System Capacity Grant Annual Progress Report Template

Status: Accepted

Country	Grant ID	Grant Agent	Grant Effectiveness/Start Date
Lesotho	GPE0000931	SCG	06/06/2023

Grant Amount	Timeframe Examined in this Report		Date of Report Submission
1,600,000 (USD)	From Date	To Date	08/31/2026
	08/31/2025	08/30/2026	

Area(s) and activity group(s) covered by grant

Window 1: Strengthen gender-responsive planning and policy development for system-wide impact

- System diagnostics, compact development and education sector analyses
- Supporting policies and plans to identify and address multiple forms of exclusion (planning for children with disabilities, system resilience and inclusion of displaced children)

Window 2: Mobilize coordinated action and financing to enable transformative change

- Strengthening sector coordination, including local education groups, joint sector reviews and monitoring the effectiveness of the country-level partnership
- Establishing and operating pooled funding mechanisms

Window 3: Strengthen capacity, adapt, and learn, to implement and drive results at scale

- Strengthening data systems, including on improving the availability and use of sex-disaggregated data, and data on children with disabilities
- Training and support for government staff and central and decentralized levels, including on the uptake and use of data and evidence
- Support for implementation capacity, including sector plan implementation monitoring, gender responsiveness of the sector and evaluation of sector plans and policies/programs in priority areas; assess monitoring, evaluation and learning capacity, including use of evidence in policy process

Implementation Progress

Overall Project Progress this Reporting Period

Overall progress this reporting period [1]	Previous Rating
Satisfactory (S)	Satisfactory (S)

Detailed Description including factors that lead to an upgrade/downgrade in the rating

The System Capacity Grant has made substantial progress towards strengthening the capacity of the Ministry of Education and Training (MOET) to plan, coordinate, monitor, and implement education sector reforms. Across all three windows, the grant has delivered most of its planned outputs and has contributed to improved institutional capacity, stronger sector governance, enhanced accountability mechanisms, and increased use of evidence for decision-making. The grant has also strengthened key foundations required for sustainable sector transformation, including strategic planning, teacher professional development, sector monitoring, and education data management. Three strategic assignments remain under implementation, namely the development of the new Education Sector Plan (ESP), the transition from EMIS to DHIS2 for Education, and the Education Policy Harmonization exercise. However, all three have achieved important milestones and remain on track toward completion.

Under Window 1, the grant strengthened the sector's capacity for evidence-based planning, policy development, and strategic resource mobilization. Completion and validation of the Education Sector Analysis

(ESA) enhanced the availability of credible evidence on sector performance, challenges, and priorities, providing the analytical foundation for future sector reforms. Building on this evidence base, development of the new Education Sector Plan (ESP) is progressing, with the completion of the ESP framework and costing and financing framework strengthening MOET's capacity to align sector priorities with realistic resource requirements and financing strategies. Progress on the Education Policy Harmonization process is contributing to a more coherent policy environment by identifying overlaps, inconsistencies, and gaps across existing policy instruments and laying the groundwork for stakeholder consultations and policy alignment.

The completed Early Childhood Education (ECE) Investment Case and Secondary Education Investment Case will strengthen the sector's capacity to prioritize investments, advocate for increased financing, and make evidence-based decisions regarding resource allocation in key subsectors. In addition, the completion and official launch of the Teachers' Continuous Professional Development (CPD) Framework established a national framework for continuous teacher learning, professional growth, and accountability. This achievement has strengthened the institutional foundations for improving teacher competencies and supporting improvements in the quality of teaching and learning.

Under Window 2, the grant strengthened sector accountability, coordination, and collective action among education stakeholders. The successful implementation of the Joint Education Sector Review (JESR) enhanced the sector's capacity to assess progress against strategic objectives, identify implementation bottlenecks, and agree on corrective actions. The review generated a shared understanding of sector performance and strengthened alignment among stakeholders around priority reforms and actions required to achieve sector goals.

Similarly, the Annual Joint Monitoring Visits (JMVs) strengthened accountability and evidence-based decision-making through joint verification of implementation progress across all ten districts by members of the Local Education Group (LEG). The visits improved understanding of implementation realities at school and district levels, identified risks and bottlenecks affecting service delivery, and generated evidence to support adaptive management and course correction. Subsequent district reflection meetings strengthened stakeholder ownership of findings, promoted learning, and reinforced collaboration between national and decentralized education structures. Together, these interventions have enhanced sector coordination, joint accountability, and the use of performance information to improve implementation effectiveness.

Under Window 3, the grant strengthened institutional capacity for data management, evidence generation, organizational learning, and decentralized leadership. Significant progress was made towards the transition from EMIS to DHIS2 for Education, including completion of system design, customization, historical data migration, revision of data collection tools, and training of MOET personnel at national and district levels. These achievements have strengthened both the technical and human-resource capacity required to support a more integrated, reliable, and responsive education information system capable of improving data quality and utilization for decision-making.

The finalization of the 2025 Lesotho National Assessment of Educational Progress Report has enhanced the availability of evidence on learner performance and learning outcomes, providing a stronger basis for policy dialogue, planning, and targeted interventions aimed at addressing learning gaps. Furthermore, leadership and governance training for 237 school principals (143F, 94M) strengthened school-level management capacity, accountability, and strategic planning. The development of School Development Plans by participating principals demonstrates increased capacity to translate leadership and governance skills into practical actions for school improvement. These interventions have contributed to strengthening decentralized capacity to implement, monitor, and sustain reforms at scale.

Overall, the grant is contributing to its intended outcome of a stronger and more responsive education system with improved capacity for planning, coordination, monitoring, evidence use, and implementation. The completed activities have strengthened institutional systems and processes, while the remaining assignments are expected to further consolidate gains in sector planning, policy coherence, and data management. The grant therefore remains well positioned to achieve its intended system-capacity results and support improved education sector performance and learning outcomes over the longer term.

Grant Implementation Progress, by Grant Window

Grant Window	Level of Progress this Reporting Period [2]	Previous Rating
Window 2: Mobilize coordinated action and financing to enable transformative change	Highly Satisfactory (HS)	Satisfactory (S)

Detailed Description:

Implementation progress under this window was highly satisfactorily in this reporting period, with notable achievements in strengthening sector coordination, joint accountability, monitoring, and stakeholder engagement through the successful implementation of the Joint Education Sector Review (JESR) and Annual Joint Monitoring Visits (JMVs). These interventions provided important platforms for collective reflection, evidence generation, and performance assessment, contributing to improved alignment and coordination among education sector stakeholders.

The Joint Education Sector Review (JESR) was successfully undertaken with participation from key stakeholders across the education sector, including government ministries, district education offices, development partners, civil society organizations, and other sector actors. The review assessed progress made under the Education Sector Strategic Plan (ESSP) 2016–2026 and facilitated a comprehensive examination of achievements, challenges, and emerging priorities across the sector. The process generated a consolidated assessment of ESSP implementation progress, providing a clear picture of accomplishments, partial progress, and remaining gaps. It also identified critical system bottlenecks affecting service delivery, including data quality challenges, district-level capacity constraints, resource limitations, and teacher deployment issues. As a result, stakeholders reached consensus on priority actions to be taken forth in the next ESSP. The review further strengthened cross-departmental collaboration and reinforced commitments to improved coordination, information sharing, and joint planning across the sector.

Additionally, the Joint Monitoring Visits (JMVs) were conducted across all ten districts by members of the Local Education Group (LEG). The visits served as a key accountability and monitoring mechanism by jointly assessing progress against the Partnership Compact, Education Sector Plan priorities, and other agreed sector targets. The JMVs enabled stakeholders to verify implementation progress on the ground, assess equity, inclusion, and gender responsiveness in service delivery, identify implementation risks and bottlenecks, and document lessons and good practices emerging from districts and schools.

The monitoring visits introduced a culture of joint accountability among government and the LEG members by generating first-hand evidence on implementation performance and highlighting areas requiring corrective action. They also contributed to improved coordination and alignment among stakeholders by fostering a shared understanding of implementation challenges and opportunities. Importantly, the visits provided an opportunity to assess system capacity at decentralized levels and identify areas where additional support is required to improve service delivery outcomes.

Following completion of the field visits, district reflection meetings were held in all ten districts to share findings and recommendations with district education managers, school principals, and other relevant stakeholders. These feedback sessions enhanced transparency and local ownership of the findings while creating opportunities for collective problem-solving and agreement on follow-up actions. The reflection process ensured that evidence generated through the JMVs is handed over to inform decision-making, implementation adjustments, and continuous improvement efforts at district and school levels.

Progress was also made in strengthening the Ministry's capacity for sector monitoring and oversight through the procurement of three vehicles to support monitoring and supervision activities. The vehicles were acquired under the Joint Monitoring Visits (JMVs) intervention and provide critical operational capacity for conducting field-based monitoring, supervision, verification, and follow-up activities across districts.

Overall, implementation under this component strengthened sector monitoring, accountability, and collaboration mechanisms. Through the successful completion of the JESR and JMVs, the sector generated valuable evidence on performance, identified critical bottlenecks and priority actions, enhanced stakeholder coordination, and reinforced a shared commitment to achieving national education goals. These achievements have contributed to stronger sector governance and improved capacity for coordinated action towards the implementation of education reforms and the achievement of results.

Grant Window	**Level of Progress this Reporting Period** [2]	**Previous Rating**
Window 3: Strengthen capacity, adapt, and learn, to implement and drive results at scale	Satisfactory (S)	Satisfactory (S)

Detailed Description:

Implementation under this window recorded steady progress during the reporting period, particularly in strengthening education data systems, promoting evidence generation and utilization, and enhancing leadership capacity at decentralized levels. While some activities remain ongoing, significant milestones have been achieved that have strengthened institutional capacity and laid the foundation for improved system performance and service delivery.

A key achievement was the advancement of the transition from the Education Management Information System (EMIS) to DHIS2 for Education, which is expected to strengthen the sector's capacity to generate, manage, and utilize high-quality education data for planning, monitoring, and decision-making. During the reporting period, the consultancy completed several critical deliverables, including system architecture design, revision of EMIS data collection tools, customization and configuration of the DHIS2 for Education platform, migration of historical education data, and capacity-building of Ministry of Education and Training (MOET) personnel. Training was provided to planners, statisticians, IT officers, and education officers at both central and district levels, strengthening institutional readiness for system adoption and use. Remaining activities, include the deployment of the live DHIS2 system, completion of the system pilot, and submission of the final project report. Once completed, the transition is expected to improve data quality, timeliness, integration, accessibility and use of data across the education sector.

Progress was also achieved in strengthening the sector's capacity for evidence generation through the national learning assessments. The 2025 National Learning Assessment Report has been finalized, and findings are ready for dissemination. The assessment provides important evidence on learner performance and learning outcomes, which will support policy dialogue, programme design, and targeted

interventions aimed at addressing identified learning gaps. The availability of these findings enhances the sector's ability to use evidence to inform planning and continuous teacher improvement efforts.
Under the decentralization agenda, the reporting period focused on strengthening school leadership capacity. A total of 237 school principals (143 female and 94 male) from across the country were trained in leadership and governance. The training enhanced principals' knowledge and skills in school management, strategic leadership, accountability mechanisms, decision-making processes, and effective governance practices. As a practical output of the training, each participating principal developed a School Development Plan, providing a structured framework for improving school performance and supporting the achievement of educational objectives at school level. The initiative also facilitated peer learning and collaboration among principals, promoting the sharing of experiences, challenges, and good practices across districts. These achievements have strengthened leadership capacity at the school level and are expected to contribute to improved planning, management, accountability, and learning outcomes.
Overall, implementation under this window has contributed to strengthening institutional capacity for data management, evidence generation, organizational learning, and decentralized leadership. While the full deployment of DHIS2 remains ongoing, the progress achieved to date, represents an important step towards building a more adaptive, evidence-driven, and results-oriented education system.

Grant Window	**Level of Progress this Reporting Period** [2]	**Previous Rating**
Window 1: Strengthen gender-responsive planning and policy development for system-wide impact	Satisfactory (S)	Satisfactory (S)

Detailed Description:
Implementation under this window recorded substantial progress during the reporting period, contributing to strengthened sector planning, policy development, and teacher management systems. Significant gains were achieved in the generation of evidence and development of key sector frameworks that will support more effective planning, resource allocation, and implementation of education reforms.
A major milestone was the successful completion and validation of the Education Sector Analysis (ESA). Through an inclusive stakeholder engagement process, the ESA generated a comprehensive assessment of the education sector's performance, challenges, and opportunities, providing an updated evidence base to inform strategic decision-making and future sector investments. The validation of the ESA strengthened stakeholder ownership of the findings and established a solid foundation for the development of the new Education Sector Plan (ESP).
Building on the ESA findings, development of the Education Sector Plan (ESP) progressed during the reporting period. The consultant completed the ESP framework, which was submitted to the Ministry for review and approval to guide the subsequent stages of plan development. In addition, the costing and financing framework for the ESP was finalized, strengthening the link between sector priorities, resource requirements, and financing strategies. Drafting of the remaining sections of the ESP is ongoing. Once completed, the ESP will provide a comprehensive strategic framework for the implementation of education priorities and achievement of sector results over the next 10-year period.
There has also been progress in the Education Policy Harmonization process. The consultancy completed the inception report and commenced the desk review phase. This work involves a comprehensive analysis of existing education policies and regulatory instruments to identify overlaps, inconsistencies, contradictions, and areas of alignment. The review is further prioritizing policies requiring harmonization and laying the groundwork for stakeholder consultations. The process is expected to strengthen policy coherence, improve implementation efficiency, and support a more coordinated education sector policy environment.
Under the education financing agenda, the Early Childhood Education (ECE) Investment Case was completed, with the final draft currently undergoing review and approval. The investment case provides an evidence-based rationale for increased investment in early childhood education and identifies priority interventions required to improve access, equity, and quality. In addition, the Secondary Education Investment Case was also completed. The review process highlighted the need for the development of an abridged version to facilitate easy dissemination and engagement with key policy-makers and decision-makers. Both investment cases are expected to strengthen the sector's capacity to advocate for strategic investments and mobilize resources for priority education reforms.
A significant achievement under this component was the completion and launch of the Teachers' Continuous Professional Development (CPD) Framework. The framework was officially launched by the Minister of Education and Training on 22 July 2026, marking an important milestone in strengthening teacher professional development systems in Lesotho. The framework provides a structured national approach to continuous teacher learning, career development, and professional accountability. To promote awareness and stakeholder buy-in, media activation campaigns are currently being implemented through television and radio as well as social media platforms. The completion and launch of the CPD Framework have strengthened the institutional foundations for improving teacher effectiveness and, ultimately, this will result in improved learner outcomes as it is being implemented.
Overall, implementation under this window has significantly strengthened the sector's planning and policy architecture through the completion of critical analytical, strategic, and investment planning instruments. While some processes remain ongoing, particularly the finalization of the ESP and policy harmonization exercise, substantial progress has been made towards enhancing MOET's capacity for

evidence-based planning, policy coherence, strategic financing, and teacher development.

Lessons, innovative/promising practices

One notable successful practice was the use of highly participatory and consultative processes in the development of key sector instruments and processes, including the Education Sector Analysis (ESA), Teachers' Continuous Professional Development (CPD) Framework, Joint Education Sector Review (JESR) and the Joint Monitoring Visits (JMVs). The engagement of ministry departments, district education personnel, development partners, civil society organizations, and other stakeholders strengthened ownership of the reform agenda, enhanced the quality of outputs, and increased the likelihood of successful implementation of agreed recommendations.

The official launch of the Teachers' Continuous Professional Development (CPD) Framework by the Minister of Education and Training represents another good practice for creating awareness and promoting uptake of the framework. Complementing the launch, the use of television, radio and social media campaigns also demonstrate the intentional approach of stakeholder engagement and public communication.

Under the decentralization initiative, the requirement for each trained school principal to develop a School Development Plan following leadership and governance training emerged as a particularly effective approach to ensure that capacity development translated into practical application at school level and enhanced accountability for implementation.

Impact stories

Stories of impact to be shared with the GPE Secretariat Communications Team at later stages.

Tangible Outputs, Knowledge Products, Results Framework and other Supporting Documentation

#	File Name	Document Type	Description
1	Approved Teachers' CPD Framework 2026.pdf	Knowledge Product	Teachers' Continuous Professional Development Framework
2	FINAL 2025 Joint Education Sector Review Report Signed.pdf	Knowledge Product	Joint Education Sector Review Report 2025
2	Final draft_Lesotho Education Sector Analysis_2026.pdf	Knowledge Product	Lesotho Education Sector Analysis 2026

The documents listed were submitted with the progress report. If you'd like access to them, please contact the grant operations officer for your country.

Financial Reporting & Grant Management

Financial Reporting on GPE Grant

Cumulative Financial Absorption Rate

Approved Budget to Date	Cumulative Expenditure	Cumulative Financial Absorption Rate	Level of Financial Absorption
1,600,000	1,256,164.29	78.51	Slightly Behind

Since the financial absorption is not rated as 'on track', please provide an explanation that identifies the main activities that have been delayed and their corresponding unspent amounts, as well as reasons for the delay and steps taken to ensure that expenditure absorption gets on track in the next reporting period.

Financial absorption is currently rated as "slightly behind" due to delays in the implementation of a small number of high-value activities, namely the development of the Education Sector Plan (ESP), the transition from EMIS to DHIS2 for Education, and the Education Policy Harmonization consultancy. These delays were primarily attributable to the extensive stakeholder consultation processes required to ensure ownership and consensus, the technical complexity of the assignments, and the need for iterative review and validation of deliverables by multiple stakeholders. While these factors have affected the pace of expenditure, they have contributed to the quality, relevance, and sustainability of the outputs being developed.

As these activities are consultancy-driven, payments are linked to the completion and approval of specific deliverables. Consequently, a proportion of the allocated funds remains unspent pending the submission, review, and acceptance of outstanding deliverables and these amount to USD 165,750.48. Similarly, hardware and ICT equipment required to support the transition to DHIS2 for Education has been procured but has not yet been delivered and invoiced. The total amount committed for ICT equipment is USD 89,628.05. In addition, a portion of funds disbursed to MOET remains unliquidated and will only be reflected as actual expenditure once financial reports and supporting documentation have been submitted and cleared. This advance to MOET amounts to USD 49,458.55.

To improve absorption during the next reporting period, revised completion timelines have been agreed with the contracted consultants for the outstanding deliverables, and MOET and UNICEF have increased the frequency of implementation review meetings to closely monitor progress against agreed milestones. The procurement and delivery of the remaining DHIS2-related equipment are also being actively tracked to ensure timely completion. As outstanding deliverables are finalized, validated, and paid, and as pending advances are liquidated, expenditure absorption is expected to increase significantly. The grant remains on track to fully utilize allocated resources while achieving its intended system-capacity strengthening outcomes.

Budget Variance Analysis for the Current Reporting Period

Total Approved Budget for the Current Reporting Period

486,655.03

Total Expenditure for the Current Reporting Period

390,603.5

Explanation for underspending or overspending in excess of 10%

The slight underspending experienced in this reporting period is primarily due to already-mentioned delays in key consultancies for DHIS2 for Education transition, ESP development and Policy harmonization. As payments for these consultancies are linked to the completion and approval of specific deliverables, a portion of the allocated budget could not be utilized within the reporting period as originally planned, leading to a slight gap between the total approved budget and the total expenditure.

Management Performance

Level of management performance

Satisfactory (S)

Detailed Description

Management arrangements remained effective during the reporting period and contributed positively to the implementation of the grant and progress toward the achievement of planned results. Established coordination, oversight, fiduciary management, and technical support mechanisms enabled the timely execution of most activities across the three grant windows. Regular engagement between UNICEF as the Grant Agent and MOET implementing units as well as LEG members facilitated quick decision-making, strengthened accountability, and supported alignment of grant activities with broader education sector priorities.

Programme governance and fiduciary oversight mechanisms continued to function effectively, ensuring compliance with established financial management and reporting requirements. During this reporting period, a spot check was undertaken for MOET in accordance with the Harmonized Approach to Cash Transfers (HACT) framework. Regular monitoring, bi-weekly review meetings, and technical consultations provided opportunities to track implementation progress, identify risks, and implement corrective measures where necessary. These mechanisms supported adaptive management and helped maintain

momentum on key deliverables.
Overall, the management arrangements were adequate and fit for purpose, enabling the grant to achieve substantial progress toward its intended outputs and outcomes. The challenges encountered, including dependencies between activities and extended stakeholder consultation processes which affected the timely delivery of some outputs, were actively managed and did not significantly affect the overall direction of the programme.

Revisions to the grant

This period, have there been any revisions to the grant other than those submitted to the Secretariat for their approval?
No

How likely is that the grant agent will submit a request for revision to the Secretariat in the next 12 months for their approval?
Highly Likely

Detailed Description
A request for no-cost extension was submitted to GPE for approval on 24 August 2026 and is under review by the Secretariat. If approved, this will result in revisions to the grant implementation timeline and related arrangements such as reporting timelines.

Annexes

Annex 1: List of Acronyms

Acronym	Description
CPD	Continuous Professional Development
DHIS2	District Health Information System
ECOL	Examinations Council of Lesotho
MOET	Ministry of Education and Training
JSR	Joint Sector Review
EMIS	Education Management Information System
ESP	Education Sector Plan
LNAEP	Lesotho National Assessment of Educational Progress
TSD	Teaching Service Department
MOH	Ministry of Health

TOR	Terms of Reference
JESR	Joint Education Sector Review
ECE	Early Childhood Education
ESSP	Education Sector Strategic Plan
ESA	Education Sector Analysis
HACT	Harmonised Approach to Cash Transfer
JMV	Joint Monitoring Visit
LEG	Local Education Group

[1] Highly Unsatisfactory- The grant has major shortcomings or delays that limit or jeopardize the achievement of one or more outputs and a resolution is unlikely. Unsatisfactory - The grant has significant shortcomings or delays that limit or jeopardize the achievement of one or more outputs and a resolution is uncertain. Moderately Unsatisfactory - The grant has moderate shortcomings or delays that limit or jeopardize the achievement of one or more outputs but a resolution is likely. Moderately Satisfactory - The grant is expected to achieve most of its major outputs efficiently with moderate shortcomings or delays. Satisfactory – The grant is expected to achieve almost all of its major outputs efficiently with only minor shortcomings or delays. Highly Satisfactory - The grant is expected to achieve or exceed all of the major outputs efficiently without significant shortcomings or delays.

[2] Highly Unsatisfactory – The window has major shortcomings or delays that limit or jeopardize the achievement of one or more outputs and a resolution is unlikely. Unsatisfactory – The window has significant shortcomings or delays that limit or jeopardize the achievement of one or more outputs and a resolution is uncertain. Moderately Unsatisfactory – The window has moderate shortcomings or delays that limit or jeopardize the achievement of one or more outputs but a resolution is likely. Moderately Satisfactory – The window is expected to achieve most of its major outputs efficiently with moderate shortcomings. Satisfactory – The window is expected to achieve almost all of its major outputs efficiently with only minor shortcomings or delays. Highly Satisfactory – The window is expected to achieve or exceed all of the major outputs efficiently without significant shortcomings or delays.

[3] tooltip