

**ZANZIBAR 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 the Board meeting 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 Zanzibar, as recommended by the Grants and Performance Committee (GPC) following its discussion of the grant application during its October 23–25, 2017 meeting.

2. RECOMMENDED DECISION

2.1 The GPC recommends the Board approve the following decision:

BOD/2017/12-XX–Approval of Allocation for an Education Sector Program Implementation Grant to Zanzibar: The Board of Directors with respect to the application submitted in the third round of 2017:

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/2017/12 DOC 14.
2. Approves an allocation from GPE trust funds for an education sector program implementation grant (ESPIG), as described in the application and summarized in Table 1 in BOD/2017/12-XX 2 (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\$:

Zanzibar		
a.	Maximum Country Allocation	8,230,000 ¹
b.	Allocation Requested (70%)	5,761,000 ²
c.	Fixed Part	5,761,000
d.	Variable Part	n/a
e.	Allocation Recommended by GPC	5,761,000
f.	Grant Agent	Swedish International Development Cooperation Agency (SIDA)
g.	Agency Fee % - Amount	-
h.	Period	4 years
i.	Expected Start Date	April 1, 2018
j.	Funding Source	GPE Fund

3. Requests the Secretariat to:

- a. Include in its notification to Zanzibar, the relevant grant agent and coordinating agency, for distribution to the local education group (LEG) of the approval of the allocation and the expected timeframe for signing of the Grant Agreement and grant effectiveness, as applicable, the conditions, requests for report-back, and observations on the program as recommended by the GPC and set out in Annex 1 to BOD/2017/12 DOC 14.
- b. Include an update on the issues listed as “conditions” and “report back” in the annual Portfolio Review in accordance with the specified timelines.

3. BACKGROUND

3.1 The Committee assessed the grant application from Zanzibar for the fixed part of the maximum country allocation (MCA). Zanzibar had decided not to apply for the variable part of the MCA at this time.

3.2 Prompted by the GPC Chair, no conflicts of interest were declared by Committee members.

3.3 The GPC had a rich discussion regarding the application and found that Zanzibar met the fixed part requirements of the funding model. 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) for further information.

¹ Zanzibar is semi-autonomous from the United Republic of Tanzania. In accordance with the Board's decision on federal systems (BOD /2012/06-05), the Governments of Tanzania Mainland and Zanzibar agreed to divide the maximum country allocation of US\$82.3 million, granting 10% of the MCA to Zanzibar and the remaining 90% for the Mainland.

² Includes US\$300,000 for the cost of the grant agent to perform its roles and responsibilities (formerly supervision fees). Per decision BOD/2015/10-02 supervision fees are funded from the maximum country allocation effective from the second funding round of 2016

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 III

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

- Zanzibar ESPIG Application Package (GPC/2017/10 DOC 03)

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

Zanzibar	
Observations	<p>The Committee was impressed by the participatory process and high level of government ownership in developing the Zanzibar Education Development Plan (ZEDP) II and grant application which is strong, relevant, and addresses critical education needs in Zanzibar. The Committee further commends the country's exemplary commitment to inclusive education.</p> <p>The Committee notes the recently available assessment on early learning, Measuring Early Learning Quality Outcomes (MELQO) and encourages Zanzibar to make use of the findings to enhance the M&E framework in GPE 2 and ZEDP II as appropriate, and to follow up on the report's recommendations to deliver equitable and affordable pre-primary education based on quality standards.</p> <p>Similarly, the Committee positively notes the mapping of school capacity to absorb out-of-school children being undertaken with the technical support of Oxford Policy Management and encourages the MoEVT and its partners to use the data and further enhance the program's planning, implementation and monitoring once the study becomes available.</p> <p>With regard to the ambitious three-year proposed timeline of the grant proposal and considering the planned work related to community-based construction and renovation of pre-primary classrooms as well as the comprehensive policy development and standard-setting work, the Committee recommends to delay the Expected Start Date by one month to April 1, 2018 and to increase the program's implementation period from three to four years. The additional time for implementation will also allow the MoEVT and partners to ensure the program is responsive to the evidence and recommendations contained in the MELQO study and out of school mapping study.</p> <p>Lastly, given the interdependence and complementarity of activities, it will be important to ensure coherence and proper sequencing between GPE 2 and the IDA financing - Zanzibar Improving Student Prospects Project (ZISP), as well as other development partner interventions within the broader framework of ZEDP II. Implementing the vision contained in ZEDP II for strengthened sector monitoring and Annual Joint Sector Reviews (AJESRs) will be instrumental for improving coherence in the sector.</p>
Report-Backs	<p>The Committee considers that while Zanzibar currently allocates less than 45 percent to primary education, the potential risk to the achievement of UPE associated with sub-sector expenditure is mitigated by the high level of sector performance in relation to primary completion rate at 89 percent and its strong internal efficiency.</p> <p>The Committee requests that the annual implementation report in 2018 and going forward include data on the sub-sector share of domestic financing and expenditure on pre-primary and primary education, access to pre-primary education and primary education completion.</p>

	<p>The Committee encourages Zanzibar to increase its share of the education budget allocated to primary education towards 45 percent and encourages clearer demarcation of the pre-primary and primary sub sectors in the future.</p> <p>The Committee is further pleased that Zanzibar's first Annual Joint Education Sector Review (AJESR) is slated to take place in February 2018 and requests evidence that it has taken place at the Committee's April 2018 meeting.</p>
Conditions	N/A

ANNEX 2 – SECRETARIAT QUALITY ASSURANCE REVIEW PHASE III

Quality Assurance Review – Phase 3

Proposed Grant Amount US\$ 5.76 million
Fixed Part: US\$ 5.76 million; Variable Part: N/A
Projected Implementation period: 3 years
Projected implementation start date: 1 March 2018
Grant Agent: Swedish Embassy

1. BACKGROUND AND EDUCATION SECTOR OVERVIEW

1.1. COUNTRY BACKGROUND

In 1964, Zanzibar joined Tanganyika to form the United Republic of Tanzania, but remained semi-autonomous and is governed by the Revolutionary Government of Zanzibar (RGoZ). Zanzibar has its own government, a legislative assembly, the Executive headed by the President of Zanzibar, and its own Judicial System. The RGoZ has responsibility for overseeing development in key sectors, including education.

The population of Zanzibar has grown substantially, and if the current population growth rate continues (approx. 3 percent per annum) the population will double in the next 24 years, increasing the demand for services in a short space of time. With a median age of 17 years, Zanzibar has a young population.

Although Zanzibar's economic growth has averaged about 7 percent per year, the fiscal situation in Zanzibar is somewhat precarious in the face of declining commodity prices and overoptimistic budgeting. Moreover, rapid population growth has impeded poverty reduction and posed challenges for youth employment and provision of social services.¹

Tanzania – Zanzibar	
Population	1,439,144 million (2015, RGoZ projection; 2016 projections are at 1.6 million but are pending to be published)
Human Development Index Ranking	151 (2015, Index is for Tanzania which includes Zanzibar)
Gross Domestic Product (GDP) US\$	Real GDP US\$ 675 million (2015, ESA)
GDP per capita	US\$ 817 (2015, Office of the Chief Government Statistician Zanzibar)
World Bank Income Classification Level	Low-income (\$1,005 or less, FY18, WB Data, Data for Tanzania)

¹ Program Document pg. 6.

1.2. EDUCATION SECTOR OVERVIEW

The education system is in a transition phase to 12 years of free compulsory basic education: two years of pre-primary + six years of primary (Standard 1-6) + four years of ordinary secondary (Form 1-4).

1.2.1. Learning outcomes:

Recent assessments conducted in Zanzibar show learning challenges in early grades. In 2016, an EGRA/EGMA assessment administered to a representative sample of Standard 2 children identified 56 percent of children as non-readers (not being able to read a single word); 35 percent as beginning readers; 8 percent as progressing readers and 1 percent as proficient readers. EGMA results showed similar challenges, identifying 34 percent of children as non-performers²; 53 percent as emerging performers; 11 percent as approaching benchmark performers and around 2 percent reaching benchmark in Standard 2.³

The Measuring Early Learning and Quality Outcomes (MELQO)⁴ school readiness assessment was conducted in August 2017 in 50 schools across Zanzibar. Troublingly, preliminary findings from the MELQO found that there was no statistically significant difference in domain scores for children who had attended pre-primary schools as compared to those who had not. Recognizing concerns about the low quality of pre-primary education, the Zanzibar Education Development Plan (ZEDP) II identifies improving the quality of pre-primary education as a priority.

The ESA expresses concern about Grade 7 exam performance as the pass rate in the Standard 7 examination fell to 73% in 2014, down from 85% in 2010.⁵

1.2.2. Equity:

Retention and completion rates at the primary level are strong with the majority of girls and boys (89 percent) completing 6 years of primary education. Nearly all (96 percent) children finishing Standard 6 go on to ordinary secondary level.⁶ Retention, however, is problematic at and beyond the ordinary secondary level of schooling.

While the transition rate from primary to ordinary secondary is high at 96 percent (for public-school students), the transition rate from ordinary secondary to advanced secondary is very low (6%), resulting in extremely low coverage at the highest level of pre-tertiary schooling.

Enrolment at the pre-primary level has almost doubled, with growth concentrated in public schools. The Government of Zanzibar estimates that approximately one quarter of pre-primary aged children are enrolled in pre-primary education (the figure is lower, at 18 percent, in rural areas) with about 55 percent of children

²Non-performers are those who scored zero for the missing number subtask and for the addition and subtraction subtask.

³Assessment covered 448 children enrolled in Standard 2, across 75 schools.

⁴MELQO measured domains such as emerging numeracy and literacy, socio-emotional, executive function, fine motor skills and health. Pupils' performance on these measures gives us an indication of their skills as they began primary school and their preparedness to be successful in Standard 1.

⁵ESA pg 53

⁶ESA pg. 18

enrolled attending a private or Tucheze Tujifunze (TuTu) pre-primary centers (Learning through Play community based centers). The ZEDP II aims to increase enrollment in pre-primary to 50 percent by 2020.

At the pre-primary and primary levels, most districts are close to gender parity in enrolment. Gender Parity Index (GPI) for Gross Enrolment Ratios (GERs) across the districts ranges from 0.97 to 1.1 at both levels. The situation is very different at ordinary secondary level, where enrolment of girls outnumbers boys in all districts.⁷

An estimated 37,000 (15 percent) primary-aged children were not enrolled in school in 2014. Disparities in access to education vary by household wealth: Children from the poorest 20 percent of households have a 40 percent chance of being out of school, while children from the richest 20 percent have a 7 percent chance of exclusion.⁸ Many children with disabilities also seem to be excluded from education: the population census suggests that 3-4 percent of children aged 0-19 years have a disability, while data reported by schools suggest that children with disabilities represent less than 2 percent of all students in schools (public and private).

1.2.3. Efficiency:

Overall repetition rates are low in Zanzibar at about 3 percent in the primary cycle and 2 percent in the secondary cycle. The repetition rate in primary education standard 1 is relatively high (7 percent)⁹ – a challenge attributed to low levels of students' school readiness as 60 percent of Standard 1 students have not attended pre-primary.

Dropout rates are moderate at the primary level (about 16 percent over the cycle), but a very high proportion of secondary students leave school before the end of each sub-cycle. Nearly 50 percent of students drop out before completing four years of ordinary secondary school; this figure increases to 97 percent if the whole secondary cycle, including advanced secondary, is taken into account.¹⁰ The Household Budget Survey shows that the dropout rate is higher for boys than for girls and that the main reasons for dropout in the 7-16 age range for both girls and boys are given as 'school is useless/uninteresting' (63 percent) or 'too old' (25.5 percent).

Pupil-teacher ratios indicate that Zanzibar has sufficient numbers of teachers at every level (21:1 for pre-primary, 37:1 at primary, and 20:1 for secondary). The vast majority of teachers have a teaching qualification and projections of supply of and demand for primary and secondary teachers indicate that the numbers graduating with teaching degrees, certificates or diplomas are likely to be sufficient in the medium-term. However, there are issues concerning the focus of training. Many teachers working in pre-primary schools are not qualified to teach at that level; there are limited numbers of mathematics and science teachers; and most teachers have a very limited grasp of English, which is the language of instruction for four subjects at the upper-primary level and all subjects at secondary.¹¹

⁷ ESA pg. 102

⁸ ESA, pg. 107

⁹ ESA pg. 21

¹⁰ ESA pg. 21

¹¹ ESA pg. 67

Teacher utilization and deployment is inefficient. There is great variation across districts with regards to pupil teacher ratios (PTR), particularly for primary education. For instance, there is a difference of 38 students per teacher between Micheweni district (63:1) and North B district (24.2:1) at the primary level. This inefficiency means some teachers have much heavier teaching loads than others and is compounded by mismatches between subjects taught and subjects studied by teachers. Processes for assessing teacher need and supporting the efficient deployment of recruited teachers are opaque.¹²

1.2.4. Monitoring of Sector Performance:

The Local Education Group (LEG) or Zanzibar Education Steering Committee (ZESC) meets quarterly and is chaired by MoEVT Senior Management. UNICEF is the coordinating agency. Zanzibar has made visible efforts to bring more stakeholders around the table, and the quality of the policy dialogue has improved over the last two years. The government chairs the ZESC meetings effectively and there has been consistent attendance from Non-State Actors (NSAs) such as ZATU (Zanzibar Teachers Union), Milele Foundation, and Aga Khan. Development partners such as SIDA, UNICEF, World Bank, and USAID as well as other key government institutions, such as the Ministry of Finance, are well represented.

Zanzibar conducted an external review of the ZEDP I (2008/2009 – 2015/2016), commissioned by Sweden in April 2016. The review found that the ZEDP I was a useful plan for the education sector and addressed key sector issues. Implementation of the ZEDP I was found to be satisfactory with approximately 60 percent of the planned targets being fully or partially achieved. The review also concluded that the ZEDP was over-ambitious, lacking a clear mechanism for review and prioritization. The ZEDP II is building on the lessons learned from the ZEDP I and will feature strengthened sector monitoring processes. For instance, under the ZEDP II, the ZESC is expected to: 1) review program targets annually to assess progress and advise on priorities and targets for the following year; and 2) review policy and programmatic recommendations from Technical Working Groups and provide guidance to the MoEVT Senior Management for decision making and setting of strategies.

Zanzibar has not prioritized holding a Joint Sector Review since joining the partnership in 2013. However, the ZEDP II calls for an Annual Joint Education Sector Review (AJESR), the first of which will be held in February 2018, during which the progress of all the performance indicators will be considered and adjusted as needed. The Annual Review Report will provide evidence-based input for the budget negotiations with the Ministry of Finance in March/April of the following year.

2. FIXED PART REQUIREMENTS

Zanzibar has developed a credible sector plan. Education's share of government spending is within funding model requirements; meeting the sub-requirement on budget share to primary education requires consideration of expenditure on pre-primary education. Zanzibar benefits from critical data and evidence for planning, budgeting, managing, monitoring, and accountability.

Zanzibar's readiness matrix for meeting the funding model requirements was presented to GPE's Grants and Performance Committee (GPC) in October 2016. Due to slippage, an updated version was developed in April 2017.

¹² ESA pg. 164

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

The ZEDP II, including a costed multi-year action plan, was appraised and then endorsed in June 2017 and sent to the Secretariat on time. The Secretariat's final ESP assessment found the ZEDP II to meet all quality standards (Overall Vision, Strategic, Holistic, Evidence-based, Achievable, Sensitive to Context, and Attentive to Disparities).

ZEDP II is the second Educational Development Plan in Zanzibar and covers 2017/18-2021/22. The overall strategic focus of the ZEDP II is to establish an education system that delivers services efficiently and effectively and focuses on improving learning outcomes for all children through a high quality and relevant curriculum, quality teaching, staff performance appraisals and agreed upon standards. Preprimary and primary education, quality and cross cutting issues represent more than one half of the total cost of ZEDP II (Tanzanian Shillings (TZS) 147 billion).¹³ The plan also focuses more attention on accountability, implementation and sector monitoring, placing the responsibility for institutional reporting on a strengthened Planning, Policy and Research Department that will have three technical task teams linked from the ZESC : 1) Quality, 2) Assessment and Learning Outcomes, and 3) Institutional Change, including education financing.

The independent appraisal provided an opportunity for adjustment prior to endorsement and fed strategic issues into the policy dialogue. The appraisal noted the need to give more attention to the decentralization process. As of July 2017, Devolution by Decentralization officially started in Zanzibar for 3 main Sectors: Education, Health and Agriculture. The President's Office Regional Administration, Local Government, and Special Departments (PORALGSD) is leading on the process. MoEVT took note of the appraisal's proposal of developing a communication strategy and this will be followed up and supported by the ZESC. MoEVT believes that the decentralization by devolution process will lead to opportunities to engage more closely with local education officers, communities and parents both in terms of increasing accountability and through more inputs into the actual teaching and learning programs, thus supporting sustainable development. The role of the ZESC is crucial to support MoEVT as decentralization moves forward.

The appraisal also recommended the ZEDP II place pre-primary and primary education into separate programs. It was agreed that the arguments for a clearer demarcation of the Pre-Primary Education (PPE) and Primary sectors would be developed in the coming months by the Department of Policy Planning and Research (DPPR) with the partners, and this would be an agenda item on the AJESR, which will be held in February 2018, so as to be included (if agreed) in the budget discussions.

Conclusion: On the basis of the ex-ante evaluation and endorsement of the ZEDP II by the partners in Zanzibar, the Secretariat considers this requirement to be met.

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

In 2014/15, the education sector represented 21.4 percent of the government total recurrent expenditures. This figure increased to 22.4 percent in 2015/2016. The government plans to maintain this level of financial commitment during the plan implementation with a target of 22 percent in 2020. It's important to note that

¹³ ZEDP II Pg. 72 (147 billion TZS is equivalent to approximately USD 65 million)

tax revenue collection in Zanzibar is relatively high, around 16 percent of GDP. Encouragingly, there has been a recent upward trend: between the financial years 2010/11-2013/14 tax revenue has grown on average by 21 percent on an annual basis.¹⁴ This means that even with a stable share of the government budget, the education sector should see a significant increase of its resources in the medium term.

With a primary completion rate of 89 percent (compared to a GPE average of 72.5 percent), Zanzibar has made significant progress toward universal primary education. In addition, the pre-primary education NER of 27.5 percent is relatively high. The system has realized these outcomes with a sub-sector expenditure on pre-primary and primary education below 45 percent. In 2014/15, 40 percent of recurrent spending went on pre-primary and primary.¹⁵ The co-occurrence of a high primary completion rate and a relatively modest sub-sector share in primary education suggests the system's efficient use of available resources. This is illustrated, for example, by low repetition rates.

At the time of reviewing the requirements matrix in October 2016, the GPC indicated that it would consider inclusion of expenditure on pre-primary education when assessing country progress toward meeting the financing sub-requirement on primary education. The pre-primary and primary combined share increased to 44 percent in 2016/17 and is projected to reach 45 percent in 2018/19.¹⁶ According to the application documents, Zanzibar's recurrent expenditure going to pre-primary and primary is expected to remain at the 45 percent threshold throughout the ESPIG period. This report observes that Zanzibar does not strictly speaking meet the requirement that 45 percent of recurrent expenditures go to primary education if Universal Primary Education has not been reached. However, the fact that the system demonstrates a high level of efficiency, a near 90 percent primary completion rate, and dynamism in resource mobilization, suggest that Zanzibar's continued progress towards UPE can be sustained with the planned level of sub-sector financing. Going forward, it will be important to monitor closely the share of domestic financing allocated to pre-primary and primary education.

A very high proportion of the Education-earmarked development budget is currently funded by donor grants and program loans (97 percent in 2016-17), the largest contribution being the US\$35 million Zanzibar Improving Students Prospects (ZISP) funded by the World Bank. A similar level of support is expected from partners under ZEDP II and over the medium term.

Conclusion: The Secretariat considers this requirement to be partially met. The share of public budget allocated to education is greater than 20 percent of total recurrent expenditure, but the share of the education budget allocated to primary education is below 45 percent. Factors that mitigate the potential risk related to achievement of UPE include the high level of sector performance in terms of primary completion and internal efficiency.

2.3 Requirement 3: Availability of Data.

The Zanzibar Education Sector Analysis (ESA) was completed in January 2016. The ESA covers the domains of the sector in terms of access, internal efficiency, participation, equity, quality, management, costs and financing. The ESA is a high-quality reader-friendly document whose findings were widely discussed, including at the highest government levels, the Inter-Ministerial Technical Committee (IMTC).

The MoEVT Education Management Information System (EMIS) collects data on enrolment, school

¹⁴ ESPIG application, page 8 (Ministry of Finance and Planning/MTEF)

¹⁵ ESA pg. 41

¹⁶ ESPIG application pg. 8

provisions, teachers and their attributes, examination results, pupil attendance, vocational statistics, and financial information. Since 2013, the MoEVT has produced the Annual Statistical Abstract (ASA) which draws on the EMIS data to produce a rich source of education statistics. During the period of the GPE program, MoEVT will engage in ongoing EMIS strengthening through a USAID-funded program.

UIS reports are normally used as the first part of the assessment to check if applicants are able to provide basic financial and education data. However, UIS only reports at the country level, for the Republic of Tanzania as a whole. The Republic of Tanzania has reported 10 out of the 12 indicators to UIS. Zanzibar has provided data to the Secretariat regarding the 5 outcomes, 4 service delivery, and 3 financing indicators. In sum, data is available for all proxy indicators.

Zanzibar is able to monitor learning outcomes at school level through EGRA/EGMA and SAQMEC data. SAQMEC IV³ was conducted in 2013. The results show improvement from SACMEQ II to SACMEQ IV, both in reading and mathematics and across all regions.⁴ The USAID EGRA/EGMA baseline in Zanzibar was undertaken in August 2016, and a midline in 2018 and endline in 2020 are anticipated.

It will be important in the longer term for school-based assessments in the early standards to be integrated and become part of the system, so Zanzibar can sustainably benefit from a monitoring mechanism dedicated to improving learning. An investment in building a stronger national learning assessment system will allow Zanzibar to perform its own assessments and monitor learning, resulting in improved policy dialogue around learning. The investment will consist of assuring that learning against the curriculum and competencies are being evaluated and that results are fed back into the system, which is foreseen under ZEDP II. On this issue, the GPE 2 program will support the establishment of standards across the pre-primary sub sector, including developing appropriate learning assessment mechanisms and tools.

Conclusion: On the basis of the above assessment, the Secretariat considers this requirement to be met.

3 ESPIG

3.1 PAST ESPIG PERFORMANCE

The GPE 1 Program (2014- 2016) concluded at the end of December 2016, was a US\$ 5.2 million program that supported the implementation of the ZEDP I 2008/9-2015/16 in the following areas: 1) Expansion of pre-primary education, 2) Provision of science and mathematics textbooks, 3) Creating a safe learning environment, and 4) Strengthening the accountability of the system. The modality used was a project grant.

An end-term review was conducted and a draft was made available at the end of August 2017. The evaluation found that the collaboration fostered between MoEVT departments, units, semi-autonomous institutes, and schools had positive effects on capacity building encompassing human resources, organizational development, and an enabling institutional environment.

³ SAQMEC IV assessed 3,150 standard 6 students; 90 percent of pupils scored beyond level 4 (out of 8 levels for reading).

⁴ SAQMEC IV Report May 2016 pg. 49

The evaluation, in addition to rating the program as closing on track with regards to implementation and disbursement, also highlighted that design of the GPE program may have been overambitious without sufficient recognition of its limited scale as part of the broader reform efforts of government through ZEDP. There was an underestimation of the organizational capacity and development aspects that were needed to effectively implement the program. The evaluation calls for the development of universal standards on pre-primary school infrastructure and teaching and learning quality, with improved curriculum guidelines for effective monitoring and accountability to take place.

GPE 2 is well placed to address the findings of the evaluation, and the MoEVT and Sida are in the process of discussing its follow-up.

3.2 ESPIG DESCRIPTION

The program development objective is “*Children are increasingly entering primary school at the right age and with 2 years of pre-primary exposure and all disadvantaged children (particularly rural poor and children with physical and learning difficulties) can access all levels of pre-primary, basic and secondary education.*”

The program development goals are:

1. *More children at the right age are receiving 2 years of pre-primary education supported by parents and communities*; this will be achieved by improving equitable on-time entry to pre-primary schools; expanding access to well-equipped pre-primary programs; strengthening teaching and learning quality; improving learning outcomes through parenting and community engagement; and leadership, management, and evidence-based research.
2. *Schools and teachers in schools meeting inclusive education standards*; activities here include finalizing, updating and completing policy, curriculum and standards; improving access to infrastructure, assistive devices and materials; strengthening teaching reform and pre-and in-service curriculum; and assuring and monitoring quality standards.
3. *High-quality, timely, and evidence-based annual monitoring and review*; this goal includes improving MoEVT Administration; annual audits; and the Annual Joint Sector Review

Under the guidance of the Project Steering Committee (PSC), who reports to the DPPR, the Departments of Pre-primary and Inclusive Education Unit will take the lead in implementing the program by managing, monitoring and reporting on progress on a quarterly basis to the PSC.

What marks a difference between the management of this GPE program and the previous program is the important role of and the link to the ZESC. As the ZESC has oversight of the ZEDP implementation it is necessary that the PSC reports to the ZESC. In this way, the ZESC will be able to ensure that there is coherence and complementarity between the programs supporting the ZEDP II.

The financing modality is a project that makes use of Zanzibar’s Program Based Budgeting, which is the information framework for making decisions and classifying the budget appropriations for the MoEVT. The budget for each of the 6 program areas is divided into recurrent and capital expenditures. GPE funds will be integrated into the Medium-Term Expenditure Framework (MTEF), recorded in the Revolutionary Government of Zanzibar (RGZ) budget, and disbursed through the People’s Bank of Zanzibar, which is a commercial bank used by Ministries.

Given the positive experience with ring-fencing support in this way for GPE1, this seems a reasonable way to proceed. If the project is approved, amounts need to be communicated by late December 2017 to the Ministry of Finance with an opportunity for budget adjustments to be made in March.

Table A: ESPIG Components and Costs

	Amount (GPE Financing - US\$)	Percent of Total
Fixed Part		
Program Component		
A Pre-primary learning	3,971,888	69 percent
B Inclusive education	1,154,636	20 percent
C Leadership Management and administration	633,392	11 percent
Sub-total of Components A, B, and C	5,759,916	100 percent
Variable Part		
A Equity	N/A	
B Efficiency	N/A	
C Learning Outcomes	N/A	
Sub-Total		
TOTAL	5,759,916	100 percent
Supervision Fees*	300,000	
Agency Fees*		

**Other Agency fees that are not included in the total grant requested*

3.3 ASSESSMENT OF THE PROGRAM DOCUMENT

The proposed program was prepared by the Grant Agent under the leadership of the Government and in consultation with the ZESC, which endorsed the application package. It went through three rounds of quality assurance review (QAR) at the Secretariat.

The overall assessment is that the program fully meets the seven quality standards (design, budget, M&E, implementation readiness, risk identification and mitigation, sustainability, and aid-effectiveness).

The application proposes a coherent program with a central focus on quality Pre-Primary Education (PPE) expansion and Inclusive Education (IE). The program includes a number of inter-related components to improve pre-primary and quality: policy development; parenting and community engagement; pre-service teacher curricula reform; teacher training; introduction of standards and quality assurance; school leadership training; and sector monitoring.

GPE 2's clear alignment with the ZEDP II – the program covers 15 of 17 ZEDP II priority areas - and consequently high level of government ownership provide potential for reform at the system level.

Additionally, GPE 2's focus on implementing PPE and IE initiatives at scale and around strong government leadership is expected to lay a robust and solid regulatory and support foundation for the future. The legal and policy framework will provide a well-coordinated dialogue structure within the ZESC for all partners to work effectively, and for the MoEVT to take on the primary role of policy development, quality assurance, and facilitating coordinated and collaborative sector monitoring and planning (through the AJSER and related activities). The project design clearly addresses more equitable and better learning (GPE Goal 1), equity and inclusion (GPE Goal 2) as well as enhanced effective and efficient education systems (GPE Goal 3).

The QAR III process identified two inconsistencies between the budget and program document which in aggregate would have had a material impact on the budget. The partners were made aware of the discrepancies and submitted a revised program document on October 17th 2017, where the budget discrepancies are rectified and the total budget is within the MCA. The revised PD reflects clarity on reasonableness and justification of costs. The justification for unit costs is satisfied as the PD indicates that activities have been costed using the same unit costs as used for the costing of ZEDP II. Annex 4 of the PD provides more details on program inputs and year 1 of the annual work plan (Annex 7 of the PD) provides additional assurance on budgeting and implementation readiness.

The M&E plan was greatly strengthened as recommended by the QAR II report. In fact, the MoEVT found the process of preparing the monitoring and evaluation plan and results framework so valuable that it is planning to spend the last quarter of 2017 on organizing workshops to strengthen the M&E plan for the ZEDP II itself. The M&E plan and Results Framework are well aligned with ZEDP II and its policy priorities.

The QAR II recommendation to include the Operational Plan for year 1 was also adequately actioned and provides evidence of Zanzibar's implementation readiness. Building on the strategic operational plan from ZEDP II, a small working group was established to work on a more detailed implementation plan for the first year of the GPE2. The MoEVT prioritized this, as the opportunity to begin implementation planning helps ensure that the program commences on time. This is also an evolution from GPE 1, where the operational plan was not developed prior to the grant application, and so program commencement was delayed and a 6-month extension was granted. The MoEVT and partner implementers have been involved from the beginning in creating the Operations Manual with roles and responsibilities clearly specified and agreed upon, which is also an improvement over GPE1.

Building further on the implementation arrangements used for the previous grant, Sida is conducting an efficiency audit/functional review of MoEVT to inform the development of an action plan, including measures for capacity building in PFM, procurement and financial management at both central and decentralized levels. Attention to this area, as planned by Sida, will mitigate financial management risks, risks of misuse of funds, budget delays and any further risks to implementation.

Conclusion: The seven quality standards for assessment of program documents are fully met. The program is considered to be relevant, coherent and fully aligned to the ZEDP II.

4 VARIABLE PART

The Maximum Country Allocation is made up of a fixed tranche and a variable tranche. The split between the fixed and the variable part is 70-30, which means, of the US\$ 8.23 million, the fixed part is US\$ 5.76 million and the variable part is US\$ 2.47 million.

Zanzibar is applying for the fixed tranche in this 2017 application and will apply for the variable tranche in

2018. GPC has also recommended an indicative allocation of US\$ 2.5 million from the Multiplier be approved by the Board. If the Board approves, an application for US\$ 4.97 million for results based financing can be expected in 2018.

5 RECOMMENDATIONS⁵

The Secretariat recommends the GPC to consider that the first and third funding model requirements are met, and to consider the second funding model requirement as partially met. For the second funding model requirement, Zanzibar fulfills the sub-requirement on domestic financing of the sector, as the share of budget allocated to education is greater than 20% of total recurrent expenditure, but does not strictly meet the second sub-requirement, as the sub-sector share allocated to primary education is below 45%. The Secretariat considers the potential risk associated with the impact of sub-sector expenditure on UPE achievement as mitigated by the high level of sector performance in terms of primary completion (89%) and internal efficiency.

In regards to requirement 2, the Secretariat recommends that the country provide an annual report back to the GPC on ZEDP II implementation (through the AJESR process), inclusive of data on sub-sector share of domestic expenditure on pre-primary and primary education, access to pre-primary education and primary education completion.

The GPE Secretariat finds GPE2 to be a strong and relevant program that will address critical educational needs in Zanzibar.

⁵ These recommendations were adjusted by the GPC. The final recommendations are found in the Board Document BOD/2017/12 DOC 14 Annex 1