



BOD/2019/02 DOC 05
Board of Directors
Decision via Affirmative Vote
February 28, 2019

**TANZANIA EDUCATION SECTOR PROGRAM IMPLEMENTATION GRANT ALLOCATION:
REPORT FROM THE GRANTS AND PERFORMANCE COMMITTEE**

For Decision

Please note: Board papers are deliberative in nature and, in accordance with the GPE Transparency Policy, are not public documents until the Board has considered them. It is understood that constituencies will circulate Board documents among their members prior to Board consideration for consultation purposes.

1. STRATEGIC PURPOSE

1.1. The purpose of this paper is to request the Board to approve an allocation for an education sector program implementation grant (ESPIG) to Tanzania, as recommended by the Grants and Performance Committee (GPC) following its discussion of the grant application during its January 29-31, 2019 meeting.

2. RECOMMENDED DECISION

2.1 The GPC recommends the Board approve the following decision:

BOD/2019/03-XX–Allocation for an Education Sector Program Implementation Grant to Tanzania: The Board of Directors with respect to the application submitted in the fourth round of 2018:

1. Notes compliance with the requirements for accessing the fixed part of the maximum country allocation, as described in the application and summarized and assessed in Annex 2 to BOD/2019/02 DOC 05.
2. Notes compliance with the incentives for accessing the variable part of the maximum country allocation and approves the indicators on Equity, Efficiency, and Learning and their means of verification, as described in the application and assessed in Annex 2 to BOD/2019/02 DOC 05.
3. Approves an allocation from GPE trust funds for an education sector program implementation grant (ESPIG), as described in the application submitted and summarized in Table 1 in decision BOD/2019/03-XX 3 (c), subject to:
 - a. Availability of funds.

- b. Board decision BOD/2012/11-04 on commitment of trust funds for ESPIGs in annual installments.
- c. GPC recommendations for funding include (all amounts in US\$):

Table 1 Application Summary and GPC Allocation Recommendations for an ESPIG in US\$:

Tanzania		
a.	Maximum Country Allocation	90,000,000
b.	Allocation Requested (100%)	90,000,000 ¹
c.	Fixed Part Requested	62,000,000
d.	Variable Part Requested	28,000,000
e.	Allocation Recommended by GPC	90,000,000
f.	Grant Agent	Swedish International Development Cooperation Agency (SIDA)
g.	Agency Fee % - Amount	0
h.	Period	4 Years
i.	Expected Start Date	July 1, 2019
j.	Variable Part Disbursement Modality	Ex-post
k.	Funding Source	GPE Fund

- 4. Requests the Secretariat to:
 - a. Include in its notification of grant approval to Tanzania the requests for report-back and observations on the program as recommended by the Grants and Performance Committee and set out in Annex 1 to BOD/2019/02 DOC 05.
 - b. Include an update on the issues listed as report back in the annual Portfolio Review in accordance with the specified timeline.

3. BACKGROUND

3.1 The Committee assessed the grant application from Tanzania and discussed whether it met the funding model requirements to access the fixed and variable part of the maximum country allocation.

3.2 Prior to the discussion, no conflicts of interest were disclosed.

¹ Includes US\$1,800,000 for the cost of the grant agent to perform its roles and responsibilities (formerly supervision fees).

3.3 The GPC had a rich discussion regarding the application and found that Tanzania met the requirements.

3.4 The primary discussion points are summarized in Annex 1. The evidence for meeting the requirements and quality standards is set out in Annex 2.

4. PLEASE CONTACT Margarita Focas Licht (mlicht@globalpartnership.org) in case of any questions.

5. ANNEXES

5.1 This paper includes the following annexes:

- Annex 1 – GPC Observations, Report-Backs, and Conditions
- Annex 2 – Secretariat Quality Assurance Review Phase 3 (Final Readiness Review)

5.2 The following is available on the [Committee eTeam site](#):

- Tanzania ESPIG Application Package (GPC/2019/01 DOC 05)

ANNEX 1 – GPC OBSERVATIONS, REPORT-BACKS, AND CONDITIONS

Tanzania	
Observations	<p>The Committee positively notes the significant GPE investment in the Education Program for Results (EPforR), co-financed by DFID, Sweden and the World Bank, a modality which achieves alignment to GPE 2020, promotes harmonization, use of country systems and builds sustainable institutional capacity within the government’s own delivery system.</p> <p>The Committee notes that the entire GPE contribution supports existing disbursement-linked indicators (DLIs) in the EPforR program. In its assessment of the application the Committee applied a traditional approach and verified that at least 30 percent of the GPE allocation demonstrates a sufficient stretch or transformative effect, as required by the GPE funding model for accessing the variable part of the maximum country allocation. As a result, the Committee only considers DLIs 2.2, 6.2, 7.1 and 7.2 in the application as indicators under the variable part.</p> <p>The Committee acknowledges that the education sector development plan (ESDP) addresses the exclusion of vulnerable children and youth and commends the development of the National Strategy for Inclusive Education (2018-2021). The strategy is crucial to improve equitable access, especially for pregnant girls, children with disabilities and refugee children and recommends that ESDP strategies consider additional strategies to ensure safe and protective schools, beyond those already identified.</p> <p>Due to the success of the Fee-Free Basic Education Policy and the high population growth rate, the growth rate of children in the basic education system is unprecedented. However, there are not enough classrooms and teachers to accommodate them. The Committee notes that alignment with EPforR will help address this issue and further strongly encourages maintaining the share of recurrent education expenditure in the national budget. The Committee also recommends that the government hire more teachers and implement the Teacher Deployment Strategy.</p> <p>The Committee welcomes DLI 6.2 on <i>improvement in average words per minute in the reading assessment of standard 2 children</i>. However, the Committee notes the limitations of measuring reading speed versus reading comprehension and encourages a focus on comprehension moving forward.</p>
Report-Backs	<p><i>For the government and local education group:</i></p> <p>The Committee notes with strong concern recent events in Tanzania that hinder human rights and freedom of expression. The denial of education for pregnant girls and young mothers is in contrast with the “Education for All” commitment of Tanzania and a violation of human rights. The Committee requests that the coordinating agency on behalf of the local education group and via the joint sector review report provide an annual update on the impact of the law against pregnant school girls and the progress made on offering them an education.</p>

	<p>The Committee also expresses strong concern with the amended statistics act giving the government broad authority to set standards for independent data collection and making it a crime to publicly question official government statistics. This can undermine the quality of official statistics, stifle research and public debate, and can have a detrimental impact on GPE’s work in the education sector. The Committee urges the government to continue to consult the country partners so that the amendments adhere to international good practices and GPE country work can continue unimpeded. The Committee requests the coordinating agency on behalf of the LEG and via the joint sector review report provide an annual update on any impact to program operations caused by amendments to the statistics act.</p> <p>The Committee further requests the government to enhance the annual education sector performance report (AESPR) by incorporating reporting on key ESPD strategies and their budgets in the ESDP operational plan, including the inclusive education strategy, and share the report with the Secretariat annually.</p> <p><i>For the government and grant agent:</i></p> <p>The Committee appreciates that the indicator on the release of capitation grants to schools in the existing EPforR program will be enhanced by the related GPE variable part indicator by funding an additional per capita grant for nearly 1.5 million pre-primary and Complementary Basic Education learners. The Committee requests the grant agent to submit an updated application form to the Secretariat clarifying the stretch in this regard.</p> <p>With regard to the fixed part, the Committee requests the grant agent to clarify in its first regular progress report on the grant the definition of the indicator on the percentage <i>of teachers using effective teaching methods to engage and motivate learners</i>. This will help monitor instructional practice so that improvements of teacher trainings on learning can be measured and established.</p> <p>In addition, the Committee requests the government to address in the work plan the capacity constraints of the Tanzania Institute of Education in the context of the large fixed part investment in teaching and learning material production and distribution, and to share the work plan with the country partners and requests the grant agent to provide it to the Secretariat. The grant agent is requested to help the government incorporate quality assurance mechanisms for the development, procurement and distribution of textbooks, and to report to the local education group and the Secretariat via its regular progress reports on how the quality assurance process is monitored and strengthens institutional capacities, material production and timely distribution.</p>
Conditions	N/a

ANNEX 2 – SECRETARIAT QUALITY ASSURANCE REVIEW PHASE 3 (FINAL READINESS REVIEW)

Tanzania - Quality Assurance Review – Phase 3

Proposed GPE Grant Amount: US\$ 90 million
Fixed Part: US\$ 62.0 million, of which US\$ 1.8 million for Grant Agent's Implementation Support Costs;
Variable Part: US\$ 28.0 million
Implementation period: 4 years
Projected implementation start date: July 1, 2019
Grant Agent: Swedish International Development Cooperation Agency (Sida)

1. BACKGROUND AND EDUCATION SECTOR OVERVIEW

1.1 COUNTRY BACKGROUND

Tanzania has the largest population in East Africa (57.3 million) Approximately 44 percent of the population is children under 14 years of age.² Population growth is high, 3.1 percent annually, and is expected to place a heavy burden on social service provision. In addition, Tanzania is home to 130 ethnic groups and hosts a large refugee population mainly from the Democratic Republic of Congo and Burundi. The Education Sector Development Plan (ESPD) estimates that the number is 656,223³ or 1.5 percent of the total population and place an additional strain on the system particularly in border regions and the main cities.⁴ The Human Development Index has improved since 2001 and currently ranks 154 out of 188 countries (2016).⁵ Improved health and education outcomes have driven this progress – life expectancy has increased by 15.5 years and expected years of schooling increased by 3.4 years. The high rate of malnutrition is a concern for childhood cognitive development- 34.4 percent of children under 5 years of age suffer from chronic malnutrition and 58 percent from anaemia.⁶

Mainland Tanzania is divided into 26 administrative regions and District Councils, or Local Government Authorities (LGAs). Tanzania Mainland places a strong emphasis on decentralization and bringing policies on health, nutrition and education closer to the communities.

While Tanzania's record on human rights has been satisfactory in the past and considering Tanzania was one of the first countries in Africa to commit to education for all, recent events denying girls who are pregnant access to school cuts across its "education for all" commitment. Twenty seven percent of women aged 15-19 years of age have had a live birth or are pregnant with their first child.⁷ Government is making efforts to provide alternative educational pathways and these are welcome and are being supported by Development Partners.⁸

The Tanzania Mainland economy has steadily grown at a rate of 6 percent to 7 percent over the last 10 years, however, there has not been a corresponding reduction in poverty, nor increase of

²National Bureau of Statistics: NBS.go.tz Aug 13, 2018 for total population; NBS: Tanzania in Figures 2016 for percent under 14.

³ The ESPD estimates that there are approximately 150,000 school-aged refugee children in Tanzania

⁴ According to the UNHCR Global Focus page: <http://reporting.unhcr.org/node/2517?y=2019#year> there were 521,282 'people of concern' in 2017

⁵ <http://hdr.undp.org/en/countries/profiles/TZA>

⁶ Tanzania Demographic and Health Survey and Malaria Indicator Survey (TDHS-MIS) 2015–16. Dar es Salaam, Tanzania, and Rockville, Maryland, USA: MoHealth Community Development Gender Elderly and Children, MoH, NBS, OCGS, and ICF.

⁷ Tanzania Demographic and Health Survey 2015/16, cited in Gender Equity and Fee Free Basic Education in Tanzania, p.11.

⁸ Development Partner Application Endorsement letter, DFID, 25 November 2018

productivity and quality jobs.⁹ Many of the gains made over the past decade were unevenly distributed along rural-urban lines and across income quintiles. The National Development Vision (2025) aims for attaining middle income country status by 2025. The Five-Year Development Plan (FYDP) II highlights education as important to promote its objectives such as increasing the availability of requisite industrial skills and skills for other production and services delivery, as well as to increase productive capacities and job creation, especially for the youth and disadvantaged groups.¹⁰

	Country Name
Population	57.3 million (2017, World Bank Databank)
Human Development Index Ranking	154 out of 189 countries (2017, UNDP Human Development Report)
GDP	US\$ 52.090 billion (2017 World Bank Databank)
GDP per capita (current US\$)	US\$ 936 (2017, World Bank Databank)
World Bank Income Classification Level	Low Income (2018, World Bank Databank)

1.2 EDUCATION SECTOR OVERVIEW

Work began on the Education Sector Analysis (ESA) in August 2014 and the ESA was finalized in 2016. At the same time work had begun on the Education Sector Development Programme (ESDP) as this needed to be aligned with the 5-year National Development Plan 2016/17-2020/21. The new ESDP is distinguished by two key policy initiatives: 1) Tanzania’s commitment to providing twelve years (1+7+4) of free and compulsory Basic Education to the entire population, leaving no one behind; and 2) the progressive expansion of Technical and Vocational Education and Training to provide Tanzania with the pool of skilled human resources needed to advance to becoming a semi-industrialized middle-income country by 2025.

Since the GoT started to implement a fee-free basic education policy in 2016, enrollment has increased in basic education (by 8.5 percent between 2017 and 2018) and the number of out-of-school children (OOSC) has fallen. Survival rates have also dramatically increased. The likelihood that a child entering standard 1 primary in 2018 will complete the full cycle of primary and lower secondary is 48 percent, a dramatic increase from just 24 percent in 2016. The primary survival rate is now close to 90 percent.¹¹ However, the ESDP recognizes that “accommodating this large number of additional students while simultaneously improving the quality of learning outcomes will present a major challenge.”¹²

Additional changes affecting the sector are the decision to devolve management of basic education to the President’s Office-Regional and Local Government Administration (PO-RALG) and the revision of the curriculum. The first of these changes is likely to improve efficiency and equity and the second should improve learning in the long term. However, there are short-term challenges as these changes are embedded in the system. The Ministry of Education, Science

⁹ Five Year Development Plan (FYDP) 2016/17-2020/21, p. iv

¹⁰ FYDP 2016/17-2020/21, p. 2

¹¹ EPforR Annual Report, p. 88

¹² ESDP 2016/17-2020/21, p. 47

and Technology (MoEST) continues to be responsible for policy and planning, Monitoring and Evaluation (M&E) and quality assurance as well as management of vocational training, teacher education and higher education.

1.2.1. Learning outcomes:

The first two assessments of Early Grade Mathematics (EGMA) and Early Grade Reading (EGRA) were conducted by an external body in 2013 and 2016.¹³ They found that standard 2 students' average reading speed had increased from 17.9 words per minute to 23.6 words per minute. Similarly, the 2016 report indicated that fewer children scored zero on reading and arithmetic sub-tasks compared to 2013, yet the targets for students' reading benchmarks had not been met.¹⁴ In 2018, average reading speed declined to 17.3 words per minute. Considering the huge and unprecedented increase in the number of early grade children as a result of the fee free basic education policy, Tanzania has perhaps done well to maintain the baseline level of early grade literacy without deterioration. Other countries that experienced such rapid increases in pupil numbers saw significant deterioration in learning outcomes as a result.¹⁵ However, significant improvement is needed in reading comprehension and in arithmetic skills – a finding that applies to both urban and rural settings. Boys slightly outperform girls on the national Primary School Leaving Exam¹⁶ and boys still have higher transition rates to secondary education.

As described, GoT is implementing a National Curriculum Reform program, focussing on the 3Rs and promoting a phonics-based approach to teach children to read. This has involved the revision of curricula for all subjects at pre-primary and primary level and increased hours in early standards for Kiswahili and mathematics. The new curricula are competency-based and include rubrics for student performance. The new approach in the revised curriculum requires new textbooks and other Teaching and Learning Materials (TLM) to support teachers in its implementation. In 2018, the Textbook: Pupil Ratio (BPR) for Standards I to IV on average is 1:3¹⁷ while the V-VII ratio ranges up to 1:9 in several regions for various subjects.¹⁸

1.2.2. Equity:

Tanzania has promoted significant increases in gross enrolment at the pre-primary, primary and lower secondary levels. Just over 1.4 million were enrolled in pre-primary schools in 2018, representing a gross enrolment rate of 86.2 percent, more than doubling the GER since 2010 (39.5 percent). The share of Standard 1 pupils with at least one year of pre-primary education is also increasing: 75.6 percent in 2018 up from 68.7 percent in 2017. Despite these improvements, the pre-primary NER is below 50 percent and there are significant regional disparities.

Enrolment in primary school has increased to 9.7 million in 2018 (up by 8.6 percent from 2017). The primary Net Enrolment Rate (NER) grew from 85.83 percent in 2016 to 91.06 percent in 2018. The share of OOSC of basic education age is 14 percent in 2017/18 compared to 29 percent in 2015/16. However, there are also regional disparities in primary enrolment: 50 percent of OOSC were located in the nine regions of Tabora, Dodoma, Geita, Kagera, Mwanza, Simiyu, Kigoma, Morogoro and Shinyanga. This rapid reduction in OOSC is largely due to the policy on free and compulsory education introduced in 2016 and the value Tanzanians place on education.

¹³ Assistance to Basic Education-All Children Reading (ABE-ACR) Findings Report Tanzania national early grade reading assessment (EGRA) USAID/RTI 2016

¹⁴ Opus cit, 2016

¹⁵ EPforR Annual Report, p. 78

¹⁶ The data on enrolment and COBET learners, among others, are being captured within the Basic Education Statistics for Tanzania (BEST).

¹⁷ Source: MoEST/PO-RALG EMIS Departments 2018

¹⁸ BEST, 2017

The total enrolment in lower secondary education (Forms 1-4) has also increased to 1,991,021 in 2018, an increase of 12.6 percent from 2017. GERs at lower secondary grew from 36 percent in 2015/16 to 43.7 percent in 2017/18.¹⁹

In terms of gender parity, primary school enrolment²⁰ and completion rates for girls have exceeded those of boys. Despite this, even though girls tend to be retained better in primary, they are under-represented in all higher streams of education, including upper secondary, TVET and Universities. In fact, in 2016, for every girl in upper secondary, there were 1.6 boys.²¹

The overall transition rate to secondary education fluctuated from 43 percent to 57 percent between 2007 and 2014. In 2015 and 2016, 70 percent of primary school graduates transitioned to Form I and in 2017, 71 percent of all pupils transitioned but only 67.8 percent of girls transitioned. Compared with boys, girls enter school earlier and also leave formal schooling earlier. Some reasons are poverty, early marriage and pregnancy. A first step to improving gender equality is to ensure that as many girls as possible complete the full cycle of Basic Education.

Government has reaffirmed a decision not to allow girls who are pregnant back to public formal school directly. Instead it is allowing adolescent mothers to re-enter through alternative pathways. To support girls' education, the government plans to allocate \$50 million²² to support new girl's education initiatives, including supporting alternative pathways for adolescent girls who have dropped out of school because of pregnancy.

An estimated 400,000 school aged children with disabilities (CwD) live in Tanzania and 43,020 are enrolled in Basic Education. Only 2,179 teachers working in primary schools are qualified to work with learners with special needs.²³ GoT has developed a National Strategy for Inclusive Education (2018-2021) which addresses all groups of vulnerable or disadvantaged children and youth, including refugee children, with the intention that none are denied access to basic education. It aims to mainstream special needs education in teaching and learning and improve participation rates of CwD in schooling. The strategy includes an Action Plan and Budget that has been integrated into the ESDP's Operational Plan.

Tanzania has a number of second chance alternatives, the largest of which is COBET (Complementary Basic Education in Tanzania). This targets children who do not enrol in school at the appropriate age, who have dropped out or who have never attended school. It focuses on children age 9-17 and prepares them to re-enter primary school or to sit the Primary School Leaving Examination (PSLE). In COBET, enrolment had been steadily declining from 2005 to 2013, but again increased between 2014 and 2016, dropping off again in 2017. The gender disparity is also persistent in COBET, indicating that girls enrol at 16 percentage points less than boys do. While a greater percentage of girls are mainstreamed into Standard IV, more boys are mainstreamed into Standard V and Form 1 and accepted into vocational training.²⁴

¹⁹ Annual Education Sector Performance Report (AESPR) 2018

²⁰ Gender Parity Index for primary NER is 1.0222, AESPR, page 14.

²¹ Equity and Fee Free Basic Education in Tanzania, p.4

²² Development Partner Application Endorsement letter, DFID, 25 November 2018

²³ ESDP pg 38

²⁴ ESDP pg 28

1.2.3. Efficiency:

Data submitted to UNESCO UIS suggests that the repetition rate in primary school in 2015 is 4.70 percent (4.37 for girls and 5.03 for boys) and the Primary Gross Completion Rate was 80.4 percent in 2017. A significant percentage of students were dropping out of the primary education cycle²⁵, particularly in the upper primary grades, however, according to the 2018 Annual Education Sector Performance report (AESPR) the average dropout rate is now below 1 percent.²⁶ Consequently, the survival rate has improved. The Survival Rate from primary Standard 1 to the last grade of basic education cycle 2 (Form IV), grew from 34 percent in 2016 to 48.4 percent in 2018.²⁷ The Net Completion Rate for primary school is only 34 percent owing to a high percentage of children who do not enroll at the official age and repetition. Due to high repetition rates in the lower grades of primary education, the over-age rate builds up rapidly from 24.2 percent in Standard I to 42.8 percent in Standard IV. Its effect continues into later stages of education. At the lower secondary school, almost half (46.9 percent) of children are over-age for their grades.

Pre-primary schools, particularly Government schools, are not well served with teachers. The Pupil to Teacher Ratio (PTR) in Government schools was 215:1 in 2018 and the Pupil to Qualified Teacher Ratio (PQTR) was 249:1 in the same year. These rates are unsustainable and are caused by the Free Fee Basic Education Policy recently introduced which includes one year of pre-primary education.

Due to the ongoing attrition of teachers and a rate of deployment of new teachers well below what is needed, caused by GoT freezing new hires while eliminating ghost teachers, the national PTR in government primary schools rose for the second year running, from 43:1 in 2016 to 50:1 in 2017 to 54:1 in 2018.²⁸ In 2018, the number of primary students again rose by 8 percent whereas the number of primary teachers dropped by another 1 percent, having already dropped by 6 percent in 2017. This has resulted in a total of 68 LGAs not having enough teachers even to be able to achieve a PTR of 60 or better.²⁹ The national PQTR was 52:1 in 2017. However, there are major imbalances across districts with Katavi District having a ratio of 75:1 and Kilimanjaro only 34:1.

A new Teacher Deployment Strategy began implementation in 2018. The formula contained within this strategy provides a way of determining the need for teachers, school-by-school, including the standard-specific teacher needs. It also includes the utilization of double shifts for pre-primary and for primary Standards 1 to 4.

Tanzania has a major classroom shortage with a national Pupil to Classroom Ratio (PCR) of 77:1 in 2017. This is a particular problem in urban populated areas where an early World Bank assessment found ratios of 92:1. The ESDP states that a class size of greater than 100 is a reality in more than 5,000 schools. Efforts to alleviate the shortage include double-shifting and use of funds released by the Education Programme for Results (EPforR) for classroom construction.³⁰

²⁵ Based on UNESCO UIS, cumulative drop-out rate to the last grade of primary education was 35.71 percent in 2012.

²⁶ AESPR 2018 page 5, Table 1.1: ESDP Key Performance Indicators Result Table from FY2015/16-2017/18

²⁷ AESPR 2018 Draft, page 5.

²⁸ BEST data

²⁹ EPfor4 Annual Report, pg 25

³⁰ The community-empowerment approach as designed in the context of EPforR has demonstrated to be effective for mass-delivery and is also highly cost effective. Unit cost of classroom construction implemented is US\$128/m² significantly lower than LGAs directly managing school construction (US\$213/m²).

1.2.4. Monitoring of Sector Performance:

The ESDP monitoring, review, and evaluation procedure is planned as an interrelated and sequential chain of continuous monitoring, annual reviews, short-term and system-wide evaluations. The procedure will apply to all levels and sub-sectors. While external evaluations will be commissioned by GoT, a formative evaluation function will be built into the Joint Education Sector Review (JESR) process and the Annual Education Sector Performance Report (AESPR). A multi-year operational plan and a Monitoring and Evaluation Framework was created to guide the ESDP sector monitoring. Therefore, it is expected that the operational plan will be used throughout the year for monitoring and reporting on implementation and budget execution of the key strategies.

Joint policy dialogue is structured through the Education Development Committee (ESDC), which includes several cross-sectoral ministries, Development Partner (DP) and Non State Actor (NSA) representation.³¹ The ESDC is chaired by MoEST and coordinated by a DP on a rotational basis. Currently the Chair of the Donor Partner Group is DFID and the co-Chair is USAID. The ESDC meets quarterly and an ESDC Task Force scrutinizes technical matters emanating from the Technical Working Groups (TWGs)³² before they go to the ESDC for approval.

In light of the implementation of the decentralization policy, two main challenges need to be faced: inter-ministerial coordination between MoEST and PO-RALG, and intra-ministerial coordination within each of the two main ministries (particularly PO-RALG at the LGA level) within the overall ESDP M&E framework. In addition, while the Operational Plan is well defined, it needs to be monitored and updated based on evidence and budget constraints so that it becomes an efficient programming and monitoring tool.

2. FIXED PART REQUIREMENTS

2.1. Requirement 1: A credible, endorsed Education Sector Plan (ESP), or alternatively, a Transitional Education Plan (TEP).

The ESDP approved by the Government of Tanzania (GoT) for implementation is the result of a meaningful and extensive collaboration between MoEST and PO-RALG, and the development partners, including civil society. The ESDP was first drafted in 2016 after a series of participatory workshops and its main strategic thrust obtained approval at the ESDC and by GoT that same year. The Operational Plan and the M&E Framework were completed in late 2017. In early 2018, the ESDP underwent further consultations as part of the external appraisal process. The GoT considered and transparently responded to all appraisal recommendations, significantly strengthening equity-focused strategies in the ESDP, revisiting the simulation model and strengthening the operational aspects. For instance, the appraisal stressed how Tanzania's complex budget processes make it challenging to have a complete alignment between the multi-year operational plan and the annual budget. The GoT and partners plan to continue improving budget planning and reporting processes. In addition, the appraisal noted weaknesses in the ESDP strategies to address gender gaps and access for vulnerable groups such as refugees. The

³¹ ESDC membership includes: Permanent Secretary, MoEST (Chair); Permanent Secretary, PO-RALG (Co-Chair); Commissioner of Education; Directors and Heads of Allied Institutions – MoEST; Directors responsible for Education Administration – PO-RALG; Representatives from NSAs; Representatives from Development Partners; A Representative from the Teachers' Union; and A Representative from the Private Sector.

³² TWGs provide a forum for technical staff to deliberate on the priorities, actions, studies, research and recommendations that will facilitate progress in the education sector. There are three TWGs: Access and Quality Improvement; Monitoring, Evaluation, and Learning; and Resource Allocation, Cost Efficiency and Financing (RACEF).

endorsed ESDP contains strengthened elements to help keep girls in schools and provide quality educational opportunities for all children.

The full ESDP package was submitted to the Secretariat in August 2018. The Secretariat's own assessment of the ESDP conducted with the purpose of feeding the GPE2020 Results Framework concluded that 7 out of the 7 quality standards were met.

In addition to supporting the emphasis on equity, learning and efficiency in the ESDP, DPs recognized that the ESDP is "an enormous accomplishment because for the first time in Tanzania, the ESDP unifies all the plans of all Government entities under one Framework, and identifies meaningful and measurable Key Priority Indicators to track progress across the entire sector".³³

The ESDP will be implemented through multiple agencies at national level, 26 regional administration and 184 councils with their own planning and budgeting mechanism. It is the first time that the ESDP provides an overarching framework within which the plans and budgets of all implementing agencies must be set and to which they should be aligned. This is a big step forward as every implementing agency is now required to ensure its accountability through the ESDP M&E framework.

Conclusion: Requirement 1 is met.

2.2. Requirement 2: Evidence of commitment to ESP or TEP and its financing.

The overall education budget has steadily been increasing, and the share of the government budget allocated to education has remained over the 20 percent benchmark. Government commitment to education for the current year (2018) is reported at 23.6 percent of the national budget after removing debt servicing and is maintained over the period of the ESPIG. The share of the education budget going to primary education is well above 50 percent, currently 57 percent, and will be maintained at that level for the period of the ESPIG.

Issues were identified in the Secretariat's initial review of the ESDP and in the external appraisal report, particularly the size of the projected financing gap for the ESDP. Further work involving simulation modeling and agreements on economies has resulted in a more sustainable set of annual gaps: less than 1 percent for the years 2016/17 and 2017/18 and about 2 percent subsequently. While the share of education in the total GoT budget is above 20 percent when debt servicing is excluded and the share going to primary is always above 50 percent, the trend for debt servicing has been rising (from 3 percent of budget in 2013 to 8 percent in 2016) and this gives cause for concern. That said, the 2017/2018 budget prioritizes increased revenue collection and fighting tax evasion. Efforts to formalize the informal sector and widen the tax base should result in increased revenues that, combined with continued advocacy, may be used to meet forecasts under the ESDP financing framework. Given the ambition of the ESDP it will be important that GoT maintain the share of education recurrent education expenditure in the overall Government budget. Given the poor teacher to pupil ratio across many schools, accelerating the hiring of teachers should continue in line with the ESDPs simulation model.

Development partners have expressed their intention to align their contributions to the ESDP. The contributions to the education sector by DPs, around 10 percent of the total education budget, represent 27.3 percent of development expenditures.

Conclusion: Requirement 2 is met.

³³ Development Partner ESDP endorsement letter, 14 August 2018.

2.3. Requirement 3: Availability of Data.

A comprehensive Education Sector Analysis was initiated in 2014, commissioned jointly by the Government and the DPs and undertaken with the technical assistance of UNESCO. The final ESA report is dated September 2016. The strategies proposed in the ESDP are derived from the analysis done in the ESA and also updated with more recent data. The Government plans to conduct another comprehensive sector analysis in 2020.

Tanzania has a functional Basic Education Management Information System (BEMIS) which is able to produce most data across the 12 main UIS indicators. There has been ongoing improvement in the timely availability of comprehensive school level data and these data now include unique school identifiers and GPS coordinates. Although a wealth of statistics are updated annually and made publicly available, most of this data is in the form of raw tables with limited analysis provided. The ESDP further invests in strengthening EMIS and building capacities for data use and analysis. In fact, a National Education Sector Communication Strategy is being developed which will go further in making use of these rich data by producing tailor-made communications for different audiences from policy makers to the general public.³⁴

Financing data related to expenditure have not been reported to UIS in the past owing to complexities in their compilation. However, in collaboration with MoFD, finance data are planned to be reported in the upcoming year. The last DHS and MICS report in Tanzania was published in 2015/16.

As reported, the first EGRA and EGMA assessments were conducted in 2013 and 2016 by an external body and NECTA is mandated to carry out further EGRA and EGMA assessments every two years for pupils in standard 2 and will receive technical support to implement these.³⁵ Tanzania participated in the Southern and Eastern African Consortium for Measuring Education Quality (SACMEQ) in 2007 and there are plans to participate in future SACMEQ exercises.

Conclusion: Requirement 3 is met.

3. ESPIG

3.1. PAST ESPIG PERFORMANCE

Since July 2014, a GPE grant, Literacy and Numeracy Education Support (LANES I), of US\$94.8 million is being implemented by MoEST and PO-RALG, with disbursements and oversight managed by the Swedish Embassy. The 3-year program was extended and is scheduled to close in June 2019, making it a 5-year program. Eighty-seven percent of the grant has been spent as of September 2018.

The main focus of LANES I is to improve literacy and numeracy among children 5 to 8 years of age enrolled in the early grades; particularly Pre-primary grades and Standards I to IV. Components pay special attention to activities targeting marginalized children, particularly children in hard to reach and hard to serve areas. According to the LANES I evaluation dated September 2018, the program was effective in initiating the shift from knowledge-based to competency-based curricula, the development of appropriate and relevant materials for numeracy and literacy (the 3Rs), the orientation of Standards I to IV teachers, as well as Heads of Schools,

³⁴ EPforR Annual report, 2017-2018 p. 35

³⁵ The POM for the EPforR states that Government is committed to conduct biennial 3Rs assessments

Ward Education Coordinators and Quality Assurers on the implementation of the new curricula. In addition, LANES I has demonstrated significant improvement over time in resource management, including transparent and accountable resource use.

Problems noted included some inadequacies in the LANES I M&E framework; a high number of entities involved without clear roles; and a lack of sector coordination.

Recommendations from the LANES I evaluation regarding sector dialogue, coordination and GoT leadership will be taken up by GoT and DPs in an upcoming policy review. Recommendations specific to program activities are incorporated into the design of GPE-LANES II. These include:

- Development of a more rigorous M&E framework to support the program from the outset of GPE-LANES II.
- An explicit preparation phase, led by MoEST Director of Policy and Planning (DPP) through the GPE-LANES II coordination unit, is planned for the first quarter of Year 1 to ensure that the program's vision is well understood, that all implementers understand roles and responsibilities, and to gather any missing baseline data and ensure monitoring systems are in place and functioning. This phase culminates in the development of the Operational Manual.
- GPE-LANES II aims to improve the synchronization of inputs (e.g. textbooks and teacher training), while continuing to further areas initiated under LANES I. Essential in this area is the issue of addressing capacity for educators to provide quality service delivery.
- GPE-LANES II will offer a holistic approach to teachers' professional development under Component 1, aligned with materials development under Component 2, and in collaboration with the administrators, planning and School Quality Assurance processes being strengthened under Component 3.

3.2 ESPIG DESCRIPTION

The overall objective of this GPE grant for Tanzania is to *enhance universal access to and participation in quality Pre-primary, Primary and Non-Formal Education with particular attention to learners from vulnerable groups who need greater opportunities for primary education.*

This is the second application for Tanzania Mainland, whose agreed allocation is US\$90 million.³⁶ This GPE-LANES II is a successor program to the GPE-LANES I scheduled to close in June 2019. The program is supported by the same Grant Agent (GA) Sida, and the Coordinating Agency is DFID.

Following extensive consultation with DPs and other education stakeholders, the Government of Tanzania (GoT) decided to increase the Results Based Financing (RBF) to approximately 57 percent of the Grant. The program will be implemented over a four-year period (2019/20 to 2022/23) for the standalone project and two years for the RBF (2019/20 to 2020/21).

The standalone project components and RBF indicators both support the objectives of the Education Sector Development Plan (ESDP – 2016/17-2020/21) and are in accordance with the GPE Strategic Plan (2016-2020). As mentioned, two GoT ministries hold the majority of responsibilities in planning and management of the Education Sector on Tanzania Mainland,

³⁶ The Maximum Country Allocation for the United Republic of Tanzania was increased to US\$ 100 million and announced in June 2018. The US\$ 17.7 million in additional financing was divided amongst Tanzania Mainland and Zanzibar by the Government authorities in consultation with the LEGs. Agreement was reached that as with the previously announced allocation, Zanzibar would receive 10 percent of the additional financing.

MoEST and PO-RALG. The Ministry of Finance and Planning (MoFP) also plays a role in determining, managing and providing funding.

The standalone project will be implemented within the existing GoT structures, following processes currently in place under GPE-LANES I, as a traditional standalone project. It will provide inputs and capacity building to improve learning, equity and efficiency in Primary Education. It is divided among three components:

1. Teacher Professional Development;
2. Teaching and Learning Materials; and
3. Strengthening Efficiency, Planning and Management in Education.

Components 1 and 2 focus on supporting evidence-based, continuous professional development (CPD) for teachers and teaching and learning materials in pre-primary, primary, special needs and Complementary Basic Education in Tanzania (COBET). Component 3 supports strategic interventions to strengthen coordination, planning and management through School Quality Assurance, National Assessment, and understanding of the ESDP and data-driven planning at local levels.

It is expected that the outcomes of Component 1 will include teachers using better teaching methods, Teacher Resource Centres (TRCs) better supporting teacher professional development (by convening meetings with teachers at least monthly) and an increased proportion of children with special needs enrolled in schools. The outcomes anticipated from Component 2 are: improved pupil textbook ratios in standards III - VII and in COBET classes; textbooks used in class; and special needs and pre-primary materials used for learning. Component 3 outcomes include strategic planning activities and monitoring at Local Government Authority (LGA) level driven by ESDP objectives; the new school quality assurance system functioning smoothly; and improvement in children's performance on the 3Rs. Approximately 43 percent of resources or US\$38.9 million are devoted to the Fixed Part activities.

Fifty seven percent of the grant will support an already-existing results-based funding modality known as Education Program for Results (EPforR) being supported by three DPs: DFID, World Bank and Sida. Eight Disbursement-Linked Indicators (DLIs) (from sixteen EPforR DLIs) have been selected and taken into consideration where GPE-LANES II can strategically add value to the existing EPforR agreements. Four DLIs have been identified as particularly transformative meeting the variable part threshold: *Improved girls transition rates from primary to secondary; improved student retention rates in basic education; provision of capitation grants to schools; and improved Kiswahili reading speed in 3Rs assessment*. Funds released from GPE-LANES II upon successful attainment of EPforR DLIs are earmarked for the education sector, and will be used for priority areas, which may include school infrastructure, a key priority of the ESDP, to improve access and equity for all learners and to improve the quality of learning by reducing class sizes. Approximately 60 percent of resources or US\$51.1 million are devoted to the Variable Part.

The activities developed under each component of the standalone project support each other and complement the EPforR DLIs. The fixed part also complements other government and DP programs in primary education, with GPE-LANES II filling important gaps in funding for policy dialogue at district and LGA levels.

GPE-LANES II is to be accompanied by policy dialogue which is led by the Government of Tanzania, in collaboration with DPs, Civil Societies and Faith-based Organizations (CSOs) under the auspices of the ESDC and attendant Technical Working Groups (TWGs). The program

includes a robust results framework with clear responsibilities assigned and includes a AJESR involving GoT, DPs, CSOs and other service providers.

Table A: ESPIG Components and Costs

	GPE Financing US\$
Total MCA	90,000,000
Fixed Part	
Program Component	
Component 1: TEACHER PROFESSIONAL DEVELOPMENT	6,399,998
1.1: Planning phase for TRC: round table discussions, developing handbook for TRC Coordinators aligned with CPD Strategy	1,392,148
1.2: Preparation of CPD modules	204,956
1.3: In-service training through CPD model via Teacher Resource Centers	4,360,417
1.4: Special Needs Pre-Enrollment Assessment	442,478
Component 2: TEACHING AND LEARNING MATERIALS	20,000,000
2.1: Development, printing and distribution of Standards VI & VII materials (textbooks and teacher guides), including large print editions	11,514,732
2.2: Updating, printing and distribution of COBET materials	2,735,100
2.3: Non-Textual material procured and supplied to pre-primary classes in selected primary schools	442,478
2.4: Special needs equipment procured and supplied to Special Schools and Units (Based on needs assessment)	442,478
2.5: Equipping the TRCs with appropriate furniture, and teaching and learning materials including ICT facilities, based on needs assessment	1,097,345
2.6: Re-printing and distribution of additional textbooks and supplemental readers for Standards I and II in 13 regions	3,767,867
Component 3: SYSTEM STRENGTHENING, MANGEMENT, MONITORING AND EVALUATIONS	8,000,000
3.1: Strengthening capacity to plan, manage, coordinate and monitor education and training	899,912
3.2: Facilitating Implementation of the new SQA system	6,204,205
3.3: Facilitating the National 3Rs Assessment for 2019, 2021	700,000
3.4: Program Monitoring and Evaluation	195,884
GRANT AGENT'S IMPLEMENTATION SUPPORT COSTS	1,800,000
TZ GOVERNMENT PROGRAM MANAGEMENT AND SUPERVISION	2,700,000
Sub-total Fixed Part	38,899,999
Fixed part EP4R indicators	
DLI 3.1 Release of annual education sector performance report (ESPR) in acceptable format covering ESDP outcomes	6,600,000
DLI 3.2 Annual school-level complete EMIS data available by 31st July by all LGAs uploaded to Government Open Data portal	6,600,000
DLI 5.2 Meet target for number of schools receiving school incentive grants (SIGs)	2,600,000
DLI 8.1 Meet annual target for conducting Whole School QA Visits	7,300,000
Sub-total Fixed part EP4R indicators	23,100,000
GRAND TOTAL (with Grant Agent's Implementation Support Costs)	62,000,000
Agency Fees (outside of MCA) **	0

3.3 ASSESSMENT OF THE PROGRAM DOCUMENT

The QAR phase II report found that the results being supported by GPE-LANES II will strengthen efforts to improve Equity, Efficiency and Learning in the education sector and that the results-based approach is participatory, substantive, evidence-based and aligned to aid effectiveness principles.

There were a number of suggestions made for improvement and these have been adequately addressed, including: strengthening the Results Framework by incorporating indicators and targets and responsibilities for data collection and collection modalities; preparing a two-year implementation plan linking activities to responsible entities and including the third FP component on Efficiency in the M&E Framework

The overall **Program design** is clear and coherent and its objectives support ESDP and GPE goals. The Fixed Part will address a number of critical challenges: teacher readiness, textbook availability and measuring pupil learning. Program components on continuous professional development and COBET build on the experiences and lessons learned of GPE-LANES I. The investments in pre-primary and COBET programs are grounded in experience and evidence showing interventions as successful responses to reducing primary drop-out / increasing primary completion and addressing over-age enrolment and out-of-school children, The Whole School Quality Assurance activity builds on a 2017 reform establishing a School Quality Assurance System (SQAS) and initial implementation experiences through complementary DP projects and integrated into the EPforR program. The program is grounded in a convincing Theory of Change, component activities are well-described and the outcomes are identified. The activities in pre-primary and the expansion of COBET clearly contribute to equity as do those that will address the systemic weaknesses to welcome more children with special needs into the education system (training on special needs and identification exercises involving social welfare, health and community development officers). Quality is addressed through strengthening of Teaching Resource Centers to support locally based continuous professional development, whole school QA, and a focus on improving reading outcomes. Finally, efficiency issues are being addressed through the focus on improving primary completion and improving use of data.

The full **Program budget** broken down by activity share contributing to Equity (29 percent), Efficiency (29 percent) Learning (37 percent) and Program Management (5 percent) is provided in Annex 1. Unit costs have been determined based on GPE- LANES I experience and in consultation with the experts using the simulation model to examine different scenarios for the ESDP. In addition, GA costs and activities are provided. The \$1.2 million to support MoEST and PO-RALG civil service staff implementation of the program includes responsibility allowances for those civil servants from the government with additional responsibilities in the program. Lessons learned from GPE-LANES I concluded that it is best for project coordination to be led by national civil servants already familiar with the complexity of GoT systems, incentivizing existing GoT civil servants to take on such additional responsibilities was determined to be the right approach by the GA and was agreed to by the partners. The approach is also in line with GoT guidelines.

In regards to **Monitoring and Evaluation**, at national level, the Program is linked to the ESDP and M&E arrangements for the ESDP are in place and described fully in the PD. The JESR is a critical part of this as is the AESPR and the Program activities are reported on within this framework. Of particular interest is the Program's support for reviews and reporting at LGA level. Building on lessons learned the GoT has dedicated one full time staff member to project M&E. M&E arrangements of the EPforR are clearly outlined in the project operations manual.

Furthermore, the program is grounded in a comprehensive results framework that aligns to the overarching program theory of change and includes clear outcome and output targets. Priority indicators are specific, measurable and timebound and baselines and targets are provided, and are gender disaggregated where relevant, and aligned to the ESDP results framework. The results framework annex (Annex 4) provides frequency of data collection, data source, and responsibility for data collection and successfully responds to a Secretariat recommendation from QAR II. Given the level of investment in teacher training (and the difficulties in the previous program with the cascade approach) it may benefit the program to more clearly define the following indicator, “% of teachers using effective teaching methods to engage and motivate learners” (p. 133). Finally, the description of each component and subcomponent is illustrated by a results chain.

In addition to the detailed descriptions provided in the main body of the PD on **implementation arrangements and readiness**, a comprehensive implementation annex has been provided for the Fixed Part (Annex 5). This shows the timing of each activity the agency responsible, the outputs, outcomes and cost. This augurs well for implementation readiness and will prove very useful as the program is being implemented. In addition, the detailed implementation plan, complementary to the Operations Manual which is to be developed before the grant’s start date in July 2019, will help to ensure the program is implemented during the designated 4-year period. As the preparation phase is undertaken, it may be worthwhile reviewing the timing of the activities supporting the Teacher Resource Centers: beginning work with TRC coordinators in April 2020 and identifying TRC physical needs in May 2020 could be late. The program will use country systems for financial management and procurement. Project funding will flow from the GA to a designated account held by the Ministry of Finance and Planning, and then through the GoT financing system (see Annex 2). Annual audits are conducted internally in each Ministry and Agency/LGA and externally by the Controller & Auditor General (CAG). Procurement of goods and services will be done using GoT procedures.

Considerable effort had already gone into the **Risk identification and mitigation measures** and further work with GoT and partners has extended this. This is reflected in Table 14: *Risks and mitigation measures already undertaken*, Table 15: *Risk analysis summary chart* and Table 16: *GPE LANES II Fixed Part Risks by Component and Related Variable Part Risks*. Two risks are rated Very High: schools may lack protective and safe learning environments and schools do not have adequate infrastructure. Mitigation measures include enhanced community participation and the use of EPforR funds released for infrastructure. These and the other four risks rated High will require close monitoring and that is planned under the JESR.

The program is designed to be **sustainable**. The continuation of activities supported by GPE-LANES II is a feature of the design with Ministry agencies strengthened through capacity building efforts and utilized to implement. Accordingly, it is likely that key program activities will continue, at least in the medium term. Activities are well integrated into the ESDP and into on-going programs involving several DPs and are built upon experience and lessons learned. The ESDP includes a Capacity Development Plan supported by a capacity development partnership fund. Notably, the program supports skills development of teachers, TRC staff and staff involved in whole school QA, a systemic effort to strengthen Teacher Resource Centres, and links results-based financing to LGAs improved use of data for decision-making. The macroeconomic / budget / demographic context are identified as risks with respect to ensuring sufficient financing to meet ambitious sector goals (e.g., expansion of capitation grants to preprimary and COBET).

The choice of financial modalities aligns with **Aid Effectiveness** principles of ownership, harmonization and flexibility. The process was led by GoT, with other DPs and CSOs under

Tenmet. This is described in Annex 7: *Discussion on Choice of Financing Modality*. The continuation of GPE-LANES I processes ensures that GoT financial systems continue to be used while oversight and implementation is provided by GoT. In addition, and as mentioned, the PD is closely aligned to the ESDP; outcomes and monitoring are linked. Finally, the activities build on cooperation and lesson-sharing between a number of agencies working on teacher CPD: DFID through EQUIP-T, USAID through Tusome- Pamoja and Unicef, and this is likely to drive the long-term GoT policy supporting CPD for teachers.

4. RESULTS BASED FINANCING AND THE VARIABLE PART

4.1 Description of the variable part

As described earlier, the FP and VP supports the multi-donor results based EPforR program,³⁷ under implementation since 2014 and currently valued at US\$454 million. The program is scheduled to run until June 2021 but intentions are for EPforR to continue. At the mid-term point (2016), the EPforR program had made significant progress, including an improved capitation grant system, the more effective deployment of teachers, support for school incentive grants, addressing the teacher allowance backlog and improving exam results.³⁸ By 2016, improvements were made to the details of the DLIs without changing the original principles, priorities and structure and some new DLIs were added in the EPforR program. These adjustments renewed the focus of the EPforR program in driving quality improvements through an improved inspection system (school quality assurance), addressing class-size and teacher workloads, reducing student drop-outs and expanding an incentive system for schools and teachers. As GPE financing and the potential added value was being considered for EPforR, the country partners expressed the risk of having too many DLIs, which could result in a lack of focus. At its June 2018 meeting, the GPC agreed that the variable part financing could be used under the EPforR to fund *existing* DLIs.

There are a number of benefits for GPE in linking up with three other partners to support education in Tanzania through EPforR. First, there are possibilities for division of labor with each partner concentrating on areas of strength. For example, DFID is providing support for needed technical assistance to support the EPforR Coordination Unit as well as systems at central government and local levels, while the World Bank is providing oversight for financial disbursements and flows and Sida is working with central government building on its experience of implementing GPE LANES I to identify where support, including TA, is needed. Second, the EPforR program has now been under implementation for three years and built considerable experience on what works and does not to improve quality using results-based-financing. A number of critical foundational activities are already completed or underway including, for example, a robust Education Management Information System and a Framework for School Improvement Grants are in place, thus enabling sector activities to be implemented successfully. These foundational steps are critical to achievement of GPE 2020 priorities. Third, the modalities of verification and disbursement have been refined over the three year implementation period, as experience has been gained. And, based on this experience, an independent verification entity is contracted to determine progress and report on targets.

³⁷ EPforR was initially designed and approved to run for four years with up to US\$ 257 million of Development Partner financing allocated to it, provided by the World Bank, DFID and Sida. The World Bank has subsequently extended its financing by one year and added US\$ 80 million; Sida has extended its financing by two years and added SEK 635 million; and DFID has extended its financing by two years and added £ 36 million. The total funding potentially available from the three Development Partners is therefore about US\$ 454 million.

³⁸ EPforRMid-Term Review Report 2016

EPforR identifies sixteen DLIs whose achievement triggers disbursement of finance. The aggregate achievement in Year 1 was 69 percent; the aggregate achievement in Year 2 improved to 84 percent; and the aggregate achievement in Year 3 fell back slightly to 78 percent and this was due to the deterioration of both LGA and school level PTRs³⁹ (DLRs 4.1 and 4.2, refer to annex 2 for the list of DLRs).

GPE-LANES II allocates US \$51.1 million through eight DLIs. Three DLIs, related to girls' transition, retention and reading, are at the outcome level (GPE VP indicators), while other indicators reflect output and process results (Fixed part EP4R indicators).

The table below summarizes the DLI's selected for GPE VP financing – the baselines, targets and releases (Refer to annex 2 for a summary of the 16 DLIs under EPforR and their allocated financing).

Strategy	Indicator (DLI # from EPforR)	2018/19 Baseline	Targets 2019/20 and GPE funding (USD)	Targets 2020/21 and GPE funding (USD)
Equity				20,000,000
Improving the distribution of capitation grants to school and including pre-primary and COBET learners (1.5 million new learners)	DLI 2.2 Timely release total amount of capitation grants to schools monthly	100%	100%	100%
			5,000,000	5,000,000
Tracking and encouraging improvement in the transition rate of girls from primary to secondary level	DLI. 7.2 LGAs improve girls' transition rates from primary to secondary	54% of Regions	38% of Regions ⁴⁰	38% of Regions
			5,000,000	5,000,000
Efficiency				5,000,000
Tracking pupil throughput, and retention rates (by gender) to improve internal system efficiencies	DLI 7.1 ⁴¹ Improved student retention rates in primary and lower secondary education	94% of LGAs for PSR and 60% of LGAs	Improvements in 41% of LGAs and/or 38% of regions for LSSR ⁴²	Improvements in 41% of LGAs and/or 38% of regions for LSSR
			2,000,000	3,000,000
Learning				3,000,000

³⁹ EPforR Annual Report, pg 21

⁴¹ This DLI has two components: Primary survival rate (PSR) and Lower secondary survival rate (LSSR). As for the first component on PSR, this DLI is trying to rank all LGAs (currently 184) based on the improvement each of the LGAs has made between the previous year and the current year. For instance, if LGA X has PSR of 45% in 2016/17 and 52% in 2017/18, improvement is calculated as $52/45=1.156$; if LGA Y has PSR of 75% in 2016/17 and 74 % in 2017/18, the improvement is calculated as $74/75= 0.987$. This means LGA X is placed at a higher rank than LGA Y. In addition, as LGA Y has deteriorated its performance, LGA Y is not eligible for payment. After the ranking exercise, the LGAs which occupies the top 41% are eligible for payments. Each LGA received 17,934 USD. This same principle applies for LSSR.

⁴² The Target, like the GTR indicator is lower when compared to the baseline. This DLI is 100% disbursed if at least 41% of LGAs for primary and 38% of regions for lower secondary improve their retention. Once this cutoff is achieved, all improved LGAs will receive funding proportional to how much they have improved.

Incentivizing and motivating improvements in primary learning outcomes in reading at Standard II	DLI 6.2 ⁴³ Meet annual target of improvement in average words per minute in 3R assessment	17.3 wpm tbc		19.3 wpm tbc
				3,000,000
Total				28,000,000

⁴³ It was agreed that the EGRA baselines would be reset given the declining trend from 23.6 wpm to 17.3 wpm, no payout was made in 2018. The EPforR requirement is a minimum of 1 wpm improvement per year.

The table below summarizes the Fixed part EP4R DLIs (Refer to annex 2 for a summary of the 16 DLIs under EPforR and their allocated financing).

Strategy	Indicator (DLI # from EPforR)	2018/19 Baseline	Targets 2019/20 and GPE funding (USD)	Targets 2020/21 and GPE funding (USD)
Enhancing mutual accountability and transparency on the achievements of partners in delivering education services	DLI 3.1 Release of annual education sector performance report (ESPR) in acceptable format covering ESDP outcomes	100%	100%	100%
			3,300,000	3,300,000
Strengthening the capacity of national, regional and LGA levels to support their M&E and planning with comprehensive and accurate data	DLI 3.2 Annual school-level complete EMIS data available by 31st July by all LGAs uploaded to Government Open Data portal	100% complete per LGA	100% complete per LGA	100% complete per LGA
			3,300,000 (per LGA 11,413)	3,300,000 (per LGA 17,934)
Incentivizing schools to improve their learning outcomes through enhanced accountability and quality assurance at school level	DLI 5.2 ⁴⁴ Meet target for number of schools receiving school incentive grants (SIGs)	400 schools	400 schools	400 schools
			1,300,000	1,300,000
Enhancing changes in teacher behavior and improvements in school management	DLI 8.1 Meet annual target for conducting Whole School QA Visits	Not measured	11,139 schools cumulatively from start of new SQA system to 30th June 2019	Additional 5,570 schools from 1st July 2019 to 30th June 2020
			4,000,000	3,300,000
Total				23,100,000

4.2 Assessment of the results-based financing and the variable part

The proposed strategies and corresponding indicators and targets are likely to support substantial medium-term progress at a system level on key challenges in equity, efficiency and learning outcomes. Further, being part of an existing program, the strategies and targets build on available evidence and reflect a working theory of change. The approach is closely aligned to GoT policies and actions as it adheres to GoT priorities, works within GoT plans and budgets and aims to build

⁴⁴ This DLI considers SIG as a means of recognizing and rewarding excellent performance by schools. Awards are given each year to the best and most improved primary and secondary schools (as a means of encouraging all teachers and students to improve and aspire to be the best). Each year, 400 government schools will receive monetary awards: 90 schools with best performance and 310 most improved schools (at least 20% improvement) in Primary School Leaving Examination and Certificate for Secondary Education Examination results during the year.

sustainable institutional capacity within the GoT delivery system. Proposed strategies are embedded in the EPforR program, which is based on the ESDP, reflects ESDC consensus, and as mentioned, is supported with co-financing from other development partners.⁴⁵

QAR phase 2 recommended that the program document provide further information on the capitation grant and the value added by GPE. It also requested the country to allocate 30 percent of the financing to 'transformative' indicators and assure that a mechanism for GoT to report annually to the LEG about how EPforR funds are used be ascertained. These recommendations have been taken into account. All of the DLIs are considered relevant and four (marked in bold in the table above) have been identified by GPE-LANES II as being particularly transformative and these have been allocated 30 percent of the financing.

The transformative effect and stretch effects of the four selected DLIs are well discussed in the PD⁴⁶ and the links between all eight DLIs and equity, efficiency and learning outcome strategies are well established. The selection of DLIs increases the emphasis on equity for pre-primary and non-formal as well as for girls. GPE value add is evident in that school capitation grant amounts are now based on the number of pupils INCLUDING 1.5 million pre-primary and COBET learners and that GPE financing provides additional incentive for LGAs to improve girls' transition rates to lower secondary. Indicators and targets demonstrate an adequate level of ambition and are in alignment to the ESDP. For all indicators, calculation of target attainment is outlined in the POM, which has been endorsed by all partners.

Equity

Incentivizing "Releasing the total amount of the capitation grant to schools monthly" has already resulted in significant improvement in the amount disbursed 6,000 Tsh (approximately US\$2.60) per child and the speed of disbursement as the grants are now sent directly to school accounts from MoFP. The equity strategy supports the expansion of the capitation grant to COBET and pre-primary students (a pro-poor access promotion and quality-support intervention). Evidence of the value added by GPE finance to the existing program includes promoting an extension of the capitation grant to include nearly 1.5 million pre-primary and COBET learners. Clearly, expansion of the capitation grant to these sub-sectors will support improved access to children from disadvantaged backgrounds.

Improvements in girls' transition to lower secondary education are also incentivized. Girls' primary school leaving exam scores and transition rates to lower secondary still lag behind that of boys, so focusing on this issue, in addition to promoting known externalities associated with increases in girls' education attainment, will also support progress toward gender parity at increasingly higher levels of education. Furthermore, improving girls' transition rates is likely to drive consideration of gender issues at primary school as school staff, LGA officials and communities work together to improve these rates. The equity strategies are clearly designed to be system-wide and incentivize sector progress, with a focus on areas (e.g., LGAs) with lagging girls' transition rates. The competitive aspect of the girl's transition rate not only incentivizes ambition (higher achieving regions get a greater share of financing) but also leverages the incentive provided by the additional available results-based financing.⁴⁷ For instance, efficiency indicators

⁴⁵ Table 4 in the PD presents ESDP Alignment of EPforR Disbursement-Based Indicators Selected for the Variable Part with the ESDP

⁴⁶ Section 7.2.3 and results chains (Figures 21,22 and 23)

⁴⁷ According to SIDA rules (in the POM), "all Regions that improve their girls' transition rate in the year will be eligible for an incentive payment. ...the total amounts disbursed within Regions will be scaled according to the percentage year-on-year improvement in the girls' transition rate so that, for example, a Region that achieves a 20% improvement in GTR would receive approximately twice as much as a Region that achieves a 10% improvement." The disbursement calculation and rule on the survival indicator is similar.

targeting annual performance reports and EMIS availability at the LGA level further support results-focused planning at LGA level.

Efficiency

The proposed efficiency strategy, to incentivize survival rates at the primary and lower secondary sub-sectors, with a focus on LGAs that are behind, will, if results are met, translate into a direct increase in the internal efficiency coefficient. In 2016, the primary survival rate average was just under below 50%, with more than 70 (of 180) districts falling below the mean. The proposed theory of change is grounded in the experience of the EPforR, wherein the provision of a clear financial incentive that is directed to the LGA level stimulates local actions to make progress on priority indicators. Efficiency indicators targeting annual performance reports and EMIS availability at the LGA level are a key facet of the GoT strategy to strengthen prioritization and improved resource allocation at the LGA level and are expected to further support results-focused planning at LGA level. The design of the survival rate indicators (and the girls transition indicator) encourage continuous improvement (progress against prior gains) and have a competitive aspect as higher achieving regions get a greater share of available financing. Both design aspects help the strategies meet the criteria of stretch/adequate ambition. Notably, the design also appears to incentivize those regions with the lowest survival rate as their starting point is lower and they are therefore more likely to make larger improvements in the rate.

Learning Outcomes

Proposed strategies and targets for improvement in reading outcomes assessment are relevant to the learning outcomes dimension. Incentivizing progress on reading outcomes is especially important considering that learning levels in standard 2 are declining and that the system needs to improve quality as class sizes expand due to the policy on fee free basic education. Other strategies and targets, related to school incentive grants and whole school QA, will incentivize exam performance and a strengthened decentralized quality support mechanism, respectively. The Whole School QA target builds on and extends the initial fixed part investment to further incentivize implementation of this relatively new approach at system level.

One particularly valuable benefit of linking to the EPforR is the robust *means of verification* procedures already in place and described in the POM. In addition to clear guidance on what constitutes successful achievement, the verification process itself is carried out by an independent entity. Resources are provided by DPs for the independent verification. Results are scalable and the role of external verification and the frequency of timing of expected deliverables are clear. The PD further notes that independent verifications “affirm ... marked change of behavior by government agents at both national and local levels in improving education delivery” as a result of EPforR and its results-based approach.

A solid description of the flow of funds and *disbursement mechanisms* is provided.⁴⁸ Arrangements will follow those currently in use for the existing EPforR program, and they will be in synch with the EPforR (i.e., same end point in June 2021). The disbursement mechanism for GPE VP funds is IFMIS, the government-wide online management accounting system operated by the Ministry of Finance and Planning. For the VP, finance is transferred to the Government Revenue Account, Bank of Tanzania, based upon achievement of the DLIs. The Development Partners have stipulated through their legal agreements that the EPforR disbursed finance must be utilized within the education sector. GoT reports on an annual basis how the EPforR funds are

⁴⁸ section 7.3 and Annex 2 Figure 26

used in the education sector. Decisions on undisbursed amounts are made annually and in accordance to the POM. If results are not fully achieved, undisbursed amounts will roll over to the next fiscal year, and if still not used by the end of the program, they will be returned to GPE as per GPE policy and guidelines.

5. RECOMMENDATIONS⁴⁹

This program is relevant for GPE because it clearly improves equity and learning through building a stronger system. Both GPE-LANES I and EPforR have been under implementation for several years and have built considerable experience on what works and does not to improve education systems and learning outcomes for children. Under EPforR, a number of critical foundational activities have been completed, including, for example, a robust EMIS, a functioning Capitation Grants system, and a new School Quality Assurance system. These foundational elements enable ESDP strategies and activities to be implemented successfully.

The Secretariat recommends the Grants and Performance Committee to consider that the three funding model requirements are met. Tanzania has a credible and endorsed sector plan, is demonstrating meaningful commitment to implementing the plan, and data collection and data availability are satisfactory and improving. The country partners are to be commended for their accomplishment because for the first time in Tanzania, the ESDP unifies all the plans of all Government entities under one Framework and identifies meaningful and measurable KPIs to track progress across the entire sector. This is an important evolution since Tanzania joined the Partnership in 2013. The GoT strategy to improve performance at sub-national levels through strengthened prioritization, improved resource allocation and monitoring under the umbrella of the country-owned ESDP Results Framework and the EPforR DLIs is core to the approach.

Moreover, the results being supported by GPE-LANES II will strengthen efforts to improve equity, efficiency and learning in the education sector and the Variable Part indicators embedded within the EPforR are focused on key sector results that demonstrate implementation of transformational strategies. The EPforR instrument is participatory, raises the game from inputs to outcomes and impact, is evidence-based and aligned to aid effectiveness principles. The Secretariat finds the proposed program to be strong and relevant in the country context, well aligned to the sector plan and fully owned by the country partners.

Given the ambition of the ESDP it will be important that GoT maintain the share of education recurrent education expenditure in the overall Government budget. The poor teacher to pupil ratio across basic education will have detrimental effects on quality. Such effects could stagnate, or even reverse the advancements made in enrolling more children in school since the introduction of fee free basic education. As such, accelerating the hiring of teachers should continue in line with the ESDPs simulation model.

The Secretariat considers that it would be good to enhance the AESPR so that it incorporates reporting on ESDP implementation and budget utilization. Indeed, the Secretariat welcomes the intentions of the GoT and partners to continue improving budget planning and reporting processes. It is appropriate for the ESDP's operational plan to become an efficient programming and monitoring tool and to be used throughout the year for monitoring and reporting on implementation and budget execution of the key ESDP strategies.

⁴⁹ These recommendations were adjusted by the GPC. The final recommendations are found in Board Document BOD/2019/02 DOC 05 Annex 1.

The Secretariat very much welcomes the evaluation of GPE-LANES I which underscored the wisdom of developing a robust M&E/results framework during, not after, the programs design-phase and the need for outcomes to be tracked more consistently to have a better sense as to the key levers for change. Given the level of investment under GPE-LANES II in teacher training and the lessons encountered from GPE-LANES I on the cascade approach, it may benefit the program to more clearly define the following indicator, “% of teachers using effective teaching methods to engage and motivate learners” (p. 133). The monitoring of instructional practice of teachers, especially in disadvantaged schools so that improvements in instruction can be measured and the effectiveness of teacher training on learning be better established is fundamental for delivering an education of quality.

Although the endorsed ESDP contains strengthened elements to help keep girls in schools and provide quality educational opportunities for all children, the Secretariat is concerned at the recent events in Tanzania that are contrary to freedom of expression and human rights. The denial of education for girls who are pregnant is in direct contrast to both international and GoT commitments as well as to the guiding principles of education as a public good and human right and achieving gender equality under the GPE Charter. The GPC/Board may wish to recommend that the GoT under the framework of the JESR and AESPR provide an annual update on the activities to support girl’s education, including to alternative pathways for adolescent girls who have dropped out of school because of pregnancy. In addition, reporting on whether the options have been accessible for girls and are leading to access to secondary school might be appropriate.

Annex 1: Major Interventions of Development Partners

Donor name	Major interventions	Financial scale	USD (Rate of Dec 7.
DFID	Girls' Education (primary and lower secondary) support to CAMFED (Tanzania)	£ 5,634,353 (2012-19)	\$ 7,181,602
	Primary and Lower Secondary, System (EQUIP-T)	£ 90,200,00 (2012-2019)	\$115,248,540
USAID	Pre-primary and Primary	\$ 67,000,000 (Jan 2016-Dec. 2020)	\$ 67,000,000
Canada	Teachers' Education Support at Pre-Primary, Primary, Lower Secondary and Higher Secondary	CAD 60,000,000 (2016-2021)	\$ 45,035,916
UNICEF	Basic Education Support: Pre-Primary, Primary, Lower Secondary and Out-of-School Children, System	\$ 26,500,000 (2016/17-21/22)	\$ 26,500,000
DFID, Sweden, World Bank	Education Program for Results (EPforR) – Primary and Lower Secondary, System	£ 104,000,000 (DFID)	\$132,550,808
		SEK885,000,000 (Sweden)	\$97,488,746
		\$122,000,000 (World Bank) (2014-2020)	\$122,000,000
World Bank	Secondary Education	\$ 300,000,000	\$ 300,000,000

Annex 2: Summary of EPforR DLI funding (USD Million) ⁵⁰

		Total Planned Maximum Release	GPE funding Maximum Release
DLIs assessed as Foundational Activities (original group)			
1.1	Agree on 4-year BRNEd budget framework	3.0	
1.2	Establish robust and comprehensive EMIS (job descriptions & school census)	3.0	
1.3	Prepare on format for CG transfer to schools	3.0	
1.4	Prepare list of primary and secondary schools	3.0	
1.5	Establish format, baseline, and targets for primary PTRs	3.0	
5.1a	Framework for SIGs established	3.0	
5.1b	Framework for STEP established	3.0	
6.1	3R tools established	3.0	
DLIs assessed as Foundational Activities (Additional Financing group)			
1.1	Approve a Schools Quality Assurance Operations Manual	3.6	
1.2	Approve an updated Primary Teacher Deployment Strategy	3.6	
1.3	Approve a new National Strategy for Inclusive Education	3.6	
1.4	Approve a Schools Infrastructure Strategy	3.6	
DLRs for Recurrent Verification and Fund Release			
2.1	Release total level of funding quarterly against agreed EPforR budget lines	103.5	
2.2	Release monthly total level of CGs to school nationwide	29.7	10.0 (Equity)
2.3	Primary schools have an adequate supply of textbooks	17.0	
3.1	Release Annual Summary Education Performance Report (ASEPR)	17.1	6.6 (Efficiency)
3.2	Make available annual school-level EMIS data set by all LGAs	17.1	6.6 (Efficiency)
4.1	Meet annual target for # of LGAs achieving acceptable primary PTR range	30.7	

⁵⁰ EPforR Programme Operations Manual, Updated and approved March 2018, page 15, 16, 17

4.2	LGAs meet annual target for # of schools achieving acceptable primary PTR range	45.5	
5.2	Meet annual target for @ of schools reviving SIG/annum	19.7	2.6 (Learning)
5.3	Meet annual target for @ of schools conducting STEP activities	4.0	
6.2	Meet annual target of improvement in average Kiswahili words per minute in 3R assessment	35.2	3.0 (Learning)
6.3	Meet annual target of improvement in addition and subtraction in 3R assessment	13.8	
7.1	LGAs improve aggregate Primary and Lower Secondary Education Survival Rates	33.9	5.0 (Efficiency)
7.2	LGAs improve girls' transition rates from primary to secondary	21.9	10.0 (Equity)
8.1	Meet annual target for conducting Whole School QA Visits	15.0	7.3 (Learning)
8.2	LGAs improve their Overall School Quality Scores	9.1	
9.1	Meet annual target for number of commissions awarded for policy, planning and innovation	2.0	
	Total	453.6	51.1