CEO DECISION MEMO

DATE 2/XX/2024

TO: Laura Frigenti, CEO	
FROM: Padraig Power, Jo Bourne, Sven Baeten, Nilse Ryman, Kirsten Majgaard, Javier Luque, Alvine Sangang, Wenna Price, Norbert Nuwahereza, Mafaizath Fatoke, Lida Homa	
SUBJECT: Approval of a system transformation grant for Bhutan	
Country	Bhutan
System transformation grant allocation	US$5,000,000
Allocation requested (%)	100%
Allocation recommended by Secretariat	US$ 5,000,000 including 275,000 as GA implementation support costs
Results based financing	No
Grant agent	Save the Children US
Agency fee (% and amount)	350,000 (7%)
Period	4 years
Expected start date	03/01/2024
Closing date	02/29/2028
Funding source	GPE Fund

Action request

Approve an allocation from GPE trust funds for a system transformation grant, in support of the Transforming Early Learning Education in Bhutan program.

Grant Summary

Bhutan's partnership compact policy priority for system transformation is Early Learning. It aims to: ensure equitable universal access to early childhood care and development (ECCD) programs; professionalize the ECCD system; strengthen curriculum, learning resources, standards, and guides; and enhance gender equality and inclusion within this reform. This system transformation grant, in tandem with the multiplier grant, the system capacity grant and other sources of financing, aims to secure the achievement of the partnership compact priority.

The system transformation grant will specifically support Bhutan's policy priority through three areas of intervention: (1) expanding equitable access to quality ECCD services for children of all genders and for children with disabilities, (2) professionalizing the ECCD facilitators/teachers, focal monitors, and program managers and strengthening the quality assurance system, (3) improving the quality of ECCD services through strengthening standards, curriculum guides, operational guidelines, etc. This program, designed based on robust diagnostics and lessons learned from previous interventions, builds on the previous GPE US$ 2.5M ESPIG grant in Bhutan. There is gender parity in ECCD enrolment in Bhutan. However, Bhutan has identified gender-transformative ECCD as an opportunity to challenge the harmful gender norms that negatively impact gender equity in school and life. Gender is hardwired

through the program design within components.

Current Portfolio

GPE's current portfolio in Bhutan includes a US$ 3.3M multiplier, co-financed and managed by the World Bank. It became active on 30 August 2023 and is set to close on 31 January 2025. The multiplier grant is aligned with the partnership compact and supports the expansion of ECCD by (i) upskilling of ECCD facilitators; (ii) training of monitors and Ministry of Education and Skills Development's (MOESD) program managers; (iii) providing teaching and learning materials. It will also conduct a longitudinal impact evaluation and baseline data collection. The multiplier grant has a 17% disbursement rate as of December 2023.

The application for system capacity grant (U$ 1M) was recently approved. UNICEF is the Grant Agent. The SCG addresses gaps identified during the analysis of enabling factors.

Enabling Factors Assessment

Bhutan has conducted a contextualized analysis of the four enabling factors, in accordance with the GPE 2025 operating model, including the Independent Technical Advisory Panel (ITAP) assessment. While neither the country nor the ITAP assessed any of the enabling factors as High Priority for Bhutan, four enabling factors were rated as medium or low priority. A series of actions were proposed under the SCG to improve the Enabling Factors:

***With regards to data and evidence*:** upgrading current EMIS into a robust integrated data system; development of a comprehensive Monitoring and Evaluation (M&E) System; assessment of the National Education at grade III and VI in the core areas of learning.

***With regards to gender sensitive planning*:** mainstreaming gender at central and district levels; training of ECCD facilitators on Life Skills Education and comprehensive sexuality education; capacity building of local government leaders for increased investments in ECCD

***With regards to sector coordination*:** Conducting self-evaluation and improve functioning of the LEG.

With regards to finance: conducting education sector expenditure review and Assessment on the Capacity Development Needs of ECCD facilitators.

Significant Opportunities:

There is a strong momentum on ECCD that could lead to a long-lasting transformation at this education level and contribute to a wider system transformation. The country has set a bold target to achieve universal enrolment in ECCD by 2029. Given the low initial point and the extremely difficult geographical conditions of the country, achieving the target will require dedicated support from all actors in country, use of international best practices and design new, innovative options for Bhutan, for example, mobile ECCD centers and Home-Based ECCD Interventions. The process should be properly documented, and the lessons learned from this effort shared with countries with similar conditions.

Significant Issues and Risks

Bhutan is a politically stable country with a good previous record implementing GPE grants. The local education group is relatively small, but with good involvement of its members. Nonetheless, a recent change in government administration in late 2023 and the subsequent arrival of new authorities in early 2024 may slow down initial activities of the program.

Furthermore, natural disasters such as an earthquake, flashfloods, or fire hazards could potentially disrupt this program. Mitigation strategies for these were identified as follows: extending the disaster management and preparedness capacity development program and plan to ECCD program; putting in place disaster risk mitigation plan; ensuring compliance of the ECCD centers with the building disaster-risk reduction standards; and building capacity of ECCD Division and Facilitators.

Recommendation

The Review Meeting (RM) concluded, based on the Secretariat's quality assurance review, that the RM recommends to the CEO the approval of a system transformation grant of US$5,000,000 for Bhutan with Save the Children US as Grant Agent.

RECOMMENDED DECISION

Grant: System Transformation Grant

Country: Bhutan

CEO/2024/02-XX–2024

The CEO in her delegated authority from the Board of Directors approves the System Transformation Grant request for Bhutan in the amount of US$5,000,000 plus an additional US$350,000 in agency fees to Save the Children US as the grant agent, as described in the application submitted and summarized in Table above, subject to:

a) Availability of funds.

b) Board decision BOD/2012/11-04 on commitment of trust funds for grants in annual installments.

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Date: _____

[signature]

Laura Frigenti, CEO