CEO DECISION MEMO

DATE 4/20/2023

TO: Laura Frigenti, CEO		
FROM: Sven Baeten, Jo Bourne, Padraig Power, Margarita Focas-Licht, Kirsten Majgaard		
SUBJECT : Bhutan Multiplier Grant Application		
Country: Bhutan	**Grant Agent:** World Bank	**Co-financing:** World Bank US$10M
Grant Type: Multiplier	**Agency fee:** 1.75% (US$57,750)	**Expected Start Date:** 7/1/2023
Amount: US$3,300,000 **GA Supervision fee:** 9.1% (US$300,000)	**Grant duration:** 1 year and 6 months	**Expected End Date:** 1/31/2025

Action request

Approve the Multiplier application from Bhutan.

Grant Summary

The GPE multiplier is proposed to co-finance the World Bank-supported Bhutan Human Capital Recovery and Resilience Program, also funded by the US$ 10 million mobilized from the WB to leverage the multiplier. The multiplier will finance interventions in Early Childhood Care and Development (ECCD) and digitization of curriculum as indicated in its approved Expression of Interest; and Water, Sanitation and Hygiene (WASH) facilities in response to the COVID pandemic. The multiplier application was prepared in parallel to the Bhutan Partnership Compact and it is partially aligned with the partnership compact's priority on early learning. The country has informed the Secretariat that given that the pre-primary sub-sector is receiving a lot of external financing, including planned support from GPE's System Transformation Grant, the Government does not have the absorption capacity for any further financing in this sub-sector within a two-year timeframe. Hence, given that there is no financing gap for the reform in the short term, after discussion within the local education group, the government and partners have agreed that it makes sense to direct the Multiplier resources to finance the WASH facilities in primary and secondary education. In addition, the identified reform bottleneck of weak government planning and implementation capacity as described in the Independent Technical Advisory Panel report will be addressed and there are sufficient resources allocated to this (including from the GPE System Transformation Grant).

The partnership compact will be used as a basis for seeking an STG allocation from GPE in support of the priority reform.

The multiplier grant will support government's strategies on 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; and (iv) conducting a longitudinal impact evaluation and baseline data collection. In addition, the multiplier grant will also support (i) digitization of the curriculum in core subjects and leveraging Information Communication Technology (ICT) to reduce the digital divide in education; (ii) enhancing digital pedagogy competency of teachers, developing/improving remote learning facilities, and supporting initiatives to enhance climate awareness in schools. Finally, it will support the improvement of water and sanitation facilities, focused on Special Education Needs schools. It is expected that ECCD construction/rehabilitation and WASH facilities will have a positive impact on girls' education. And that actions on ICT will reduce existing gaps between male and female teachers on digital literacy.

The Gender hub has reviewed this multiplier application for Bhutan and agreed that gender is adequately hardwired in the grant.

Current Portfolio

Bhutan has an active ESPIG with Save the Children US as grant agent. The total amount for the grant is US$2.5M and, as of April 2023, all its resources are committed. The grant is on track to close on 7/31/2023.

Requirements

Bhutan has completed an enabling factors analysis which was reviewed by ITAP. The ITAP did not assess any of the enabling factors as High Priority. The draft partnership compact enumerates a series of actions to address gaps in the enabling factors which include:

- Upgrading Education Management Information System (EMIS)
- Developing a comprehensive Monitoring and Evaluation (M&E) System
- Carrying out National Education Assessment at grade III and VI in the core areas of learning
- Strengthen gender mainstreaming, including for gender responsive planning and gender related studies
- Self-evaluation/analysis and strategize for further strengthening of the functioning of the Education Sector Coordination Meeting (LEG)
- Develop a plan focused on achieving universal access to quality Early Learning by 2030
- Conduct an overall education sector expenditure and financing review

Significant Opportunities:

The multiplier grant has mobilized additional financing for the sector and will contribute to realizing Bhutan's ambition to transform early learning while also supporting other relevant needs.

Grant implementation will generate several learning opportunities. Expanding ECCD in a country with difficult geographic conditions, in which many communities are isolated, will generate multiple learning opportunities to share with other GPE members, especially on how

to close supply gap for kids in the furthest areas. Similar learning opportunities are expected with the ICT related interventions.

KIX has potential to respond to research gaps and support evidence-based decision making. Currently, there are three KIX funded research projects that cover Bhutan on inclusion, gender responsive pedagogy and teacher professional development, led by universities in Bangladesh, Nepal and Nigeria. Future KIX activities (Hubs and applied research) could include a focus on ECCD and ICT given their in-country importance and potential to generate evidence to be used by other countries.

Significant Issues and Risks

A major risk with the implementation of the multiplier grant is that it is designed as a Program for Results (P4R) as its parent program. There is little previous experience with this type of mechanism in country.

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$3,300,000 for Bhutan with the World Bank as Grant Agent**.

RECOMMENDED DECISION

Grant: Multiplier
Country: Bhutan

CEO/2023/04-XX–XXXX Approval of Bhutan's Multiplier grant: The CEO in her delegated authority from the Board of Directors:

- Approves an amount of US$3,300,000 as multiplier grant with World Bank as grant agent plus an additional US$57,750 in agency fees.

Date: April 26, 2023



Laura Frigenti, CEO

The CEO Decision Memo should not exceed 3 pages.