

IMPLEMENTATION GRANT POLICY

July 2023

Section 1: Introduction

1.1 Purpose

This policy explains the framework for administering and managing all implementation grants from the Global Partnership for Education (GPE) trust funds, as set out in the [GPE Fund Governance](#) document, the overall GPE framework and the [GPE Charter](#). The policy applies to all current and future GPE trust funds used for transfers to grant agents.

This policy is divided into seven sections:

- Section 1: Introduction: purpose and applicability
- Section 2: Allocations, application and approval
- Section 3: Grant duration and program start date
- Section 4: Grant agent responsibilities
- Section 5: Reporting requirements
- Section 6: Program revisions
- Section 7: Board's discretion in amending allocation decisions

1.2 Applicability

This policy applies to all grant allocations under the GPE 2020 model, including the GPE Multiplier, education sector program implementation grant (ESPIG) and accelerated funding. It also applies to grants under the subsequent GPE 2025 model, such as system transformation grants, Multiplier grants, the Girls' Education Accelerator and accelerated funding.

Until a separate policy is developed, the provisions that follow are equally applicable to all other grants from GPE funds, including those for Knowledge and Innovation Exchange (KIX), Education Out Loud (EOL), and Strategic Capabilities.

The following, however, are **exempt** from this policy: the system capacity grant, the education sector plan development grant, the program development grant and allocations for agency fees.

Section 2: Allocations, Application and Approval

2.1 Grant allocations and application

Countries may prepare and submit a grant application following notification that the GPE Board of Directors ("the Board") has awarded their allocation ceiling for a system transformation grant, Multiplier and/or Girls Education Accelerator.

If the Board assigns a single allocation for several countries, those countries can agree to formally authorize a regional organization to facilitate arrangements leading to the submission of an application on their behalf. The regional organization sends a letter of intent to the GPE Secretariat (“the Secretariat”), as well as copies of the agreement detailing the multi-country approach.

In all cases, the relevant GPE grant guidelines define the documents required as part of the country’s “application package”.

2.2 Grant approval and related information

Pursuant to the GPE [Charter](#) and the GPE [Fund Governance document](#), the Board or Secretariat may approve a grant application to be funded from the GPE Fund (“the Board’s approval” or “the approval”, which is defined as including any subsequent decisions on the grant by the Secretariat or its delegated authorities).

The application package is considered an integral part of the grant approval. It includes a description of activities to be financed by the grant (“the program”). Changes to any submitted GPE grant application documents should follow the revision policy outlined in section 6, including any changes to the program documents during the grant agent’s internal approval process and during negotiation of the grant agreement.

After approval of the allocation (“approval date”), the Secretariat communicates this to (1) the country, (2) the grant agent and (3) the coordinating agency for distribution to the local education group.

The Secretariat’s communication includes:

- the grant amount
- the duration of the grant
- the expected program start date
- the amount of any applicable “variable part”, along with the indicators guiding its release and associated means of verification
- the designation of the grant agent
- any actions required prior to release of funds

Section 3: Grant Duration and Program Start Date

3.1 Grant duration

The duration of GPE implementation grants is expected to be 4 years, while activities funded by accelerated funding should be completed within 18 months of grant approval.

If cofinancing a program longer than 4 years, utilization of GPE grants should be linked to the first 4 years of implementation following GPE grant approval. The planned utilization of GPE grants should either be prioritized or in proportion with other sources of cofinancing. If for any reason utilization of GPE grants is not prioritized or in proportion with any cofinancing, an exception should be requested in the application form. Request for extension of GPE grants may not be approved if other sources of funding have been prioritized without prior agreement.

Certain activities can be performed up to 6 months after the grant closing date, such as audit, evaluation and reporting activities, and payment for activities that were conducted prior to the closing date. Grant agents with specific policies that allow them to perform other activities after the closing date should inform the Secretariat.

The Secretariat has delegated authority to provide exceptions that allow for additional activities to be performed after the grant closing date to align with grant agent policies.

3.2 Program start date

The application package should indicate the expected program implementation period, including the expected **start date**, and also specify the event that signifies the effective commencement of program implementation. The program should begin within 6 months of the GPE grant approval date, or within 1 (one) month for accelerated funding. A request for a later start date must provide a strong rationale and justification.

In calculating the expected program start date, grant agents are encouraged to consider any potential delays, particularly in instances when the expected program start date depends on successful negotiation with the government of a grant agreement, and subsequent signing and approval by both parties.

Based on the application package, the Board or Secretariat (when delegated by the Board) will approve the grant and set a fixed closing date. Delayed start dates will not automatically extend the grant's **closing date**, as extensions need to be requested as set out Section 6.

3.3 Extended time limit for start of program

The grant agent should notify the GPE Secretariat if it appears that program implementation is unlikely to commence as specified in the grant application and indicate whether it is seeking an extension to the start date. The grant agents must send such a notification to the Secretariat no later than 5 business days before the date used in the application, copying the country authorities and the coordinating agency (which informs the local education group).

The notice will also provide an update on the reasons for the delay and the steps to be taken before the program becomes effective. The Secretariat then decides whether to grant an extension.

Section 4: Grant Agent Responsibilities

4.1 Use of grant resources

The grant agent will use the resources transferred for the purposes for which the allocation has been approved by the Board or its authority. Any changes to the use of the resources must be approved in line with section 6 of this policy.

The grant agent ensures that the grant is used to carry out high-quality implementation work in accordance with (a) the application approved by GPE, (b) applicable GPE policies and guidelines, (c) the financial procedures agreement and (d) its own policies and procedures.

4.2 Disbursement of grant variable part

The grant agent disburses the variable part of the grant, where applicable, in accordance with the terms of the application package as approved by the Board (or its delegated authority). The disbursement will be undertaken if the grant agent, in consultation with the local education group concludes that the indicators have been reached.

At this point, the grant agent notifies the Secretariat in the next progress report that the indicators have been reached, explaining how this progress was verified and that the variable part has been disbursed. The notification shall include documentation of the explicit confirmation of the local education group that indicators have been reached to allow (partial) disbursement.

4.3 Annual audit

Programs financed by implementation grants must be audited annually, excepting UN entities, due to their single audit principle. Nonetheless, copies of audit reports and management letters should be shared with the Secretariat whenever Harmonized Approach to Cash Transfers (HACT) audits are commissioned exclusively for GPE grants.

Grant application requests should include provision for annual external audits. Grant agents are required to submit audit reports and management letters to the Secretariat within 7 months of the end of the reporting period or after the grant completion date, unless otherwise agreed. Grant agents are also required to ensure that significant audit issues are resolved in a timely manner.

4.4 Safeguard against Sexual exploitation, abuse, and harassment

GPE aims to ensure that there are adequate safeguards against sexual exploitation, abuse, harassment and related misconduct (SEAH) during implementation of programs funded by its resources. The grant agent is expected to promptly notify the Secretariat of any SEAH incident during implementation of any GPE funded program.

4.5 Misuse of GPE resources

GPE has a [zero-tolerance policy regarding the misuse of its resources](#). If it does occur, the grant agent applies its internal processes for dealing with such issues, including steps to reclaim any misused funds, if applicable. The grant agent should also immediately inform the Secretariat, in writing, of any concerns regarding misuse of funds. It should also explain the remedial actions it is taking to mitigate the impact on the program and ensure that these actions conform with the [GPE Policy and Communications Protocol on Misuse of GPE Trust Funds](#) and the applicable provisions of the Financial Procedures Agreement.

4.6 Protocol for GPE visibility

To encourage understanding and support of programs, the grant agent and GPE will jointly develop and distribute communications materials appropriate for broad, nontechnical audiences. These might include press releases, photo and video packages, and stories highlighting progress or program beneficiaries. These should clearly reference GPE funding and comply with GPE [branding guidelines](#).

The grant agent should strive to identify progress or impact stories and facilitate coordination between GPE's communications team and their counterparts associated with the program to jointly promote the visibility of the grant. GPE will feature these materials on its communications platforms and attribute all contributions as appropriate and in line with its branding and style guidelines.

Section 5: Reporting Requirements

Reporting on all GPE grants facilitates understanding and effectiveness by ensuring partners at the country level, as well as the Secretariat, are apprised of all developments.

5.1 Update to local education group

The government and grant agent are expected to periodically share with the local education group any policy-related issues from the program implementation relative to supported areas.

Reporting on grant performance is expected to be learning-oriented and to seek further opportunities for improvement to achieve system transformation. It is also expected to be an assessment of ongoing coherence between the GPE grant and other actions taken to reinforce and transform the education system. The frequency and intensity of reporting will likely vary depending on country context, but updates to the local education group must be provided at least twice a year. As relevant, reporting should be integrated across joint sector reviews.

This country-level reporting will be useful for the local education group members in effectively identifying areas of grant implementation that will require reevaluation and realignment during the partnership compact mid-term review. Assessment conducted during the mid-term review could inform any revision of the grant.

Grant completion reports should be discussed within the local education group, helping it reflect on the overall successes and challenges of implementation. This also represents an opportunity to determine the extent to which the grant has contributed to addressing capacity weaknesses and obstacles, and how these lessons can be incorporated and guide future actions, including the next funding cycle.

5.2 Reporting to the GPE Secretariat

Semi-annual portfolio review meetings: The grant agent is required to hold semi-annual portfolio meetings with the Secretariat, keep the Secretariat regularly informed on performance of the grant, facilitate joint problem-solving and to ensure good flow of information and timely reporting by the Secretariat to the GPE Board. Those meetings can be organized as joint monitoring missions, which is recommended in case of shortcomings in grant performance that may limit or jeopardize the timely achievement of its contribution to system transformation.

Action plans to address underperforming grants: The Secretariat is entitled to request ad-hoc reports wherever it observes shortcomings in grant performance that might limit or jeopardize the timely achievement of its contribution to system transformation. This includes but is not limited to situations where the grant agent reports shortcomings in implementation progress or lower- or slower-than-expected fund utilization. The grant agent is required to report on the measures planned or taken to remedy those issues that have caused underperformance and the associated timeline to realize those improvements. To reduce transaction costs, the Secretariat will consult with the grant agent on the appropriate format of such reports, which could include aide-memoires from supervision missions.

Annual progress report: The grant agent should submit an annual progress report to the GPE Secretariat, describing progress, achievements and challenges under the grant. The Secretariat will advise if and when the grant agent can merge the progress report with the completion report for short grants and for the last year of program implementation. The first annual progress report must be submitted no later than 15 months after the start date, and annually thereafter. The first progress report should cover the first 12 months of implementation and be submitted no later than 3 months after the first anniversary of the official grant start date.

Subsequent progress reports must be submitted at least annually and no later than 3 months after the anniversary date of the official grant start date. The Secretariat can issue exceptions to this reporting calendar to align with grant agent reporting guidance. The grant agent must submit progress reports after consultation with the government and the local education group. Unless otherwise formally agreed between the grant agent and the GPE Secretariat, the progress report should include all relevant mandatory reporting items as indicated in the GPE's standard reporting template and should be submitted through GPE's online reporting portal.

Completion reports: After consulting with the government and local education group, the grant agent completes and submits a completion report within 6 months of grant closing to outline overall performance and results of the grant and lessons learned from grant implementation. As with progress reports and unless otherwise formally agreed between the grant agent and GPE Secretariat, the completion report should include all relevant mandatory reporting items as indicated in GPE's standard reporting templates and be submitted through the online reporting portal.

Projections and reporting of funds use: The grant agent provides the Secretariat an annual projection of how remaining funds under each grant allocation will be used during the remainder of the program implementation period, and it also sends quarterly updates on actual fund utilization.

Section 6: Program Revisions

6.1 Context for revisions

GPE grants are designed to be flexible, enabling program revisions after grant approval to address unforeseen circumstances, risks or weaknesses that arise before or during implementation. Government and grant agent, together with other members of the local education group, should work to develop options for adjusting the program as a means to promote the best possible outcome.

Grant agents will have processes and procedures to reflect mutual agreement between themselves and the government to undertake revisions to programs or activities, including required approvals within their agencies. They should also adhere to this policy, in addition to their own. This section is applicable to all changes to any GPE grant application document after submission. This includes any changes to the program documents during the grant agent’s internal approval process and during negotiation of the grant agreement.

6.2 Definition of revisions

A change or series of changes to indicators and targets, modification of program scope or design, additions or cancellations of program components or subcomponents, as compared to the original grant approval, are considered in table 1.

Changes are considered cumulatively: a revision resulting in a reallocation of up to 15 percent of the grant amount is considered "minor", but a subsequent change of up to 15 percent will be considered as "non-minor".

Table 1. Definitions of revisions ("target" refers to any target in the results framework as well as any used in results-based financing)		
Minor	Non-minor	Material
<ul style="list-style-type: none"> • Reallocation of up to 20% of the total grant amount from GPE, not exceeding US\$10 million • and/or a change of less than 20% of any target <p>Note that these changes should not reduce the variable part, where applicable, below 30% of the grant from the GPE fund</p>	<ul style="list-style-type: none"> • An extension of 24 months or less of the original grant closing date • and/or a reallocation that exceeds US\$10 million or above 20% of the total grant amount from GPE trust funds, whichever is lower (This also applies to reallocation between results-based indicators that exceeds US\$10 million or 20% of the total grant amount from GPE trust funds, whichever is lower) • and/or any changes in the results framework related to financing under GPE funding, with the exception of changes less than 20% of any targets and/or related to reallocations up to 20% of the total grant amount from GPE Trust Fund (with no impact beyond 20% of original targets) 	<ul style="list-style-type: none"> • An extension of more than 24 months of the original grant closing date • and/or a program revision that requires a significant change to the strategic parameters

	<ul style="list-style-type: none"> • and/or any changes in the implementation modality • and/or changes to variable part indicators and/or targets above 20% 	
<p>In considering financial thresholds for cases in which a country had requested to receive its allocation in Euros, the determination of whether a revision is minor, non-minor or material is based on the exchange rate used to convert the allocation on the day of the request.</p>		

The Secretariat considers the revisions in any proposal collectively. That is, if **one** of the proposed revisions in the proposal is assessed as **material** when viewed against the initial grant approval, the **full proposal** is presented to the Board for decision, as the revisions are considered interconnected. For material revisions that require significant changes to strategic parameters, the Board will at the same time amend these to clarify when further revisions will require its approval.

The Board, in its approval of a proposed material revision that includes an extension may determine that a subsequent request for an extension of a defined period of less than 24 months requires Board approval.

6.3 Process and responsibility for program revisions

The grant agent and partner country government should consult the other members of the local education group and solicit their endorsement for any proposed non-minor or material revision. The grant agent should then provide a written “program revision notification” to the Secretariat prior to undertaking the non-minor or material revision. The program revision notification should include:

- the reasons, content and timeline for the proposed revision, as well as how the revision will impact program implementation
- a description of how the changes will affect the theory of change outlined in the application package
- documentation verifying the local education group’s support of the proposed revision (e.g., meeting minutes or a letter from coordinating agency confirming the support of the local education group)

Minor revisions to the program should be reported no later than by the time of the next program implementation report.

The Board has delegated authority to the Secretariat to assess whether a program revision is non-minor or material, based on the program revision notification. In cases in which the grant allocation has been made in Euros, see **table 1** above to assess whether the proposed revision would be considered minor, non-minor or material.

The grant agent should only undertake the decision to implement a revision after following the relevant due process:

- **in case of a non-minor revision**, the grant agent must secure a non-objection from the Secretariat. In the event that the Secretariat objects to the revision, it may refer the matter, along with the rationale for the objection, back to the local education group for further discussion. The grant agent and the partner country government can, in consultation with the other members of the local education group, submit a revised program revision (endorsed by the local education group) to the Secretariat.
- **in case of a material change**, the Secretariat forwards the program revision notification to the Board, along with any other relevant documentation. If possible, the Board decides on a non-objection basis whether to approve the proposed revision.

The Secretariat notifies the partner country, the coordinating agency (on behalf of the local education group), and the grant agent of the Board's decision within 10 business days. In the event that the Board does not agree to a revision, the Board may refer the matter back to the local education group for further discussion, along with the rationale for the objection. After discussion, a revised program revision notification may be submitted, including endorsement by the local education group.

Section 7: Board Discretion in Amending Allocation Decisions and Automatic Revocation of Grant Funds

Withholding of transfers, cancelation and revocation of grant funds:

- a) At any time, the Board of Directors may cancel all or part of an allocation.
- b) Prior to the final year of the implementation period (and including any extensions approved under section 6), the grant agent is to notify the Secretariat as to whether it expects to have any unspent funds, other than for closing activities, at the grant end date (known as the "fund use projection"). Following notification, the Secretariat may recommend to the Board to cancel remaining funds that are not required for closing activities. Any cancelled grant funds become available for allocation by the Board.

- c) Aside from those funds required for closing activities, grant funds are automatically cancelled and made available for allocation by the Board upon the end of the grant implementation period (including any extension approved under section 6). The Board will cancel and make available for allocation any amount of an allocation that has not been used for the agreed purposes within the agreed time frame and for which no further expenses will be incurred or disbursements made.
- d) In cases where the midterm review of the partnership compact concludes that there is a need to significantly revise the approved strategic parameters, and/or given that there is significant underperformance of the support provided through the implementation grants, the Board may decide to cancel the grant allocation or part thereof to reallocate to another program, or instruct the Trustee to withhold transfers to the grant agent until remedial measures are taken. In order to inform the Board's decision, the partner country in consultation with the local education group will present a recommendation for action that will highlight potential consequences and risks related to the above scenarios.
- e) At any time, and after consultation with the local education group, the Secretariat may recommend to the Board to cancel the grant allocation or a part thereof, or withhold transfers to grant agent in case of—
- **Two consecutive years of underutilization**, where the percentage of the grant amount that has been utilized is at least 25 percent below the lapsed implementation time. In its recommendation, the Secretariat will consider circumstances that may justify underutilization and execution of mitigation measures indicated by government and the grant agent.
 - **Two consecutive years of significant program underperformance**. In its recommendation, the Secretariat will consider the circumstances that may justify the underperformance and execution of mitigation measures indicated by government and the grant agent.
 - **Non-compliance** with any of the provisions in this policy.
- f) The Board may cancel uncommitted funds of an approved allocation following a decision to not approve a material revision to the respective grant.
- g) The cancellation and withholding of transfers to the grant agent do not apply to committed funds that are subject to outstanding financial obligations and liabilities incurred in the implementation of activities related to such allocation prior to the date the grant agent receives the notice of the Board's decision to withhold or cancel transfers of such allocation or a part thereof. Upon cancellation of grant funds, the grant agent shall use its own policies and procedures to work with the partner country to amend the grant agreement to reflect the reduced grant amount. Any canceled grant funds become available for re-allocation by the Board.

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