CEO DECISION MEMO

DATE: NOV. 8, 2021

TO: Alice Albright, CEO		
FROM: List RM participants: Jo Bourne, Kirsten Majgaard, Sven Baeten, Padraig Power, Tariq Khan, Yuri Borovsky, Tim Kelly		
SUBJECT: Approval request of Cambodia's Multiplier ESPIG application		
Country: Cambodia	**Grant Agent: The World Bank**	**Cofinancing: US$60m**
Grant Type: Multiplier	**Agency fee: 1.75% ($175,000)**	**Expected Start Date: December 16, 2021**
Amount: US$10m	**Grant duration: 5 years**	**Expected End Date: November 30, 2026**

Action request

The CEO is requested to approve Cambodia's application for the Multiplier ESPIG.

Grant Summary

This co-financed program aims to improve the quality of teaching and learning, strengthen school leadership and management, and improve access of hard-to-reach children (children with disabilities). Early Childhood Education services, primary, lower secondary schools in target areas (with more focus on districts/localities with higher proportion of out-of-school children) will receive support. GPE funds will support pre-primary and primary sub-sector interventions, while the World Bank funds will support the secondary sub-sector interventions.

Component 1: Improving Learning Outcomes
Component 2: Strengthening Sector Development and Project Management
Component 3: Contingent Emergency Response

Key results:

Improve teaching and student learning outcomes and equity in 213 (all) preschools, 1,000 primary schools, and 420 secondary schools by (1) supporting the implementation of School-Based Management (SBM); (2) providing capacity development to teachers and school leaders; and (3) improving learning environments including through construction/rehabilitation.

230,000 total students will benefit from direct interventions to enhance learning, 13,000 teachers will receive training/coaching (with 3,200 receiving training on disability screening) and 2,000 classrooms will be rehabilitated.

Current Portfolio

<u>Ongoing grants</u>

- ESPIG (GPE 3), US$20.6m:
  - Fixed Part, with UNESCO as GA (US$ 14.4m. Jun. 2018 – Dec. 2022); and

        - Variable Part, with UNICEF as GA (US$ 6.2m. Jul. 2018 – Dec. 2022).
    - COVID-19 ESPIG, with UNICEF as GA. (US$ 7m- starting August 2020)

Schools have been closed for long periods in 2020 and 2021, so implementation is delayed, and a revision request for the Variable Part is currently being discussed.

Requirements (Old model)

Requirement 1 (ESP) and 3 (data) are met.

Requirement 2 (domestic financing) is partially met. Despite the 2017 commitment to increase the education budget share, besides 2018, the budget share has not been increasing. For the Education Summit, Cambodia has submitted its commitment to increase domestic financing for the coming years; by the Minister of Education and also the Prime Minister.

Given that the 2017 commitment was not clearly met, the Secretariat carried out additional due diligence after the final submission of the application package, corresponding with the Ministry of Economy and Finance and the Ministry of Education, Youth and Sports. This has cast light on some considerations that serve as mitigating factors, such as the maintenance of a relatively high share of the recurrent budget over the years (around 18% excluding debt service, also in 2020/21 despite COVID-19), the overall increasing trend in the medium term, and the existence of education costs outside of the MoEYS budget line. Since there is already a high-level commitment for an upward trend in the future, approval is suggested. Cambodia is part of Cohort 2 of the new operating model, so there will be an opportunity to mobilize the LEG on this more broadly in the coming months.

Significant Opportunities:

Through the $10m GPE Multiplier, the program enabled the agreement on a $60m World Bank IDA loan. The program supports key priorities of the MoEYS, and strategies that have been implemented since several years, including through GPE support (school-based management, teacher professional development, mentoring). These are government strategies to improve access and quality, and fully owned by the ministry and its decentralized staff, so strong in terms of sustainability, and past lessons are feeding into the current improvements/course correction.

As mentioned above, Cambodia is part of Cohort 2 of the new operating model, so will work on the Compact process in the coming months. This will be an opportunity to strengthen dialogue and messaging on domestic financing as well as aid harmonization.

Significant Issues and Risks

The political and reputational risk (not specific to this grant) is present in Cambodia, where the same party has been ruling for 36 years. No ExCo check-in needed.

Recommendation

The Review Meeting (RM) concluded, based on the Secretariat's quality assurance review, that the **RM recommends to the CEO to confirm with the Board the approval of an allocation of US$ 10 million for Cambodia with the World Bank as Grant Agent.**

Suggested language for the Board document: Recommend approval considering the mitigating factors and the commitments from the Prime Minister and the Education Minister. Noting that a System Transformation Grant application is expected within the next 2 years, where progress on these domestic financing commitments can be factored into the Board's decision to approve an allocation or not.

RECOMMENDED DECISION

Grant: Multiplier ESPIG
Country: Cambodia

CEO/2021/11-XX–XXXX

Allocation for A Multiplier grant to Cambodia: The CEO, in her delegated authority from the Board of Directors and after concurrence of the EXCO based on the mitigating factors presented by Cambodia on the domestic financing requirement:
1. Approves an allocation of US$10 million for Cambodia as described in the application and summarized in Table 1.

Observations:

- The integration of Gender-Based Violence in the School-based Management training and School Improvement Plans is positively noted. Going beyond this and given recent research indicating various localized factors that are affecting girls' and boys' education paths differently, the Secretariat recommends exploring how the training can support stakeholders to analyze how education access, quality and retention are different for girls and boys, as may be the responses when developing the School Improvement Plans. Moreover, it is recommended to ensure stronger gender disaggregation of data in the results framework.
- The Secretariat encourages the local education group to monitor how the inclusion of children with disabilities and learning difficulties in the School Improvement Plans are translated to substantive improvement of their access and retention, and to plan any follow-up or adjustments to the strategy.

Date: November 24, 2021



Alice P. Albright, CEO

The CEO Decision Memo should not exceed 3 pages.