Virtual Meeting of the Grant Applications Review Committee (GARC)
April 8, 2021

Reviewers: Kirsten Majgaard (Acting Chair)
Fazle Rabbani (Regional Manager)
Morten Sigsgaard (Country Team Lead)
Yuri Borovsky (Finance Reviewer)
Arijeta Blakqori Mjekiqi (GARC Coordinator)

Re: SOMALIA PUNTLAND – ESPIG and ACCELERATED FUNDING-REVISION

The Background from (CL assessment): The request covers two different yet related modifications:

A) Procurement management modification under both grants (ESPIG/MCA, AF)
B) No-cost extension request under the accelerated funding (AF) grant

A) Procurement management modification under all 3 grants (MCA, AF, COVID-AF)
The UNICEF Education team in Somalia has been working with Supply and HACT colleagues as well as with the GPE implementing partner - Puntland Ministry of Education and Higher Education (MOEHE) - to optimize procurement under the several GPE grants for which UNICEF acts as Grant Agent (GA). The proposed procurement strategy utilizes both UNICEF and MOEHE processes intended to maximize MOEHE participation, capacity building, and ownership while ensuring transparent processes, limited risk, and quality results. Thus far, the MOEHE has demonstrated steady progress towards taking on increased procurement responsibility through:

- Development of MOEHE procurement policy and management procedures;
- Establishment of a functioning tendering committee under the chairmanship of the MOEHE Director General;
- Successful dispersion of school grants and procurement/distribution of school uniforms through tendered contractors;
- Maintenance of a low-risk rating under the UNICEF HACT system.

Under the proposed procurement strategy, the MOEHE Puntland would assume responsibility for procurement of selected goods and specific construction services featured under different GPE grants. In such instances, UNICEF, as grant agent (GA), would continue to provide all necessary technical support and guidance as well as ensure proper financial management to reduce potential risks.

The items to be procured by MoEHE through its systems include:

1. Covid-19 AF grant: US$225,000 - MP3 players and solar lamps for offline learning for 3,000 students (50% girls) in remote areas
2. Accelerated Funding and ESPIG: US$1.139 million – construction of classrooms and learning spaces, rehabilitation of TTC. 3 girls' spaces (US$60,000), 40 permanent classrooms (US$402,500), 40 semi-permanent teaching and learning spaces (US$322,500) and rehabilitation of Garowe teacher training college (US$30,000)

This transfer of responsibility will utilize both UNICEF and MOEHE processes and is expected to build MoEHE capacity, increase ownership while ensuring transparent processes, strengthen MOEHE participation and yield better quality of results.

It is important to keep in mind that the proposed procurements are low-risk and relatively lower value. Yet they can help build MOEHE's capacity to undertake procurements in the future. UNICEF will utilize the HACT direct payment modality to pay MOEHE-contracted vendors upon satisfactory delivery of goods/services, as an added layer on accountability for both the vendor and MOEHE.

B) No-cost extension request for the accelerated funding (AF) grant
A no-cost extension of 6 months on the AF grant is requested to maximize quality assurance and risk management under the procurement modification request (point (a) above) as well as compensate for delays experienced due to the ongoing COVID crisis – as follows:

- AF grant extension from February 1, 2022 to August 1, 2022

There is no proposed modification of budget or workplan activities nor change in staff or operational cost.

The Request: The Grant Agent (UNICEF) and Puntland Ministry of Education and Higher Education (MOEHE) are requesting the proposed changes to the ESPIG and Accelerated Funding: i) changes to the implementation arrangement to the ESPIG and AF ii) extending the end date of the AF from February 1, 2022 to August 1, 2022.

The Grants Applications Review Committee (GARC) conducted the review of the above-mentioned request in accordance with the approved guidelines, and recommends the following decisions for approval by the Chief Technical Officer and Chief Financial Officer:

DECISION

The Global Partnership for Education (GPE) Secretariat has no objection to Puntland's request for a change in the implementation arrangements for its Education Sector Program Implementation Grant (ESPIG), Accelerated Funding (AF) grant and extension of AF closing date from February 1, 2022 to July 31, 2022.

The GPE Secretariat expected that the implementation of the AF grant to be completed by the new approved date of July 31, 2022.

Approved by CFO, Padraig Power and CEP RM on June 15, 2021



Additional Information:

- Acting GARC chair, RM and GARC members are supportive of the revision request.
- It was noted that this is considered a non-minor revision where the GA is asking for a change in implementation arrangements. Under the proposed procurement strategy, the MOEHE Puntland would assume responsibility for procurement of selected goods and specific construction services

featured under different GPE grants. In such instances, UNICEF, as grant agent (GA), would continue to provide all necessary technical support and guidance as well as ensure proper financial management to reduce potential risks.

- Finance reviewer is also supportive of the request. The finance team raised concerns related to the applicable safeguards policy specifically related to constructions and description of procurement methods.
- The GARC concluded that CL will request from the GA a brief description from the MOE regarding the safeguards and procurement thresholds. Also, as of April 8, 2021, the LEG endorsement for this request is still to be submitted.

Update May 27, 2021

- The GA has provided additional details regarding the safeguards and procurement thresholds, and added a request for no-cost extension. The finance team reviewed the additional details of implementation arrangements (Annex 1) and procurement procedures (Annex 2) as part of the proposed change and have no objection to MOEHE managing procurement while UNICEF will maintain fiduciary role.
- The LEG endorsement was received on May 27, 2021.

Update June 7, 2021, Virtual Meeting of the Grant Applications Review Committee (GARC)

Meeting participants: Sven Baeten (Chair), Fazle Rabbani (Regional Manager), Morten Sigsgaard (Country Lead), Yuri Borovsky (Finance Reviewer), Sai Sudha Kanikicharla (Peer Reviewer) and Arijeta Blakqori Mjekiqi (GARC Coordinator)

Summary of the discussion

- As a follow up to the meeting from April 8, 2021, the GARC members met to discuss additional changes proposed by the country. In addition to changes to the implementation arrangement for ESPIG and AF, the GA is asking to extend the closing date of the AF grant from February 1, 2022 to August 1, 2022. In GA's request, the new grant closing date is listed as August 1, 2022. UNICEF's policy for the closing date of the grant is to set on the last day of the month, hence the approval is granted till July 31, 2022 instead of August 1, 2022. Also, given that this is an accelerated program, GARC members agreed to include in the notification letter to the country and GA that the GPE Secretariat expects the implementation of the grant to be completed within the new timeframe.
- CL clarified that the rationale for no cost extension of 6 months on the AF grant would be required regardless of the procurement modification, as delays were previously experienced due to the ongoing COVID crisis. GARC noted that the change in procurement modality (implementation arrangements) by giving more responsibility to the government may actually help with the implementation timeline.
- Finance review has no objections to the proposed procurement modality.
- The CL followed up with the GA (UNICEF) on the slow burn rate (the utilization rate currently stands at 6%) on Puntland's regular (non-Covid-19) Accelerated Funding grant of US$2.89 million. The utilization rate of 6% only counts "incurred expenses" and excludes cash advances/prepayments and commitments. When these activities are included then the utilization rate will be at 14%. In addition, there is a fair amount of construction activities in the program and much of that amount will only get paid once the construction is completed.