 to year 9 was 84 percent, dropping to 58 percent from year 9 to year 10 and increasing slightly to 65 percent from year 12 to 13.[27] More boys drop out from secondary schools (mostly due to economic pressures to work)[28] in Vanuatu than girls. A Barriers to Education Study (2018) produced for the ETSA identifies school fees and lack of spaces as the most reported issues for not sending boys and girls to secondary education (with 65% of parents with children in secondary schools citing fees as a barrier to school compared to 25% of parents with children in primary schools doing so). [29]

There are also inefficiencies regarding the large number of overage students in ECCE and primary level, as evident in the gap between GER and NER for ECCE and primary (28 percentage points for ECCE and 23 percentage points for primary for 2018).[30] The Ministry is addressing this issue through a *'6 Year, Class 1'* campaign to promote the enrollment of children at the right age.

[22] Per VETSS, p. 46, groups tracked include but are not limited to: women and girls, boys and men, those impacted by poverty, pupils with special educational needs, gifted and talented pupils, pupils in outlying areas, out of school children, and persons living with disabilities.
[23] ESPIG program document, p. 10-11
[24] ETSA 2020, p. 29
[25] QAR 1 report, p.1
[26] VETSS 2020-2030, p. 8
[27] ETSA 2020, p. 34
[28] ESPIG program document, p.9
[29] https://moet.gov.vu/docs/policies/20181114%20EN%20Barriers%20to%20Education.pdf
[30] VETSS 2020-2030, p. 7

ECCE enrollment (for 4- and 5-year-olds) has increased significantly by more than two-fold from 2016-2018, from 33 percent NER to 78 percent and from 60 percent GER to 106 percent.[31]

Regarding teachers, as identified in the VETSS, MoET encounters considerable challenges in teacher management, mainly due to the teaching profession being the largest source of formal employment in the country. While a draft teacher recruitment and posting policy has been developed, it has not been implemented yet, leaving teacher distribution decisions to be made without appropriate guidance.[32] The VETSS identifies a need to establish a Teacher Development Plan Policy Framework or guidance to be included within the (to be designed) National Teacher Development Plan (NTDP) to address these and other challenges (such as teacher registration and teacher licenses). As will be covered below, teacher quality is another challenge.

1.2.3. Learning outcomes:

Overall, learning outcomes have improved per results in the latest National Assessment (VANSTA) administered to all schools in 2017. The 2017 results showed a considerable improvement compared to the VANSTA 2009, the previous assessment. Only 18 percent of Year 4 students had learning outcomes that were satisfactory in English and only 15 percent of Year 4 students had learning outcomes that were satisfactory in French[33]. Nonetheless, as mentioned in the equity section, considerable differences among groups were observed in VANSTA 2017. English literacy results were higher than French literacy, girls performing better than boys and those in urban areas performing better than those in rural areas. Students in the provinces of Torba (north end) and Tafea (south end) showed lower performance than those in other provinces.[34]

Table 3: Share of students meeting or exceeding minimum standards (VANSTA 2017)

	English Literacy	French Literacy	Numeracy
Year 4	65%	64%	85%
Year 6	73%	41%	75%

Despite these improvements, learning outcomes are still low. The ETSA identifies low learning outcomes as potential results of low teacher qualifications, lack of teaching and learning processes and materials used at the classroom level and lack of sufficient leadership at the school level.

[31] VETSS 2020-2030, p. 7
[32] VETSS 2020-2030, p. 14
[33] National EFA 2015 review report p.33
[34] ETSA 2020, p.147

Also according to VANTSA, substantial differences exist between English-medium and French-medium schools, with English-medium schools performing better. There are also geographical differences, with urban schools on average performing better than rural schools. [35] While Bislama (local pidgin) is the common language of communication across the country, French or English are the mediums of instruction in schools. Per VETSS, mother tongue-based education needs to be promoted to improve retention, reduce dropouts, and inform key issues and strategies in its implementation, particularly in ECCE.[36] The National Education Language Policy (to be reviewed and implemented) is identified in the VETSS as a way to standardize an approach to language teaching and address the learning outcome differences in the bilingual system in a coordinated and consolidated way.

The VETSS cites teacher quality as a factor leading to low learning outcomes. As identified in the ETSA, findings of the draft National Teacher Development Plan (2018) show that the majority of teachers are underqualified or unqualified. [37] Forty percent of primary teachers have no qualifications beyond secondary education and a further 51 percent have only a certificate of education rather than a diploma, which is the minimum standard. Nearly all (88 percent) of secondary teachers have a diploma qualification rather than a degree. ECCE teachers are mostly unqualified: of the 812 ECCE teachers on the payroll in 2018, 11 percent had a Certificate III in ECCE, 84 percent had a 7-week training course plus ongoing professional development and 5 percent were ECCE mobile senior teachers with recognized training.[38] While the NTDP is one effort intended to address these issues, more efforts are needed to improve ECCE teacher qualifications. A main barrier to ECCE professional training is the high costs of the Certificate III, which can only be obtained at a college or university.

The VETSS also indicates the lack of learning materials as a critical challenge to improving learning outcomes. The percentage of primary students who have access to textbooks in 2018 was only 36 percent for language and mathematics, and less than 2 percent for basic science and social science. No reading materials are produced for ECCE. In this context, the MoET has taken an approach of providing Teachers' Guides in primary grades (Years 1-6 have been produced), readers, and literacy and numeracy kits rather than textbooks. Given the lack of data on student-textbook ratios, data is being collected as part of the VEMIS on all learning and teaching resources for further evaluation by MoET.

[35] ESPIG program document, p. 11
[36] VETSS 2020-2030, p. 8
[37] VETSS 2020-2030, p. 15
[38] These are teachers who have received a certificate from a recognized training provider, mainly Australia Pacific Training Coalition (APTC) and University of South Pacific (USP).ESPIG program document, p. 10

1.2.4. Monitoring of Sector Performance:

Under the leadership of the MoET, the Local Education Group (LEG) has broad representation from major development partners in the education sector (Australian, Japanese, French and New Zealand Governments, Save the Children and UNICEF) and a range of civil society organizations representing the interests of the most marginalized groups in the country[39] as well as international organizations such as Save the Children and World Vision. The Coordinating Agency is the Australian High Commission to Vanuatu. The LEG was established when Vanuatu applied for the Education Sector Plan Development Grant (ESPDG) in 2017 to implement the joint partnership agreement with all education stakeholders. The independent appraisal, though, notes that "the LEG has, in recent times, been dominated by the GPE membership and processes agenda, and has had less of its coordination function. The MoET is currently working on redefining the purpose of the LEG to make sure it fulfils this core coordinating role".

The MoET will establish a monitoring team to oversee the implementation of the VETSS across regions and at the central level. The monitoring team will prepare a consolidated annual performance report to be discussed at an annual joint sector review, which will be newly introduced to the education sector.[40] The VETSS Results Framework will be reviewed as part of this annual review, and progress towards all indicators will be recorded systematically in VEMIS.[41] A detailed process is to be determined.

[39]. Vanuatu Teachers Union is a member of the LEG. National CSOs involved in the full program consultation include Youth Challenge Vanuatu, Live & Learn Vanuatu, Vanuatu Society for People with Disability, KoBLE, Pikinini Playtime and the large church Education Authority. Consultations with principals, teachers, parents and children are underway in three provinces (as per the response from GA dated June 29, 2020).

[40] Independent Appraisal report, p.22

[41] VETSS 2020-2030, p. 67

2 ESPIG DESCRIPTION

2.1 PAST ESPIG PERFORMANCE, IF APPLICABLE

This is Vanuatu's first ESPIG and first Multiplier ESPIG. Vanuatu became a GPE member on August 31, 2020. The country, however, already received two GPE grants, 1) the COVID-19 Accelerated Funding in June 2020 for the Vanuatu Accelerated Resilience Program (US$ 750,000, Save the Children UK as grant agent) and 2) an ESPIG accelerated funding in June 2020 for Tropical Cyclone Harold Vanuatu Accelerated Recovery Program (US$ 499,796, Save the Children UK as grant agent).

2.2 ESPIG DESCRIPTION

The Maximum Country Allocation (MCA) for Vanuatu was increased in 2019 to US$2.5 million, while the indicative US$ 1 million for the Multiplier was also available. As mentioned above, US$ 499,796 was deducted from the MCA in June 2020. Later, the Expression of Interest for the Multiplier was approved by the Grants and Performance Committee in September 2020 with its full amount. Thus, the total amount for this grant application is US$3,000,204.

The program objective is *improved quality ECCE and primary education through strengthened teacher education, inclusive education and effective teaching and learning materials.* To reach this objective, the program has four components with the following outputs:

Table 4. Program Components' Description and Major Outputs

Component/ outcomes	Description	Major outputs
Component 1. ECCE and primary students have improved access to appropriate reading books.	This component will finance the development of 150 inclusive and culturally appropriate early grade books for both years of ECCE and primary grades 1-3, distributed to 886 government, church, and community ECCE centers (420) and primary schools (466) in all provinces.	• New primary reading books in English, Bislama and French produced (30 books x 3 grades) with some addressing COVID-19, disaster preparedness and climate change and all challenging gender and disability stereotypes. • New ECCE reading and picture books in vernacular and accessible versions produced (30 books x 2 grades) • 98,580 reading books are printed in total and distributed to 1,643 classrooms in total. • SD cards with digital books distributed to 3,242 teachers.
Component 2. ECCE and primary students with disabilities have improved access to inclusive education support.	This component will finance the development of a new Inclusive Education Resource Center (IERC) and six new provincial inclusive education coordinators. It will build the foundations for more effective inclusive education, providing government-led services for schools and students with disabilities and extending inclusive	• IERC established within Vanuatu's Institute of Teacher Education (VITE) and operational (including a building constructed and equipped, and two teacher trainers assigned and mentored by a long-term technical adviser). • 6 provincial inclusive education coordinators hired and transferred to the MoET payroll in 2024. • 326 ECCE teachers and 660 primary teachers (60% of total eligible teachers) trained in inclusive education.

	services beyond the capital Approximately 4,600 children with disabilities benefit from better-trained teachers and inclusive education services.	• 336 ECCE centers (80% of total eligible centers) receiving at least one outreach visit per year. • 373 primary schools (80% of total eligible schools) receiving at least one outreach visit per year.
Component 3. Pre-service teacher education services are strengthened.	This component will finance the establishment of public pre-service teacher training for ECCE teachers by creating a national ECCE teacher training unit within VITE as well as update and deliver new courses for ECCE and primary pre-service teachers. This will provide a lower-cost alternative to pre-service teacher training for ECCE teachers.	• Pre-service teacher training modules updated and approved (20 modules/courses approved by Vanuatu Qualifications Authority). • 100 students for primary teachers and 50 students for ECCE teachers trained. • 30 pre-service teacher trainers trained and mentored in literacy, numeracy, inclusion and ECCE. • ECCE pre-service teacher training unit operational at VITE (including a classroom built and equipped and two ECCE teacher trainers assigned).
Component 4. Program management, MEAL	Program management, including GA implementation support costs. (Monitoring, Evaluation and Learning - MEAL)	Program Support Unit, external audit, knowledge products/sharing, GA implementation support costs.

The proposed program addresses priority areas identified in the VETSS: improving access to classroom libraries for early grades, improving access to quality inclusive education for children with disabilities and improving the quality of pre-service teacher education, mainly ECCE.

The program is national in scope. All government and government-supported church and community schools in all provinces will receive classroom libraries and inclusive education support visits, while private schools (15 percent of total ECCE centers and primary schools) are excluded from the program coverage. The program will target 37,708 students (including up to 4,593 children with disabilities) and 1,643 teachers at 420 ECCE centers and 466 primary schools, and up to 200 pre-service teachers and their lecturers at the VITE. The program document confirms that for-profit providers of core education services will not be supported by the grant. However, the program does provide direct support to not-for-profit non-state providers: government-assisted church schools and community-run primary schools and ECCE centers. To this end, a government regulatory framework for church authorities and community schools is provided, which was in line with the Private Sector Engagement Strategy (PSES) (see annex for more details).

The program uses Government of Vanuatu financial management systems, National Development Accounts and procurement systems with derogations for large-value payments or procurements. Several directorates and units at the MoET will be leading the implementation of the program. Per its results framework, the program will have three outcomes, and each outcome will have a MoET unit responsible for its achievement. Outcome 1, *ECCE and primary students have improved access to appropriate reading books*, will be managed by the Curriculum Development Unit. Outcome 2, *ECCE and primary students with disabilities have*

improved access to inclusive education support, will be managed by the Inclusive Education Unit with support from VITE and the Procurement Unit and Director, Finance and Administration Unit. Outcome 3, *Pre-service education teacher services strengthened,* will be managed by the Director, Technical and Higher Education and VITE, which will host the new ECCE unit.

The funds mobilized through the Multiplier, from Australia and New Zealand, were provided through a pooled, multi-donor financing mechanism with the GoV. The funds have supported school/community grants, teaching and learning materials and infrastructure, which complements activities supported by this grant such as reading materials, inclusive education, and teacher training[42] to effectively support the implementation of the VETSS.

Table 5: ESPIG Components and Costs

		GPE Financing US$	% of total GPE
	Total MCA: US$3,000,204		
1	Produce and Distribute Reading Books	**940,969**	31%
	1.1 New reading books developed and approved	276,047	
	1.2 Classroom libraries distributed to schools	664,922	
2	Strengthen Inclusive Education	**670,763**	22%
	2.1 ECCE and primary schools supported to improve inclusive education	442,977	
	2.2 Inclusive education resource center is operational	227,786	
3	Strengthen Pre-Service Teacher Training (PSTT)	**637,519**	21%
	3.1 PSTT Modules updated and approved	213,519	
	3.2 PSTT trained and mentored	232,071	
	3.3 ECCE PSTT unit operational	191,929	
4	Program Management, Monitoring, Evaluation and Learning ***which includes Grant Agent's Implementation Support Costs****	**750,953** ***395,168***	25% *(13%)*
	Sub-total of Components	**3,000,204**	**100%**
GRAND TOTAL (with Grant Agent's Implementation Support Costs)		**3,000,204**	**100%**
	Agency Fees**	210,014	7%

* Include Grant Agent's direct costs, such as Program Management, Administrative and other direct implementation costs.

** Agency Fee is not included in the MCA and is calculated as percentage rate (agreed with each GA) from the total grant amount.

[42] The EOI form, p.7

2.3 PROGRAM ASSESSMENT

The LEG was fully consulted on selecting the grant agent, the development of the program outline, and the agreement on the priorities. The program has been developed through a consultative process (including Disabled Person's Organization, civil society organizations, and VITE). There is also good complementarity with other programs implemented by the MoET and supported by development partners, including the two GPE grants (COVID-19 Vanuatu Accelerated Resilience Program and TC Harold Vanuatu Accelerated Recovery Program).

The interventions clearly address challenges identified in the ETSA and VETSS and are aligned with current government and DP efforts. The program has a strong focus on quality and equity, with new teaching and learning materials and new ECCE training. These components respond to significant learning outcome challenges and inequities in the country, and challenges related to gender and disability stereotypes. The program also has a strong focus on children with disabilities, one of the main beneficiary groups. Last, the program positively includes a combination of short to medium term (books) and long term (inclusive education unit and new ECCE teacher training program) interventions, to address immediate and longer-term needs. The Secretariat's Quality Assurance Review Phase III in annex 2 below confirmed this to be a well-developed program, which fulfils all program standards.

3 RECOMMENDED DECISION

- The Secretariat considers that the three funding model requirements are met.
- The Secretariat finds the proposed program to be relevant and strong in the country context and well aligned to the sector plan, VETSS 2020-30.
- The Secretariat recommends this program for CEO approval. The Secretariat finds that the Vanuatu GPE program represents a strategic use of Multiplier and Regular ESPIG funds, addressing quality and equity concerns of ECCE and primary education.

Annex 1: Assessment of the funding model requirements

Requirement	Observations	Requirement Met (Yes/No)
Requirement 1: A credible, endorsed Education Sector Plan (ESP), or alternatively, a Transitional Education Plan (TEP)	Development of Vanuatu's education sector plan called Vanuatu Education and Training Sector Strategy (VETSS) 2020-2030 started in November 2017, when GPE's ESPDG was granted following the joint partnership agreement signed between the MoET and development partners in April 2017. The process intended to develop a more comprehensive and long-term sector strategy, which succeeded the interim VETSS 2017-2018. The ESP development process, however, took more time than expected, with two no-cost extensions being approved to strengthen the consultation process (2018) and due to unforeseen and significant turnovers and transitions within the MoET (2019). A draft VETSS 2020-30, with its cost estimates, a results framework, and a multi-year implementation plan for 10 years was shared with the GPE Secretariat and the independent appraiser in February 2020, after the consultation within the LEG. The independent appraisal was concluded on June 2, 2020, with main recommendations being better addressing MoET capacity development needs, improving the M&E framework, strengthening the assessment of the impact of recent crises and revising targets for the provision of the school grants, which are expected to be addressed during the VETSS implementation. The VETSS 2020-30 was finalized by the MoET with its appraisal memo and endorsed by LEG on June 4, 2020. The final ESP package was submitted to the Secretariat on June 11, 2020. The ESP Standards assessment indicated that the final ESP had addressed most of the recommendations raised from the independent appraisal and draft ESP Secretariat comments. Areas for further refinement, which could be addressed as a part of implementation include elaborating outputs for priority strategies (outcomes are already identified) and clarifying roles and responsibilities for ensuring implementation of costed activities.	**Yes**

Requirement 2: Evidence of commitment to ESP or TEP and its financing.	According to the domestic financing annex to the funding model requirements matrix submitted to the Secretariat, Vanuatu has invested 20% or greater of the national budget to education (total, excluding debt service) over the last four years. From 2017-2019, total budget allocated to education, and actual expenditures, were greater than 20% (excluding debt service). Budget share to education (total excluding debt service) stood at 20.2% (2018), 21.9% (2019), and 21.7% (2020) with expenditures slightly exceeding budget (except for 2020, where actuals are not yet available). As per the annex, Vanuatu will also maintain the level through 2023. For budget projections, the annex references the Government Budget Book (2020) – which outlines projected government spending over the next three years.[43] According to the government budget book, Vanuatu has committed to maintaining education's share of public expenditure (total excluding debt service) above 20% over the next three years, with projected share of budget to education (total excluding debt service) at 30.4% (2021), 30.3% (2022), and 30.2% (2022).[44] The sub-requirement on primary education expenditure does not apply as Vanuatu has a Gross Intake Rate (Grade 6) that is greater than 90% (the GIR for Grade 6 was 96.9% in 2018). The VETSS financial framework includes the intended financial support of development partners.	**Yes**
Requirement 3: Adequacy of Data	The education sector analysis report titled "Education and Training Sector Analysis November 7, 2018" (ETSA) was updated on January 5, 2020 to be used for the development of the VETSS 2020-30. The ETSA provides a good assessment of the sector through a variety of data sources,	**Yes**

[43] Government of Vanuatu Budget Book 2020, https://doft.gov.vu/images/2020/Budget/2020_Volume_1__2_Budget_Book_English.pdf

[44] The Secretariat's review noted that, at 30%, education's projected share of domestic financing (total excluding debt service) from 2021-23, is a large increase compared to past performance. Factors explaining this increase include: (i) recent increases in education spending have significantly outpaced total government spending, (ii) debt service payments are expected to triple (to a 16% share of public spending in 2021), and (iii) education spending continues to grow over the next three years, while the total government budget has seen a significant cut. The first two factors contribute to the increased share of education spending, particularly when debt service is excluded. Notably, the 2020 budget includes 12 billion Vatu in emergency response to TC Harold and COVID-19 (supplementary appropriations) and New Project Proposals. The supplementary appropriations are one-off investments included in the Ministry of Finance 2020 budget and do not figure into budget projections. Resources: Vanuatu Domestic Financing Matrix, Government Budget Book (2020) and Financial Circular (2020).

	including MoET Statistical Digest report (2018), VEMIS (2018), HIES, DHS and MICS (VDHS – MICS 2013) and identifies vulnerabilities and equity issues due to gender and geographical (by province and urban-rural divide). Also, the comprehensive research completed in the Barriers to Education Study (BES) provides analysis and insight into the reasons why children do not attend school, such as socio-economic factors, geographical location including those with natural disasters. Vanuatu Education Management Information System (VEMIS) was first established as an off-line stand-alone database in 2006, but since 2015 it has been managed through a web-based system that is accessible through internet connection[45]. On an annual basis, data is recorded in March and an annual statistical report and digest are published in the public domain. The database not only includes students and teacher information but also costs and financing data[46]. VEMIS is deemed strong among the LEG but will be further strengthened through VETSS implementation. The last data reported to the UIS was for 2015. MoET will continue to publish annual education statistics reports (latest in 2019) and is committed to improving UIS data submission. MoET established the Vanuatu National Standardized Test of Achievement (VANSTA) for Year 4 and 6 in 2007. It has been so far conducted in 2007, 2009 and 2017. The Ministry will strengthen its capacity to implement VANSTA annually from 2023. Vanuatu also participates in the regional Pacific Islands Literacy and Numeracy Assessment (PILNA), which was conducted in 2012, 2015 and 2018. There are annual national examinations for students in Years 8, 10 and 12.	

[45] www.openvemis.gov.vu
[46] ETSA 2020, p.62-63

Annex 2: Assessment of Program

Criteria	Sub-Criteria	Observations	Standard Met (Yes/No)
1. Program Design	Program addresses critical evidence-based challenge(s) identified in the education sector analysis	**The program responds to key sector challenges identified in the ESA and ESP, grounded in relevant evidence and country-specific implementation experience.** The program document is coherent and aligned with the challenges identified in the Education and Training Sector Analysis (ETSA). It responds to 4 out of the 20 key challenges identified in the ETSA: Limited inclusive education for children with disabilities, lower education outcomes, with achievement distributed inequitably, lack of implementation of the National Education Language Policy, and untrained and unqualified teachers. Proposed strategies and activities are anchored in previous projects and initiatives in Vanuatu and in the evidence obtained from international literature. Save the Children (SC), the Grant Agent, has drawn from the experience, designs, and processes of a similar ESPIG program implemented in Papua New Guinea with SC as Grant Agent. SC has also used their experience in Common Approaches (different evidence-based approaches developed to address the same problems that children face around the world) and Pacific experience in literacy, inclusion and professional development. The program is also based on the experience of other LEG's members in Vanuatu such as Australia and New Zealand. There is also complementarity with other programs implemented by MoET and supported by development partners, as well as the other two GPE grants (COVID-19 Vanuatu Accelerated Resilience Program and TC Harold Vanuatu Accelerated Recovery Program).	**Yes**

	Program has a logical and evidence-based results chain between interventions, outputs and outcomes	**The results chain is well explained and identifies the causal links between program objectives, outcomes, outputs, and activities.** The results chain of the broader government ECCE program is clearly presented (p.24) where contributions from the GPE financed program and other partners' financing alongside Government, is clearly indicated. Assumptions with detailed unit costs are included. A risk matrix is included.	**Yes**
	GPE's strategic goals and objectives are adequately reflected	**The program is aligned with GPE's strategic goals**, including goal 1 (related to equitable learning outcomes) and 2 (related to equity, gender equality and inclusion). To support improved learning, the program invests in learning materials development and provision, building on the recently updated primary curriculum and teachers' guides. Learning materials will be developed with an equity focus: they will be designed to challenge gender and disability stereotypes and developed to support children with disabilities. The PD notes that, "All [reading] texts will be produced in accessible versions [with] …new texts and existing readers in large print, audio, Braille file versions and, if possible, sign language translations signed by male and female Vanuatuan narrators" (p. 26). The program is national in scope and will impact all regions. The main targeted beneficiaries are students in the lowest grade levels (KG1, KG2, Y1-Y3) and students with disabilities. These groups have been targeted based on the high priority on literacy learning and the vulnerability of children with disabilities. It is estimated that 8% of students enrolled in school have some impairment, and many children with disabilities do not attend school due to community stigma, lack of screening, limited teacher skills and knowledge, and lack of specialist support services.	**Yes**

		The program document points out disparities by province (poor performance from Torba and Tafea), but provinces are not supported differently in the program. Outside the program, MoET uses an equity school grant formula that prioritizes rural areas to respond to some of these disparities. The program document recognizes higher levels of male students dropping out of secondary school relative to female students and the government has extended school grants to secondary schools to combat the issue.	
	Private Sector Engagement Strategy	**The program is assessed to be in line with PSES.** The program document confirms that for-profit providers of core education services will not be supported by the grant. However, they will be able to download e-copies of reading books and materials produced by the program (p.20). The program does provide direct support to not-for-profit non-state providers: government-assisted church schools and community-run primary schools and ECCE centers.[47] Regarding government-assisted church schools: The MoET is the overarching authority of the country's education sector, supported by Church Education Authorities, which have a long history of partnership in the sector. The regulatory framework between church authorities and the government is defined in the *Education Act (No. 9 of 2014)* and the *Education Authority and School Registration Policy (2017)*. Each Church Authority operates under a Memorandum of Understanding which clearly defines state support to that Authority's schools (for	**Yes**

[47] The program is national in scope, reaching 886 primary schools and ECCE centers, including government, government-assisted church schools, and community-run ECCE centers. All government and government-supported church and community schools in all provinces will receive classroom libraries and inclusive education support visits. The early childhood care and education (ECCE) sub-sector has a large number of private institutions (51 percent of centers) which do not receive direct government support and will not be directly supported though the program.

		example, teachers' salaries). Notably, all schools in Vanuatu must be registered, which requires them to meet standards enumerated in section 15 of the Act (2014) which confirm a framework for school regulation (i.e., to follow the national curriculum, meet national safety standards, etc.).The same Act (2014) and Policy (2017) provide for government regulation and oversight of community-run primary schools and ECCE centers. ECCE centers are also subject to a specific section of the Registration Policy (2017, Section 18) – which re-affirm government regulation of these centers and MoET oversight through Mobile Education Officers, ECCE Provincial Coordinators, and Provincial Education Boards (ETSA, p. 98). As background, the Policy for the Regulation of Non-Government Organizations (2018) outlines government oversight, including on registration and regulation of NGOs/service delivery (including supporting schools within the education sector), consistent with national development goals.	
2. Program Budget	Program cost is justified	The program budget is presented in an Excel spreadsheet, which clearly outlines the cost for each component, sub-component and activity. It also includes grant agent implementation support cost of $395,168, which represents 13% of the total proposed budget and is assessed as reasonable. Budget's summary worksheet indicates timeline for disbursements per implementation year and calendar year. Detailed budget is broken down per year. The budget includes clear and reasonable estimated unit costs and quantities for center construction, teacher training, reading materials, salaries, etc.	**Yes**
	Calculations are correct and within	Calculations are correct and within approved allocations ceiling.	**Yes**

	approved allocation ceilings		
3. M&E	M&E framework comprised of a strategy and methods to ensure accountability for achievements	**The program includes an M&E framework comprised of a strategy and methods to ensure accountability for achievements.** Component 4 is dedicated to monitoring, evaluation, accountability, and learning (MEAL). The MoET Policy and Planning Directorate will be responsible for this component with technical support from SC and the Program Support Unit (PSU). The MoET and SC will develop a MEAL Plan to guide monitoring and evaluation activities, data collection and analysis, reporting and communication, and knowledge sharing. Reporting and accountability mechanisms are clearly set, with monthly reports in standard formats to MoET and Save the Children, quarterly to the LEG and annually to GPE. Monitoring arrangements are clear, including institutional roles and responsibilities (among MoET and SC), and linked to VEMIS. A wide range of activities are planned for the monitoring of the progress in outputs and outcomes. The M&E Framework in the GPE program has the same structure as the Vanuatu Education and Training Sector Strategic-VETSS M&E Framework. They will be recording progress towards indicators in VEMIS. Knowledge sharing is one of the strongest elements of this proposal. There is a component 4 on monitoring, evaluation, accountability and learning activities. Quarterly reflection, learning workshops and biannual knowledge sharing events are included.	**Yes**
	Results Framework is robust and covers all interventions	**The Results Framework is robust and covers key interventions.** The M&E Framework is called results framework in the program. The broader results framework, with program objectives, outcomes, outputs and activities) is the results chain. Both are aligned. The M&E Framework is well-conceived and clearly outlines the outputs and outcomes to be achieved and the indicators to measure progress. It includes building	**Yes**

		classrooms for an inclusive education resource center, teacher training and reading books. Indicators are clear and all units are specified. There are a number of indicators without a baseline, but those necessary will be "established during preparation". The indicators for component three are designed to measure the knowledge and skills of teacher trainers and student teachers. The tools to measure this knowledge (observation, evaluation, and knowledge tests) are not included and will have to be developed with M&E plan. Baselines for this knowledge will be measured during preparation. In the steps that will be taken in advance of program effectiveness, collection of baseline data is included, through an updated annual school census form. Whenever possible, indicators are disaggregated by sex. Some indicators are disaggregated by grade, language, format, disability, or type of support. Indicators, baselines and targets are included in the results framework. There is a detailed section with quantified beneficiaries. MoET national officers will collect the data. The data source and frequency of collection for each indicator are indicated in the Results Framework.	
4. Implementation Arrangements and Readiness	Implementation arrangements are appropriate	**The implementation arrangements are clearly described and appropriate.** Overall responsibility for the grant is Director, Education Services Directorate at MoET reporting to the Senior Management Team (SMT), and MoET leads designated for each component. The PSU will support the MoET to develop and implement quarterly implementation plans and budgets, cash forecasts, quarterly financial reports and ensure that activities, financial management, procurement and MEAL activities are conducted efficiently.	**Yes**

		Financial management arrangements will utilize MoET's existing structure, Finance Unit and Internal Audit Unit. The process for disbursement of funds from Save the Children Australia (SCA) to MoET will be via submissions of quarterly statements of expenditure and cash forecasts. Financial management, procurement and auditing arrangements (internal and external) are sufficiently described and are appropriate. The Grant Agent will provide regular spot-checks and review all disbursement requests, financial reports, cash forecasts and implementation plans. GA (SCA) support activities are adequately described, including measures to mitigate any limitations in the capacity of the local office to provide support through the capacity and resources of SCA. SCA, the proposed grant agent, underwent accreditation process and was approved as grant agent by the Finance and Risk Committee (FRC) at its November 2020 meeting. However, disbursement of funds to SCA is subject to Secretariat's assessment of continued satisfactory progress regarding implementation by SCA of agreed actions aimed at addressing institutional capacity assessment findings. SCA has committed to taking action to address assessment findings and the Secretariat will be monitoring implementation progress as well as providing support. The Secretariat is facilitating the signing of a Financial Procedures Agreement between the GPE Trustee and SCA to pave way for the transfer of funds to the latter.	
	Program is ready to be implemented	**The program will be ready to be implemented by the April 2021 start date.** The timeline for the implementation of the activities is clearly described in the implementation plan. Beneficiaries are already selected. The Inclusive Education Resource Centre will be established at the Vanuatu Institute of Teacher Education (VITE). All government and government-supported church and community schools in all provinces	**Yes**

		will be supported. Appropriate established actors are identified and adequate facilities and methods to receive and disburse funds are described. Implementation arrangements are very detailed and SC seems to have clarity on how to proceed. Additionally, a section is included detailing preparatory steps before implementation. Given the program's ambition which tries to achieve the intended program objectives within a relatively short period (33 months), a rapid roll out of preparation activities to start the program implementation as planned will be paramount.	
5. Risk(s) Identification and Mitigation Measures	Program includes appropriate risks matrix	**Major risks have been identified with relevant mitigation measures proposed.** The matrix identifies risks related to major disasters, to political factors, and to factors that can bring fragility, e.g. change in leadership or COVID-19 outbreak. Assessment of fiduciary risks covers limitations in the capacities of the MoET (recent Australian Ministry of Finance fiduciary assessment rating of *moderate*) and SC Vanuatu office. Appropriate mitigating measures are described for capacity limitations. The IERC construction will be on the grounds of the already established teacher training institute, and thus no significant environmental risks created by project activities are identified. Relevant safeguarding risks are identified in the risk matrix, along with appropriate mitigations. A discrete section on safeguards and gender outlines a suitable range of safeguards for children and vulnerable people. The matrix identifies risks associated with implementation capacity and their mitigation measures. Identified risks are addressed by context-appropriate mitigation measures, that take into account the experience of SC and previous programs.	**Yes**

6. Sustainability	Program has been designed to be sustainable	**Program has been designed with financial and capacity-oriented sustainability considerations.** The program has a strong focus on strengthening existing systems/services in the education sector in Vanuatu. The program intends to strengthen services linked to inclusive education and pre-service teacher education services. The program makes investments in short term and long-term technical assistance (TA) to support Ministry initiatives while an assessment of the change in institutional capacity is also planned. In response to a QAR II recommendation, the application confirms that all PSU and STA Job Descriptions have mandatory skills transfer and capacity building elements and nominated counterparts, with performance on capacity transfer monitored annually. All PSU staff and STAs will be full-time embedded at MoET or VITE, which is expected to support capacity building and accompaniment activities. The program includes the hiring of coordinators and teacher trainers whose salaries will transfer to the MoET payroll. The risk of GoV unable or unwilling to fund the new positions is also mitigated through written agreement and budget verification. Salary scales are taken into account when planning for new positions to make the positions more sustainable. A new ECCE training unit will be established to train graduates in a sustainable approach to ECCE pre-service training.	**Yes**
7. Aid Effectiveness	Program is aligned with the main criteria of aid effectiveness	**The program is designed to be in line with aid effectiveness criteria.** The program is aligned with the strategies and activities proposed in the VETSS. Funds will be disbursed into the GoV Development Fund Account held with the Reserve Bank of Vanuatu. GoV processes, templates and rules will be used for financial management and procurement, as described in Government Contracts and Tenders (Amendment) Act of	**Yes**

		2019 and MFEM Financial Circulars. The program builds on current investments by other partners, avoids duplication, and ensure coordination. Harmonized approaches to monitoring and reporting will be used. This includes the existing data collection systems (such as the school monitoring visits and annual school census). The information will be stored on Open VEMIS. The LEG has been fully consulted and they support the program. The LEG will provide coordination, support and advice to the program. Their role and members are detailed in the program document.	

Annex 3: GPE Multiplier FRR Update

This form summarizes changes, if any, to the levels and sources of co-financing that may have occurred between the submission of the Expression of Interest and the Final Readiness Review (FRR). It is based on the Application submitted by the country, including any annexed documents.

Sources, types, and volumes of co-financing listed in **Expression of Interest** ***Please add rows as necessary***			
#	Partner	Amount	Instrument (grant, loan, etc.)
1	DFAT (Australia)	US$ 6,009,900	Grant
2	NZAid (New Zealand)	US$ 640,000	Grant
	Total in US$:	US$ 6,649,900	

Changes to the sources, types, or volumes of co-financing at the time of the **FRR** ***Please add rows as necessary***			
#	Partner	Changes or modifications	Commentary
1	DFAT (Australia)	None	Grant
2	NZAid (New Zealand)	None	Grant
	Total in US$:	US$ 6,649,900	

Updates or changes to the value of the **Multiplier ESPIG**	
Multiplier ESPIG application value at the time of the EOI (US$)	US$ 1 million
Multiplier ESPIG application value at the time of the FRR (US$)	US$ 1 million

Is the co-financing sufficient to meet the US$ 3 to US$ 1 co-financing requirement?	Yes.

The financing has already been mobilized with US dollar figures calculated at the time of the EOI. As indicated in the Summary Note provided to support the Grants and Performance Committee's review of the EOI: "The EOI and annexed document provide evidence that the potential availability of the Multiplier catalyzed additional funding. However, these funds were committed before the submission of the EOI due to a need to mobilize funding quickly. As the letter provided by the Australian High Commission notes, 'We also recognize the critical needs of the Vanuatu education sector to respond to the compound crises of COVID-19 and Tropical Cyclone Harold. In response to these needs, the Government of Australia agreed to increase its development assistance to the education sector to Vanuatu for the 2019-2020 financial year.'"

There has been no change in Vanuatu's debt sustainability rating. The country remains at "moderate" risk of debt distress per the most current available IMF-World Bank Debt Sustainability Analysis. All co-financing is provided on grant terms.

There has been no change in implementation modality from the time of the EOI.