2017 PORTFOLIO REVIEW: REPORT FROM THE GRANTS AND PERFORMANCE COMMITTEE

For Information

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 at the Board meeting. 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 present the Board with the Secretariat's 2017 Portfolio Review and some reflections from the Grants and Performance Committee on ways to improve the report and its use.

2. BACKGROUND

2.1 During its meeting on October 23-25, 2017, the GPC briefly reviewed the Secretariat's 2017 Portfolio Review. The Committee noted that the quality of the Portfolio Review has improved significantly and includes much useful data and information and discussed ways to improve the Portfolio Review. Specifically:

- The Portfolio Review and Results Report should not be merged. Firstly, the audiences for both reports are different. The Portfolio Review contains data and analysis on portfolio trends and performance – providing the Board and its Committees with an evidence base on implementation of GPE's operational model. The breadth and depth of this report, even in its summarized form, provides portfolio specific information that has internal value to the Partnership. In comparison, the Results Report is a more outwards facing document which provides donors and partners with a single source on GPE's results. Secondly, the Portfolio Review ensures that much of the data used for the Results Report is available six months before the Results Report is finalized; eliminating the Portfolio Review would mean that the GPC and the Board would have to wait at least six months before having access to this comprehensive data/information. This would limit the ability of the GPC to assess risks and monitor progress.

- The size of the Portfolio Review should be reduced significantly with repetitions/duplications eliminated to enhance readability. Text should be decreased and use of tables and figures increased.
- Going forward, an executive summary of 16-17 pages that includes key information in bold texts and tables/ figures should be considered.
- With regard to the report-backs set out in the Portfolio Review, the Committee resolved to be more deliberate in setting a clear time period when requesting report-backs on ESPIGs so it is clear how many iterations of the Portfolio Review need to track the issue. For existing report-backs without a clear time period, the issue will be tracked through the lifetime of the grant unless otherwise and explicitly determined by the GPC.

2.2 Following up on the GPC suggestions, the Secretariat developed a separate executive summary and reduced the size of the full report by some 20 percent (Annex 1 and Annex 2 respectively).

2.3 At the January 17-19, 2018 GPC meeting, the Committee will discuss further ways to improve the Portfolio Review document and its use.

3. PLEASE CONTACT: Matthew Smith (mdsmith@globalpartnership.org) for further information.

4. ANNEXES AND ADDITIONAL INFORMATION

4.1 This paper includes the following annexes:

Annex 1 – Executive Summary 2017 Portfolio Review

Annex 2 – 2017 Portfolio Review

ANNEX 1

PORTFOLIO REVIEW 2017

Executive Summary

GLOBAL PARTNERSHIP *for* EDUCATION

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EXECUTIVE SUMMARY[1]

KEY OBSERVATIONS

Findings in this report demonstrate alignment between grant investments and the strategic vision of GPE 2020: to ensure inclusive and equitable quality education for all, especially children in some of the most difficult circumstances. A coding exercise by sub-sectoral and thematic activities of 41 active ESPIGs at the end of FY17[2] was conducted. At the thematic level, results from the coding show that GPE ESPIG investments focus heavily on improving learning, as 40 ESPIGs support teacher training while 35 supply learning materials. Furthermore, to promote equitable access to education, 30 grants support classroom expansion/rehabilitation, another 30 support gender equality projects, 12 support well-being programs,[3] and 10 support children with disabilities. All the 41 ESPIGs had system-strengthening activities and within those, Education Management Information Systems (EMIS) had the highest number (33 ESPIGs).

As in previous years, this report shows that the majority of GPE's grant allocation is committed to countries with high needs, especially those affected by conflict and fragility (FCAC) and lower income countries. Fifty-one percent of countries that received ESPIG allocation during FY17 are FCACs, representing a 3 percent increase from FY16. Fifty-five percent are classified as lower-income countries while 36 percent are in the lower-middle-income category. Also, 67 percent of the 42 countries/federal states[4] that received ESPDG grants to conduct education sector analysis (ESA) and develop education sector plans (ESP) were those affected by fragility and conflict.

Improved disbursement rate. Compared to the previous fiscal year, disbursement ratings in FY17 show improvements for percentage of grants on track, from 54 percent in FY16 to 63 percent in FY17, while percentage of grants that are delayed remain relatively the same (25 percent for FY17 and 26 percent in FY16). The uptick in the proportion of grants on track, without a corresponding improvement in the percentage of grants delayed, is in part due to an improvement in the percentage of grants slightly behind (from 20.4 percent in FY16 to 12.5 percent in FY17). During FY17, 54 countries benefited from 59 ESPIGs worth approximately US$2.32 billion. The FY17 ESPIG disbursement totaled US$420.7 million, while the cumulative amount disbursed for the ESPIGs that were active during the fiscal year was over US$1.51 billion. Of this amount, US$1.17 billion (77 percent) was disbursed to Sub-Saharan African countries or states.

An analysis of grant implementation rate presents mixed results. On the one hand, the percentage of grants either on track or slightly behind remains constant at 79 percent from FY16 to FY17, just as the proportion of grants delayed in implementation has hardly changed (20.4 percent in FY16 and 20.8% in FY17). However, when the data is further disaggregated, the FY17 implementation rating demonstrates an increase in the percentage of grants rated slightly behind (from 52 percent in FY16 to 60 percent in FY17). During the same period, there is also a decrease in the share of grant portfolio rated on track (from 28 percent to 19 percent). In terms of absolute numbers, the total active ESPIGs decreased from 54 in FY16 to 48 by the end of FY17, with six of the 11 closed grants that were on-track in FY16 being left out in the end of FY17 sample due to closure.

A quality assurance function that supports country processes and products, and leverages the new funding model. The new funding model emphasizes sector readiness to meet the funding model requirements and strong program design. To provide more streamlined and consistent support to country development of sector plans and

[1] This executive summary highlights key information of GPE's Portfolio Review 2017. For contexts and details see the main report. For comparability with the main report, the charts and tables in this summary have retained their original numbering from the main report, and are not necessarily sequential.
[2] The 41 grants coded do not include the seven sector-pooled grants (Bangladesh, Burkina Faso, Ethiopia, Mozambique, Nepal, Rwanda, and Zambia), which were also active in FY17. Given the multiplicity of donors involved in sector pooled grants, a different analytical approach is required for sector-pooled grants.
[3] Well-being programs include nutrition and health initiatives embedded in equity components of the project, aimed at optimizing school participation and learning outcomes. Examples include school feeding, deworming, vision screening/glasses, hand-washing programs, and psychological support.
[4] Please note that our reference to countries/federal states covers those sovereign countries whose sub-regional entities are counted as individual ESPIG recipients. For example, Pakistan as a country would be counted as one Developing Country Partner (DCP), while as a country/federal state it would be counted as two provinces, Sindh and Balochistan, that are ESPIG recipients.

programs, the Secretariat has continued to build and institutionalize its quality assurance function in FY17. By the end of FY17, 16 country ESPIG applications had received feedback through the new QA process – a process that is now the standard for all countries applying for ESPIG funding. The strengthened QA function ensures the Secretariat's early, iterative, and standards-based engagement with countries at critical stages of the sector planning and program design process, contributes to technical dialogue at country level, and supports country development of more robust and relevant sector plans and programs. During FY17, QA tools were also updated to allow the Secretariat to provide earlier and more strategic feedback to countries seeking guidance on applying for the variable part of their MCA. As the funding model matures, the Secretariat will continue to collect feedback from DCPs and GAs on the utility and responsiveness of quality assurance support vis-à-vis country-level processes.

Operational risk framework. Overall, grant agents and implementation partners have helped to manage the risk regarding achievement of grant objectives. However, the partnership has not been well positioned to have an impact on mitigating the risk on domestic financing, apart from during the upstream application of the funding model. A new policy is under development as part of the Financing and Funding Framework (FFF) that will help mitigate this risk.

Grant alignment on national systems and choice of modality. At the end of FY17, only 16 (28 percent) of 57 ESPIGs (active and closed) were significantly aligned with national systems.[5] These 16 aligned ESPIGs were composed of five sector pooled funds, two direct budget support mechanisms and nine projects. The percentage of ESPIGs in FY17 aligned with national systems is lower than the percentage estimated in FY15 (34 percent) and FY16 (31 percent). The Secretariat is working with country partners to engage in dialogue around aid effectiveness and the need for greater harmonization and alignment of external aid. Practices in aid delivery need to be questioned more strongly against the objectives of the partnership to develop more aligned modalities. This should be reflected in decisions and processes going forward, including the choice of modality to support GPE grant funding and quality assurance reviews of ESPIG-funded programs. Lessons learned from aligned pooled funds will be capitalized to better inform options available to developing country partners and grant agents, particularly around risk management and capacity support strategies. The development partners will play a critical role in facilitating progress, challenging existing practices and encouraging the development of aid that can adequately combine significant degrees of alignment on national systems, funding at scale and appropriate fiduciary safeguards.

GRANT PORTFOLIO TO DATE

This Portfolio Review report covers the fiscal year from July 1, 2016 to June 30, 2017. It reviews the GPE country-level grant portfolio and presents the trends in volume, geographic and thematic allocations of three GPE country-level grant mechanisms – the Program Development Grant (PDG), Education Sector Program Development Grant (ESPDG), and the Education Sector Program Implementation Grant (ESPIG). The report is prepared by the GPE Secretariat based on data provided by developing country partners, grant agents and GPE staff.

Since its inception in 2002, GPE has provided a total allocation of US$ 4.662 billion through three country-level grant mechanisms: Education Sector Plan Development Grant (ESPDG), Program Development Grant (PDG) and Education Sector Plan Implementation Grant (ESPIG). Through its Education Sector Plan Development Grant (ESPDG), GPE provides support to the education sector analysis and planning processes. Between 2012 and June 30, 2017, **US$ 18.7 million** has been provided for the funding of **72 ESPDGs in 58 countries**. In 2014, GPE doubled the funding available to support each ESPDG from US$ 250,000 to US$ 500,000 for which half of the grant is

[5] ESPIG for Organization of Eastern Caribbean States (OECS) on behalf of Dominica, Grenada, Saint Lucia, Saint Vincent and the Grenadines and Accelerated Funding (AF) for Somaliland were excluded from the sample for alignment: OECS is an inter-governmental organization, and AF is not an instrument to promote alignment, but rather to channel through the funding as quickly as possible.

earmarked for sector analysis. The Program Development Grant (PDG) supports the preparation of three to four-year programs in support of the ESP implementation. By the end of June 2017, 48 grants have been approved for a cumulative amount of US$ 9.26 million. The Education Sector Plan Implementation Grant (ESPIG) supports the implementation of the ESPs. Since 2002,[6] **129 ESPIGs** have been provided to **57 countries** for a total allocation of **US$ 4.634 billion**. Of this amount, **US$ 3.625 billion** has been disbursed. The disbursement for ESPIGs over the 12-month period ending in June 30, 2017 totaled US$420.7 million, representing about 16 percent decrease from FY16 (US$503 million) and approximately 2 percent decrease from FY15 (US$427.8 million); while the cumulative amount disbursed (since the start of implementation) for the ESPIGs that were active as of June 2017 was over US$1.51 billion.

GPE has two funding instruments at global and regional levels: the global and regional activities grant (GRA) and the Civil Society Education Fund (CSEF). The current GRA portfolio consists of 15 grants valued at US$ 31.1 million. The GRA supports innovation, capacity building, knowledge development and sharing. Since it became operational in 2013, US$ 31.1 million has been disbursed. The Civil Society Education Fund supports civil society engagement in education sector policy, planning, budgeting and monitoring. Since its inception in 2013, US$ 48.3 million has been allocated and US$ 38.6 million has been disbursed. This report does not cover these two instruments; it focuses on country-level grant mechanisms.

GLOBAL PARTNERSHIP FOR EDUCATION IN FISCAL YEAR 2017

I. Small Grants

Education Sector Plan Development Grants

About US$12.6 million was allocated in education sector plan development grants (ESPDG) to 42 countries/federal states in FY17. Out of the 42 countries/federal states that received an ESPDG, 28 are categorized as FCAC. The grants were used to conduct education sector analysis (ESA) as well as to support the development of education sector plans (ESP). Seven different grant agents, including DFID which became a first-time GA for an ESPDG, managed GPE portfolio of ESPDGs in FY17. The other GAs are Asian Development Bank (ADB), Save the Children, Swiss Development Cooperation (SDC), UNESCO, UNICEF, and the World Bank.

Table 5: ESPDG Distribution per GA and FCAC[7]

Grant Agent	Number of ESPDGs		Total Number of ESPDGs	Total Amount of ESPDGs (US$)	Share of Total Approved ESDPG Amount
	FCAC	Non-FCAC			
Asian Development Bank (ADB)	3	0	3	636,802	5.1%
Department for International Development (DFID)	1	0	1	323,570	2.6%
Save the Children	1	0	1	483,327	3.8%
Swiss Development Cooperation	0	1	1	428,794	3.4%
UNESCO	2	2	4	1,196,270	9.5%
UNICEF	13	5	18	5,815,457	46.2%
World Bank	4	6	10	3,711,482	29.5%
Total	**24**	**14**	**38**	**12,595,702**	**100.0%**

[6] From 2002 through 2011, grants currently known as ESPIGs were funded from the Catalytic Fund, and were referred to as Catalytic Fund Grants. In addition to this, there were grants equivalent to PDGs known as Education Program Development Fund (EPDF) Grants.

[7] Tables and figures in this executive summary are not sequentially numbered. They retain the numbering used in the main report.

Program Development Grants

Program development grants (PDG) worth US$3.3 million were allocated in FY17. These grants assisted 18 countries/federal states to develop education programs in alignment with their ESPs.

Table 9: Overview of Active, Approved and Closed PDGs, FY17

PDG	Active at the Beginning of FY17	New Approved During FY17	Closed During FY17	Active at the End of FY17
Number of grants	3	12	3	12
Value (US$)	887,750	2,383,909	836,750	2,434,909

II. Education Sector Program Implementation Grants

Description of the Active ESPIG Portfolio

During FY17, 58 countries/federal states (54 Development Country Partners)[8] benefited from 59 ESPIGs worth approximately US$2.32 billion.[9] Consistent with previous fiscal years, Sub-Saharan Africa had the largest number of ESPIGs under implementation. At the end of FY17, 69 percent of active ESPIGs worth US$1.446 billion in commitments were being implemented in Sub-Saharan Africa, while 10 of the 11 ESPIGs that closed during the fiscal year were also in this region.

Table 11: Number of ESPIGs Across Regions (Active, Closed and Pending as of June 30, 2017)

Region	Number of ESPIGs	% of ESPIGs	Number of ESPIGs in		Total Amount Approved (US$ millions/%)		Cumulative Disbursement as of June 30, 2017 (US$ millions/%)	
			FCAC	Non-FCAC				
Active as of June 30, 2017								
Sub-Saharan Africa	33	69%	21	12	1446.01	74%	873.08	60%
Latin America and the Caribbean	4	8%	1	3	44.5	2%	41.73	94%
South Asia	4	8%	3	1	259.3	13%	125.76	48%
Europe and Central Asia	3	6%	0	3	78.8	4%	53.95	68%
East Asia and Pacific	2	4%	0	2	55.3	3%	40.28	73%
Middle East and North Africa	2	4%	2	0	76.4	4%	22.77	30%
Total	**48**	**100%**	**27**	**21**	**1960.31**	**100%**	**1157.57**	**59%**[10]
Closed as of June 30, 2017								
Sub-Saharan Africa	10	91%	7	3	301.66	84%	296.99	98%
South Asia	1	9%	1	0	55.7	16%	55.7	100%
Total	**11**	**100%**	**8**	**3**	**357.36**	**100%**	**352.69**	**99%**[11]
Pending as of June 30, 2017								
Sub-Saharan Africa	3	100%	2	1	201.6	100%	Pending	Pending
Total	**3**	**100%**	**2**	**1**	**201.6**	**100%**	**Pending**	**Pending**

[8] Please note that our reference to countries/federal states covers those sovereign countries whose sub-regional entities are counted as individual ESPIG recipients. For example, Pakistan as a country would be counted as one Developing Country Partner (DCP), while as a country/federal state it would be counted as two provinces, Sindh and Balochistan, that are ESPIG recipients.

[9] For the ESPIGs approved on or after the November/December 2016 board meeting, supervision allocation is subtracted from the grant amount.

[10] This is the cumulative disbursement rate for all 48 active ESPIGs as of June 30, 2017.

[11] This is the cumulative disbursement rate for all 11 closed ESPIGs as of June 30, 2017.

The World Bank was grant agent for the largest proportion of ESPIGs. Of the 62 active and pending ESPIGs in FY17, the World Banks was GA for 40 (or 65 percent) worth a total amount of US$1.93 billion, representing 76 percent of the total ESPIG amount (US$2.52 billion). UNICEF managed the second largest 24 percent worth US$346 million. The U.K. Department for International Development (DFID) and SIDA both acted as grant agents for two ESPIGs each worth US$60.4 million and US$100 million in commitments respectively. UNESCO, Agence Française de Devéloppement (AFD) and Save the Children each was the GA for one ESPIG in FY17 averaging about US$29.1 million in commitments.

Figure 3: Active, Closed and Pending ESPIGs by Grant Agent as of June 30, 2016 (inner circle), and June 30, 2017 (outer circle)

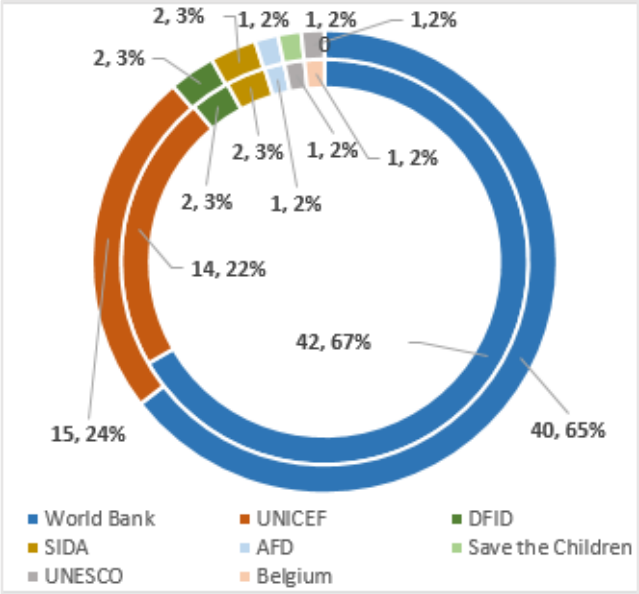
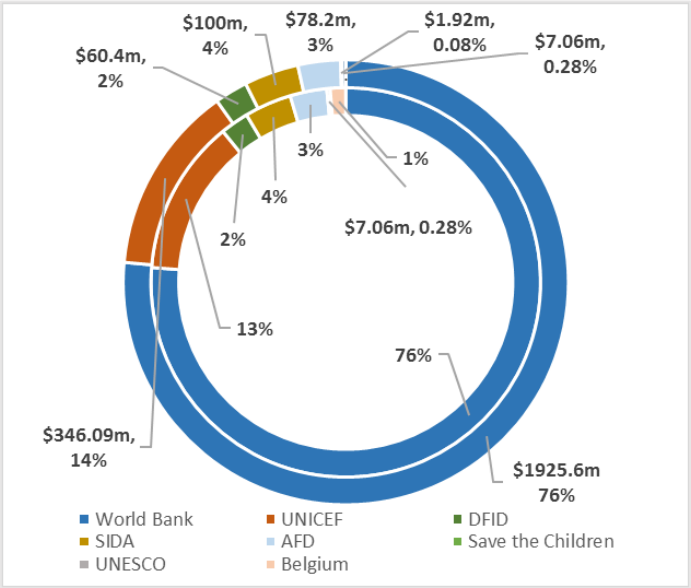
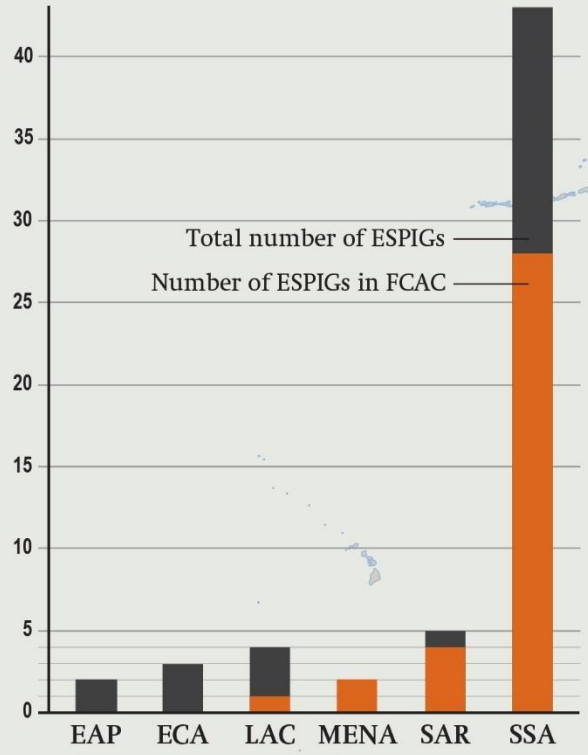


Figure 4: Value of Active, Closed and Pending ESPIGs by Grant Agent as of June 30, 2016 (inner circle), and June 30, 2017 (outer circle)

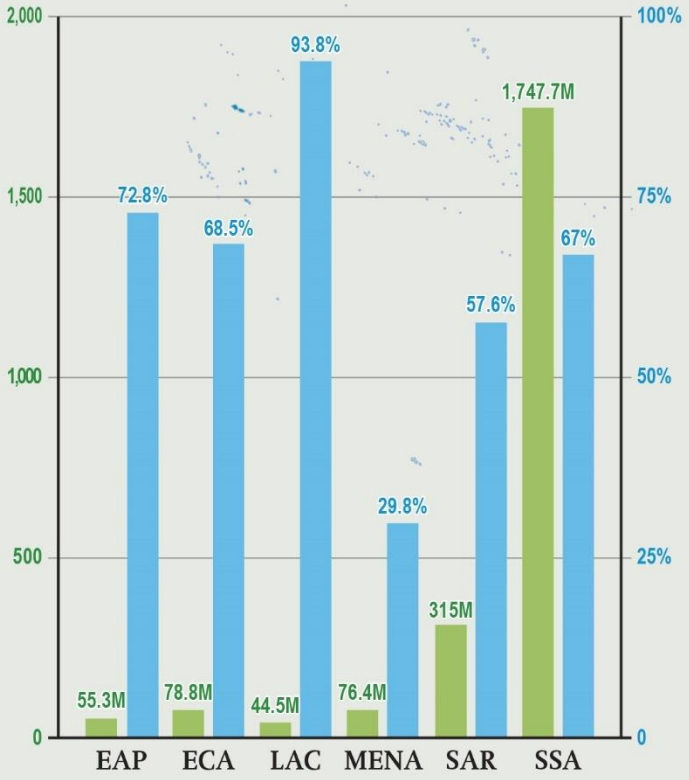


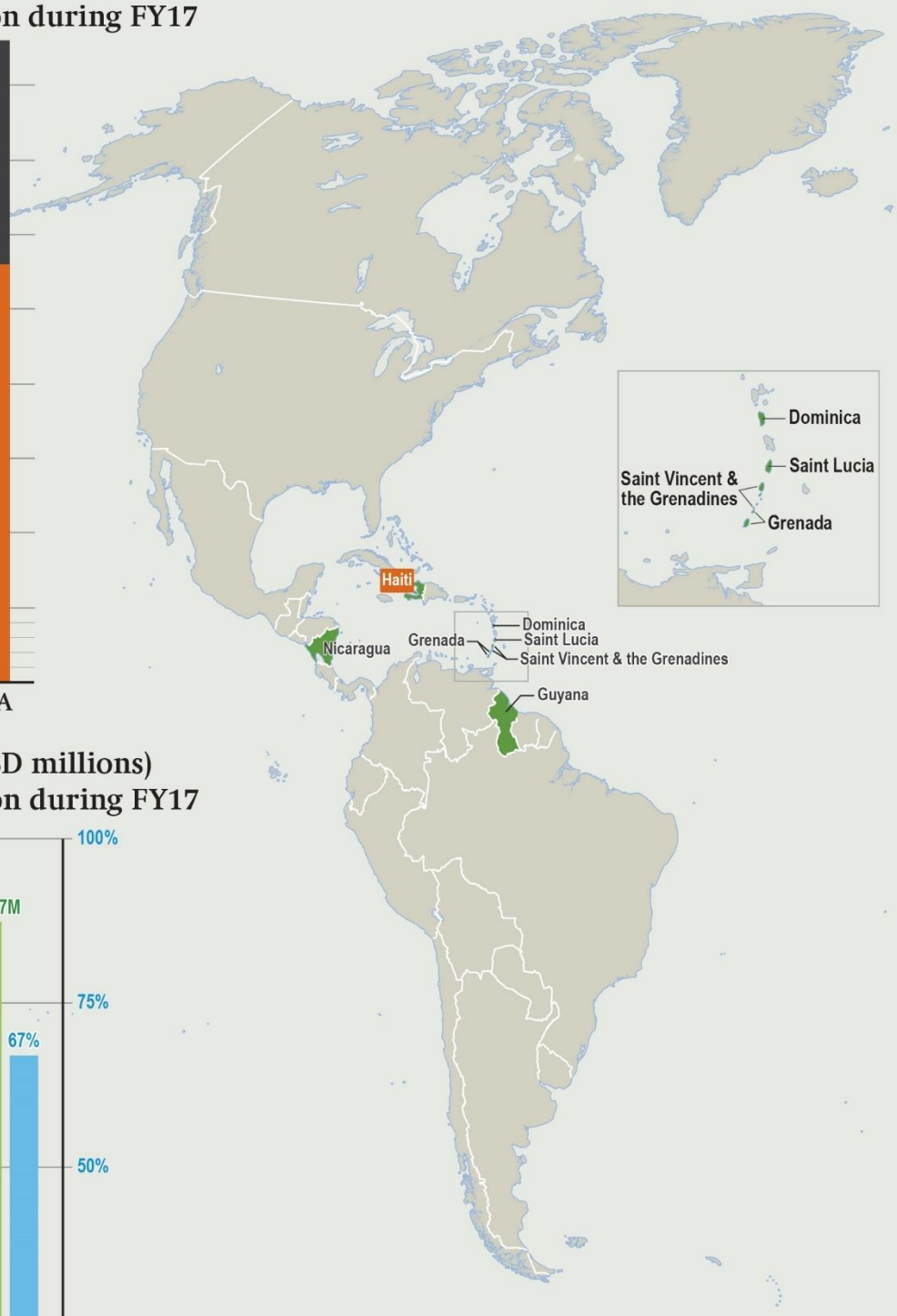
EDUCATION SECTOR PROGRAM IMPLEMENTATION GRANTS (ESPIGs) DISTRIBUTION BY REGION
(ACTIVE/CLOSED DURING FY17)

Total active/closed ESPIGs by region during FY17



Total grant amount approved ($USD millions) and percentage disbursed by region during FY17





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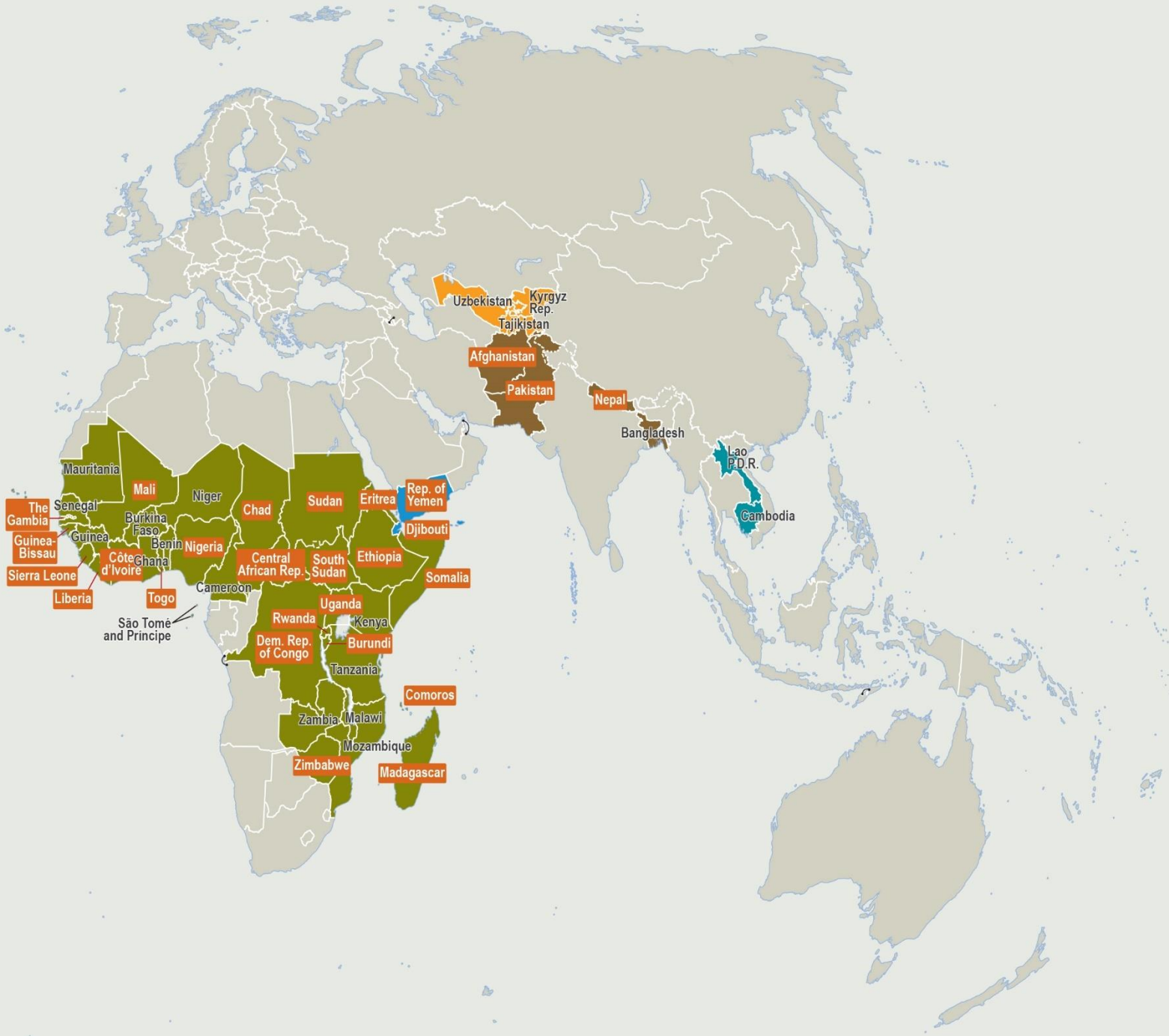

East Asia and the Pacific
Europe and Central Asia
Latin America and the Caribbean
Middle East and North Africa
South Asia
Sub-Saharan Africa

Grenada GPE Developing Country Partner (DCP)

Somalia DCP affected by fragility and conflict (FCAC)

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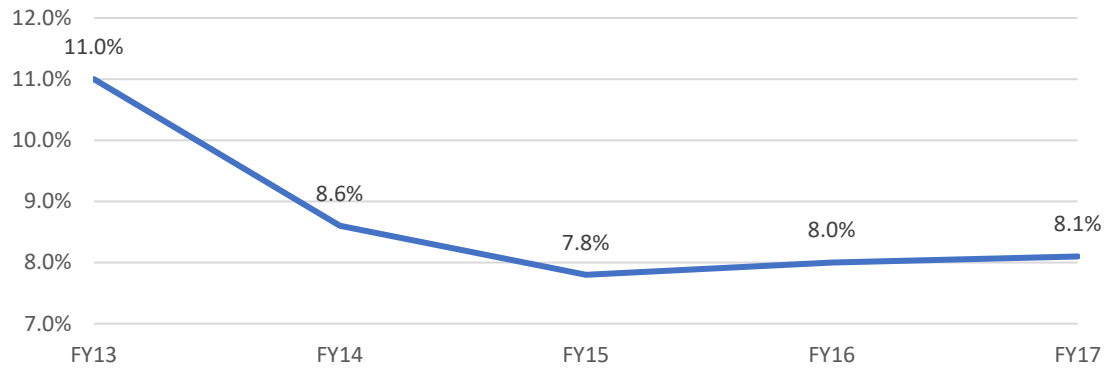
Administrative Costs

Between December 2011 and June 30, 2017,[12] the total value of approved ESPIGs amounts to US$2.71 billion, of which US$2.63 billion were countries' MCAs and US$84.4 million were agency fees and supervision allocation costs[13]. The total amount of agency fees, supervision allocations, and direct program management and administration costs of the GAs for the period from December 2011 to June 30, 2017 amounted to US$219.8 million, or 8.1 percent of the total approved grant allocations for this period. This represents an increase of 0.1 percent from the 8 percent reported in FY16, an increase of 0.3 percent from the 7.8 percent reported in FY15, a decrease of 0.5 percent from the 8.6 percent reported in FY14, and a decrease of 2.9 percent from the 11 percent reported in FY13 (See Figure 6).

Figure 6: Trend in Total Grant Agents Costs for the Period FY13-FY17 (in percentage)



Typically, fragile states and smaller grants continue to generate higher percentage-based administrative costs, while larger grants and joint funding arrangements typically incur reduced administrative costs when expressed as a percentage (see Tables 20 and 21). Costs tend to be higher when UN agencies and INGOs act as grant agents as their agency fees are in the range of 7-8 percent of the grant value.

Table 20: Agency/Supervision and Direct Management and Administrative Cost, by FCAC and Non-FCAC

Country Status	Total Approved Value of Allocation (Dec 2011-June 2017)	Agency/Supervision and Direct Management & Administrative Costs %
FCAC	US$1.618 billion	9.7%
Non-FCAC	US$1.096 billion	5.7%
Total	**US$2.714 billion**	**8.1%**

Table 21: Agency/Supervision and Direct Management and Administrative Costs, by Grant Size

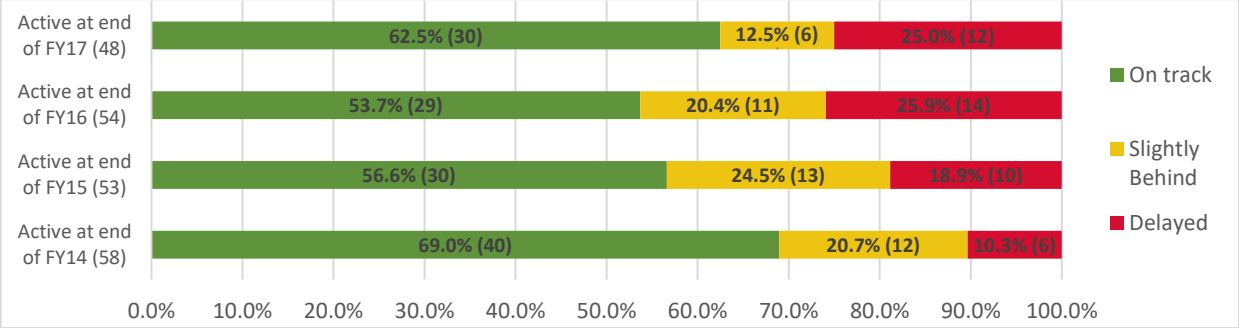
Approved Allocation Size[14]	Total Approved Value of Allocation (Dec 2011-June 2017)	Agency/Supervision and Direct Management & Administrative Costs %
Less than US$10 million	US$75 million	16.2%
Greater or equal to US$10 million	US$2.639 billion	7.8%
Total	**US$2.714 billion**	**8.1%**

[12]This analysis began when the first portfolio review was produced in 2013 and, for consistency, December 2011 continues to be the starting date.
[13] This amount includes agency fees, additionally approved agency fees, and supervision allocations for grants prior to the board decision BOD/2015/10-02, while does not include the US$2.3 million of supervision allocation that are funded from the maximum country allocation for grants approved during and after the second funding round of 2016.
[14] Out of the 68 grants used for the Admin Costs calculation, 17 are under $10m and 51 that are over $10m (inclusive of Supervision Allocation).

Performance

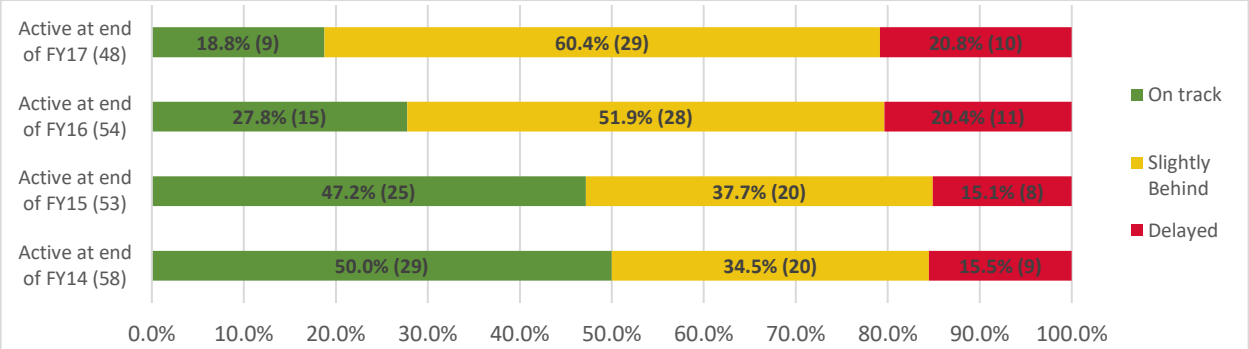
Every fiscal year since FY14, at least 74 percent of all active grants have had ratings of on track or slightly behind for cumulative disbursements, leaving a quarter of the active grants in any given year being considered as delayed.

Figure 7: ESPIGs: Disbursement Status, FY14-FY17 (in Percent and Number of ESPIGs)



As for implementation ratings, every year since FY14, at least 79 percent of all active grants have had ratings of on track or slightly behind, leaving 15-21 percent of active grants being considered as delayed in implementation in any given year.

Figure 8: ESPIGs: Implementation Status, FY14-FY17 (in Percent and Number of ESPIGs)



Compared to the previous fiscal year, disbursement ratings in FY17 show improvements for percentage of grants on track, from 54 percent in FY16 to 63 percent in FY17, while percentage of grants that are delayed remain relatively the same (25 percent for FY17 and 26 percent in FY16). The uptick in the proportion of grants on track, without a corresponding change in the percentage of grants delayed, is in part due to a decrease in the percentage of grants slightly behind (from 20.4 percent in FY16 to 12.5 percent in FY17. During FY17, 54 countries benefited from 59 ESPIGs worth approximately US$2.32 billion. The cumulative amount disbursed for the ESPIGs that were active during FY17 was over US$1.51 billion. Of this amount, US$1.17 billion (77 percent) was disbursed to Sub-Saharan African countries or states.

Figure 9: ESPIGs: Disbursement and Implementation Status, FY16 and FY17

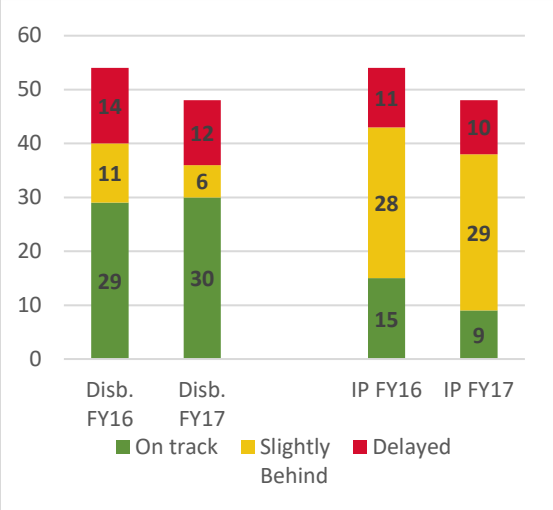
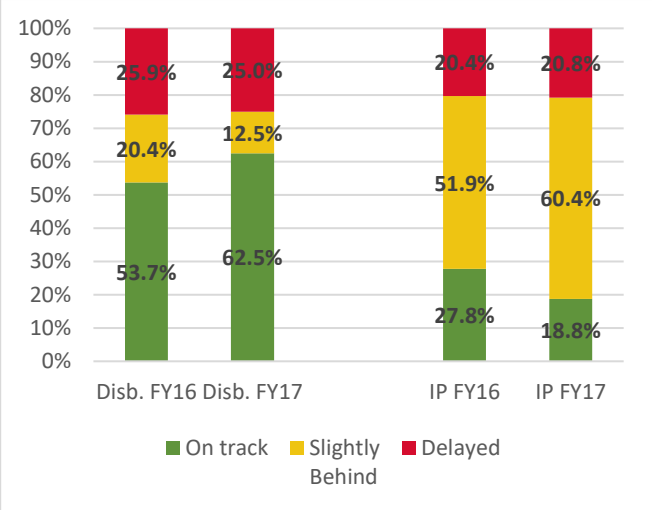


Figure 10: ESPIGs: Disbursement and Implementation Status, FY16 and FY17 (in Percent)



On the mixed results in implementation rating. With no clear conclusion on the reasons that can explain the lack of improvement in delayed and slightly behind grants, the Secretariat conducted individual assessment of the grants and their implementation contexts (based on the information from the GAs and country leads). The causes of delays are categorized as three main reasons. The first category includes unforeseen country challenges such as changes in political leadership or in the national education policy, active conflicts, lack of accessibility due to security concerns, or withdrawal of a funding agency. The second includes challenges in planning and setbacks at the launch stage. For example, delays by countries in recruiting key positions for implementation of grant activities, delays in approvals from government authorities or delays in development of needs assessment or action plan. The third is implementation challenges during project rollout, including irregularities in procurement at country-level, irregularities in safeguards procedures, delays with technical support from development partners and coordination issues between the grant agent and the government.

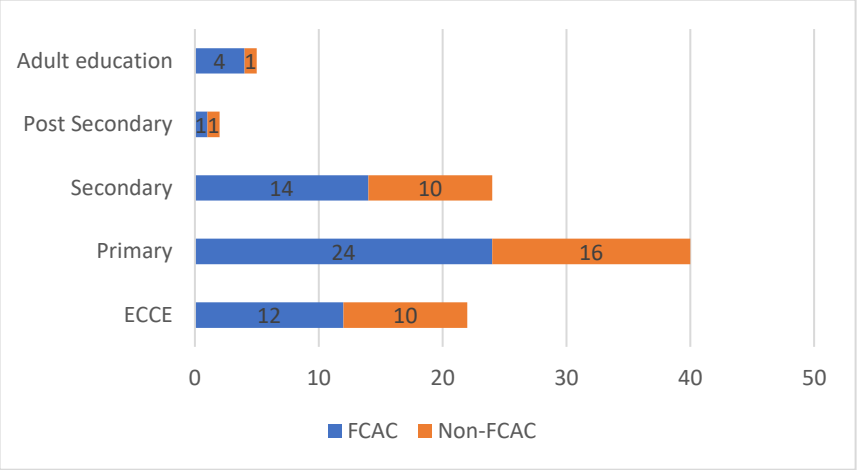
The Secretariat will continue to look at trends in the overall ESPIG portfolio to have more information on causes of delays. It is important to note that assessing the performance of grants through the Secretariat's ratings is an exercise that gives an overview of grant portfolio, but its results should not be used in isolation to define grant performance. The rating does not show the effects of some important factors that may affect grant performance, such as involvement of government, coordination between all actors involved in the implementation, and quality of interventions. The delayed rating assigned to a particular grant may be due to slow procurement. It could be that the government is using a procurement process for the first time and that it is strengthening its experience. In essence, grant rating is a useful exercise as long as its results are used alongside other information to improve the performance of the grant.

ESPIGs by Thematic Components and Results

Sub-sectoral and thematic activities of the 41 ESPIGs active at the end of FY17 (excluding sector pooled grants) were coded to provide deeper insight into the types of activities supported by ESPIGs and their alignment to GPE 2020 strategic goals. First introduced in FY16 to increase understanding of investment made through ESPIGs, the coding was improved in FY17 to further harmonize with the coding schemes of other partners (such as OECD and World Bank), and to better align with key thematic activities under GPE's strategic goals: learning, equity and efficiency.

Results for coding by education sub-sectors showed that all but one have a strong focus on primary education (40 ESPIGs). While more than half cover early childhood care and education, ECCE (22 ESPIGs) and secondary education (24 ESPIGs), five ESPIGs support adult education and training.

Figure 13: Education Sub-Sectors Covered in coded FY17 ESPIGs, Disaggregated by Fragility Status



The results also show that GPE that strategic objectives were well reflected in FY17 ESPIGs. In terms of activities that support the learning goal, teacher training (40 ESPIGs) and curriculum development/supply of learning materials (35 ESPIGs) are the most coded. In equity, most grants coded (30 ESPIGs) focused on the expansion/rehabilitation of schools and classrooms and gender equality. All the 41 ESPIGs had system-strengthening activities and within those, Education Management Information Systems (EMIS) had the highest number (33 ESPIGs).

Table 35: Summary of Thematic Activities Supported by the Portfolio of Grants Active in FY17

GPE 2020 Goals	Thematic Activities	FCAC	Non-FCAC	Total
Learning	Teacher Management	19	7	**26**
	Teacher training	23	17	**40**
	Standards/Curriculum/Learning Materials	19	16	**35**
	Learning assessment systems	17	12	**29**
	Use of ICT in learning	1	4	**5**
Equity	Education Facilities and infrastructure	20	10	**30**
	Gender equality	17	13	**30**
	Cash transfers/other targeted incentives for students	2	2	**4**
	Access for out-of-school children	12	5	**17**
	Adult learning	4	1	**5**
	Well-being programs	7	5	**12**
	Support to children with Disabilities and Special Needs	5	5	**10**
System	Systems strengthening: at the central level	24	17	**41**
	Systems strengthening: at the decentralized level	15	10	**25**
	Systems strengthening: at the school level	18	11	**29**
	Education Management Information Systems	20	13	**33**

Funding Model Updates

Three years after the adoption of the GPE results-based funding model, nine ESPIG applications (six in FY16 and three in FY17) have been awarded under the funding model. To optimize the impact of the funding model, the Secretariat has refined its quality assurance activities to be more systematic and streamlined in providing support to countries during sector planning and program design processes. Importantly, the Secretariat's early and iterative engagement with countries has facilitated more nuanced, context-sensitive, and consistent assessment of, and dialogue around, funding model benchmarks, particularly regarding country development of credible sector plans, domestic financing of education, and availability of and use of data. This more robust engagement has been positively received, but has also increased the lead-time countries require to submit ESPIG applications.

By the end of FY17, 16 countries had ESPIG applications undergoing the Quality Assurance Review process as part of the ESPIG application process. During FY17, technical support and guidance was provided to DCPs who had ESPIGs approved as well as to ESPIGs in the grant application pipeline.

Among the FY17 ESPIG applications, only Ethiopia applied for both fixed part and variable tranche. Ethiopia's application, with a requested allocation of US$100,000,000[15], including US$ 70,000,000 for the fixed part, and US$30,000,000 for the variable part, was submitted to GPC in October, 2016. However, with respect to the variable part, the Committee expressed concern about the very short implementation period of just 15 months and targets that were limited to what would be achievable in such a short period of time. Ethiopia then revised and resubmitted the Variable Tranche Indicators (VTIs). The country has proposed results indicators for two years in order to align the results and synchronize the review of results with the mid-term review of the Education Sector Development Plan V (ESDP V) and with the completion of the General Education Quality Improvement Project II (GEQIP II) in July 2018. This proposal is important given that the project supported by the approved fixed part of the grant as preparation of the next GEQIP will take longer. Therefore, the country has decided to achieve results for the variable part of the grant within the time period of GEQIP II. This has been fully endorsed, after reportedly extensive deliberations, by the Education Technical Working Group (ETWG), the LEG equivalent of Ethiopia.

[15] This ESPIG amount includes supervision allocation.

Table 15: ESPIGs Awarded Under the Funding Model

Country Name	FCAC	Grant Agent	Grant Approval Date	Grant Amount[16]	Variable Tranche Amount	Variable Part Disbursement Modality	Comments
FY 16							
Mozambique		World Bank	23-May-15	57,900,000	17,400,000	Ex-post	
Nepal	FCAC	World Bank	23-May-15	59,300,000	17,800,000	Ex-post	
Rwanda	FCAC	DFID	23-May-15	25,200,000	7,560,000	Ex-post	
Congo, DR	FCAC	World Bank	15-Jun-16	100,000,000	30,000,000	Ex-post	
Malawi		World Bank	15-Jun-16	44,900,000	13,470,000	Ex-post	
OECS		World Bank	15-Jun-16	2,000,000	n/a	n/a	Small Island exemption[17]
FY 17							
Zimbabwe	FCAC	UNICEF	9-Dec-16	20,580,000	n/a	Ex-post	Variable Tranche to be submitted in FY18
Ethiopia	FCAC	World Bank	2-Dec-16 15-Feb-17	100,000,000	30,000,000	Ex-post	Fixed part approval 02/12/16, variable part approval 15/02/17
Lesotho		World Bank	7-Jun-2017	2,300,000	n/a	n/a	Ex ante[18]

Out of six ESPIGs with an approved variable part, two have variable part achievements: Mozambique and Nepal. These two were among the first ESPIGs approved under the new funding model. Both Mozambique and Nepal set intermediate targets under the variable part, to be achieved within Year 1 or 2 of the variable part program. Both countries are on track to meet their variable tranche targets during FY17. For Rwanda and Malawi, also among the six countries, there was no target attainment verification of VTI planned during FY17. As for DRC, the ESPIG had not yet become effective by the end of FY17.

III. Support to Countries Affected by Fragility and Conflict

Countries affected by conflict and fragility (FCAC) and lower-income countries continue to receive the majority of ESPIG commitments. Fifty-one percent of DCPs with active or pending grants during FY17 are FCACs, representing a 3 percent increase from FY16. Fifty-five percent are classified as lower-income countries while 36 percent are in the lower-middle-income category.

[16] The grant amount for the three grants awarded in FY 17 includes supervision allocation.

[17] Under the Small Island Exemption, the Caribbean Island States grant was exempt from applying for the variable part, but was still awarded under the funding model as a fixed grant. This exemption is articulated in Annex 2 of the Board's Principles and Options for the Revision of the Global Partnership for Education Funding Model document of February 26, 2014.

[18] Lesotho applied under the ex-ante approach for the variable part of the funding model using the provision for ESPIGs under US$5 million, as proposed by the Secretariat in CGPC/2015/07 DOC 05.

Figure 1: Total Active & Closed & Pending ESPIGs Amount (US$ Million) by Income, FCAC, Small States, and Small Island Developing States in FY17[19]

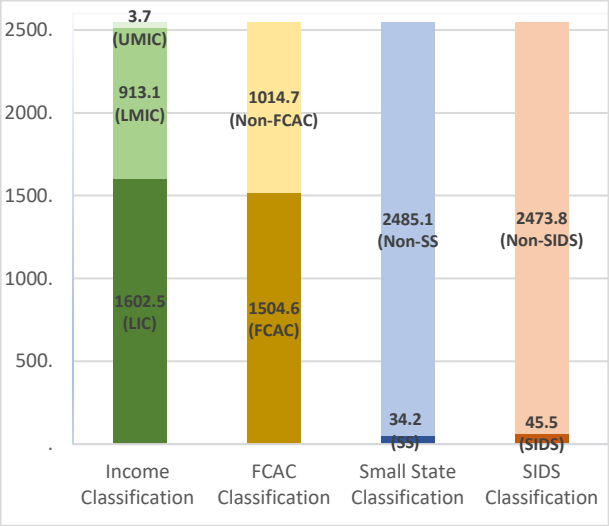
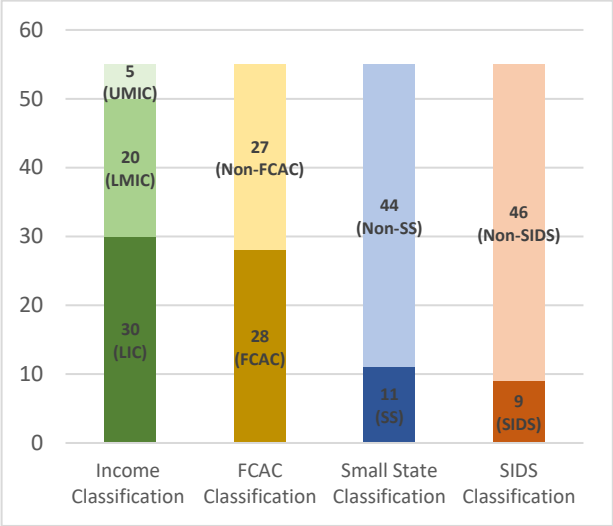


Figure 2: GPE Developing Country Partners with Active & Closed & Pending ESPIGs by Income, FCAC, Small States, and Small Island Developing States in FY17



GPE's emergency response mechanism for FCAC partners includes accelerated funding, grant restructuring, emergency readiness/preparedness planning through ESPDG, and support to transitional education plan. In FY17, there were 20 ESPIG restructurings in FCAC countries/federal states. This represents 77 percent of all restructurings that occurred in FY17. Of these 20 ESPIG restructurings in FCACs, eight (40 percent) identified specific crises as the rationale for the restructuring. These DCPs acknowledged that the flexibility allowed by GPE to reallocate funding or modify indicators is helpful for adapting to needs that arise during a crisis. Through the grant restructuring process, partners are able to respond swiftly and appropriately to the evolving circumstances. For example, in Haiti, there was a devastating Hurricane in October of 2016, causing the largest humanitarian emergency in the country since the 2010 earthquake. The Ministry of Education and Vocational Training requested a reallocation of US$1 million from the Early Grade Mathematics Assessment component to the school feeding program, within the GPE grant. The hurricane struck October 4th, the request was submitted by the DCP October 14th, and the restructuring was approved October 28th. Only 24 days after the initial disaster, GPE was able to support the government in responding to the new demands of the context. Accelerated funding, another emergency response mechanism, was accessed by Somalia (Somaliland) in FY17 to address crisis resulting from drought. The fund, which was approved in April 2017 for a 10-month program from June 1, 2017 through March 31, 2018, targets an estimated 7,800 school-aged children. The assistance was designed to help affected schools meet their teaching and learning, feeding, and water needs as well as provide appropriate capacity building to drought-affected communities.

[19] Country income levels (L - Low Income Country, LM - Lower Middle Income, UM - Upper Middle Income, H - High Income) is based on the World Bank List of Economies (June, 2017). The GPE list of countries affected by fragility and conflict (FCAC) is based on the World Bank's Harmonized List of Fragile Situations FY17 and the UNESCO's 2016 GEMR list of conflict-affected states. SS (Small State) designation is according to the World Bank Small States Classification for FY17; while SIDS – Small Island Developing States – is based on UNESCO List of Small Islands Developing States (SIDS).

Managing Risk Across the Portfolio

In October 2015, the Board approved a number of recommendations to strengthen GPE's operational model, including the development of an Operational Risk Framework. The objective of the Operational Risk Framework is to ensure that the Secretariat understands and supports risk management on a country-by-country and grant-by-grant basis. The framework helps improve consistency of risk management by addressing risk at the country, sector and grant levels in a systematic way.

In the first half of FY17, the Secretariat assessed operational risks in 58 countries/federal states and developed risk management plans for critical and high risk contexts. The ratings showed that 34 percent of countries/federal states in the GPE portfolio are high or critical in their overall sector risk (an average of scores for three selected sub-risks that relate to key areas of GPE's work). Of the countries/federal states with high or critical sector risk, 75 percent are Fragile and Conflict Affected (FCAC) countries. Twenty-eight percent of ongoing ESPIGs were rated as high or critical in their overall grant risk (an average of scores for three selected sub-risks). Of the grants with high or critical overall grant risk, 81 percent are in FCAC countries. In terms of context risk which were based on the Global Fund's rating, the assessed GPE portfolio is roughly split between contexts that have low or medium risk (52 percent) and ones with high or very high risk (48 percent). The two most elevated sub-risks were the concerns that grant objectives are not achieved within the expected implementation period and that GPE developing country partners which apply for an ESPIG fail to increase their public expenditure on education or maintain expenditure at 20 percent or above. **Overall, 19 countries/states were assessed by the GPE Secretariat as either high grant risk or critical sector risk in the key areas of GPE's work.**

In the second half of FY17, the Secretariat developed and implemented risk management plans for medium and low risk contexts. It also reviewed the risk management plans for all critical and high risk contexts with an ongoing Education Sector Program Implementation Grant (29 contexts) and assessed the impact of Secretariat's actions to mitigate risks, whether a risk rating needed to be updated, and if additional mitigations are necessary.

Beyond FY17, the Secretariat will reassess operational risks across the portfolio of ESPIGs on an annual basis. For its FY18 review, the Secretariat will link data from grant portfolio reviews and results-framework country analytics with the Operational Risk Framework. It will continue to review the effectiveness of the risk mitigation measures and regularly report to management on progress, particularly with respect to countries and grants rated as critical risk or high risk. Revisions to the operational risk assessment methodology will be finalized and presented to the Board once risk management specialists have completed a review of current practices and benchmarked comparator organizations.

The Secretariat's review of GA audit reports was first implemented in FY 16. In FY17, the Secretariat reviewed all 42 audit reports it received, and most of them contained satisfactory opinions. Of these reports, 27 contained unmodified opinions (satisfactory), five contained qualified opinions, two adverse opinions, seven multiple opinions and one had no opinion as it was an internal audit report. Issues found in the audit reports reviewed during FY17 are broadly classified as technical and systemic issues. The majority of the issues were technical, such as misstatement of financial statements, ineligible expenditure, unsupported expenditure, or other types of issues related to non-compliance with policy. Some reports referred to systemic issues such as weak procurement systems, weak financial management system, weak capacity at ministry of education or other challenges with human resources and systems in place for implementing programs.

ANNEX 2

PORTFOLIO REVIEW 2017

GLOBAL PARTNERSHIP *for* EDUCATION

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LIST OF ABBREVIATIONS AND ACRONYMS

AF	Accelerated funding
AFD	Agence Française de Développement
ANCEFA	Africa Network Campaign on Education for All
BTC	Belgian Technical Cooperation
CA	Coordinating agency
CAR	Central African Republic
CGPC	Country Grants and Performance Committee
CICED	Center for International Cooperation in Education Development
CLPG	Country-level process guide
CSEF	Civil Society Education Fund
CSR	Country status report
CST	Country Support Team
DAC	Development Co-operation Directorate, Organization of Economic Co-operation and Development
DCP	Developing country partner
DFID	Department for International Development, United Kingdom
DLI	Disbursement-linked indicator
ECCE	Early childhood care and education
ECED	Early childhood education and development
EMIS	Education management information system
EPDF	Education Program Development Fund
ESA	Education sector analysis
ESP	Education sector plan
ESPDG	Education sector plan development grant
ESPIG	Education sector program implementation grant
ESSP	Education sector strategic plan
FAC	Financial Advisory Committee
FCAC	Countries affected by fragility and conflict
FPA	Financial procedure agreement
FRR	Final readiness review
FSM	Federal State of Micronesia
FTI	Fast Track Initiative
FY16	Fiscal Year 2016 (July 1, 2015 – June 30, 2016)
GA	Grant agent
GCE	Global Campaign for Education
GIZ	Gesellschaft für Internationale Zusammenarbeit GmbH, Germany
GPC	Grants and Performance Committee
GPE	Global Partnership for Education
GRA	Global and regional activities
HACT	Harmonized Approach to Cash Transfer
IBE	International Bureau of Education (IBE – UNESCO)
ICR	Implementation Completion and Results Report (a World Bank document)
ICT	Information and Communication Technologies
IDA	International Development Association
IIEP	International Institute for Education Planning (IIEP – UNESCO)
INT	Integrity Vice Presidency (The World Bank Group)
ISR	Implementation status report
JICA	Japan International Cooperation Agency
JSR	Joint sector review
LARS	Learning assessment systems
LEG	Local education group
LIC	Lower-income country

LME	Learning monitoring evaluation
MCA	Maximum country allocation
ME	Managing entity
MIC	Middle-income country
MoE	Ministry of education
MU	Monitoring unit
NEA	Nation education account
NFM	New funding model
NGO	Nongovernmental organization
OECD	Organization for Economic Co-operation and Development
OECS	Organization of East Caribbean States
OIAI	Office of Internal Audit and Investigations (UNICEF)
OIF	Organisation Internationale de la Francophonie
OOSC	Out-of-school children
PDG	Program development grant
PDO	Program development objective
PIU	Project implementation unit
QAR	Quality assurance review
SDC	The Swiss Agency for Development and Cooperation
SE	Supervising entity
Sida	Swedish International Development Cooperation Agency
SIDS	Small Island Developing States
SMI	Sector Monitoring Initiative
SO	Strategic objective
SRGBV	School-related gender based violence
SSRP	School Sector Reform Program
TEP	Transitional education sector plan
TEPAG	Transitional education plan appraisal guidelines
UIS	UNESCO Institute for Statistics
UNESCO	United Nations Educational, Scientific, and Cultural Organization
UNGEI	United Nations Girls Education Initiative
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WB	The World Bank

ACKNOWLEDGMENTS

This portfolio review covers the fiscal year July 1, 2016, to June 30, 2017 (FY17). It was prepared by GPE's Secretariat, based on data provided by grant agents, developing country partners, coordinating agencies and Secretariat staff. The report was prepared for the Grants and Performance Committee (GPC) and Board of Directors, and satisfies the requirements described in the terms of reference of the GPC to "Provide annual reports on the country-level grant portfolio (education sector plan development grant, program development grant and education sector program implementation grant), including disbursements, budgets and implementation progress and make recommendations on future funding priorities and strategies."

The Secretariat prepared the portfolio review on behalf of the GPC and finalized it according to the committee's input. The GPC will submit the portfolio review to the Board of Directors, highlighting any key observations. It is noted that the portfolio review should be considered alongside the results report in order to obtain a broad picture of grant performance.

KEY OBSERVATIONS

Findings in this report demonstrate alignment between grant investments and the strategic vision of GPE 2020: to ensure inclusive and equitable quality education for all, especially children in some of the most difficult circumstances. A coding exercise by sub-sectoral and thematic activities of 41 active ESPIGs at the end of FY17[1] was conducted. At the thematic level, results from the coding show that GPE ESPIG investments focus heavily on improving learning, as 40 ESPIGs support teacher training while 35 supply learning materials. Furthermore, to promote equitable access to education, 30 grants support classroom expansion/rehabilitation, another 30 support gender equality projects, 12 support well-being programs,[2] and 10 support children with disabilities. All the 41 ESPIGs had system-strengthening activities and within those, Education Management Information Systems (EMIS) had the highest number (33 ESPIGs).

As in previous years, this report shows that the majority of GPE's grant allocation is committed to countries with high needs, especially those affected by conflict and fragility (FCAC) and lower income countries. Fifty-one percent of countries that received ESPIG allocation during FY17 are FCACs, representing a 3 percent increase from FY16. Fifty-five percent are classified as lower-income countries while 36 percent are in the lower-middle-income category. Also, 67 percent of the 42 countries/federal states[3] that received ESPDG grants to conduct education sector analysis (ESA) and develop education sector plans (ESP) were those affected by fragility and conflict.

Improved disbursement rate. Compared to the previous fiscal year, disbursement ratings in FY17 show improvements for percentage of grants on track, from 54 percent in FY16 to 63 percent in FY17, while percentage of grants that are delayed remain relatively the same (25 percent for FY17 and 26 percent in FY16). The uptick in the proportion of grants on track, without a corresponding improvement in the percentage of grants delayed, is in part due to an improvement in the percentage of grants slightly behind (from 20.4 percent in FY16 to 12.5 percent in FY17). During FY17, 54 countries benefited from 59 ESPIGs worth approximately US$2.32 billion. The FY17 ESPIG disbursement totaled US$420.7 million, while the cumulative amount disbursed for the ESPIGs that were active during the fiscal year was over US$1.51 billion. Of this amount, US$1.17 billion (77 percent) was disbursed to Sub-Saharan African countries or states.

An analysis of grant implementation rate presents mixed results. On the one hand, the percentage of grants either on track or slightly behind remains constant at 79 percent from FY16 to FY17, just as the proportion of grants delayed in implementation has hardly changed (20.4 percent in FY16 and 20.8% in FY17). However, when the data is further disaggregated, the FY17 implementation rating demonstrates an increase in the percentage of grants rated slightly behind (from 52 percent in FY16 to 60 percent in FY17). During the same period, there is also a decrease in the share of grant portfolio rated on track (from 28 percent to 19 percent). In terms of absolute numbers, the total active ESPIGs decreased from 54 in FY16 to 48 by the end of FY17, with six of the 11 closed grants that were on-track in FY16 being left out in the end of FY17 sample due to closure. The Secretariat conducted individual assessment of the grants and their implementation contexts (based on the information from the GAs and country leads). The causes of

[1] The 41 grants coded do not include the seven sector-pooled grants (Bangladesh, Burkina Faso, Ethiopia, Mozambique, Nepal, Rwanda, and Zambia), which were also active during FY17. Given the multiplicity of donors involved in sector pooled grants, a different analytical approach will be required for sector-pooled grants.

[2] Well-being programs include nutrition and health initiatives embedded in equity components of the project, aimed at optimizing school participation and learning outcomes. Examples of well-being programs are school feeding, deworming, vision screening/glasses, hand-washing programs, and psychological support.

[3] Please note that our reference to countries/federal states covers those sovereign countries whose sub-regional entities are counted as individual ESPIG recipients. For example, Pakistan as a country would be counted as one Developing Country Partner (DCP), while as a country/federal state it would be counted as two provinces, Sindh and Balochistan, that are ESPIG recipients.

delays are categorized as three main reasons. The first category includes unforeseen country challenges such as changes in political leadership or in the national education policy, active conflicts, lack of accessibility due to security concerns, or withdrawal of a funding agency. The second includes challenges in planning and setbacks at the launch stage. For example, delays by countries in recruiting key positions for implementation of grant activities, delays in approvals from government authorities or delays in development of needs assessment or action plan. The third is implementation challenges during project rollout, including irregularities in procurement at country-level, irregularities in safeguards procedures, delays with technical support from development partners and coordination issues between the grant agent and the government. The Secretariat will continue to look at trends in the overall ESPIG portfolio to have more information on causes of delays. It is important to note that assessing the performance of grants through the Secretariat's ratings is an exercise that gives an overview of grant portfolio, but its results should not be used in isolation to define grant performance. The rating does not show the effects of some important factors that may affect grant performance, such as involvement of government, coordination between all actors involved in the implementation, and quality of interventions. The delayed rating assigned to a particular grant may be due to slow procurement. It could be that the government is using a procurement process for the first time and that it is strengthening its experience. In essence, grant rating is a useful exercise as long as its results are used alongside other information to improve the performance of the grant.

A quality assurance function that supports country processes and products, and leverages the new funding model. The new funding model emphasizes sector readiness to meet the funding model requirements and strong program design. To provide more streamlined and consistent support to country development of sector plans and programs, the Secretariat has continued to build and institutionalize its quality assurance function in FY17. By the end of FY17, 16 country ESPIG applications had received feedback through the new QA process – a process that is now the standard for all countries applying for ESPIG funding. The strengthened QA function ensures the Secretariat's early, iterative, and standards-based engagement with countries at critical stages of the sector planning and program design process, contributes to technical dialogue at country level, and supports country development of more robust and relevant sector plans and programs. During FY17, QA tools were also updated to allow the Secretariat to provide earlier and more strategic feedback to countries seeking guidance on applying for the variable part of their MCA. As the funding model matures, the Secretariat will continue to collect feedback from DCPs and GAs on the utility and responsiveness of quality assurance support vis-à-vis country-level processes.

Overall, grant agents and implementation partners have helped to manage the risk regarding achievement of grant objectives; however, the partnership has not been well positioned to have an impact on mitigating the risk on domestic financing, apart from during the upstream application of the funding model. A new policy is under development as part of the Financing and Funding Framework (FFF) that will help mitigate this risk. In the first half of FY17, the Secretariat assessed operational risks in 58 countries/federal states and developed risk management plans for critical and high risk contexts. The ratings showed that 34 percent of countries/federal states in the GPE portfolio are high or critical in their overall sector risk. Twenty-eight percent of ongoing ESPIGs were rated as high or critical in their overall grant risk. In terms of context risk assessments, which were based on the Global Fund's rating, the assessed GPE portfolio is roughly split between contexts that have low or medium risk (52 percent) and ones with high or very high risk (48 percent). Countries affected by conflict and fragility (FCACs) account for the largest proportion of GPE portfolio with high or critical overall grant risk and sector risk. Of the countries/federal states with high or critical sector risk, 75 percent are FCACs. Of the grants with high or critical overall grant risk, 81 percent are in FCAC countries. The two most elevated sub-risks were the concerns that grant objectives are not achieved within the expected implementation period and that GPE

developing country partners which apply for an ESPIG fail to increase their public expenditure on education or maintain expenditure at 20 percent or above. In the second half of FY17, the Secretariat developed and implemented risk management plans for medium and low risk contexts. It also reviewed the risk management plans for all critical and high risk contexts with an ongoing ESPIG (29 contexts) and assessed the impact of the Secretariat's actions to mitigate risks. Overall, the Secretariat has had substantial impact in managing the risk regarding achievement of grant objectives.

Grant alignment on national systems and choice of modality. At the end of FY17, only 16 (28 percent) of 57 ESPIGs (active and closed) were significantly aligned with national systems.[4] These 16 aligned ESPIGs were composed of five sector pooled funds, two direct budget support mechanisms and nine projects. The percentage of ESPIGs in FY17 aligned with national systems is lower than the percentage estimated in FY15 (34 percent) and FY16 (31 percent). The Secretariat is working with country partners to engage in dialogue around aid effectiveness and the need for greater harmonization and alignment of external aid. Practices in aid delivery need to be questioned more strongly against the objectives of the partnership to develop more aligned modalities. This should be reflected in decisions and processes going forward, including the choice of modality to support GPE grant funding and quality assurance reviews of ESPIG-funded programs. Lessons learned from aligned pooled funds will be capitalized to better inform options available to developing country partners and grant agents, particularly around risk management and capacity support strategies. The development partners will play a critical role in facilitating progress, challenging existing practices and encouraging the development of aid that can adequately combine significant degrees of alignment on national systems, funding at scale and appropriate fiduciary safeguards.

[4] ESPIG for Organization of Eastern Caribbean States (OECS) on behalf of Dominica, Grenada, Saint Lucia, Saint Vincent and the Grenadines and Accelerated Funding (AF) for Somaliland were excluded from the sample for alignment: OECS is an inter-governmental organization, and AF is not an instrument to promote alignment, but rather to channel through the funding as quickly as possible.

GRANT PORTFOLIO TO DATE

This Portfolio Review report covers the fiscal year from July 1, 2016 to June 30, 2017. It reviews the GPE country-level grant portfolio and presents the trends in volume, geographic and thematic allocations of three GPE country-level grant mechanisms – the Program Development Grant (PDG), Education Sector Program Development Grant (ESPDG), and the Education Sector Program Implementation Grant (ESPIG). The report is prepared by the GPE Secretariat based on data provided by developing country partners, grant agents and GPE staff.

Since its inception in 2002, GPE has provided a total allocation of US$4.662 billion through three country-level grant mechanisms: Education Sector Plan Development Grant (ESPDG), Program Development Grant (PDG) and Education Sector Plan Implementation Grant (ESPIG). Through its Education Sector Plan Development Grant (ESPDG), GPE provides support to the education sector analysis and planning processes. Between 2012 and June 30, 2017, **US$18.7 million** has been provided for the funding of **72 ESPDGs in 58 countries**. In 2014, GPE doubled the funding available to support each ESPDG from US$250,000 to US$500,000 for which half of the grant is earmarked for sector analysis. The Program Development Grant (PDG) supports the preparation of three to four-year programs in support of the ESP implementation. By the end of June 2017, 48 grants have been approved for a cumulative amount of US$ 9.26 million. The Education Sector Plan Implementation Grant (ESPIG) supports the implementation of the ESPs. Since 2002,[5] **129 ESPIGs** have been provided to **57 countries** for a total allocation of **US$4.634 billion**. Of this amount, **US$3.625 billion** has been disbursed. The disbursement for ESPIGs over the 12-month period ending in June 30, 2017 totaled US$420.7 million, representing about 16 percent decrease from FY16 (US$503 million) and approximately 2 percent decrease from FY15 (US$427.8 million); while the cumulative amount disbursed (since the start of implementation) for the ESPIGs that were active as of June 2017 was over US$1.51 billion.

GPE has two funding instruments at global and regional levels: the global and regional activities grant (GRA) and the Civil Society Education Fund (CSEF). The current GRA portfolio consists of 15 grants valued at US$31.1 million. The GRA supports innovation, capacity building, knowledge development and sharing. Since it became operational in 2013, US$31.1 million has been disbursed. The Civil Society Education Fund supports civil society engagement in education sector policy, planning, budgeting and monitoring. Since its inception in 2013, US$48.3 million has been allocated and US$38.6 million has been disbursed. This report does not cover these two instruments; it focuses on country-level grant mechanisms.

[5] From 2002 through 2011, grants currently known as ESPIGs were funded from the Catalytic Fund, and were referred to as Catalytic Fund Grants. In addition to this, there were grants equivalent to PDGs known as Education Program Development Fund (EPDF) Grants.

1 INTRODUCTION

1.1 STRUCTURE OF THIS REVIEW

The Portfolio Review FY17 analyzes the composition of the country-level grant portfolio and the performance of the individual programs. In addition to the executive summary and introduction there are four main sections, together with eight supporting annexes, described briefly as follows:

Section 2 — Small Grants provides an overview of the active, approved and closed ESPDGs and PDGs during FY17, as well as the distribution per GA and FCAC.

Section 3 — Education Sector Program Implementation Grant provides an overview of active ESPIGs during FY17, including their distribution by GA, modalities, geographical region and status of disbursements and implementation, requests for revisions, closed grants, analysis of the administrative costs, key components and outputs, and overview of thematic activities.

Section 4 — Support to Countries Affected by Fragility and Conflict presents an update on how GPE engaged during FY17 with these countries.

Section 5 — Risk Management reviews the different ways through which GPE manages the risks across the grant portfolio, including the operational risk framework and audit report analysis.

Annexes

- **Annex 1-A: Education Sector Plan Development Grants, Annex 1-B: Program Development Grants, Annex 1-C: Education Sector Program Implementation Grants, and Annex 1-D: Grant and MCA Eligibility** provide a full listing of GPE developing country partners and countries eligible to become members with details on active, closed and pending ESPDGs, PDGs and ESPIGs during FY17.
- **Annex 2: GPE Developing Country Partners List** links to the GPE website's country pages.
- **Annex 3: Reponses to recommendations from 2016 portfolio review** provides Secretariat responses to the issues raised by the Board and the Grants and Performance Committee on the Portfolio Review FY16.
- **Annex 4: Grants Disbursement and Implementation status** shows grants that have been delayed at either the disbursement or the implementation stage during FY17, as well as reasons for the delays and the remedial actions taken.
- **Annex 5-A: Approved Non-minor Program Revisions Relating to the Education Sector Program Implementation Grants** and **Annex 5-B: Approved Material Revisions Relating to the Education Sector Program Implementation Grants** provide a detailed list of non-minor and material revision requests.
- **Annex 6: Report backs on FAC/GPC's Recommendations and Concerns** outlines updates for report-back items which were requested by FAC/CGPC/GPC and the Board at the time of ESPIG approval.
- **Annex 7-A: ESPIG Codebook for Education Annex 7-B: ESPIG Codebook for Thematic Areas, and Annex 7-C: thematic activities by strategic goal, by country/federal state** present results of ESPIG coding exercise.
- **Annex 8: List of Variable Tranche Indicators per Equity, Efficiency and Learning** presents the variable tranche indicators used by countries that have applied for variable part of ESPIG.

1.2 Operational Model

This part of the review presents an update on initiatives and steps taken to strengthen GPE's operational model, which provides an important context for the understanding of GPE's grant portfolio during FY17.

1.2.1 Funding Model Update

Three years after the adoption of the GPE results-based funding model, nine ESPIG applications (six in FY16 and three in FY17) have been awarded under the funding model. To optimize the impact of the funding model, the Secretariat has refined its quality assurance activities to be more systematic and streamlined in providing support to countries during sector planning and program design processes. Importantly, the Secretariat's early and iterative engagement with countries has facilitated more nuanced, context-sensitive, and consistent assessment of, and dialogue around, funding model benchmarks, particularly regarding country development of credible sector plans, domestic financing of education, and availability of and use of data. This more robust engagement has been positively received, but has also increased the lead-time countries require to submit ESPIG applications.

By the end of FY17, 16 countries had ESPIG applications undergoing the Quality Assurance Review process as part of the ESPIG application process. Table 1 provides an overview of the main country-facing activities undertaken by the Secretariat during FY17 for DCPs at various stages of the grant cycle.[6] During FY17, technical support and guidance was provided to DCPs who had ESPIGs approved as well as to ESPIGs in the grant application pipeline.

Table 1: Overview of the Main Country-Facing Activities Undertaken by the Secretariat in FY17

	Country* Facing Work	Actual for Q1	Actual for Q2	Actual for Q3	Actual for Q4	Total (FY17)
1	Countries/federal states receiving GPE Sec. support for ESA preparations	11	9	11	12	**43**
2	Draft ESA reports reviewed	2	2	1	4	**9**
3	Countries/federal states receiving GPE Sec. support for ESP preparations	22	22	16	24	**84**
4	Draft ESPs reviewed	2	3	6	3	**14**
5	ESPs appraised	4	1	3	5	**13**
6	ESPs endorsed by Gov/LEG	1	2	1	5	**9**
7	ESP support missions undertaken	7	13	10	12	**42**
8	JSR missions undertaken	4	6	1	8	**19**
9	Quality Assurance missions undertaken	4	8	5	6	**23**
10	Grant monitoring missions undertaken	21	25	13	14	**73**
11	ESPDG Approvals	4	3	9	2	**18**
12	PDG Approvals	1	5	3	2	**11**
13	ESPIG Approvals	0	2	0	1	**3**
14	ESPIGs that started implementation	1	1	1	1	**4**
15	ESPIG progress reports received	27	15	13	16	**71**
16	ESPIG completion reports received	0	0	2	1	**3**

** country facing activities include federal states*

With respect to the funding model, the Secretariat provides feedback and support to country-level partners through a three stage Quality Assurance Review (QAR) process.

> The **QAR I** process provides feedback on country progress towards GPE Funding Model Requirements, gives information on the standardized GA Selection Process, comments on the program concept and proposed modalities, gives feedback relevant to strategic dialogue on the variable part of the funding model, and provides an assessment of the program concept vis-à-vis GPE strategic goals and objectives.

[6] "Country" includes federal states.

The **QAR II** process provides feedback on country program documents and, where relevant, country strategies for the accessing the variable part of their MCA. QAR II feedback is based on a common set of quality standards and seeks to support country strengthening of grant applications.

The **QAR III** process is conducted at the time of grant application submission. The QAR III report provides the Secretariat's final assessment of the country application for funding.

For most countries, Secretariat quality assurance engagement includes providing *Initial Comments* to countries on draft education sector plans or transitional sector plans. At the Initial Comments, QAR I and QAR II stages, the Secretariat provides written feedback to countries.

Over the past year, country-supporting quality assurance activities have become more deeply embedded in the Secretariat's organizational culture. Following establishment of a three-stage QAR process in 2012, the Secretariat, in May 2015, established a Quality Assurance (QA) Unit. The focus of the unit is to support the strengthened quality of country applications for funding by working with the Country Support Team to ensure timely and relevant feedback is provided on draft education sector plans and programs. In March 2017, the Secretariat began conducting weekly *Review Meetings* to institutionalize management review of, and thereby, improve the quality and consistency of QAR reports, which are the formal form of Secretariat feedback to DCPs. Sixteen RMs took place between March 1, 2017 and June 30, 2017, and 27 QAR reports were reviewed in total.

Table 2: Number of QAR reports reviewed through QAR Review Meetings since March 2017

ESP/TEP comments[7]	5	South Sudan, Madagascar, Djibouti, Comoros, Sierra Leone
QAR 1	15	Puntland, Gambia (P)[8], Afghanistan, Zanzibar, Somaliland, Burkina Faso, Guinea Bissau, Sierra Leone (P), Madagascar, Zimbabwe, Cambodia, Liberia, Somalia (Federal). (P), Cape Verde (P), Comoros (P),
QAR 2	3	Puntland, Cambodia, Liberia
QAR 3	3	Lesotho, Puntland, Liberia
Accelerated Funding	1	Somaliland

Updated quality assurance tools, grounded in a standardized methodology and set of quality standards, have improved the Secretariat's capacity to respond to, and constructively and consistently support, country processes. Revised tools support countries to better align grant objectives and activities with sector priorities; and engage in strategic and operational dialogue related to variable tranche strategies, priorities, and indicators/targets. It also supports countries to design programs with sound financial and implementation arrangements that adequately reflect risk and value for money concerns, and integrate, to the extent possible, principles of aid effectiveness and sustainability. The decision to apply a standardized methodology and set of quality standards to evaluate country program documents, inclusive of variable part strategies, was reinforced by the GPC at the June 2017 Board meeting.

Strengthening Independent Appraisal of Sector Plans. Following the development of a draft education sector plan, most countries facilitate implementation of an Independent Appraisal of the draft plan. The role of the appraisal is to provide independent feedback to country-level stakeholders on the robustness and credibility of the sector plan. Developing country partners use this feedback to facilitate further policy dialogue and to revise and finalize the sector plan. Recognizing that the "quality" of the appraisal consultant has a significant influence on the quality and relevance of the feedback shared through the

[7] There is an Initial Comments process before the QAR I process where the Secretariat provide feedback on the quality of ESP/TEP to the country.
[8] P means Partial which refers when the countries are not yet ready to submit the full QAR report and just submit for fixed part

Independent Appraisal report, the Secretariat, in partnership with the International Institute for Educational Planning (IIEP), developed and implemented appraisal training programs in July 2016 and January 2017. As a result of these trainings, nearly 40 education experts are now able to facilitate implementation of high-quality Independent Appraisals that support country-level processes. An online training on Independent Appraisal of Sector Plans is currently being developed and is expected to become the main mode for training in the future.

As part of the adjustments to the operational model adopted in October 2015, a standard process for selecting a grant agent was adopted and rolled out for countries applying in the first round of 2017 and beyond.[9] Afghanistan was one of the first GPE member countries to implement the revised process for selecting GPE grant agents (GA) for Education Sector Plan Implementation Grants for its upcoming ESPIG. In alignment with the new GA Selection Guidelines, Afghanistan's Ministry of Education drafted a call for candidates. Expressions of Interest were submitted by two agencies. Development partners developed a technical assessment of both candidate agencies' expressions of interest and technical presentations. These assessments formed the basis for engagement and dialogue with the Ministry of Education about the GA candidates. Through this process of dialogue, consensus was reached.

[9] This document was approved by the Country Grants and Performance Committee, in its delegated authority from the Board of Directors, on February 22, 2016. The process applies to education sector program implementation grants and is applicable to all countries who have not — as of February 22, 2016 — informed the Secretariat of the selection of a GA. The Secretariat will integrate some measure of flexibility for those countries that may be very advanced in their selection process. More information can be found here: http://www.globalpartnership.org/content/standard-selection-process-grant-agents.

2 SMALL GRANTS

2.1 EDUCATION SECTOR PLAN DEVELOPMENT GRANT

Key Messages

- Since 2012, 72 ESPDGs* have been granted by the GPE for a total of US$20 million.
- In FY17 there were 38 active ESPDGs benefiting 42 countries/federal states for a total of US$12.6 million with seven different GAs.
- 14 out of 18 ESPDGs approved in FY17 included funding for Education Sector Analysis (ESA).
- 20 ESPDGs were extended, of which seven were extended for the second time.
- Seven completion reports received indicate all ESPDGs achieved the intended goals of the grant.

*Previously known as EPDG (Education Program Development Grant)

The Education Sector Plan Development Grant, with funding of up to US$500,000, provides support to the education sector planning process, including sector analysis for which half of the grant is earmarked (US$250,000). Funding available under the ESPDG grant window was doubled from US$250,000 to US$500,000 following the launch of the GPE funding model adopted in 2014, which includes an education sector analysis (ESA) as part of its data requirement. The grant can support an ESA, including qualitative and quantitative studies and system analysis to provide an evidence base for education sector planning, and the development of an ESP or, depending on the context, development of a transitional plan (TEP).

The total active ESPDG portfolio at any time during FY17 included 38 grants to 42 countries[10] or federal states for a total of US$12,595,702. Out of the 42 countries/federal states with an ESPDG, 28 are categorized as FCAC (see Annex 1). Ten ESPDGs closed in FY17 leaving 28 active at the end of the fiscal year, with a total of US$9,585,598, and benefiting 33 countries.

Table 3: Overview of Active, Approved and Closed ESPDGs, FY17

ESPDG	Active at the Beginning of FY17	New Approved During FY17	Closed During FY17	Active at the End of FY17
Number of grants	20[11]	18	10	28
Value (US$)	7,238,300	5,357,402	3,010,104	9,585,598

Eighteen ESPDGs were approved in FY17 with a total of US$5,357,402. Twelve of the 18 approved ESPDGs were granted to FCACs. One grant recipient, the Regional Pacific SIDS, is not yet a member (or members) of GPE.[12] The rest 17 recipient countries have been members since as early as 2002 and as recent as 2013, averaging 9 years of membership with GPE. Half of the ESPDGs granted in FY17 (9) were to countries which have received an ESPDG previously in FY 13 (except Chad which received its first ESPDG in FY14 and Somalia which received additional financing in FY14 for its ESPDG approved in FY13).

All but four ESPDGs approved in FY17 received funding for an ESA. The ESA portion of the fourteen grants totaled to US$2,757,007. This is equivalent to 51 percent of all ESPDG funding approved in FY17. The countries that applied for ESA funding are: Burundi, Cambodia, Eritrea, The Gambia, Guinea, Guinea-

[10] The regional ESPDG for the Pacific Islands supports 8 least developed Pacific SIDS: Kiribati, Marshall Islands, Micronesia, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu. Three of these SIDS received individual ESPDGs during FY16: Kiribati, Marshall Islands, and Micronesia.
[11] Note that an additional financing of US$78,166 for Nepal is combined with its original ESPDG approved in FY15 and counted as one grant.
[12] Non-GPE member countries which meet GPE eligibility categories can apply for an ESPDG before becoming a member since the entry point to GPE membership is an endorsed ESP and the grant supports the development of a quality ESP.

Bissau, Kyrgyz Republic, Regional Pacific SIDS, Rwanda, Sao Tome and Principe, Sierra Leone, Somalia (Federal), Somalia (Somaliland), and Timor-Leste.

Table 4: Breakdown of 18 Newly Approved ESPDGs in FY17

Education Sector Analysis	Education Sector Plan Development	Total
US$2,757,007	US$2,600,395	US$5,357,402

The FY17 portfolio of ESPDGs were managed by seven different Grant Agents. DFID became a first-time GA for an ESPDG. As with FY16, UNICEF continues to manage the most number of ESPDGs. As the GA for 18 grants, UNICEF is the GA of choice for FCACs – more than half of FCACs applying for an ESPDG chose UNICEF to be their grant agent. Compared to FY16, the UNICEF ESPDG portfolio for FY17 has significantly increased to US$5,815,457, or 46 percent of the total approved ESPDG amount. The World Bank was the GA for 10 ESPDGs totaling US$3,711,482, or 30 percent of the total approved ESPDG amount.

Table 5: ESPDG Distribution per GA and FCAC

Grant Agent	Number of ESPDGs		Total Number of ESPDGs	Total Amount of ESPDGs (US$)	Share of Total Approved ESDPG Amount
	FCAC	Non-FCAC			
Asian Development Bank (ADB)	3	0	3	636,802	5.1%
Department for International Development (DFID)	1	0	1	323,570	2.6%
Save the Children	1	0	1	483,327	3.8%
Swiss Development Cooperation	0	1	1	428,794	3.4%
UNESCO	2	2	4	1,196,270	9.5%
UNICEF	13	5	18	5,815,457	46.2%
World Bank	4	6	10	3,711,482	29.5%
Total	**24**	**14**	**38**	**12,595,702**	**100.0%**

Since the start of ESPDGs (previously known as the EPDGs) in 2012, the diversity of grant agents administering the grant has significantly expanded from just the World Bank and UNICEF in 2012 to include UNESCO, SIDA, ADB, Save the Children, SDC, and DFID who became a GA for the first time in FY17. After the peak in FY13 when 18 ESPDGs were approved, the number of ESPDGs approved each year has been steadily on the rise, and with it, the increase in the variety of GAs.

Table 6 : Trend in Number of ESPDGs Approved and Diversity of GAs

Fiscal Year	Total Number of ESPDGs Approved	Number of ESDPGs Approved for Each Grant Agent							
		World Bank	UNICEF	UNESCO	SIDA	ADB	Save the Children	SDC	DFID
FY12	3	2	1						
FY13	18	10	7	1					
FY14	7	4	2	1					
FY15	10	3	6	1					
FY16	16	4	5	2	1	2	1	1	
FY17	18	5	10	1		1			1
Total	**72**	**28**	**31**	**6**	**1**	**3**	**1**	**1**	**1**

The average length of new ESPDGs approved in FY17 is 12 months, ranging from 3 months for Cambodia to 22 months for Djibouti. However, 20 ESPDGs (53 percent) in FY17 have received extensions and the average length for these 20 grants is 19 months. Seven ESPDGs were extended for the second time. According to the GPE Policy for ESPDGs, extensions are limited to one 6-month extension unless exceptional circumstances are demonstrated. The ESPDG portfolio in FY17 had 10 grants out of 38 that were extended beyond 6 months based on exceptional circumstances. Reasons for these exceptional extensions include elections resulting in delays, changes in Ministry leadership, unforeseen delays and weak capacity, especially as they relate to fragile contexts. With increased emphasis on consultative processes and the overall quality of the sector plans, countries' original expected timelines for the sector planning process needed to be revisited.

Table 7 : ESPDGs in FY17 with Extensions

Country	Countries Affected by Fragility and Conflict	Grant Amount (US$)	Grant Agent	Start Date	Original End Date	Extension 1 End Date	Extension 2 End Date	Exceptional Case
Afghanistan	FCAC	154,250	World Bank	21-Jul-16	1-May-17	1-Nov-17		
Cape Verde		234,775	UNICEF	26-Aug-14	31-May-15	1-Jul-16	1-Jan-17	Yes
Chad	FCAC	250,000	UNESCO	11-Aug-16	30-Jun-17	31-Dec-17		
Comoros	FCAC	444,274	UNICEF	13-May-16	31-Dec-16	30-Jun-17		
Cote d'Ivoire	FCAC	220,219	UNICEF	26-Feb-16	31-Aug-16	28-Feb-17	30-Jun-17	Yes
Ethiopia	FCAC	187,170	UNICEF	4-Feb-16	30-Jun-16	30-Sep-16		
Honduras		500,000	World Bank	8-Oct-15	30-Jun-16	30-Sep-17		Yes
Kiribati	FCAC	200,000	UNICEF	16-Mar-15	30-Apr-16	30-Oct-16		
Liberia	FCAC	500,000	World Bank	15-Jan-16	31-Dec-16	30-Jun-17	30-Sep-17	Yes
Micronesia	FCAC	231,988	ADB	1-Feb-16	1-Feb-17	1-Aug-17		
Nicaragua		500,000	World Bank	9-Feb-15	15-Jul-16	31-Dec-16	31-Aug-17	Yes
Marshall Islands	FCAC	204,814	ADB	1-Apr-16	31-Mar-17	30-Sep-17		
Senegal		250,000	World Bank	8-Apr-16	31-Dec-16	31-Dec-17		Yes
Somalia-Puntland	FCAC	483,327	Save the Children	11-Feb-16	31-Aug-16	31-Dec-16	30-Jun-17	Yes
Somalia-Somaliland	FCAC	488,868	UNICEF	23-Sep-16	31-Jul-17	30-Nov-17		
South Sudan	FCAC	467,079	UNESCO	21-Oct-15	30-Jun-16	30-Nov-16	31-Mar-17	Yes
Sudan	FCAC	499,900	World Bank	10-Mar-16	30-Jun-17	30-Jun-18		Yes
Tanzania-Mainland		245,541	UNESCO	16-Dec-15	30-Jun-16	30-Sep-16		
Vietnam		233,650	UNESCO	1-May-15	1-Aug-16	1-Feb-17	1-Aug-17	Yes
Zambia		498,391	UNICEF	3-May-16	31-Jan-17	31-Jul-17		
Total	**13**	**6,794,246**				**20**	**7**	**10**

In FY16, the Secretariat reviewed and revised the ESPDG guidance which includes a completion report template. Country partners were encouraged to use the revised completion template starting June 2016. The new GPE ESPDG completion template asks for an overall assessment in three dimensions: effectiveness (in relation to the intended objectives of Financing Window 1 and/or 2[13] and in supporting the implementation of the roadmap), efficiency (in relation to the use of funds), and relevance (in relation to the added value in process and quality). Grant Agents have three choices for each dimension: very, effective/efficient/relevant, and less. This assessment is more comprehensive than the previous ESPDG completion template which asks only one binary question: Did the grant achieve its objectives?

In FY17, seven completion reports were received: two from the World Bank, two from UNICEF, two from UNESCO, and one from SIDA. All seven reports had positive assessment for effectiveness. Efficiency and relevance were assessed only in the new GPE ESPDG completion template. Though the World Bank template does not ask for timely implementation,[14] the GPE template (both old and new) report whether the grant was implemented on time. Out of five reports, two ESPDGs (Tanzania Mainland and Zanzibar) were implemented on time. As the Secretariat continues to support countries in their sector planning process, quality of the ESP and consultations are emphasized over timeliness of implementation. An increased emphasis is now given in the grant review process of realistic timelines.

Table 8 : Assessment of ESPDG Implementations in FY17

Country	Grant Amount (US$)	Grant Agent	End Date	Effectiveness Assessment	Efficiency Assessment	Relevance Assessment	Implemented on Time?
Congo, DR	237,875	World Bank	31-May-16	Satisfactory	-	-	-
Ethiopia	187,170	UNICEF	30-Sep-16	Yes	-	-	No
Lesotho	230,000	UNESCO	30-Apr-16	Very Effective	Very Efficient	Very Relevant	No
Nepal	465,774	UNICEF	15-Jul-16	Very Effective	Efficient	Very Relevant	No
OECS	298,500	World Bank	13-Nov-16	Satisfactory	-	-	-
Tanzania (Mainland)	245,541	UNESCO	30-Sep-16	Effective	Efficient	Very Relevant	Yes
Tanzania (Zanzibar)	187,309	SIDA	15-Dec-15	Yes	-	-	Yes
Total	**1,852,169**	**7**					

[13] Financing Window 1 supports education sector analyses including PFM analyses. The second financing window provides funding for the activities that logically follow the completion of the sector analysis, and supports the development of an ESP or a TEP, and the organization, conduct, and follow-up of the independent assessment.

[14] The World Bank used its own reporting template which asks for assessments in two areas: overall progress with regards to achieving grant objectives (equivalent to effectiveness assessment in GPE's new template) and overall progress with regards to implementation (not equivalent to any assessment in GPE's new template). Out of the five remaining completion reports received from UNICEF, UNESCO, and SIDA, three reports were completed using the new GPE ESPDG completion template.

2.2 Program Development Grant

Key Messages

- During FY17, 15 Program Development Grants worth US$3.3 million were active across the 18 GPE countries/federal states.
- Allocations greater than the standard amount of US$200,000 per country was granted to seven countries/ federal states during FY17.*
- 40% of the PDGs active during FY17 received extensions averaging 6.8 months.

* These seven countries are under four grants (one regional Caribbean Island States PDG includes four countries: Dominica, Grenada, St. Lucia, and St. Vincent and the Grenadines).

Table 9 : Overview of Active, Approved and Closed PDGs, FY17

PDG	Active at the Beginning of FY17	New Approved During FY17	Closed During FY17	Active at the End of FY17
Number of grants	3	12	3	12
Value (US$)	887,750	2,383,909	836,750	2,434,909

The Program Development Grant provides a standard allocation of US$200,000 to enable the grant agent (GA), working under the leadership of the government, to prepare a program that will support the implementation of the Education Sector Plan or Transitional Education Plan, and which meets the criteria to be financed by the GPE through the ESPIG.[15] This grant is vital to the development of a quality ESPIG financed program as it allows the GA to allocate technical resources to conceptualize and develop the program through a consultative process that involves the coordinating agency and the local education group within the country. The PDG grant is expected to help countries develop a high-quality program to be submitted for approval to the GPE Board after having undergone Quality Assurance Reviews at various stages. Grant agents can request up to US$400,000 with justification on exceptional basis.

The PDG portfolio for FY17 covered 15 grants in 18 countries/federal states worth US$3.3 million. Three PDGs were active at the beginning of FY17 in the Caribbean Island States, the Democratic Republic of Congo and Lesotho. In FY17, 12 PDGs were approved in Afghanistan, Cambodia, Chad, Cote d'Ivoire, Ethiopia, Gambia, Guinea-Bissau, Liberia, Madagascar, Somalia (Puntland), Somalia (Somaliland) and Tanzania (Zanzibar) for US$2,383,909. Three grants closed as of June 30, 2017, while 12 grants remained under implementation. Usually the duration of PDGs is estimated to be between 12 and 15 months. The average duration of PDGs that closed this FY17 was 13 months and within the estimated window.

Total commitments for all PDGs in FY17 amounted to approximately US$3.3 million. The World Bank is the GA for a majority of the PDGs in the current portfolio. Ten PDGs are managed by the World Bank, while UNICEF is the GA for two grants and UNESCO, Save the Children and Swedish Embassy are the GA for one PDG respectively. Grant agents receive anywhere between 1.75 and 8 percent in agency fees for managing the grants. Of the 12 grants approved in the FY17 portfolio, one PDG received more than the standard allocation of US$200,000 while three other active PDGs with allocations of more than US$200,000 were reported in FY17. Madagascar was granted a PDG for US$336,420 in April 2017 to facilitate the preparation of their ESP which is still a work in progress. The GA requested additional funding to ensure that the program designed for the ESPIG is sound and can meet all GPE requirements.

[15] Global Partnership for Education Program Development Grant Guidelines, May 2016, p. 1.

Six of the 15 PDGs that were active during FY17 have received extensions in the current reporting fiscal year (Cambodia, Chad, Ethiopia, Lesotho, Somalia-Puntland and Tanzania-Zanzibar). As of the end of FY17, PDGs for Cambodia, Chad, Lesotho, Somalia-Puntland and Tanzania-Zanzibar were still active, while the PDG for Ethiopia had been closed. The PDG for Ethiopia was granted a 6-month retroactive extension, which was the only PDG retroactive extension approved in FY17. The average length of the six PDG extensions is 6.8 months. The main reasons for extensions include a delayed submission of ESPIG application (Chad, Cambodia, Lesotho and Tanzania Zanzibar) and a need to organize additional workshops to familiarize the local officials with upcoming ESPIG program (Somalia-Puntland).

Table 10 : Program Development Grants Closed from FY15 to FY17 (July 1, 2014 – June 30, 2017)

	Country	Approval Date	Closing Date	ESPIG Approved within 2 years Since Approval of PDG	Approval Date	Duration (Month)
Closed in FY15 (7)	Chad*	17-Jun-14	31-Dec-14	Yes	20-Nov-12	**n/a**
	Guinea	17-Jun-14	31-Dec-14	Yes	16-Dec-14	**6**
	Kenya	28-Jan-14	15-Feb-15	Yes	16-Dec-14	**11**
	Lao PDR	29-Jul-13	31-Oct-14	Yes	16-Dec-14	**17**
	Nigeria	4-Feb-13	31-Dec-14	Yes	16-Dec-14	**22**
	Pakistan Sindh	7-Oct-13	30-Jun-14	Yes	28-Jun-14	**9**
	Uzbekistan	2-May-14	30-Apr-15	Yes	28-Jun-14	**2**
Closed in FY16 (5)	Bangladesh	9-Feb-15	31-Dec-15	Yes	23-May-15	**3**
	Guyana	1-Jul-13	31-Jul-15	Yes	16-Dec-14	**18**
	Malawi	29-Apr-15	30-Jun-16	Yes	15-Jun-16	**14**
	Mozambique	8-Oct-14	30-Apr-16	Yes	23-May-15	**7**
	Nepal	14-Nov-14	30-Sep-15	Yes	23-May-15	**6**
Closed in FY17 (3)	Caribbean Island States (OECS)	26-Nov-14	15-Jul-16	Yes	15-Jun-16	**19**
	Congo, DR	21-Oct-15	31-Dec-16	Yes	15-Jun-16	**8**
	Ethiopia	7-Jul-16	30-Jun-17	Yes	15-Feb-17	**7**
			Average			**11**

* The PDG for Chad was a retro financed grant. Program development activities started in 2012 before PDG approval by the GPE.

During FY17, one completion report was received for the PDG for Malawi, which closed in FY16. The three PDGs that closed in FY17 are yet to submit completion reports, which are due six months after completion. The PDG for Malawi was rated highly satisfactory for overall progress with regard to achieving grant objectives, and was rated satisfactory for overall progress with regard to implementation of grant financed activities. The completion report stated that the grant was fully implemented to undertake initial identification of project components, analyses, collating background information, undertaking field visits and extensive consultations with stakeholders, civil society and LEG members. Implementation of this PDG brought to light that a balanced emphasis should be laid on both the design of the project as well as implementation readiness.

3 EDUCATION SECTOR PROGRAM IMPLEMENTATION GRANT

Key Messages

- Since 2002, GPE has allocated a total ESPIG amount of US$ 4.634 billion to 57 countries
- During FY17, 54 DCPs benefited from 59 ESPIGs worth approximately US$2.32 billion.
- At the end of the fiscal year, there were 48 active ESPIGs worth US$1.96 billion.
- A total of US$420.7 million was disbursed for ESPIG implementation during the fiscal year, while the cumulative amount disbursed for the ESPIGs that were active as of June 2017 was over US$1.51 billion. Of this amount, US$1.17 billion (77%) was disbursed to Sub-Saharan Africa.
- Consistent with previous fiscal years, Sub-Saharan Africa has the largest number of ESPIGs under implementation. As of June 30, 2017, 33 (69%) of the remaining 48 active ESPIGs, worth US$1.446 billion, were in Sub-Saharan Africa. Ten of the 11 ESPIGs that closed in FY17 were also in this region.
- Countries affected by conflict and fragility (FCAC), low- and lower-middle-income countries continue to receive the majority of ESPIG commitments. Fifty-one percent of DCPs with active or pending grants during FY17 are FCAC, representing a three percent increase from FY16. Fifty-five percent are classified as lower-income countries while 36 percent are in the lower-middle-income category.
- During FY 17, US$5.2 million went to agency fees and supervision allocation for ESPIGs, and eight of 59 active grants requested an additional supervision allocation worth US$988,215.
- FCACs and smaller grants continue to generate higher administrative costs, expressed as a proportion of grant size, while larger grants and joint funding arrangements incurred reduced administrative costs.

3.1 DESCRIPTION OF THE EDUCATION SECTOR PROGRAM IMPLEMENTATION GRANT PORTFOLIO

Table 11 : ESPIG Portfolio as of June 30, 2017

	Active	Closed	Pending	Total
Number of grants	48	11	3	**62**
Value (US$ million)	1960.31	357.36	201.6	**2519.27**

As of June 30, 2017, there were 48 active ESPIGs in the GPE portfolio worth US$1.96 billion in commitments. Eleven ESPIGs amounting to US$357.36 million closed during FY17 while three ESPIGs were yet to become effective at the end of FY17 (see Table 11). Overall, during FY17, 54 Developing Country Partners[16] (DCPs) benefited from 59 ESPIGs (closed and active) that totaled US$2.32 billion.[17] A total of US$420.7 million was disbursed for ESPIG implementation during the fiscal year, while the cumulative amount disbursed for the ESPIGs that were active as of June 2017 was over US$1.51 billion. At the beginning of FY17, the portfolio included a total of 55 active ESPIGs and three pending grants in the Caribbean Island States (or OECS countries), the Democratic Republic of Congo and Malawi. The grants in

[16] Federal states or provinces within one country, while receiving separate ESPIGs, are counted as one DCP. For example, In FY17, Pakistan received two grants (in two provinces – Balochistan and Sindh) but the country was counted as one DCP. Similarly, Somalia's three entities (Puntland, Somaliland, and Somalia-Federal) received multiple grants but the country is one DCP; and the same applies to Tanzania (Mainland and Zanzibar). On the other hand, the Caribbean Island States comprise of four countries (Dominica, Grenada, St. Lucia, and St. Vincent and the Grenadines) are counted as one DCP because they collectively receive and implement one ESPIG under a regional organization known as the Organization of Eastern Caribbean States (OECS). It is also worthy of note that three DCPs received more than one grant in FY17: Chad had three, and both Somalia (Somaliland) and Zimbabwe had two ESPIGs under implementation. Chad opted for two GAs (UNICEF and UNESCO) and it also received accelerated funding, thereby resulting in the counting of its ESPIG as totaling three in FY17.

[17] For ESPIGs approved on or after the November/December 2016 Board meeting, the supervision allocation is subtracted from the grant amount.

the OECS countries and Malawi started implementation in FY17, while the grant for the Democratic Republic of Congo remained pending as of June 30, 2017, due to a change in government. Over the course of the reporting period, four new ESPIGs were approved in Ethiopia,[18] Lesotho, Somalia-Somaliland (accelerated funding) and Zimbabwe (see Table 12). Of these, Somalia-Somaliland (accelerated funding) and Zimbabwe started implementation in FY17. By the end of FY17, 11 of the 59 ESPIGs closed in nine GPE countries: Afghanistan, Chad (three ESPIGs),[19] the Democratic Republic of Congo (approved in FY12), Ghana, Liberia, Sao Tome and Principe, Somalia-Puntland, Tanzania-Zanzibar and Zimbabwe.

Table 12 : ESPIGs Approved in FY17

	Ethiopia	Lesotho	Zimbabwe	Total
Maximum Country Allocation (MCA, US$)	100,000,000	2,300,000	29,400,000	131,700,000
Total Allocation (US$)	100,000,000	2,300,000	20,580,000	122,880,000
Fixed Part: 70% of amount (US$)	70,000,000	2,300,000	20,580,000	92,880,000
Variable Part: 30% of amount (US$)	30,000,000	n/a	n/a	30,000,000
Grant Agent	World Bank	World Bank	UNICEF	
Grant Agent Allocation (US$)	500,000	200,000	1,600,000	2,300,000
Agency Fee, % - Amount (US$)	1.75% 1,627,500	1.75% 40,250	8% 1,646,400	3,314,150
Grant Period	15 months	3 years	3 years	
Variable Part Disbursement Modality	Ex-Post	n/a	n/a	
Fragile and/or Conflict Affected	Yes	No	Yes	
Grant Modality	Sector Pooled	Stand Alone	Stand Alone	
Income Classification	Low Income	Lower middle income	Low Income	

Note: This table excludes Somalia-Somaliland's approved grant in FY17 due to it being an accelerated funding grant and therefore considered as a different category from the three ESPIGs in this table.

3.1.1 Distribution by Region and Grant Size

Consistent with previous fiscal years, Sub-Saharan Africa has the largest number of ESPIGs under implementation. As shown in Table 13, 33 of the 48 (69 percent) ESPIGs active at the end of FY17 worth US$1.446 billion in commitments were housed in Sub-Saharan Africa. Ten out of the 11 ESPIGs that closed during FY17 were also in this region. As of the end of FY17, the Latin America and the Caribbean and the South Asia regions had four active grants each, while Europe and Central Asia had three active grants, and East Asia and Pacific and the Middle East and North Africa had two each.

[18] The fixed part (US$70 million) and variable part (US$30 million) were approved separately.

[19] This is because Chad opted for two GAs (UNICEF and UNESCO) and it also received accelerated funding, thereby resulting in the counting of its ESPIG as totaling three in FY17.

Table 13 : Number of ESPIGs Across Regions (Active, Closed and Pending as of June 30, 2017)

Region	Number of ESPIGs	% of ESPIGs	Number of ESPIGs in		Total Amount Approved (US$ millions/%)		Cumulative Disbursement as of June 30, 2017 (US$ millions/%)	
			FCAC	Non-FCAC				
Active as of June 30, 2017								
Sub-Saharan Africa	33	69%	21	12	1446.01	74%	873.08	60%
Latin America and the Caribbean	4	8%	1	3	44.5	2%	41.73	94%
South Asia	4	8%	3	1	259.3	13%	125.76	48%
Europe and Central Asia	3	6%	0	3	78.8	4%	53.95	68%
East Asia and Pacific	2	4%	0	2	55.3	3%	40.28	73%
Middle East and North Africa	2	4%	2	0	76.4	4%	22.77	30%
Total	**48**	**100%**	**27**	**21**	**1960.31**	**100%**	**1157.57**	**59%**[20]
Closed as of June 30, 2017								
Sub-Saharan Africa	10	91%	7	3	301.66	84%	296.99	98%
South Asia	1	9%	1	0	55.7	16%	55.7	100%
Total	**11**	**100%**	**8**	**3**	**357.36**	**100%**	**352.69**	**99%**[21]
Pending as of June 30, 2017								
Sub-Saharan Africa	3	100%	2	1	201.6	100%	Pending	Pending
Total	**3**	**100%**	**2**	**1**	**201.6**	**100%**	**Pending**	**Pending**

In the FY17 portfolio, 14 ESPIGs totaling approximately US$1.16 billion were granted to the top ten grant recipient DCPs, which accounted for 46 percent of the total allocation of the 62 EPSIGs that were active or closed or pending as of end of FY17 (see Table 14). The rest of the grants (48) in the portfolio received less than 1.2% of the total allocation on average.

Table 14 : Top Ten Recipient DCPs in FY17

Top 10 DCPs	Total Allocation (US$ million)	Number of ESPIGs	Fragile and/or Conflict Affected
Congo, DR	200	2	Yes
Ethiopia	199.5	2	Yes
Bangladesh	100	1	No
Nigeria	100	1	Yes
Pakistan	100	2	Yes
Tanzania	100	2	No
Uganda	100	1	Yes
Kenya	88.4	1	No
Madagascar	85.4	1	Yes
Niger	84.2	1	No
Total	**1157.5**	**14**	**n/a**

[20] This is the cumulative disbursement rate for all 48 active ESPIGs as of June 30, 2017.
[21] This is the cumulative disbursement rate for all 11 closed ESPIGs as of June 30, 2017.

3.1.2 Distribution by Income, Fragility, Small States and Small Islands Developing States

GPE directs its financial support to low-income and lower-middle-income countries and small island states, including countries affected by crisis. Sixty four percent (US$1602.5 million) of GPE's total grant allocations was granted to DCPs that were classified as low-income countries in FY17, and 60 percent (US$1504.6 million) to FCACs (see Figure 1). Twenty-Eighty (51 percent) of the 55 DCPs[22] with active or closed or pending grants at the end of FY17 are FCAC, which is a slight increase from 49% in FY16 (see Figure 2). Thirty (55 percent) of the 55 DCPs are classified as low-income countries and 20 (36 percent) as lower-middle-income countries. Two grants in Guyana and the OECS are being implemented in 5 DCPs that are classified as upper middle income countries by the World Bank. Guyana's income classification was upgraded from lower middle income country in FY16 to upper middle income in FY17 by the World Bank. The grant for the OECS (Dominica, Grenada, St. Lucia, and St. Vincent and the Grenadines) was approved in FY16 and became effective only in FY17. The four OECS countries are classified as non-FCAC countries, Small Islands and SIDS. Given their small sizes, the entire allocations of eligible Small Island and Small States receive only the "Fixed" part of the GPE funding and usually do not contain a "variable" component.[23] This explains why less than two percent of the total allocations was granted to Small Islands or SIDS DCPs.

Figure 1: Total Active & Closed & Pending ESPIGs Amount (US$ Million) by Income, FCAC, Small States, and Small Island Developing States in FY17[24]

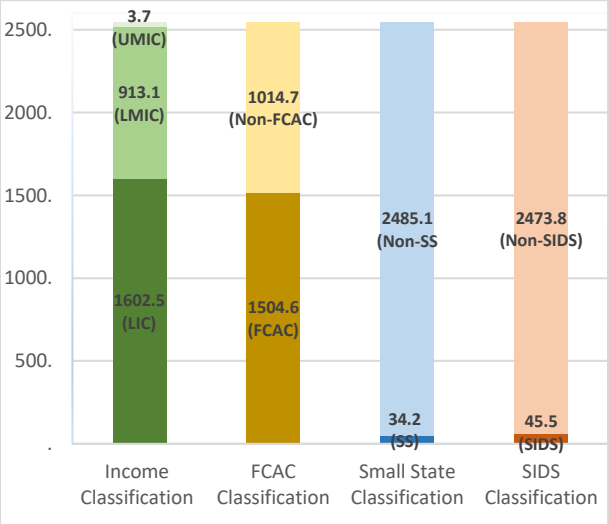
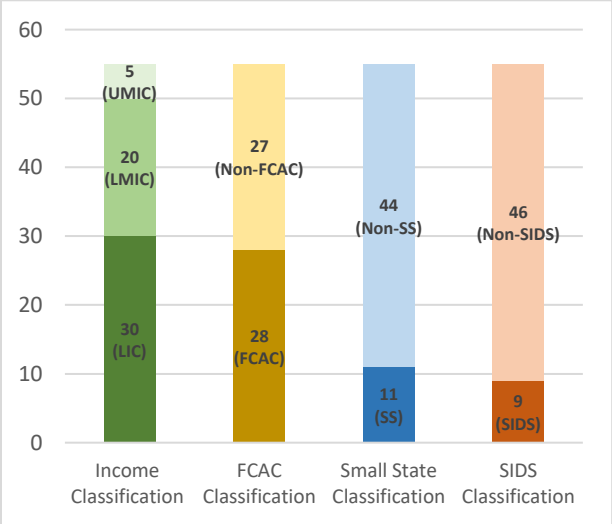


Figure 2: GPE Developing Country Partners with Active & Closed & Pending ESPIGs by Income, FCAC, Small States, and Small Island Developing States in FY17



[22] This analysis consisted of 62 ESPIGs that were active, closed or pending at the end of FY17. As explained in the first paragraph in this section, the 59 (active or closed) ESPIGs were implemented in 54 DCPs. Of the three recipient DCPs with pending grants at the end of FY17, Congo, DR and Ethiopia already had ESPIGs under implementation in FY17. Hence, adding three pending ESPIGs only resulted in one unit increase in DCPs, from 54 to 55 DCPs.

[23] Global Partnership for Education, Education Sector Program Implementation Grant Guidelines, April 2017, p. 5.

[24] Country income levels (L - Low Income Country, LM - Lower Middle Income, UM - Upper Middle Income, H - High Income) is based on the World Bank List of Economies (June, 2017). The GPE list of countries affected by fragility and conflict (FCAC) is based on the World Bank's Harmonized List of Fragile Situations FY17 and the UNESCO's 2016 GEMR list of conflict-affected states. SS (Small State) designation is according to the World Bank Small States Classification for FY17; while SIDS – Small Island Developing States – is based on UNESCO List of Small Islands Developing States (SIDS).

3.1.3 Distribution by Grant Agent

A majority of the active and pending grants as of June 30, 2017 were managed by the World Bank as in the past two fiscal years. Forty ESPIGs (65 percent) had the World Bank act as the grant agent, with UNICEF the second largest GA proportion of grants at 15 grants (24 percent). The total commitments for which World Bank was a GA reached nearly US$1.93 billion while UNICEF managed US$346 million. The U.K. Department for International Development (DFID) and the Swedish International Development Cooperation Agency (Sweden), both acted as grant agent for two ESPIGs worth US$60.4 million and US$100 million in commitments respectively. UNESCO, Agence Française de Devéloppement, or AFD (France) and Save the Children, each was the GA for one ESPIG in FY17 averaging about US$29.1 million in commitments. The World Bank managed 76% of the total GPE commitments during FY16 and FY17. However, the proportion of total grants managed by the World Bank decreased from 67 percent to 65 percent from FY16 to FY17. The proportion of allocations managed by other GAs did not change significantly from FY16 to FY17 – no changes were more than two percent. Of the four ESPIGs approved during FY17, the World Bank will act as the GA for two, while UNICEF and Save the Children will manage one each. Save the Children became eligible to become a GPE grant agent recently in FY16.

Figure 3: Number of Active, Closed and Pending ESPIGs by Grant Agent as of June 30, 2016 (inner circle), and June 30, 2017 (outer circle)

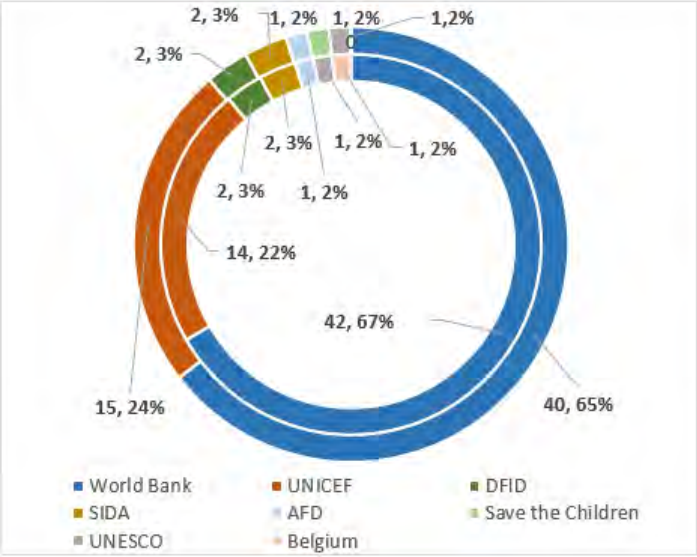
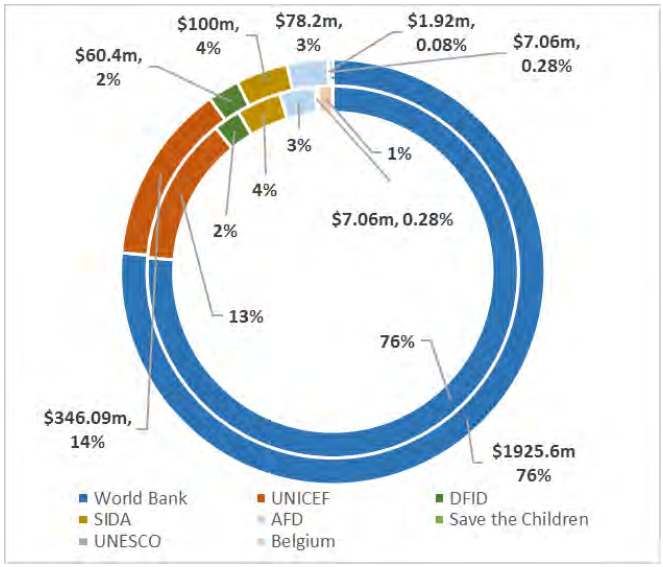


Figure 4: Value of Active, Closed and Pending ESPIGs by Grant Agent as of June 30, 2016 (inner circle), and June 30, 2017 (outer circle)



3.1.4 FY17 ESPIG Applications – Variable Tranche

Currently, there are nine ESPIGs (six in FY16 and three in FY17) that have been awarded under the funding model adopted by the Board of Directors in May 2014.[25]

Table 15 : ESPIGs Awarded Under the Funding Model

Country Name	FCAC	Grant Agent	Grant Approval Date	Grant Amount[26]	Variable Tranche Amount	Variable Part Disbursement Modality	Comments
FY 16							
Mozambique		World Bank	23-May-15	57,900,000	17,400,000	Ex-post	
Nepal	FCAC	World Bank	23-May-15	59,300,000	17,800,000	Ex-post	
Rwanda	FCAC	DFID	23-May-15	25,200,000	7,560,000	Ex-post	
Congo, DR	FCAC	World Bank	15-Jun-16	100,000,000	30,000,000	Ex-post	
Malawi		World Bank	15-Jun-16	44,900,000	13,470,000	Ex-post	
OECS		World Bank	15-Jun-16	2,000,000	n/a	n/a	Small Island exemption[27]
FY 17							
Zimbabwe	FCAC	UNICEF	9-Dec-16	20,580,000	n/a	Ex-post	Variable Tranche to be submitted in FY18
Ethiopia	FCAC	World Bank	2-Dec-16 15-Feb-17	100,000,000	30,000,000	Ex-post	Fixed part approval 02/12/16, variable part approval 15/02/17
Lesotho		World Bank	7-Jun-2017	2,300,000	n/a	n/a	Ex ante[28]

In FY17, progress continued toward maximizing the intended leveraging impact of the funding model. The applications in FY17 have benefited from more lead-time to engage early and provide support to education sector analysis and planning through the education sector plan development grant (ESPDG). The Grants and Performance Committee (GPC) continued to provide early inputs into proposed variable tranche indictors for pipeline ESPIG applications. Established to support the first grants approved under the funding model, this process was initially seen as a way of providing guidance for the pilot countries under the funding model. However due to the positive response from countries, it is now institutionalized. Out of the three approved ESPIGs under the funding model in FY17 (Zimbabwe, Ethiopia, Lesotho), Ethiopia received ESPDG to prepare a multi-year action plan for its Education Sector Development Program V 2016-2020 (ESDP V) and PDG to design activities under the General Education Quality Improvement Project II (GEQUIP-II) for which ESPIG is a part of pooled donor funding. Lesotho received ESPDG to conduct a comprehensive diagnostic study of the education sector, and develop ESP 2015-2019, including M&E plan. Lesotho also received PDG to develop a new ESPIG in line with ESP 2015-2019.

Among three ESPIG applications during FY17, only Ethiopia applied for both fixed part and variable tranche. Since Lesotho is a small grant of less than US$5 million, an ex-ante approach was taken. Zimbabwe is preparing a separate application for the variable part in FY18. Zimbabwe requested to apply

[25] Though ESPIG for Bangladesh was approved on May 23, 2015, the MCA was already pre-determined prior to the funding model. Accelerated Funding for Chad was approved on February 2, 2016, and AF for Somaliland was approved on 28-Apr-2017.
[26] The grant amount for the three grants awarded in FY 17 includes supervision allocation.
[27] Under the Small Island Exemption, the Caribbean Island States grant was exempt from applying for the variable part, but was still awarded under the funding model as a fixed grant. This exemption is articulated in Annex 2 of the Board's Principles and Options for the Revision of the Global Partnership for Education Funding Model document of February 26, 2014.
[28] Lesotho applied under the ex-ante approach for the variable part of the funding model using the provision for ESPIGs under US$5 million, as proposed by the Secretariat in CGPC/2015/07 DOC 05.

separately to ensure a sound planning process for the variable part. The variable part application underwent the first phase of the quality assurance review (QAR 1) in FY17 and the application is expected to be submitted to the Board in FY18. The decision to submit two separate applications was country-led, and may increase the transaction cost by preparing the applications twice. The Secretariat may need to consider such cases and simplify the process.

Ethiopia's application, with a requested allocation of US$100,000,000,[29] including US$ 70,000,000 for the fixed part, and US$30,000,000 for the variable part, was submitted to GPC in October, 2016. However, with respect to the variable part, the Committee expressed concern about the very short implementation period of just 15 months and targets that were limited to what would be achievable in such a short period of time. Ethiopia then revised and resubmitted the Variable Tranche Strategy. The country has proposed results indicators for two years in order to align the results and synchronize the review of results with the mid-term review of the Education Sector Development Plan V (ESDP V) and with the completion of the General Education Quality Improvement Project II (GEQIP II) in July 2018. This proposal is important given that the project supported by the approved fixed part of the grant as preparation of the next GEQIP will take longer. Therefore, the country has decided to achieve results for the variable part of the grant within the time period of GEQIP II. This has been fully endorsed, after reportedly extensive deliberations, by the Education Technical Working Group (ETWG), the LEG equivalent of Ethiopia.

Variable Tranche Results

Out of six ESPIGs with an approved variable part, two have variable parts achievements: Mozambique and Nepal. These two ESPIGs were among the first ESPIGs approved under the funding model.[30] Both Mozambique and Nepal set intermediate results under the variable part, to be achieved within Year 1 or 2 of the variable part program. **Both countries have met their variable tranche targets during FY17.[31]** For Rwanda and Malawi, there was no target attainment verification of VTI planned during FY17. As for DRC, the ESPIG had not yet become effective by end of FY17.

The list of Variable Tranche Indicators for all ESPIGs can be found in Annex 8.

Key Observations

GPE's funding model emphasizes sector level readiness to meet the funding model requirements as well as grant application quality. As a result, the Secretariat's focus has shifted to a more intensive and sustained focus on upstream support to sector level planning and grant preparation, which results in a longer grant application process. In order to better support countries through this rigorous preparation process the Secretariat should seek to find a balance between predictability and flexibility.

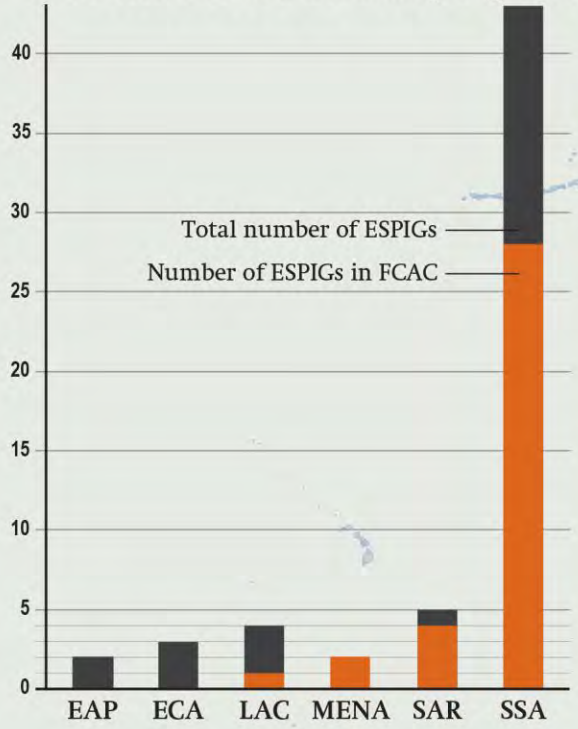
The introduction of Quality Assurance Review Meetings creates the opportunity to systematically track and analyze feedback to DCPs to glean lessons learned. The Secretariat should take advantage of this to generate organizational learning.

As the funding model matures, the volume of ESPIGs beginning to meet variable part targets will increase. The Secretariat should monitor progress towards these objectives through variable tranche strategies closely, and should liaise with grant agents to discuss lessons learned about verification and disbursement arrangements.

[29] This ESPIG amount includes supervision allocation.
[30] Under GPE's funding model, disbursements of variable tranche are made only once pre-agreed results have been achieved and verified.
[31] In Nepal, data indicates that results have been achieved, although the verification process was not complete at the time of writing. The verification report will be released in the Joint Sector Review in FY18.

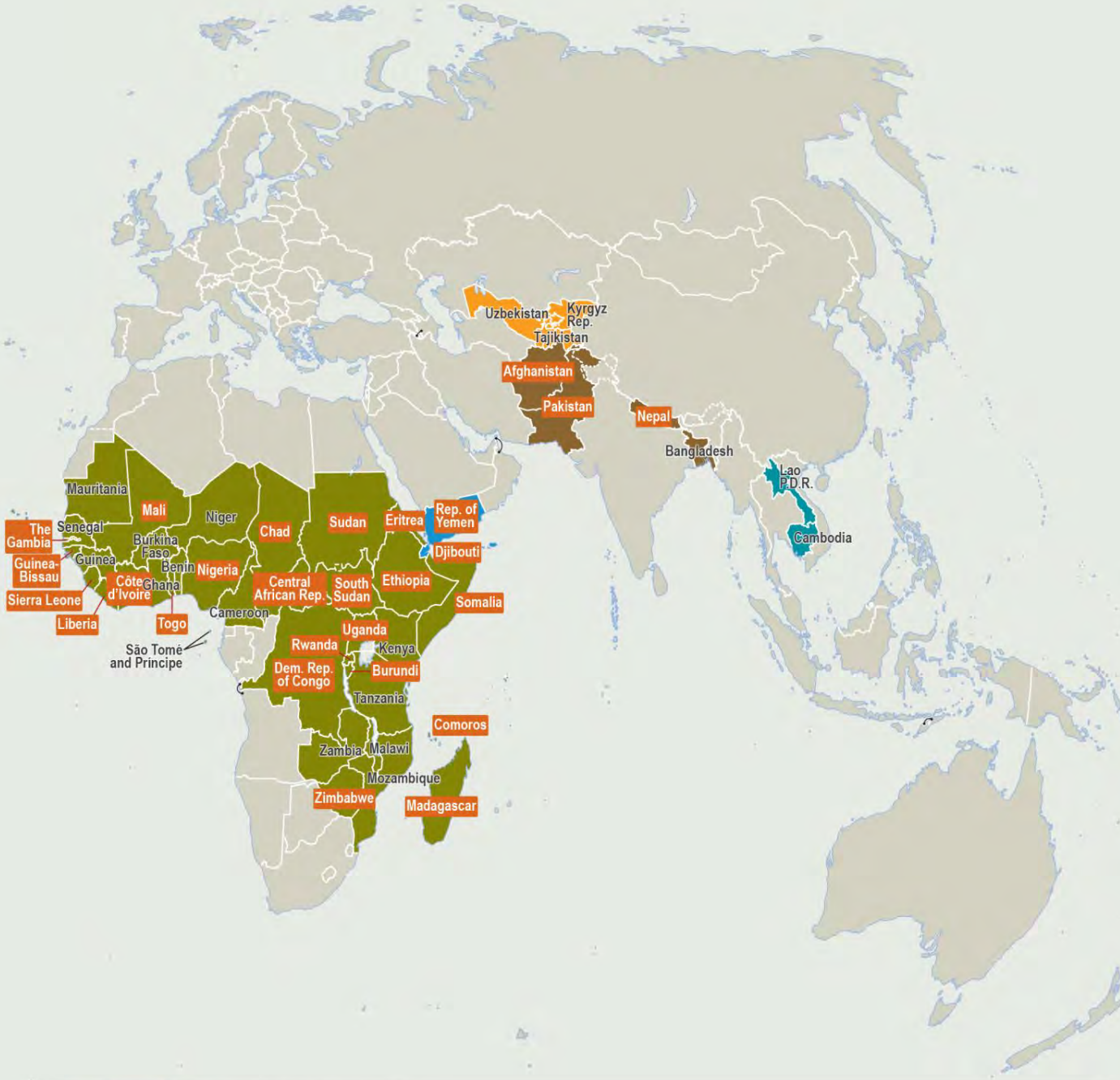
EDUCATION SECTOR PROGRAM IMPLEMENTATION GRANTS (ESPIGs) DISTRIBUTION BY REGION
(ACTIVE/CLOSED DURING FY17)

Total active/closed ESPIGs by region during FY17



Total grant amount approved ($USD millions) and percentage disbursed by region during FY17

GLOBAL PARTNERSHIP *for* EDUCATION



- East Asia and the Pacific
- Europe and Central Asia
- Latin America and the Caribbean
- Middle East and North Africa
- South Asia
- Sub-Saharan Africa

Grenada — GPE Developing Country Partner (DCP)

Somalia — DCP affected by fragility and conflict (FCAC)

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3.1.5 Modalities

Alignment on national systems and choice of modality: As stated in its Strategic Plan (2016-2020), GPE is committed to mobilizing ***more and better financing*** (Strategic Objective 4), notably by advocating for the "improved alignment and harmonization of funding from GPE and its international partners around nationally owned education sector plans and country systems." This result is covered under two aggregate indicators in the GPE Results Framework: i) indicator 29 (an increased proportion of GPE grants aligned to national systems), and ii) indicator 30 (an increased proportion of GPE grants using co-financing or pooled funding mechanisms). In practical terms, this means encouraging the emergence at country levels of joint funding mechanisms (able to coalesce multiple official development assistance financing in a harmonized approach), integrated and coordinated as much as possible through national systems, with appropriate fiduciary risk management and capacity support measures.

Definitions

Alignment is understood *as using the partner country's institutions, human resources, procedures and tools as the mainstays for the implementation of aid*, in addition to following nationally-owned education sector policies and plans. The degree of alignment ranges from direct budget support operations (fully aligned) to various types of funding modalities that can combine the use of country systems with context-relevant derogations, risk management and capacity support measures.

Sector pooled funding is a mechanism that *aggregates multiple donor contributions to channel funding to support the implementation of education at scale*. A sector pooled fund can usually fund a broad spectrum of activities across recurrent and investment expenditure categories. Direct budget support is also a mechanism to *support the implementation of education at scale and can aggregate multiple donor contribution*, but with donors disbursing directly to the single treasury account.

Co-financed project funding* is a mechanism that aggregates or accommodates *multiple donor contributions to channel funding towards discrete, relatively non-discretionary activities in support of education*. This contrasts with a **stand-alone project**, which has only one source of donor contribution to the project.

Direct budget support is fully aligned on national systems. Sector pooled funding tends to be significantly aligned on national systems. Projects, whether stand-alone or co-financed, do make use of national systems but generally tend to be weakly aligned. The data from the GPE portfolio bears this out. It is important to note that the above categorizations are broad. Individual aid modalities may not always neatly fit into a particular category.

* This was referred to in last year's Portfolio Review as "project-pooled funding."

Of 57 ESPIGs in FY17, only 16 (28%) were significantly aligned with national systems.[32] These 16 aligned ESPIGs were composed of 5 sector pooled funds, 2 direct budget support mechanisms and 9 projects. The percentage of ESPIGs in FY17 aligned with national systems is lower than the percentage estimated in FY15 (34%) and FY16 (31%). This decrease over a two-year period may not in itself be significant: there is always a degree of uncertainty in the underlying data used to categorize aid modalities and the sample of countries captured is not constant over the period (with ESPIGs closing and others coming into

[32] ESPIG for Organization of Eastern Caribbean States (OECS) on behalf of Dominica, Grenada, Saint Lucia, Saint Vincent and the Grenadines and Accelerated Funding (AF) for Somaliland were excluded from the sample for alignment: OECS is an inter-governmental organization, and AF is not an instrument to promote alignment, but rather to channel through the funding as quickly as possible.

implementation according to varying cycles). To illustrate this, in FY 2015, 15 grants closed (9 aligned and 6 not aligned) and in FY 2016 6 new ESPIGs became active (4 aligned and 2 not aligned). It was the coincidental cycle of closure of aligned grants that caused the decrease in overall proportion of grants aligned over those two years. However, the broader picture is clear: a majority of ESPIGs remain weakly aligned with national systems and the trend is not pointing in the direction aimed at in the GPE Results Framework. In terms of the breakdown of the 57 ESPIGs:

- 14 ESPIGs (25 percent) were co-financed projects, of which most were limited to two sources of funding (in most cases: IDA and GPE).
- 7 ESPIGS (12 percent) used a sector pooled funding or direct budget support mechanism; all of which were significantly aligned with national systems. These were Bangladesh (WB), Burkina Faso (AFD), Ethiopia (WB), Mozambique (WB), Nepal (WB), Rwanda (DFID) and Zambia (DFID). Rwanda and Zambia used direct Sector Budget Support mechanisms.
- 36 ESPIGs (63 percent) are implemented through stand-alone project approaches.

The majority of GPE grants continue to use relatively fragmented (stand-alone) aid implementation mechanisms that are weakly integrated into national systems. Only 12 percent of ESPIGs fully correspond to the Partnership's objective of more and better financing as expressed by indicators 29 and 30 of the results framework: aligned and pooled. On a more positive note, these ESPIGs represent 25 percent of GPE grant expenditure, expressed as a proportion of cumulative disbursements at the end of FY17. This is because they represented generally larger volumes of allocations (US$65 million ESPIG on average compared to US$41 million on average across the full portfolio), but also because their modalities tend to deliver better than average rates of implementation and absorption. The average annual absorption[33] of ESPIGs through aligned and pooled funding mechanisms was US$17 million, compared to an average annual absorption of US$6.9 million across the full portfolio.

Table 16: ESPIGs Per Modality in FY17

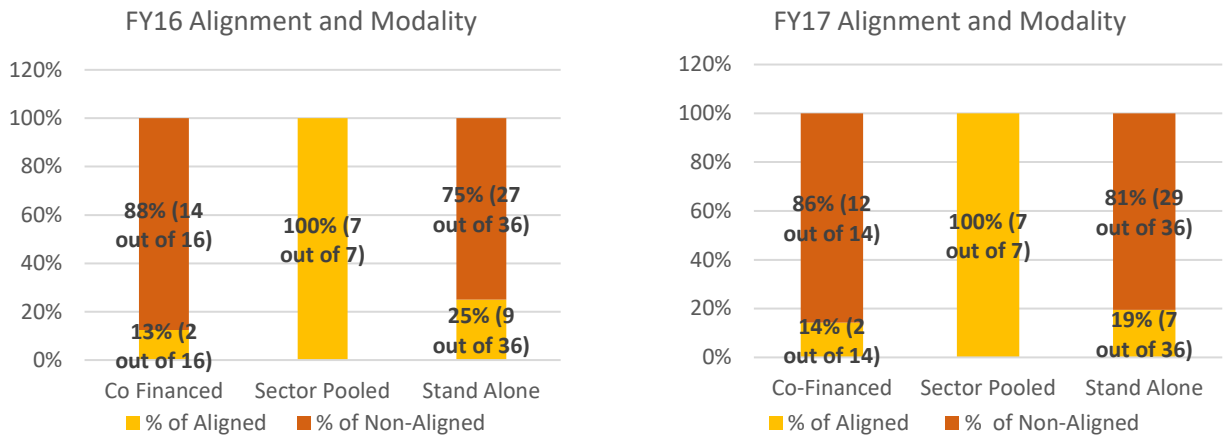
	Overall	FCAC
Project co-financing	14	7
Sector Pooled or budget support	7	3
Stand Alone	36[34]	23
Total	**57**	**33**

Table 17: Aligned/Non-Aligned ESPIGs in FY17

	Overall	FCAC
Non-aligned	41	23
Aligned	16	8
Total	**57**	**31**

[33] Annual absorption rate was calculated by dividing cumulative disbursement amount as of June 30, 2017 by the implementation period since grant agreement/start date.
[34] This excludes OECS and Somaliland (AF) (FCAC) whose modalities are both stand alone.

Figure 5 : Proportion of Aligned/Non-aligned ESPIGs Per Aid Modality in FY16 and FY17



GPE grants using more aligned modalities tend to have higher average ratings in their CPIA[35] Public Sector Management and Institutions (PSMI) assessments.[36] The average ratings of the 16 aligned GPE grants is 3.18 compared to the average rating of all ESPIGs,[37] which is 2.93. This is to be expected: stronger systems will instill more confidence in development partners to use them. However, there are a number of outliers within the sample, including countries with relatively low CPIA/PSMI ratings that are using more aligned modalities (Afghanistan and Nigeria) and countries with higher PSMI ratings that are using relatively under-aligned modalities (Ghana, Benin, and Mauritania).

Development partners are putting efforts towards increasing the effectiveness of their aid, including engaging more with national policies, strategies and systems. There is the recognition that domestic financing and country systems are critical factors in the sustainable development of education systems. Yet, when it comes to implementation modalities, a majority of development partners and grant agents – with the acceptance of governments and their peers – choose to favor stand-alone (single source funding) project approaches (63 percent of operational ESPIGs in FY 2017) and limited alignment with national public financial management systems.

All GPE grant agents are currently indicated as broadly aligning with national ESPs. However, when it comes to capturing aid implementation through joint monitoring and reporting frameworks, that proportion is reduced to 74 percent. And when it comes to significant integration into national budget execution systems, only 28 percent of ESPIGs in FY 2017 were aligned. A minority of pooled funded ESPIGs (12 percent, but representing a larger volume of annual expenditure, at 25 percent) corresponded to the partnership's ideal modality: fully harmonized (able to accommodate and aggregate multiple donor sources) and significantly aligned with national systems.

It is often challenging for development partners to work beyond their own systems to develop pooled funding mechanisms that can accommodate several donors. Approaches to risk management within existing paradigms can also lead to some forms of risk avoidance. Limiting funding to discrete inputs and outputs (typical of investment project approaches) as opposed to broader (sector) funding mechanisms integrated into national systems is often a result. This means that standalone projects tend to become the modality by default, because it is of least resistance or most obvious path to short-term success.

[35] CPIA – Country Policy and Institutional Assessment. Rating of countries against a set of 16 criteria grouped in four clusters: economic management, structural policies, policies for social inclusion and equity, and public sector management and institutions.
[36] Rating refers to the average of 2016 Public Sector Management and Institutions final assessment rating.
[37] This excludes OECS, Somalia Federal Government, Somaliland and Puntland, as there are no ratings available.

There are positive examples of innovative and more aid effective approaches. These include aligned pooled funds where several donors manage to find common ground and common mechanisms. These can provide powerful cases for investment as they allow a wider sourcing of financing to support education sector development. There are examples of innovative funding mechanisms (Burkina Faso, Ethiopia, Rwanda and the Burundi pooled fund that closed in FY 16) that allow alignment with national systems, while adequately managing associated fiduciary risks and supporting systems capacity development.

Key Observations

The Secretariat is working with country partners to engage in dialogue around aid effectiveness and the need for greater alignment and harmonization of external aid. This dialogue should be part of the early ESA and ESP development processes. Practices in aid delivery need to be questioned more strongly against the objectives of the partnership to develop more aligned modalities. This should be reflected in decisions and processes going forward, including the choice of modality to support GPE grant funding and quality assurance reviews of ESPIG-funded programs. Lessons learned from aligned pooled funds will be capitalized to better inform options available to developing country partners and grant agents, particularly around risk management and capacity support strategies. The development partners will play a critical role in facilitating progress, challenging existing practices and encouraging the development of aid that can adequately combine significant degrees of alignment on national systems, funding at scale and appropriate fiduciary safeguards.

3.1.6 Administrative Costs

The Secretariat monitors, on an ongoing basis, the costs of agency fees and supervision allocations, as well as direct management and administrative costs. See Table 18 for a description of the type of costs.

Table 18 : Description of Type of Cost

Type of Cost	Description and Purpose
Supervision Allocation	• These funds are used by the grant agent to fulfill its roles and responsibilities related to supervision of an approved allocation and the amount requested is included in each application. Grant agents can apply for additional supervision fees during implementation, where needed. • With effect from the second round of applications in 2016, the supervision costs of the grant agents are financed from within the overall country allocation and must be disclosed within the proposal budget. • For all ESPIG applications submitted prior to the second round of 2016, grant agents performing the role previously referred to as a “Supervising Entity” were eligible to receive funding to cover their supervision costs in addition to the country allocation for the period of the grant, plus an extra year to cover 6 months prior to the start of grant implementation and 6 months following the close of implementation.
Agency Fees	• Agency fees are typically used to assist in the defrayment of administrative and other costs incurred in connection with the management and administration of grant funds. These fees are identified in the application separately from the country allocation. • Agency fees required by the grant agents to manage the funds are determined by the agency’s own internal regulations. • Agency fees are typically expressed as a percentage of the amount of the grant allocated to the country. Costs have so far ranged from 0 percent to 8 percent. For newly eligible

	INGOs, these costs are capped at 7 percent of the grant amount (including amounts allocated to Sub-recipients for agency fees).
Direct Management and Administrative Costs	• These are the direct administrative costs of managing a grant (e.g. the salary of a program manager, etc.) and are charged to the grant itself (i.e. payable from the country allocation) provided they are not included as part of the agency fee and therefore are not additional to the approved country allocation. • These costs are typically included in the proposal application and there are currently no limits on the percentage or dollar value of the grant that these costs may incur, although the Secretariat and GPC will signal if the costs appear unreasonably high.

Between July 1, 2016 and June 30, 2017, the total value of approved ESPIGs amounts to US$127.7 million[38]. This amount consists of US$124.8 million to Maximum Country Allocations (including US$2.3 million in supervision allocations)[39] and US$2.9 million of agency fees. In some grants, in addition to agency fees and supervision costs, there are other costs such as direct program management and administrative costs of the GAs which are included in the MCAs. The percentage of agency fees, supervision allocations, and direct program management and administration costs of the GAs for the four ESPIGs approved in FY17 is 8.8 percent, where three of the four are FCAC countries.

During FY17, eight out of 59 active grants (worth over US$10 million) requested an additional supervision allocation at a total amount of US$988,215 (see Table 19).

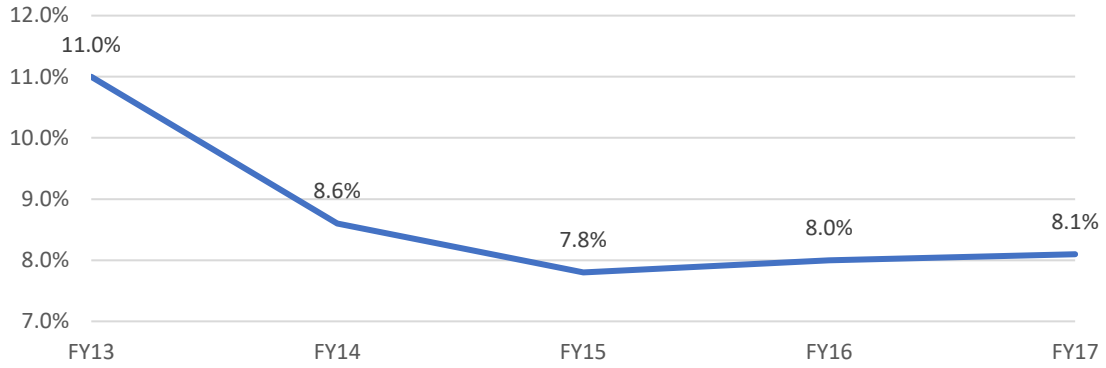
Table 19 : Additional Supervision Allocation, Approved FY17 (in USD)

Country Program	Amount of Additional Supervision Fee Approved in FY2017 (in USD)
Madagascar	195,320
Tajikistan	42,000
Cambodia	99,964
Kyrgyz Rep	130,000
Haiti	160,000
Uzbekistan	200,000
Rwanda	61,231
Congo, DR	99,700
Total	**988,215**

Between December 2011 and June 30, 2017,[40] the total value of approved ESPIGs amounts to US$2.71 billion, of which US$2.63 billion were countries' MCAs and US$84.4 million were agency fees and supervision allocation costs[41]. The total amount of agency fees, supervision allocations, and direct program management and administration costs of the GAs for the period from December 2011 to June 30, 2017 amounted to US$219.8 million, or 8.1 percent of the total approved grant allocations for this period. This represents an increase of 0.1 percent from the 8 percent reported in FY16, an increase of 0.3 percent from the 7.8 percent reported in FY15, a decrease of 0.5 percent from the 8.6 percent reported in FY14, and a decrease of 2.9 percent from the 11 percent reported in FY13 (See Figure 6).

[38] This amount includes grant amount, agency fees and the supervision allocation.
[39] Beginning from the second round of applications in 2016, the supervision costs of the grant agents are financed from within the overall country allocation (BOD/2015/10 Doc 06).
[40] This analysis began when the first portfolio review was produced in 2013 and, for consistency, December 2011 continues to be the starting date.
[41] This amount includes agency fees, additionally approved agency fees, and supervision allocations for grants prior to the board decision BOD/2015/10-02, while does not include the US$2.3 million of supervision allocation that are funded from the maximum country allocation for grants approved during and after the second funding round of 2016.

Figure 6 : Trend in Total Grant Agents Costs for the Period FY13-FY17 (in percentage)



Typically, fragile states and smaller grants continue to generate higher percentage-based administrative costs, while larger grants and joint funding arrangements typically incur reduced administrative costs when expressed as a percentage (see Tables 20 and 21). Costs tend to be higher when UN agencies and INGOs act as grant agents as their agency fees are in the range of 7-8 percent of the grant value.

Table 20: Agency/Supervision and Direct Management and Administrative Cost, by FCAC and Non-FCAC

Country Status	Total Approved Value of Allocation (Dec 2011-June 2017)	Agency/Supervision and Direct Management & Administrative Costs %
FCAC	US$1.618 billion	9.7%
Non-FCAC	US$1.096 billion	5.7%
Total	**US$2.714 billion**	**8.1%**

Table 21 : Agency/Supervision and Direct Management and Administrative Costs, by Grant Size

Approved Allocation Size[42]	Total Approved Value of Allocation (Dec 2011-June 2017)	Agency/Supervision and Direct Management & Administrative Costs %
Less than US$10 million	US$75 million	16.2%
Greater or equal to US$10 million	US$2.639 billion	7.8%
Total	**US$2.714 billion**	**8.1%**

3.2 PERFORMANCE

3.2.1 Disbursement and Implementation Analysis

3.2.1.1 Trends Overview

This section examines performance of ESPIGs in terms of disbursement and implementation and assigns ratings of *on track*, *slightly behind*, or *delayed*. This year, in addition to rating grants by their level of cumulative disbursements and implementation, grants are also rated by their level of annual projected disbursements. The recently introduced methodology to measure disbursements and its initial findings are included in section 3.2.1.6.

[42] Out of the 68 grants used for the Admin Costs calculation, 17 are under $10m and 51 that are over $10m (inclusive of Supervision Allocation).

Three levels of analyses are presented based on the four years of available data for implementation and disbursement ratings. The first level is trend data, which shows change of ratings from the portfolio of active grants from FY14 through FY17; the second level is comparisons of portfolio of active grants from FY16 to FY17; while the third level of analysis looks at all active grants within the current FY17 and attempts to identify any distinctive characteristics that may explain their ratings related to becoming delayed, coming out of delay, or remaining delayed. Key messages for the first two analyses are presented below, with more details in their respective sub-sections.

Key messages from grant portfolio from FY14 through FY17[43]

Every year since FY14, at least 74 percent of all active grants have had ratings of on track or slightly behind for cumulative disbursements, leaving a quarter of the active grants in any given year being considered as delayed (Figure 7).

As for implementation ratings, every year since FY14, at least 79 percent of all active grants have had ratings of on track or slightly behind, leaving no more than 20.8 percent in FY17 of active grants being considered as delayed for implementation (Figure 8).

Key messages from FY16 to FY17 grants

Compared to the previous fiscal year, disbursement ratings in FY17 show improvements for percentage of grants on track, from 54 percent in FY16 to 63 percent in FY17, while percentage of grants that are delayed remain relatively the same (25 percent for FY17 and 26 percent in FY16).

Implementation ratings show an increase in the percentage of grants rated as slightly behind (from 52 percent in FY16 to 60 percent in FY17), and a decrease in grants on track (from 28 percent to 19 percent), with delayed grants remaining about the same at about 20.4 percent in FY16 and 20.8 percent in FY17. The percentage of grants being either on track or slightly behind has been at a constant 79 percent in FY16 and in FY17.

The number of total active ESPIGs decreased from 54 in FY16 to 48 by the end of FY17, with six of the 11 closed grants that were on-track in FY16 being left out in the end of FY17 sample due to closure. The slight increase in proportion of delayed and slightly behind grants this year can be attributed to the number and ratings of new active grants. An analysis of implementation ratings for previous fiscal years (FY14 to FY16) shows that new grants are typically on track in implementation rating in the year they become active, and may then turn slightly behind or delayed in subsequent years. The implementation rating of the overall grant portfolio is boosted by the new grants that became active during a given fiscal year, and this improved rating is even more significant when there is a substantial number of such grants in that fiscal year. However, in FY17, these trends were lacking, as there were fewer active new grants than in previous years, and those few new grants started off with challenges. Out of five new grants added to the grant portfolio in FY17, only one was on track, while two were delayed and two were slightly behind.

[43] The number of grants has remained relatively the same in each year, with the lowest portfolio of active grants by the end of the fiscal year being 48 grants for FY17 to the highest being 58 for FY14.

3.2.1.2 Trends in Disbursement and Implementation Ratings, FY14-FY17

To assess whether GPE program grants are on track with cumulative disbursements, the following criteria were used (see Table 22 below).

Table 22: Criteria to Classify Grant Disbursements

Status	Implementation Period Elapsed Percentage is:
On Track	Not more than 15% higher than percentage disbursed
Slightly Behind	Between 15% and 25% higher than percentage disbursed
Delayed	More than 25% higher than the percentage disbursed

The implementation rating assessment is based on three "traffic light" determinations (Table 23) linked to 6 rating categories (Table 24):

Table 23: Implementation Rating Traffic Lights

Implementation Rating Traffic Lights	
On Track	The latest rating on Progress in Program Implementation from GA's report is Satisfactory or above
Slightly Behind	The latest rating on Progress in Program Implementation from GA's report is Moderately Satisfactory
Delayed	The latest rating on Progress in Program Implementation from GA's report is Moderately Unsatisfactory or below

Table 24: Implementation Rating Categories

Implementation Rating Categories	
Highly Satisfactory (HS)	The Program is expected to achieve or exceed all of the major outputs efficiently without significant shortcomings.
Satisfactory (S)	The Program is expected to achieve almost all of its major outputs efficiently with only minor shortcomings.
Moderately Satisfactory (MS)	The Program is expected to achieve most of its major outputs efficiently with moderate shortcomings.
Moderately Unsatisfactory (MU)	The Program has moderate shortcomings that limit or jeopardize the achievement of one or more outputs but a resolution is likely.
Unsatisfactory (U)	The Program has significant shortcomings that limit or jeopardize the achievement of one or more outputs and a resolution is uncertain.
Highly Unsatisfactory (HU)	The Program has major shortcomings that limit or jeopardize the achievement of one or more outputs and a resolution is unlikely.

The Secretariat's assessment of active ESPIGs are assessed based on three determinants:

1. Progress of individual Program components
2. Implementation arrangements (program management, financial management, procurement, monitoring and evaluation (M&E), etc.)
3. Disbursement status based on Grant Agent (GA)'s calculation.

To assess whether GPE program grants are on track with implementation, the rating provided by the GAs in the GPE ESPIG annual implementation status reporting template was applied.[44] The Secretariat triangulated GAs' ratings based on their experience of the grant and other documents such as GA progress reports and their reviews by the Secretariat, the Secretariat's in-country grant monitoring mission reports, aide-memoires and other communications with the GAs.

Consistent with previous fiscal years, most ESPIGs are on track in disbursement, while most ESPIGs have remained slightly behind in implementation for FY17 and FY16, after having mostly been on track in FY15 and FY14. (Figures 7 and 8). However, it is noteworthy that in both implementation and disbursement ratings, the percentage of delayed grants since FY14 has always remained below 26%. In other words, **since FY14, a portfolio of ESPIGs has not had more than a quarter of the grants as delayed.**

Figure 7: ESPIGs: Disbursement Status, FY14-FY17 (in Percent and Number of ESPIGs)

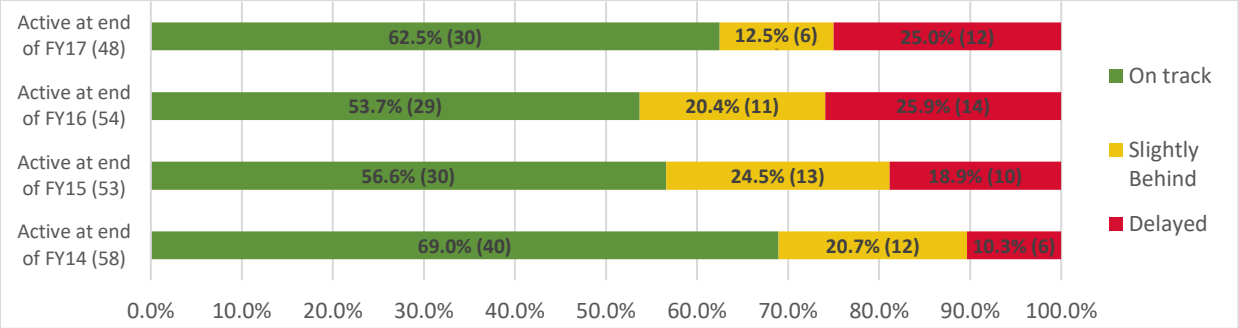
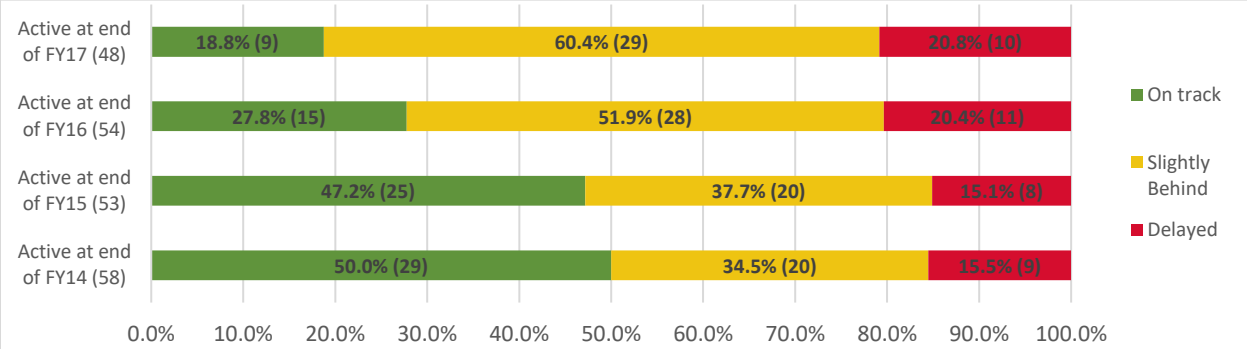


Figure 8: ESPIGs: Implementation Status, FY14-FY17 (in Percent and Number of ESPIGs)



3.2.1.3 Changes in ratings from previous fiscal year (FY16 vs FY17)

As shown in Figure 9 and 10, 30 of the 48 (62.5 percent) active ESPIGs at the end of FY17 are on track in terms of disbursement. This is an increase compared to 29 out of 54 (53.7 percent) active ESPIGs in FY16. The absolute numbers of ESPIGs that are slightly behind or delayed in disbursement both decreased from last year.

[44] FY16 and FY17 ratings collection is different from that of FY15 and FY14 to determine *implementation status* of grants for non-World Bank grants. In previous years, non-World Bank grants did not provide an implementation status to the Secretariat. Starting FY16, non-World Bank implemented programs submitted implementation ratings in the GPE ESPIG annual implementation status reporting template (standardized grant reporting template), which was used to determine grant implementation status.

Figure 9: ESPIGs: Disbursement and Implementation Status, FY16 and FY17

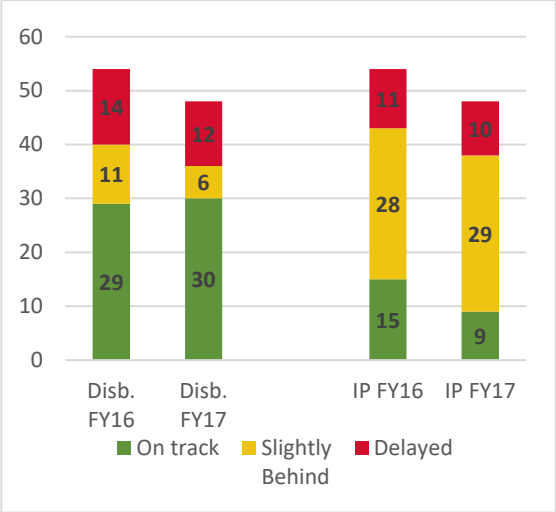
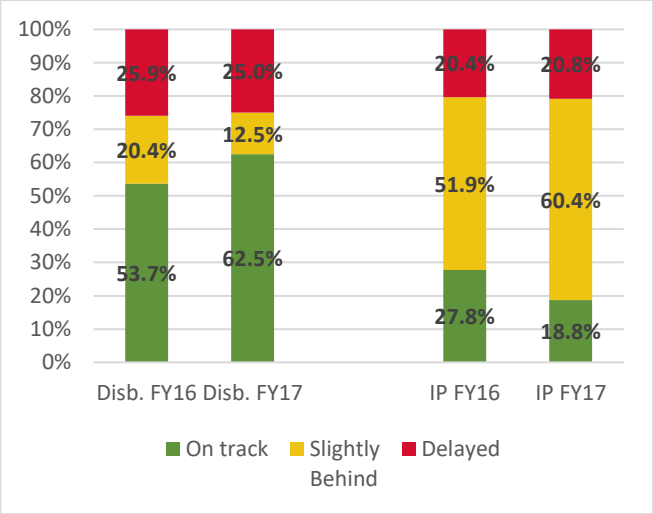


Figure 10: ESPIGs: Disbursement and Implementation Status, FY16 and FY17 (in Percent)



The share of ESPIGs delayed in implementation has not changed significantly from FY16 to FY17, and while the share of grants on track in implementation decreased from FY16 to FY17, the increase in the share of grants slightly behind leaves the share of grants that are either on track or slightly behind at a constant 79% from FY16 (Figure 10). The absolute number of ESPIGs identified as slightly behind in implementation increased only by one from FY16 to FY17 (Figure 9).

Seven grants identified as delayed in implementation in last year's portfolio review have improved on their implementation rating and are now categorized as on track (1 grant) or only slightly delayed (6 grants). The execution of procurement activities in Tanzania (Mainland), Eritrea and Togo has improved with clearer and more established procurement processes, better coordination and prioritization. The extension of grants in Lao PDR and Mauritania provided more time to address the delays in the implementation of key activities, such as school grants activities in Lao PDR and EMIS implementation in Mauritania. In Cote d'Ivoire, after a slow start with the setup of project management systems and community-led school construction activities, the project's implementation and management has shown improvement. With the project's closing date extended by 11 months to August 2017, most of the project targets have been met or exceeded. In Sierra Leone, one of the funding agencies withdrew its funding from the project causing delays in implementation. The project had to be restructured to provide more time for the completion of the project activities, and there are already signs of progress on most of the project indicators.

Three grants remained delayed in implementation. **Of these, grants in Djibouti and Yemen have been rated as delayed for three consecutive years, and the grant in Uganda has been rated as delayed for two consecutive years.** In Djibouti, delays which were mainly due to weak capacity for procurement and internal challenges within the ministry of education, occurred at the project inception and had repercussions over the life of the project. The extension of the closing date by 12 months should allow the project to meet its objectives, and the change in leadership at the Ministry of Education and Vocational Training after the elections of mid-2016 seem to have stabilized coordination and improved implementation progress, which may be reflected in FY18. Due to the ongoing conflict in Yemen, several program activities have faced serious delays, specifically activities related to construction, which have been put on hold. The program was extended for one year to enable UNICEF to initiate construction once peace is reestablished, and regular programmatic reviews and dialogue are being held with the GA and

the government. Although there have been no significant changes in the overall implementation rating, there have been slight improvements due to peace in a few regions. In Uganda, although progress in specific areas of the project have been made under the new ministry leadership over the last few months, issues related to procurement of goods and services, particularly for school construction and textbooks, remain. The project will be extended for a year with the restructuring going to GPC in September 2017.

In addition, seven grants have been newly identified as delayed in implementation (Bangladesh, Guinea, Zambia, Cameroon, Comoros, Malawi and OECS). Of these, two (Malawi and OECS) are new grants (FY17). These grants are delayed in implementation for a wide range of reasons, including delayed hiring of staff at the initial stage of the implementation; challenges associated with changes in project management and political leadership; procurement delays; delays in school and teacher selection processes; and external factors, including ongoing conflicts, humanitarian and political crises and teachers' strikes.

3.2.1.4 Ratings and characteristics of grants in FY17

As mentioned before, of the 48 ESPIGs active at the end of FY17, 30 (62.5 percent) were considered on track in disbursement, six (12.5 percent) slightly behind, and 12 (25 percent) delayed. Of the delayed projects, six are in FCACs and six in non-FCACs.

Table 25: ESPIGs: Disbursement Status by FCAC and Non-FCAC, End FY17

ESPIGs to:	On Track	Slightly Behind	Delayed	Total Active
FCAC	18	3	6	27
Non-FCAC	12	3	6	21
Total Active	**30**	**6**	**12**	**48**

In terms of implementation, of the 48 ESPIGs active at end of FY17, 29 (60.4 percent) were slightly behind, 9 (18.8 percent) were considered on track in implementation and 10 (20.8 percent) were delayed. Of the delayed projects, four are in FCACs and six in non-FCACs (Table 26).

Table 26: ESPIGs: Implementation Status by FCAC and Non-FCAC, End FY17

Row Labels	On track	Slightly Behind	Delayed	Grand Total
FCAC	6	17	4	27
Non-FCAC	3	12	6	21
Grand Total	**9**	**29**	**10**	**48**

In total, 15 grants were rated as delayed at the end of FY17 in either *disbursement* or *implementation* (Table 27). Of these 15 grants, 9 were also delayed in either implementation or disbursement in FY16, (Comoros, Djibouti, Eritrea, Lao PDR, Niger, South Sudan, Togo, Uganda, Yemen), while 6 grants became delayed in FY17 (including Bangladesh, Cameroon, Guinea, Zambia).

Table 27: List of ESPIGs by Disbursement and Implementation Status, Active End FY17

Disbursement	Implementation	Number of ESPIGs	List of ESPIGs
On track	On track	9	Burundi, Gambia, Guyana, Haiti, Kyrgyz Republic, Nepal, Pakistan (Sindh), Sudan, Tanzania (Mainland)
On track	Slightly Behind	18	Benin, Burkina Faso, Cambodia, CAR, Cote d'Ivoire, Ethiopia, Guinea-Bissau, Madagascar, Mali, Mauritania, Nicaragua, Rwanda, Senegal, Sierra Leone, Somalia (Federal), Somalia (Somaliland), Somalia (Somaliland AF), Tajikistan
On track	Delayed	3	Comoros, Malawi, OECS

Slightly Behind	Slightly Behind	6	Kenya, Mozambique, Nigeria, Pakistan (Balochistan), Uzbekistan, Zimbabwe
Delayed	Slightly Behind	5	Eritrea, Lao PDR, Niger, South Sudan, Togo
Delayed	Delayed	7	Bangladesh, Cameroon, Djibouti, Guinea, Uganda, Yemen, Zambia
Total		48	

Six grants that were delayed at the end of FY16 improved during FY17 in either disbursement or implementation to a point where they are now considered either slightly behind or on track overall (in both implementation and disbursement). These are grants for Cote d'Ivoire, Mauritania, Rwanda, Sierra Leone, Sudan, Tanzania (Mainland). These grants have been restructured and five of them have been extended. Three grants are expected to close in 2017 (Cote d'Ivoire, Mauritania, Sierra Leone) and three other grants are expected to close in 2018 (Rwanda, Sudan and Tanzania).

Grants that Closed in FY17

As in last fiscal year, this year's analysis of implementation and disbursement ratings is based on active grants as of June 30, 2017. However, since the number of closed grants is quite significant this year with 11 closed grants in FY17 vs 5 in FY16, a separate snapshot analysis of these grants is included here**. Nine and six out of the 11 closed grants had ratings of on track in disbursement and implementation, respectively (Table 28).**

Table 28: List of Closed ESPIGs, by Disbursement and Implementation Status (End of FY17)

Disbursement	Implementation	Number of ESPIGs	List of ESPIGs
On track	On track	5	Chad (UNICEF), Ghana, Somalia (Puntland), Tanzania (Zanzibar), Zimbabwe (Closed)
On track	Slightly Behind	4	Afghanistan, Congo DR, Liberia, Sao Tome and Principe
Slightly Behind	Delayed	1	Chad (AF)
Delayed	On track	1	Chad (UNESCO)
Total		11	

Notes: The ratings for closed grants covers FY time period, not the entire implementation period.

For Chad (AF), the "delayed" rating in implementation is due to the GA (UNICEF) indicating that work continued in several construction sites after the project closing date. For Chad (UNESCO), disbursement information as of portfolio review production time indicated undisbursed funds.

3.2.1.5 Disbursement ratings for annual projections

Previous portfolio reviews have only measured disbursement performance based on their cumulative disbursements to date relative to the grants' elapsed time. In FY16, it was decided to complement the assessment of cumulative disbursements as an indicator of grant performance with an assessment of the annual amount disbursed against the annual amount projected.[45] The projections are meant to be based on the expected budget for the next calendar year. The annual amount projected assessment allows to account for non-linear cycle of grants, especially in cases where implementation is slow at the initial stage of the project, with much of disbursements taking place when big budgetary items such as procurement or construction activities are implemented. It is worth noting that this is a newly developed rating

[45] In 2015, the disbursement projections exercise was started. In that first year, the Secretariat received less than 60% participation from grant agents. In 2016, there was a little more than 70% participation. For FY17, participation was about 90%. Based on this high level of participation, it was decided to include a preliminary analysis of disbursement projections in the Portfolio Review.

methodology, and results need to be observed as preliminary and should be used to support countries and grant agents to better plan financial forecasts.

Table 29: Criteria to Classify Grant Annual Disbursements

Status	Comparison of the Annual Amount Projected with the Annual Amount Disbursed
On Track	The actual amount disbursed is greater than or equal to 85% of the projected amount for the fiscal year
Slightly Behind	The actual amount disbursed is between 84% and 75% of the projected amount for the fiscal year
Delayed	The actual amount disbursed is less than 75% of the projected amount for the fiscal year

According to this new methodology, 25 of the 48 active grants, or 52%, were delayed in their annual disbursement projections. This means that half of these grants spent less than 75 percent than what they had projected for that year. As expected, most grants (10 out of 11 grants) that closed in FY17 have disbursed as projected for the year of the project (Table 30).

Table 30: Annual Projected Disbursements FY17, Active and Closed

Annual Disb. FY17	# of ESPIGs	List of ESPIGs
Active as of end FY17		
On track	20	Burkina Faso, Burundi, Cambodia, Central African Republic, Comoros, Cote d'Ivoire, Ethiopia, Guinea-Bissau, Guyana, Haiti, Malawi, OECS, Rwanda, Somalia (Federal), Somalia (Somaliland), Somalia (Somaliland AF), South Sudan, Tanzania (Mainland), Yemen, Zambia
Slightly Behind	3	Gambia, Kenya, Sudan
Delayed	25	Bangladesh, Benin, Cameroon, Djibouti, Eritrea, Guinea, Kyrgyz Republic, Lao PDR, Madagascar, Mali, Mauritania, Mozambique, Nepal, Nicaragua, Niger, Nigeria, Pakistan (Balochistan), Pakistan (Sindh), Senegal, Sierra Leone, Tajikistan, Togo, Uganda, Uzbekistan, Zimbabwe
Total	**48**	
Closed as of end FY17		
On track	10	Afghanistan, Chad (UNICEF), Chad (UNESCO), Chad (AF), Ghana, Liberia, Sao Tome and Principe, Somalia (Puntland), Tanzania (Zanzibar), Zimbabwe (Closed)
Slightly Behind	1	Congo DR
Delayed	0	n/a
Total	**11**	

Table 31: List of ESPIGs by Cumulative Disbursement and Annual Disbursement Status, Active End FY17

Cumulative Disbursement Status FY17	Annual Projected Disbursement Status FY17	Number of ESPIGs	List of ESPIGs
On track	On track	17	Burkina Faso, Burundi, Cambodia, Central African Republic, Comoros, Cote d'Ivoire, Ethiopia, Guinea-Bissau, Guyana, Haiti, Malawi, OECS, Rwanda, Somalia (Federal), Somalia (Somaliland), Somalia (Somaliland AF), Tanzania (Mainland)
On track	Slightly Behind	2	Gambia, Sudan
On track	Delayed	11	Benin, Kyrgyz Republic, Madagascar, Mali, Mauritania, Nepal, Nicaragua, Pakistan (Sindh), Senegal, Sierra Leone, Tajikistan
Slightly Behind	Slightly Behind	1	Kenya

Slightly Behind	Delayed	5	Mozambique, Nigeria, Pakistan (Balochistan), Uzbekistan, Zimbabwe
Delayed	On track	3	South Sudan, Yemen, Zambia
Delayed	Delayed	9	Bangladesh, Cameroon, Djibouti, Eritrea, Guinea, Lao PDR, Niger, Togo, Uganda
Total		**48**	

With regards to differences between projected and cumulative disbursements, **half of the grants (56.7%) that are on track with cumulative disbursements are also on track with their annual projected disbursements** (Table 31 above)**. However, 36.7% of grants on track with cumulative disbursements are delayed with their annual disbursements.** This means that a grant may be disbursing at a similar pace as its time elapsed but could still be facing challenges with annual projected disbursements and is disbursing significantly less than projected.

One of the reasons why we see discrepancies among the two types of disbursement ratings is due to grant extensions. An extended grant can improve cumulative disbursements but not projected annual disbursements, as is the case for Benin, Madagascar, Kyrgyz Republic, Senegal, and Uzbekistan. Other reasons for delays in annual disbursements against their projections are related to delays in significant budgetary activities, such as school construction and classroom rehabilitation, which cause annual projections to be overestimated, as are the cases in the Nicaragua and Mali grants. As disbursement reporting improves for this indicator, more analysis can be made to support grant agents to improve financial projections.

3.2.1.6 ESPIG Implementation Delay Analysis

This section presents a review of grant characteristics that appear to cause delays in ESPIG implementation. It also presents an overview of main activities that delayed grants in FY17. The following points should be taken into consideration while reading this section: 1) even though only a quarter of the grants are delayed in implementation, it is important to dive deeper into causes of delays to draw lessons and integrate them upstream during grant development; 2) this review does not provide an activity level analysis –going forward, this level of analysis will be developed by looking into extension requests, restructurings, and mid-term reviews; more work can and will be done to identify repeated activities that pose high risk to grant implementation, and how to apply measures to mitigate them; 3) grants that are delayed are not necessarily grants with poor performance; rather, they should be viewed as needed adjustments per country contexts, course correction, and lessons learned for future grant development.

A review of characteristics of ESPIG grants that were delayed in implementation found that there is no clear trend between grant characteristics and grant delays in FY17 compared to the previous three years. The review included grant size, grant agent, aid modality, FCAC/non-FCAC and age of grant, among others. **The variables which showed to have some links with implementation delays are age of the grant and cumulative disbursement status of the grant.**

Grant age appears to have some indication of grant being delayed in implementation. The slight increase in number of slightly behind grants this year can also be due to fewer new grants that started implementation this FY17 compared to previous fiscal years. New grants added to the portfolio tend to start off as on track, and turn slightly behind or delayed as time passes. Not only were there fewer new grants, but those few grants this FY17 started off with challenges. (Note: even though Burundi started implementation in FY16, it is included as a new grant in FY17 as it was not reported as new in FY16).

Table 32: New Grants Per FY15, FY16 and FY17 and Trends in Implementation Ratings

New Grants FY17 (5)	IP Rating in FY17
Burundi	On track
Malawi	Delayed
OECS	Delayed
Somalia (Somaliland AF)	Slightly Behind
Zimbabwe	Slightly Behind

New Grants FY16 (6)	IP Rating in FY16	IP Rating in FY17
Bangladesh	On track	Delayed
Chad (AF)	On track	Delayed
Guinea	On track	Delayed
Mozambique	Slightly Behind	Slightly Behind
Nepal	Slightly Behind	On track
Rwanda	Slightly Behind	Slightly Behind

New Grants FY15 (14)	IP Rating in FY15	IP Rating in FY16	IP Rating in FY17
Central African Republic	On track	On track	Slightly Behind
Guyana	Slightly Behind	On track	On track
Haiti	Slightly Behind	Slightly Behind	On track
Kenya	On track	Slightly Behind	Slightly Behind
Lao PDR	On track	Delayed	Slightly Behind
Niger	On track	Slightly Behind	Slightly Behind
Nigeria	On track	Slightly Behind	Slightly Behind
Pakistan (Balochistan)	On track	On track	Slightly Behind
Pakistan (Sindh)	Slightly Behind	Slightly Behind	On track
Sierra Leone	Slightly Behind	Delayed	Slightly Behind
Tanzania (Mainland)	On track	Delayed	On track
Togo	On track	Delayed	Slightly Behind
Uganda	Slightly Behind	Delayed	Delayed
Uzbekistan	On track	Slightly Behind	Slightly Behind

Grant age also reveals that more grants are falling behind in implementation progress in the mid to later stages of the project. Between the second and the fourth years of the project, a large proportion of the projects are either delayed or slightly behind (Figure 11 and 12). By year 4, 83 percent of the grants are either delayed or slightly behind. In FY17, most grants (77.1 percent) are between the mid to late stages of the grant (2-4 years), a period when grants start to have challenges.

Figure 11: ESPIGs: Implementation Status by Age Group, Active End FY17 (number and percent)

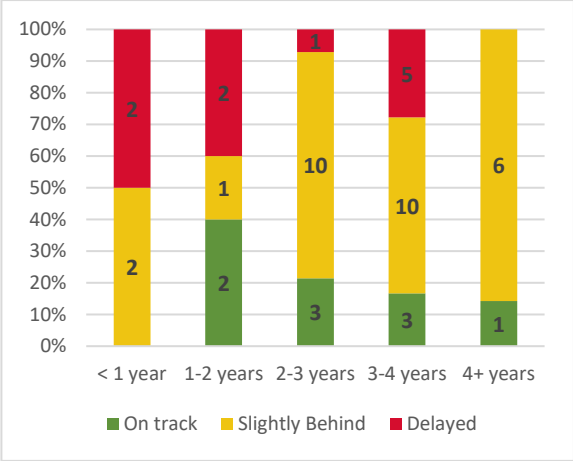
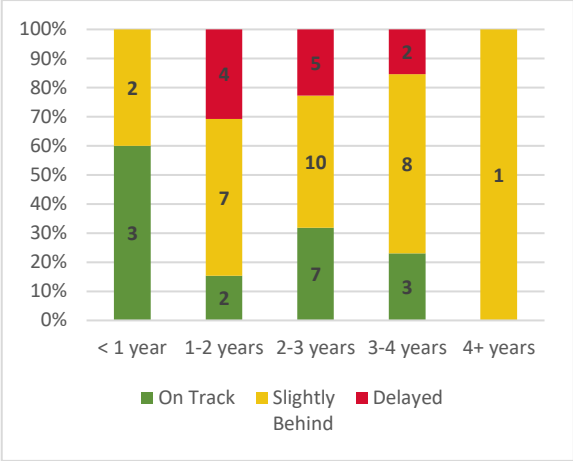


Figure 12: ESPIGs: Implementation Status by Age Group, Active End FY16 (number and percent)



Analysis of cumulative disbursement and implementation progress reveals some correlation between these two variables. Most of the grants that are delayed in cumulative disbursement are also either delayed or slightly behind in implementation progress (see Table 33 below). **However, it is difficult to reach a conclusion on the causal relation between the two variables;** it might be that delayed disbursements result in lack of funds necessary for procurement of material and services to implement project activities. Likewise, it might be that delays in implementation result in non-achievement of DLIs, and thereby, holding of funds until the DLIs are met.

Table 33: Active Grants with Delayed Status in Disbursement or Implementation in FY17

Country	Disbursement Status FY17	Implementation Status FY17
Bangladesh	Delayed	Delayed
Cameroon	Delayed	Delayed
Comoros	On Track	Delayed
Djibouti	Delayed	Delayed
Eritrea	Delayed	Slightly Behind
Guinea	Delayed	Delayed
Lao PDR	Delayed	Slightly Behind
Malawi	On Track	Delayed
Niger	Delayed	Slightly Behind
OECS	On Track	Delayed
South Sudan	Delayed	Slightly Behind
Togo	Delayed	Slightly Behind
Uganda	Delayed	Delayed
Yemen	Delayed	Delayed
Zambia	Delayed	Delayed
Total	**15**	

Individual assessments of the grants (based on the information from the GAs and country leads) included in Annex 4 provide more details on the causes of delays, actions taken to address the delays, and the impact of these actions. Upon a closer examination of the causes for the delays in the implementation of ESPIGs, the Secretariat was able to classify potential reasons of implementation delays in three main

categories: (1) unforeseen country challenges; (2) challenges in planning and setbacks at the launch stage; and (3) implementation challenges during project rollout.

1. **Exogenous conditions/unforeseen country challenges:** This category includes those ESPIGs that have suffered setbacks in implementation due to exogenous events which resulted in a negative impact on the grant. These events include changes in political leadership or in the national education policy (Guinea, Djibouti), active conflicts or lack of accessibility due to security concerns (Yemen, South Sudan, Mali, Cameroon), or withdrawal of a funding agency (Sierra Leone). While these events are hard to predict or control once they occur, the operational risk framework provides risk management support by measuring and mitigating the risk on a grant-by-grant basis.
2. **Endogenous conditions/challenges in project preparation and approvals:** Most of the grants are delayed or slightly behind due to endogenous reasons. A part of these reasons includes challenges faced during the project preparation and launch stages. For instance, many countries had delays in recruiting key positions for implementation of grant activities. These countries included Sierra Leone, Bangladesh, Comoros, Malawi, Uganda, and Zimbabwe. Other delays were related to developing needs assessments or action plans (Madagascar, Niger, Bangladesh, Sierra Leone). These conditions can be considered as endogenous to the grant and could potentially be avoided or reduced in impact with improvements during grant preparation and initial launch of the project.
3. **Endogenous conditions/challenges during project rollout stage:** the second part of the endogenous conditions include operational challenges faced by projects during implementation. Most of the countries in this category are afflicted by irregularities in procurement (Madagascar, Mozambique, Togo, OECS, Nicaragua, Kenya, Cameroon, Eritrea), irregularities in safeguards procedures (Uganda), delays with technical support from development partners (Nigeria), and coordination issues between the grant agent and the government (Malawi).

These are not exhaustive conditions, but they are often repeated as explanations of implementation delays (more information on each delayed grant for implementation for FY17 is found in Annex 4: Grants Disbursement and Implementation Status). The Key Observations below describes some potential ways to improve the implementation of programs.

Key Observations

The Secretariat will continue to look at trends in the overall ESPIG portfolio to have more information on causes of delays. Since FY14, there have been much improvements with collecting and analyzing data related to grant characteristics, activities, and performance. However, with better processes and better data collection throughout the year, more work can and will be done to identify repeated activities that are at a higher risk to delay a grant and apply measures to mitigate them. Reviewing progress reports greatly helps document challenges and actions taken to correct them, helps early detection of project restructurings and extensions, and helps the Secretariat plan its resources in a timely and efficient way, allowing for better and faster response rates when needing to restructure grants. Going forward, deeper level of analysis will be developed by looking into extension requests, restructurings, and mid-term reviews.

Lessons learned from progress report reviews can be particularly useful during the development of a new grant. There are upstream processes during the Quality Assurance stages of grant development where the information on causes for delays can be used to prevent similar challenges during the project implementation. It will be important to consider examples from similar countries but also to learn from the country's own grant experiences.

It is important to note that assessing the performance of grants through the Secretariat's ratings is a two-fold exercise. On one side, it assigns ratings to grants to provide an overview of the performance of the ESPIG portfolio. On the other side, assessing performance of grants is an opportunity to look at individual grant's challenges and provide strategic direction and course correction. While the former exercise is relevant to get the big picture, it should be used alongside other information to measure grant performance, as it misses on some non-measurable items that are also relevant in grants, such as involvement of government, coordination between all actors in grants, and quality of interventions. The latter exercise allows one to identify repeating challenges such as delays in recruiting key positions for grant activities (6 countries); procurement irregularities (8 countries); and security concerns (5 countries), and learn from actions taken to address/mitigate them for future grants. Deeper delve will be taken into these challenges to understand what activities are more likely to delay a grant.

While some delays will be prevented or diminished, there will be many other cases where unforeseen circumstances will present themselves with little warning and greatly affect grant performance. These delays should not be viewed as an indication of poor grant performance; rather, they should be viewed as needed adjustments per country contexts, course correction, and lessons learned for future grant development.

3.2.2 Restructuring

A program funded by the GPE may be revised to adjust to new circumstances, risks or other implementation issues. There are three types of revisions: minor, non-minor and material (See ESPIG policy).[46] Before undertaking any revisions to a program, the GA should explicitly notify the Secretariat. **Minor revisions** normally involve reallocation from GPE trust funds of less than 10 percent of the total grant amount, not exceeding US$5 million. These revisions are not covered in this portfolio review. **Non-minor revisions** are considered for approval by the Secretariat. Non-minor revisions involve one or a combination of the following: (1) extension of 12 months or less of the original end date of the grant implementation period; (2) reallocation of between US$5 million and US$10 million or between 10 percent and 25 percent of the total grant amount, whichever is lower; (3) addition or cancellation of components or sub-components; (4) increase or reduction of more than 25 percent of the overall program budget (where the ESPIG forms part of a co-financed program); (5) any changes in the results framework and/or changes in the implementation modality. **Material revisions** are managed by the Grants and Performance Committee (GPC). A revision is considered as material if it results in: (1) an extension of more than 12 months of the original implementation end date; (2) and/or a reallocation of resources from GPE funds that exceeds US$10 million or 25 percent of the total grant, whichever is lowest; (3) and/or changes to the indicators and/or means of verification for the disbursement of the variable part.

The number of non-minor and material requests approved by the secretariat has increased sharply since the first time the Secretariat reported on revisions. Indeed, in FY17, 26 non-minor requests were approved by the Secretariat compared to 11 during the previous period. This represents an increase of 136 percent. Similarly, the GPC approved 14 requests for material revisions in FY17, compared to 5 during the previous period, representing an increase of 180 percent. Many of the revision requests are for grants that were approved during the FY13/14 period when a wave of countries applied for ESPIG funds following the announcement of Indicative Allocations to eligible countries in January 2012. During that time, the ESPIG policy suggested three-year implementation period. Since then, the policy has been revised to provide more realistic flexibility in terms of implementation period.

The reasons for submitting revision requests varied. The main factor triggering revision requests was implementation delays. These were usually caused by instability in the country from events like protests, strikes and security threats, making it difficult to get projects started. Another factor causing revision requests was additional financing. There were cases where the country needed additional resources to complete the project, and on the other hand, there were cases where cost savings enabled the financing of additional activities. The full list of revision decisions with corresponding explanations is available in Annex 5.

Grant revisions (extension and restructuring) remain a mechanism heavily used by countries affected by fragility and conflict. From a total of 40 non-minor and material revisions approved by the Secretariat and GPC during the reporting period, 28 (70 percent) were submitted by FCAC countries.

3.2.2.1 Non-Minor Revisions

Of the 26 ESPIG non-minor revision requests approved by the Secretariat in FY17, 19 included a request for extension. Twelve of the 19 extension requests were submitted by countries categorized as FCACs.[47] Annex 5-A provides the list of non-minor extension requests. The Annex clearly shows that in most cases,

[46] See GPE's Policy on Education Sector Program Implementation Grant.

[47] The GPE list of countries affected by fragility and conflict is based on the World Bank's Harmonized List of Fragile Situations FY17 and the UNESCO's 2016 List of Conflict-Affected States.

given the time needed for the grant agreement and start of program activities, a period of four-year is more realistic for implementation.

The average request for extension is 9.2 months and the range is from 1 to 12 months. This range takes into consideration Somaliland which submitted two separate non-minor requests for extensions of five months and one month.

Of the 26 non-minor revision requests approved by the Secretariat, 18 (69 percent) were for restructuring. Of these, 13 (72 percent) were submitted by countries categorized as FCACs. Eleven requests (61 percent) had an impact on the budget and most (89 percent) had an impact on indicators and targets (see Annex 5-A for the detailed list of non-minor restructuring requests). The World Bank acts as GA in 72 percent of the requests and UNICEF in 28 percent.

3.2.2.2 Material Revisions

Of the 14 material requests approved by the Grants and Performance Committee in FY17, 12 (86 percent) included an extension. The World Bank acts as GA for six grants (50 percent) and UNICEF for four (33 percent). Amongst the 12 requests for extension, 9 (75 percent) were submitted by countries categorized as FCACs.[48] See Annex 5 for the list of material extensions.

A request for extension is considered material if the cumulative requests for a country is more than 12 months. For this reason, many of the requests, even if individually are less than 12 months, were treated as material.

Of the 14 material revisions approved by the GPC, nine are restructuring requests. Seven restructuring requests (78 percent) were submitted by countries listed as FCAC. All nine requests had an impact on indicators and targets. See Annex 5-B for a detailed list of material revisions.

3.2.3 Closed Grants

Between July 1, 2016 and June 30, 2017, 11 ESPIGs closed, totaling US$ 357,355,170 (Table 34). These closures were for ESPIGs in the following countries: Afghanistan, Chad (3)[49], the Democratic Republic of Congo, Ghana, Liberia, Sao Tome and Principe, Somalia-Puntland, Tanzania-Zanzibar and Zimbabwe. The average length of these 11 ESPIGs was 3.8 years. Of the closed ESPIGs, completion reports are available for Ghana, Liberia, Somalia-Puntland and Zimbabwe**.** Per the World Bank's internal guidance, the completion reports are normally due six months after the closing date of the project; while other grant agents don't have a consistent timeline for completion report submission.

The World Bank was the grant agent for ESPIGs in Ghana and Liberia and UNICEF was the grant agent for Somalia-Puntland and Zimbabwe. In the implementation completion and results report (ICR) submitted by the World Bank, the ESPIG for Ghana was rated **satisfactory** and the grant for Liberia was rated **moderately satisfactory** for overall outcomes. No ratings for Somalia-Puntland and Zimbabwe were provided in the completion reports submitted by GA (UNICEF) because of UNICEF's reporting format, which is more narrative.

[48] Note that a country may have submitted multiple requests. In these cases, each request is counted individually.
[49] For Chad, three ESPIGs were closed, one of which was accelerated funding approved in FY16.

Table 34: ESPIGs that Closed in FY17

Country	Afghanistan	Chad (UNICEF)	Chad (UNESCO)	Chad (AF)	Congo, DR	Ghana	Liberia	Sao Tome and Principe	Somalia (Puntland)	Tanzania (Zanzibar)	Zimbabwe
Grant Amount (in million $US)	55.7	40.1	7.1	7	100	75.5	40	1.1	2.1	5.2	23.6
Grant Agent	UNICEF	UNICEF	UNESCO	UNICEF	World Bank	World Bank	World Bank	World Bank	UNICEF	Sida	UNICEF
Grant Agreement / Start Date	3-Aug-12	1-Jan-13	30-Apr-13	5-Feb-16	15-May-13	22-Nov-12	29-Sep-10	6-Feb-14	1-Jun-13	1-Aug-13	1-Jan-14
Closing Date	30-Jun-17	30-Jun-17	30-Jun-17	30-Jun-17	28-Feb-17	31-Aug-16	31-Oct-16	30-Jun-17	31-Oct-16	31-Jan-17	31-Dec-16
Grant Period	4.9 years	4.5 years	4.2 years	1.4 years	3.8 years	3.8 years	6.1 years	3.4 years	3.4 years	3.5 years	3 years
Grant Modality	Stand Alone	Stand Alone	Stand Alone	Stand Alone	Stand Alone	Stand Alone	Stand Alone	Project Pooled	Stand Alone	Stand Alone	Stand Alone
FCAC	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	No	Yes
Income Category	L	L	L	L	L	LM	L	LM	L	L	L
Completion Report Received	No	No	No	No	No	Yes	Yes	No	Yes	No	Yes

3.3 Education Sector Program Implementation Grants by Thematic Components and Objectives

3.3.1 ESPIGs by Sub-Sectoral and Thematic Activities

Key Messages

- To provide deeper insight into the types of activities supported by ESPIGs and their alignment to GPE 2020 strategic goals, a coding exercise by sub-sectoral and thematic activities of the 41 ESPIGs active as of the end of FY17 was conducted.
- Results for coding by sub-sectors showed that FY17 ESPIGs have a strong focus on primary education (40 ESPIGs), followed by secondary education (24 ESPIGs), and ECCE (22 ESPIGs). Five ESPIGs support adult education and training.
- Results for coding by thematic activities based on GPE 2020 Strategic Goals showed strategic objectives were well reflected in FY17 ESPIGs. In terms of activities that support the learning goal, teacher training (40 ESPIGs) and curriculum development/supply of learning materials (35 ESPIGs) are the most coded. In equity, most grants coded (30 ESPIGs) focused on the expansion/rehabilitation of schools and classrooms and gender equality. All the 41 ESPIGs had system-strengthening activities and within those, Education Management Information Systems (EMIS) had the highest number (33 ESPIGs).

3.3.1.1 Introduction

During FY16, a pilot coding exercise was introduced by the Secretariat to increase understanding of investment made through ESPIGs vis-à-vis education sub-sectors and key thematic activities relevant for GPE 2020. Based on the recommendations from the FY16 exercise, the initial coding exercise was improved in FY17 to further align with the coding schemes of other partners (such as OECD and World Bank), and to better align with key thematic activities under GPE's strategic goals: learning, equity and efficiency. Coding by education levels covers early childhood care and education (ECCE), primary, secondary, postsecondary, and adult education.[50] Forty-one ESPIGs (24 in FCACs) active in GPE countries and federal states as of June 30, 2017 are analyzed. The revised codebooks used for the coding can be found in Annexes 7-A for education sub-sectors and 7-B for thematic activities.

The 41 grants analyzed throughout this section do not include the seven sector-pooled grants (Bangladesh, Burkina Faso, Ethiopia, Mozambique, Nepal, Rwanda, and Zambia), which were also active during FY17. This coding exercise essentially focuses on ESPIG's planned investment. Given the multiplicity of donors involved in sector pooled grants, a different analytical approach may be required for these. It is important to note that one grant can cover several sub-sectors and thematic activities. Furthermore, the coding exercise still does not include a weighted approach since financial figures by thematic activity or sub-sector cannot be systematically assigned across the entire portfolio.

Table 35: Summary of Thematic Activities Supported by the Portfolio of Grants Active in FY17

GPE 2020 Goals	Thematic Activities	FCAC	Non-FCAC	Total
Learning	Teacher Management	19	7	**26**
	Teacher training	23	17	**40**
	Standards/Curriculum/Learning Materials	19	16	**35**
	Learning assessment systems	17	12	**29**
	Use of ICT in learning	1	4	**5**
Equity	Education Facilities and infrastructure	20	10	**30**
	Gender equality	17	13	**30**
	Cash transfers/other targeted incentives for students	2	2	**4**
	Access for out-of-school children	12	5	**17**
	Adult learning	4	1	**5**
	Well-being programs	7	5	**12**
	Support to children with Disabilities and Special Needs	5	5	**10**
System	Systems strengthening: at the central level	24	17	**41**
	Systems strengthening: at the decentralized level	15	10	**25**
	Systems strengthening: at the school level	18	11	**29**
	Education Management Information Systems	20	13	**33**

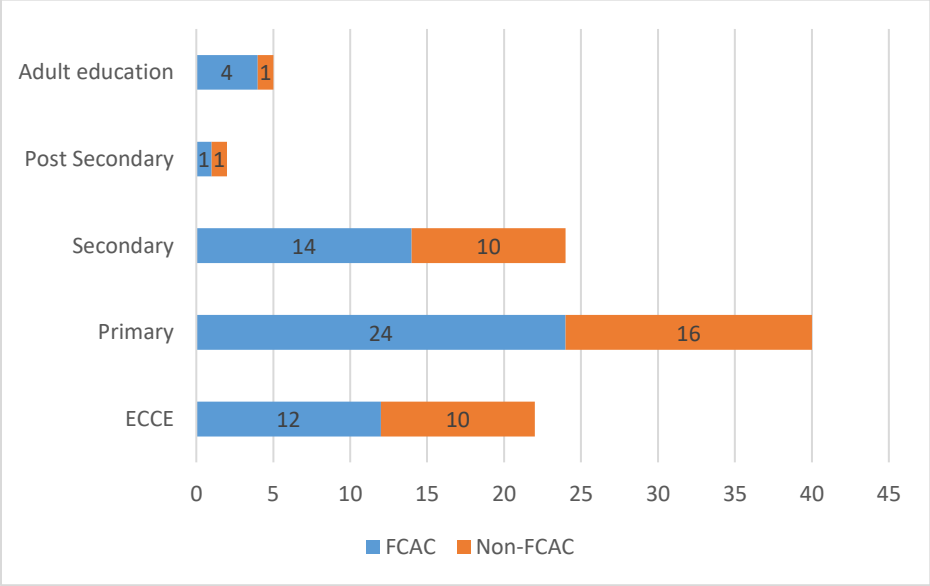
[50] GPE refers to ISCED 2011 for education levels. ISCED 2011 defines primary education as level 1, lower secondary education as level 2, and early childhood educational development/pre-primary as level 0. GPE's Secretariat often uses the term "Early Childhood Care and Education (ECCE)" to cover both early childhood education development and pre-primary education, or use ECCE interchangeably with pre-primary education.

3.3.1.2 Education Sector Program Implementation Grants: Coding by Level of Education

GPE's financing prioritizes basic education, defined as pre-primary, primary, lower secondary education and second-chance learning opportunities. In countries where equitable learning outcomes are well advanced at basic education levels, GPE can provide additional investments in ECCE or upper secondary education. GPE portfolio of active grants coded in FY17 continues to reflect these priorities.

Out of the 41 FY17 active grants coded, forty invest at the primary level, with the exception of Nicaragua's ESPIG which focuses on ECCE and lower secondary. However, there is an existing non-GPE supported project (by the same grant agent, the World Bank) focusing on primary education in Nicaragua. Of those ESPIGs that cover primary level, nine focus exclusively on primary while the remaining 31 cover at least one additional subsector beyond primary. The nine grants focusing solely on primary are in: Kenya, Malawi, OECS, Somaliland (accelerated funding), Burundi, Madagascar, Somalia (Federal Government), Comoros, and South Sudan. Figure 13 below illustrates education sub-sectors covered by the 41 active grants coded for FY17. As mentioned earlier, one grant can cover more than one sub-sector.

Figure 13: Education Sub-Sectors Covered in coded FY17 ESPIGs, Disaggregated by Fragility Status



ECCE and secondary education are also well represented in the active ESPIG portfolio. Grants that cover other sub-sectors beyond primary typically include components for the ECCE level and/or components for the secondary level. Thirteen grants (eight in FCACs and five in non-FCACs) simultaneously support ECCE, primary, and secondary education sub-sectors. Two ESPIGs (Sierra Leone and Tajikistan) support post-secondary education through extension of Education Management Information Systems to include post-secondary level data. Five ESPIGs (Eritrea, Guinea, South Sudan, Togo, and Yemen), invest in adult education. See Annex 7-A for a list of countries/ federal states and the subsectors covered by their respective ESPIGs, disaggregated by FCACs and non-FCACs.

3.3.1.3 Education Sector Program Implementation Grant Components Coded to GPE 2020 Strategic Goals: Learning, Equity and System

The 41 coded active ESPIGs as of June 30, 2017 have Learning, Equity and System components (see Table 35). Nonetheless, due to varied country needs and contexts, some ESPIGs have stronger focus on one or more specific strategic goal(s). For more information on thematic activities coded by country/federal state, see Annex 7-C.

3.3.1.4 GPE 2020 Strategic Goals: Learning

GPE's commitment to improved and more equitable student learning outcomes through quality teaching and learning in the DCPs is strongly supported by the coded active ESPIG portfolio. Five themes were identified as associated to the Learning strategic goal (Table 35). Four of those five thematic areas are part of the top 10 themes found in ESPIGs (see Annex 7-B). Furthermore, as shown in Figure 14, 32 grants invest in three or more learning thematic areas. The combination of the top three learning categories (teacher training, standards/curriculum/learning materials, and learning assessment systems) is found in about 70 percent of the ESPIGs. This suggests an important level of synergy and emphasis on activities that contribute to improved learning outcomes in the coded ESPIGs. Table 36 lists countries by number of learning themes covered in the ESPIGs.

Figure 14: Learning in FY17 ESPIGs Coded

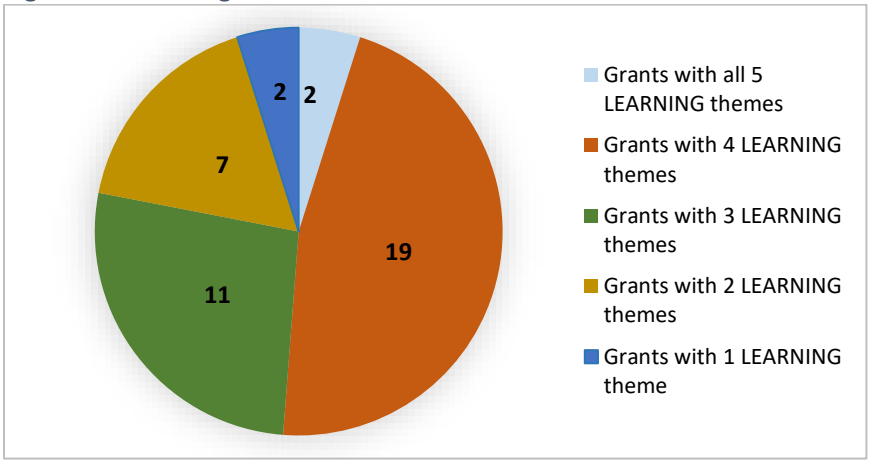


Table 36: Learning in FY17 ESPIGs Coded

Grants with all 5 Learning themes	2	Gambia, Tanzania Mainland
Grants with 4 Learning themes	19	Benin, Cameroon, CAR, Cote d'Ivoire, Eritrea Guinea, Guinea Bissau, Kenya, Sierra Leone, South Sudan, Sudan, Togo, Uganda, Senegal, Zimbabwe, Pakistan (Balochistan), Yemen, Uzbekistan, Lao PDR
Grants with 3 Learning themes	11	Cambodia, Tajikistan, OECS, Somaliland (AF), Nigeria, Nicaragua, Niger, Mauritania, Mali, Madagascar, Comoros
Grants with 2 Learning themes	7	Burundi, Somaliland, Somalia (Federal Government), Djibouti, Guyana, Haiti, Kyrgyz
Grants with 1 Learning theme	2	Pakistan (Sindh), Malawi

Teacher Management

Teacher management,[51] including teacher recruitment, provision of salaries and incentives, is supported by 26 ESPIGs (19 in FCACs). ESPIGs investing large amounts[52] in this category are in: Cameroon (US$31.4 million) and Madagascar (US$22.3 million). In Cameroon, the ESPIG is increasing teacher availability in public primary schools through the conversion of "maîtres des parents"[53] based on strict selection criteria to contract teacher status, and the recruitment of some new contract teachers particularly in disadvantaged zones of the country with an emphasis on rural areas. In Madagascar, the ESPIG subsidizes community teacher salaries to cope with rapidly increasing enrolment in primary education, which grew from 2.4 million in 2001 to 4.31 million in 2010.

Teacher Training

In the current portfolio of active grants, 40 ESPIGs (23 in FCACs) invest in teacher training. This is the most coded theme under the learning goal. A wide variety of sub-themes emerge from teacher training activities found in ESPIGs. These include, but are not limited to: teacher education (including distance learning), pre-service training, in-service training, training on specific methodologies, restructuring of teacher training systems, the provision of infrastructure and/or equipment for teacher training, teacher accreditation and certification, training of training instructors, development of teacher training frameworks, and the improvement of pedagogical methods. **With 25 ESPIGs, in-service training is the most common type of teacher training in ESPIGs.** However, the approach to teacher training varies from one grant to the next, depending on the country's needs. Some ESPIGs focus on one specific type of training, while others combine two or more types of training. In Guinea Bissau, for example, a component worth US$2.7 million combines three types of activities coded under teacher training. The project simultaneously supports the expansion of the national capacity of the teacher training institutions through the construction and equipment of three new teacher training schools with a combined capacity of 464 students, the setting up of an in-service teacher training system, and pre-service qualifications of new contractual teachers. Another predominant type of teacher training is the methodology-specific training modules. In Togo, for instance, the introduction of the competency based approach curricula warranted adequate preparation of teachers for a smooth implementation. Therefore, this grant supports training on the competency-based approach and the use of the materials.

Standards, Curriculum and Learning Materials[54]

There are 35 ESPIGs (19 in FCACs) investing in curriculum development and/or learning materials. In this category, the most coded activity is the procurement and distribution of learning materials to students. The standards/curriculum/learning materials theme aimed to capture activities that address the content delivered in educational institutions, including learning standards, curricula, textbooks and other teaching/learning materials. The types of materials provided included individual school supplies kits, math textbooks, reading books, and exercise books, and mother tongue textbooks. The other two dominant activities are the revision or development of learning standards/curricula and the provision of teaching materials. These three dominant sub-themes tend to occur simultaneously in most ESPIGs.

[51] Note that activities contributing to Teacher Management Information Systems are coded under EMIS and female teacher recruitment is coded under gender equality.
[52] Specific financial figures are not available for the full portfolio; throughout the rest of the analysis, where feasible, the portfolio review provide examples of grants that have identifiable amounts tagged to the themes discussed. The financial figure is provided by the grant agents based on their own calculations, not based on a systematic approach across the portfolio.
[53] teachers financed by communities/parents.
[54] Note that learning materials includes teacher textbooks and teacher guides.

Countries with high levels of investment in standards/curriculum/learning materials include: Sudan (US$25.8 million), Madagascar (US$14.9 million), Uganda ($US14 million), and Cameroon (US$13 million). In Sudan, the ESPIG supports the production, procurement and distribution of 9.85 million textbooks, teachers' guides and other supplementary learning materials to be distributed to approximately 15,000 public schools. In Madagascar, this subcomponent finances the provision of school kits containing basic essential school supplies for primary school students in public schools in 12 regions (a total of approximately 1,816,560 students). In Uganda, the funds go towards the printing/supply of instructional materials and the provision of curricula and teacher's guides to both public and private schools. In Cameroon, the project finances grades 1, 2 and 3 textbooks covering French and English languages, and Mathematics, with an emphasis on disadvantaged regions.

An interesting, though much less frequent sub-theme under this category is reading campaigns. In Sierra Leone, for example, the project supports a reading campaign using multiple channels such as Talking Drum Studio stories at the community level and bi-monthly interviews and presentations about the importance of literacy and the ways in which parents and schools work together for children's success.

Learning Assessment Systems (LARS)[55]

The development or improvement of LARS is found in 29 ESPIGs (17 in FCACs). Activities contributing to LARS are typically part of a larger package in the "teaching and learning" or the "capacity building" components of the ESPIG grants. About 70 percent of ESPIGs investing in LARS do so through Early Grade Reading Assessment (EGRA) and Early Grade Mathematics Assessment (EGMA) at the national level. Ten grants simultaneously invest in EGRA and EGMA: Cambodia, Cameroon, Djibouti, Gambia, Haiti, Pakistan (Balochistan), Sierra Leone, South Sudan, Uzbekistan, and Yemen.

Some grants also focus on classroom, regional, or international assessment programs. For example, in Mauritania, the ESPIG supports participation in Program of Analysis of Education System of CONFEMEN, and the Trends in International Mathematics and Science Study (TIMMS) at the lower secondary level. The ESPIG in OECS (Caribbean Island States) has multiple dimensions to its learning assessment design – classroom, national and regional. It finances the development of a learner-centered assessment framework to monitor the achievement of learning standards (formative assessment) through (i) consultancy services and (ii) consultations at the regional and country levels. The ESPIG also finances guidelines for using the learning standards and formative classroom assessment through (i) consultancy; (ii) consultations at the regional and country levels; and (iii) the adaptation of the learning standards and formative assessment to member-country level context.

Use of ICT in Learning

The use of information and communication technologies in learning is not very common in GPE funded projects at this stage. Only five ESPIGs support such activities – mostly in non-FCAC countries: Gambia, Nicaragua, Senegal, Tanzania (Mainland), and Uzbekistan. In Gambia, the funds support the development of curriculum-linked digital content of Mathematics, Science, and English for grades 7-12. In Tanzania, the syllabi are digitized and delivered through mobile phone technology in 600 schools by using the already piloted "Bridge – IT" model. Bridge-IT adapts and creates subject based skills videos and establishes the necessary technological infrastructure for teachers to access the content in their classrooms. In Uzbekistan, the neediest general educational secondary schools are provided with ICT equipment. In Senegal, the grant provides technical assistance for the of use low-cost and effective ICT – such as white boards and applications for classroom instruction of science and math. In Nicaragua, ICT laboratories (or classroom-based ICTs) are offered at the lower secondary level.

[55] Note that Learning Management Information Systems are coded under this theme and not under EMIS.

3.3.1.5 GPE 2020 Strategic Goals: Equity

Seven themes were identified as primarily connected to the goal of increased equity, gender equality and inclusion. The two dominant categories for equity are the provision of education facilities and activities aiming to improve gender equality. The least coded categories are cash transfers/other targeted incentives for students and adult learning. As show in Figure 15, the majority of the grants cover two or more equity themes. Table 37 lists countries by number of equity themes covered in the ESPIGs.

Figure 15: Equity in FY17 Active ESPIGs

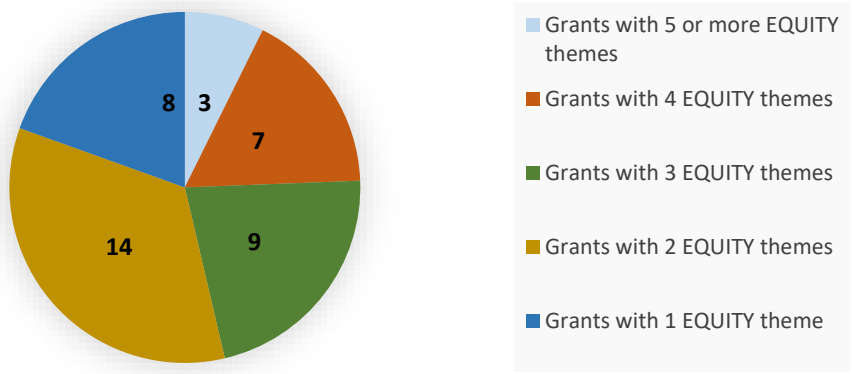


Table 37: Equity in FY17 Active Grants

Grants with 5 or more Equity themes	3	Eritrea, Cambodia, Guinea
Grants with 4 Equity themes	7	Mali, Niger, South Sudan, Tanzania (Mainland), Uganda, Yemen, Zimbabwe
Grants with 3 Equity themes	9	Benin, Central African Republic, Comoros, Côte D'Ivoire, Djibouti, Somaliland (AF), Togo, Pakistan (Balochistan), Tajikistan
Grants with 2 Equity themes	14	Burundi, Cameroon, Gambia, Guinea Bissau, Haiti, Kyrgyz, Madagascar, Malawi, Nicaragua, Nigeria, Senegal, Somalia (Somaliland), Somalia (Federal Government), Sudan
Grants with 1 Equity theme	8	Lao PDR, Kenya, Mauritania, Sierra Leone, Pakistan (Sindh), Guyana, OECS, Uzbekistan

Education Facilities and Infrastructure

Education facilities and infrastructure was the dominant activity coded under the strategic goal of equity. Overall, 30 ESPIGs (20 in FCACs) support this activity. Out of these 30 ESPIGs, about 75 percent primarily invest in classroom/school construction and/or rehabilitation in disadvantaged areas of the respective partner countries. The construction of new classrooms is typically accompanied by the construction of related infrastructure such as latrines and water points. The grants with highest levels of investment in classroom construction or rehabilitation are: Niger (US$40 million), Sudan (US$31.2 million), Yemen (US$29.6 million), and Nicaragua (US$26.5 million). In Niger, the ESPIG aims to extend basic education to about 75,000 additional children, of which at least 70 percent will come from the rural areas, and 20 to 30 percent from the districts with the lowest enrollment rates. It involves building about 1,245 primary classrooms equipped with student benches and teacher desks, latrines and water supply points, where possible, and the construction and equipment of about 330 lower secondary school classrooms including latrines. In Sudan, the relevant grant component finances the construction of about 2,000

classrooms (including associated facilities such as latrines and offices) for elementary schools in targeted areas, through provision of goods, works and services (including technical assistance to be provided to communities to facilitate their involvement in classrooms construction). The contribution in Yemen goes towards the building of 600 new classrooms with walls, toilets, and management rooms rehabilitating 420 cluster schools. In Nicaragua, the ESPIG supports the construction and/or rehabilitation of lower secondary classrooms, learning and complementary facilities in 43 selected municipalities.

Other sub-themes, less frequent but coded in this category included: the construction of libraries and resources centers (Nicaragua), school maintenance programs (Somalia-Federal Government and Djibouti), and science and technology facilities (Senegal).

Gender Equality

Of the 41 active ESPIGs coded, 30 (17 in FCAC) invest in gender equality. The 30 ESPIGs that invest in gender equality do so in two main approaches. Half of the 30 ESPIGs take a "targeted approach to gender equality" by specifically investing in demand or supply side interventions aiming to improve girls' access to education, particularly at primary and secondary levels. Another half of the 30 ESPIGs integrate gender sensitivity throughout or in specific components of the project. Examples for each of these approaches are described below.

Targeted approach to gender equality

Out of 30 ESPIGs investing in gender equality, 15 take a targeted approach. These grants are in: Benin, Cameroon, Cote d'Ivoire, Eritrea, Guinea-Bissau, Niger, Malawi, Mali, Mauritania, Nigeria, Pakistan (Balochistan), Somalia (Federal), Somaliland, Togo, and Yemen. This approach almost exclusively focuses on improving the enrollment and retention of girls through demand side and supply side interventions. Five types of activities supporting girls' education were identified through the coding: the provision of learning materials to girls, increased investments in female teachers and administrators, strategic communication initiatives to raise awareness for girls' education, incentive schemes, and provision of gender-sensitive school facilities. Table 38 summarizes the presence of these activities in the aforementioned countries/federal states.

Table 38: Targeted Initiatives for Girls' Education

Targeted Initiatives Supporting Girls' Education in GPE Grants	Countries
Provision of learning materials to girls	Benin, Mali, Mauritania, Yemen
Increased investments in female teachers and administrators	Nigeria, Somalia (Federal Government), Somaliland, Yemen
Strategic communication initiatives to raise awareness for girls' education	Cote d'Ivoire, Cameroon, Eritrea, Niger, Togo
Incentive schemes for girls (e.g. scholarships)	Cote d'Ivoire, Mauritania, Niger, Nigeria
Provision of gender sensitive school facilities	Malawi, Togo, Pakistan (Balochistan), Guinea Bissau

Integrated approach to gender equality

Out of 30 ESPIGs investing in gender equality, 15 integrate gender sensitivity in the project. These ESPIGs are in the following countries: Comoros, Djibouti, Guinea, Kenya, Cambodia, Lao PDR, Nicaragua, OECS (Caribbean Island States), Pakistan (Sindh), Sudan, Sierra Leone, South Sudan, Tajikistan, Tanzania (Mainland), Uganda. Instead of financing isolated activities targeting girls, these ESPIGs make project components "gender sensitive." For example, in Tajikistan, the project funds a competency-based curriculum that is gender-sensitive, with integrated life skills based education (LSBE). In Guinea, the design of an in-service training program supported by GPE funds was informed by lessons learned through the implementation of the Educated Girl Succeed (FIlles Eduquées RÉussisent) financed by another donor.

Cash Transfers and Other Incentives for Students[56]

Four ESPIGs currently support cash transfers and other incentives for students: Central African Republic, Cameroon, Cambodia, and Haiti. In Central African Republic and Cambodia, the ESPIGs finances scholarship programs for targeted populations in order to reduce the direct opportunity costs of school attendance. In Cameroon and Haiti, the ESPIGs reduce the costs of schooling for parents through tuition waiver program.

Access to Education for Out of School Children (OOSC)

Based on the coding, 17 ESPIGs (12 in FCACs) have targeted initiatives for out-of-school populations. These typically take the form of alternative education programs, non-formal learning centers, or community school mechanisms. South Sudan, for instance, has developed programs for the estimated 1.2 million school age children who do not have access to schooling, have dropped out, or are internally displaced. Following an assessment at state and county level, the GPE program will deliver the Alternative Education System (AES) and deploy special efforts to encourage OOSCs to re-join the formal system. In Mali, the ESPIG includes the re-admission of 20,000 displaced students from the North through provision of remedial courses and school kits to give them the necessary materials for studying.

Well-being Programs

Twelve ESPIGs (seven in FCACs) sponsor well-being activities. This includes various nutrition and health initiatives embedded in equity components of the project to optimize school participation. Examples of such activities are school feeding, deworming, vision screening/glasses, hand-washing programs, and psychological support. In Benin, the project supports 396 existing school canteens run by the communities in the deprived districts by offering at least one meal per day to an average of 128,000 students annually. The approach, which has been successfully implemented in the previous FTI project is based on the existing informal system of mamans (mothers) who prepare and serve the lunchtime meals. The accelerated funding ESPIG in CAR contributes to the establishment of school canteens and the increase in their capacity to provide 150,000 children with rations. In Cote d'Ivoire, the ESPIG funds the re-launching of school feeding and nutritional programs, and acquisition and distribution of micro-nutrients and de-worming tablets in collaboration with other UN agencies present on the ground (i.e. UNICEF, WFP) to ensure minimum acceptable health status of students throughout the country. Accelerated funding ESPIG in Somaliland provides increased access to safe water, school feeding, and improved hygiene practices in drought affected communities. The ESPIG in Zimbabwe helps strengthen psychological services through training and systems building support for referrals for all levels and schools.

[56] Incentive schemes and cash transfers intended for girls are counted under the gender equality theme; cash transfers to schools are coded under systems strengthening at the decentralized level.

Support for Children with Special Needs and Disabilities

Ten ESPIGs (five in FCACs) support children with disabilities and special needs. Three types of activities are covered in this category: targeted interventions or materials to support students/teachers with disabilities, training of educators, research and policy initiatives. The majority of ESPIGs focus on interventions and materials such as enrollment of seeing and hearing impaired, support for students with poor vision and hearing, hearing aid for hearing impaired, promotion of school health activities, mapping of children with disabilities, training of teachers in special education. In Djibouti, special trainings are financed for teachers of students with hearing and visual impairments, such as training in the use of sign language and braille. In Cambodia, the ESPIG supports both students and teachers; it supports the distribution of vision-screening kits in target schools in areas where there is high prevalence of children who have vision and hearing problems. Students who are up to 8 years old in primary (or secondary) schools and out of school children in the same age range are selected for the screening. Students who are found in need of help receive eye glasses and hearing aids. Those who need professional medical check-ups will be transferred to specialized hospitals. Teachers who have similar vision and/or hearing difficulties in selected schools are also eligible to receive eye glasses and/or hearing aids.

Adult Learning

Five ESPIGs (Eritrea, Guinea, South Sudan, Togo, Yemen) invest in adult learning through the following activities: training of adult literacy personnel, community reading rooms, development and distribution of literacy materials, diagnostic studies, and literacy campaigns. These are FCAC countries (except Guinea). In Eritrea, the goal of this component is to support 30,000 adults to complete three levels of literacy and post-literacy programs. The Eritrean government leads this adult learning component and GPE funding complements the provision of instructional materials and training facilitators. In Togo, the project finances two literacy campaigns, whose main features are: (i) 400 hours of training; (ii) 25 participants on average per teacher; (iii) one supervision visit a month; and (iv) an eight-month program for each cohort.

3.3.1.6 GPE 2020 Strategic Goals: System

Four themes connected to systems change were identified for coding of ESPIGs (Table 35). Of note is that there is some inevitable overlap between the system activities; however, these distinct codes were created to capture interventions that specifically aim to strengthen the administration of the education sector at various levels of the education administration chain. These four themes are part of the top 10 themes found in ESPIGs. Furthermore, as illustrated below (Figure 16) almost all grants incorporate at least two or more system themes. Table 39 lists countries by number of system themes in the ESPIGs.

Figure 16: System Strengthening in FY17 Active Portfolio

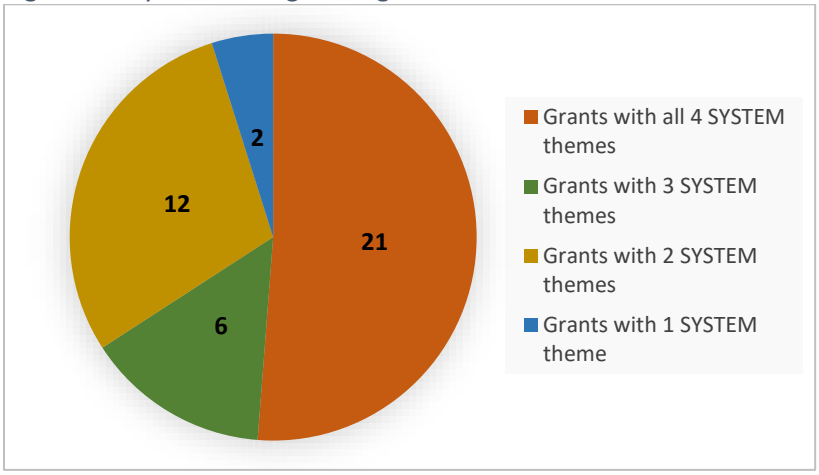


Table 39: System Strengthening in FY17 Active Grants

Grants with all 4 System themes	21	Benin, Cote d'Ivoire, Guinea, Kenya, Madagascar, Malawi, Mali, Nigeria, Senegal, Sierra Leone, Somalia (Somaliland), Somalia (Federal), Sudan, Tanzania (Mainland), Togo, Uganda, Zimbabwe, Yemen, Tajikistan, Cambodia, Lao PDR
Grants with 3 System themes	6	Central African Republic, Eritrea, Gambia, Guinea-Bissau, Niger, Pakistan (Balochistan)
Grants with 2 System themes	12	Burundi, Cameroon, Comoros, Mauritania, Somaliland (AF), South Sudan, Pakistan (Sindh), Djibouti, Guyana, Haiti, OECS (Caribbean Island States), Uzbekistan
Grants with 1 System themes	2	Nicaragua, Kyrgyz Republic

In the clear majority of cases, the funds dedicated to this component are proportionally much smaller than those dedicated to learning and equity thematic activities. However, it's worth mentioning that system related activities are also embedded in learning and equity components (e.g. research evaluations related to a given theme such as gender equality is coded under this theme). System strengthening activities are typically lumped into one project component[57] called "strengthening management of the education sector," "strengthened management capacity," "system strengthening and monitoring and evaluation," or other similar phrases.

System Strengthening at the Central Level

All 41 coded ESPIGs (24 in FCACs) have one or more activities contributing to this theme. Activities in this category are quite generic and include among others: training in education planning and management, improving logistic management capacity, feasibility studies, impact studies, project management, monitoring and evaluation (M&E) of project progress and outcomes. Systems strengthening at the central level refers to planning, monitoring, and evaluation activities at the centralized level of government (usually the ministry of education), whether they specifically focus on the management of the project or more broadly that on the education sector. However, as mentioned earlier, the distinction across system strengthening at different levels is not always clear-cut. For instance, if there is a training activity for administrators at the central level, participants may also come from decentralized levels. In such cases, the activity would apply to both themes.

[57] Typically, ESPIG consists of three to four project components which regroup thematic activities.

System Strengthening at the Decentralized Level

There were 25 ESPIGs (15 in FCACs) supporting management capacity building at the decentralized level. Activities in such ESPIGs support management of material and technical resources at the lower levels of education administration (e.g. communities, municipalities, districts, regions). System strengthening at the decentralized level included two sub-themes: general decentralization activities and school grants.[58] Out of the 25 grants coded under this category, 15 support general decentralization activities and 17 specifically support school grants.[59] Some grants only focus on one sub-theme or the other, some address both sub-themes. In Cote d'Ivoire, the ESPIG contributes to the re-establishment of capacity at the regional level to manage responsibilities devolved to the regions, through clarification of the respective mandates of central and regional levels. In Sierra Leone, the grant promotes staffing at the district level and finances performance-based school grants with a US$5.1 million component.

System Strengthening at the School Level

System strengthening at school level was tagged in 29 ESPIGs (18 in FCACs). Activities coded under this theme aim to improve school administration and/or involvement of community stakeholders at the school level. For example, in terms of school administration, in Sierra Leone, the grant provides training for approximately 1,200 school heads on the benefits of the reading program as well as on ways of expanding use of reading books and learning materials outside the classroom. In terms of community involvement, in Togo, the grant supports the training of the School-Based Management Committees (COGEPs) to ensure proper implementation of project activities such as school construction. The training consists of modules on: (i) community organization and communication; (ii) financial management (FM); (iii) procurement; (iv) M&E; and (v) maintenance of construction.

Education Management Information Systems

Support to EMIS was found in 33 ESPIGs (20 in FCACs). EMIS is understood as a system for the collection, integration, processing, maintenance and dissemination of data and information to support decision-making, policy-analysis and formulation, planning, monitoring and management at all levels of an education system. Activities coded typically could be either sponsoring development or improvement of the system itself, or providing technical assistance for the use of pre-established systems. In some cases, (e.g. Tajikistan and Sierra Leone), the grant finances extension of EMIS to other levels of education, not limited to primary level.

[58] When cash to schools is channeled through the decentralized administration, school grants require the strengthened administrative capacity at the decentralized level.
[59] Note that the two sub-themes are not mutually exclusive.

Key Observations

Grant support is aligned with GPE 2020. In terms of thematic activities supporting the learning goal, 40 of the 41 coded grants have teacher training activities, 35 provide curriculum development or learning materials, and 29 support improvements in national learning assessment systems. To promote equitable access to education, 30 grants support classroom expansion/rehabilitation, 30 support gender equality, 17 grants support programs for out-of-school children, 12 grants support well-being programs, and 10 support children with disabilities. For systems strengthening, all 41 grants support broad management capacity building activities and 33 specifically support EMIS activities. In terms of education level, 40 grants support activities at the primary level, 24 support secondary-level activities while 22 grants support pre-primary activities.

It is worth noting that this year's data is not comparable to last year's data due to the revised methodology and different software used for this exercise. In the future, trend analysis will be considered. The refinement of the coding framework with a clear rubric and operational guide for coding allowed for an improved coding exercise. However, the current set-up of project documents still does not allow for systematic assignment of specific dollar figures to thematic activities coded. Where possible, dollar amounts were incorporated in the analysis based on the financial figures provided by the grant agents, but it is currently not feasible to apply a formal methodology across the portfolio to extract such figures. Ideally, agreements with grant agents to code grants using a common typology in the grant budget and grant application would enable the Secretariat to identify dollar amounts for sub-sectoral and thematic activities.

4 SUPPORT TO COUNTRIES AFFECTED BY FRAGILITY AND CONFLICT

More than one-third of countries hosting refugees do not recognize their right to education, and over 60 percent of refugee children live within the boundaries of GPE partner countries.[60] In the 65 GPE partner developing countries alone, 136 million children of primary and lower-secondary school age live in conflict-affected and fragile situations.[61] Ensuring that children have access to education during conflict and crisis protects their rights, instills a sense of normalcy, and fosters resilience, inclusion and tolerance, supporting the long-term process of rebuilding and peace-building.

GPE has continued its focus on countries affected by fragility and conflict, and increasingly concentrates its ESPIG financing to such contexts. During FY17, 28 (52%) of the 54 DCPs with active ESPIGs were classified as affected by fragility and conflict. Grant investments in FY17, therefore, are fully in line with GPE 2020 in terms of support to these countries.

GPE provides a foundation for coordination and dialogue among development and humanitarian actors in countries/federal states as diverse as Afghanistan, Burundi, Central African Republic, Chad, the Democratic Republic of Congo, Liberia, Madagascar, Nepal, Sierra Leone, Somalia, South Sudan and Yemen. These are just some of the DCPs that experienced a crisis at some point during FY17 or continued to feel the direct impact of a major crisis that occurred previously.

To support FCACs, GPE relies on three modalities to help address their needs according to context. The mechanisms are described in a policy brief titled *GPE's Work in Countries Affected by Fragility and Conflict* published by the Secretariat in September 2016.[62] They can be summarized as follows:

1. **GPE grants can be restructured to meet emergency needs** and can be deployed for direct service provision to address urgent needs under the GPE *Operational Framework for Effective Support in Fragile and Conflict-Affected States*, adopted in 2013.[63] Additionally, through its accelerated financing mechanism, countries with an existing maximum country allocation that has not yet been accessed are able to draw down up to 20 percent of this allocation through an accelerated grant application process to meet immediate needs at the onset of a crisis.[64]

2. **GPE supports education sector plans and transitional education plans that reinforce emergency readiness, preparedness and planning** through the education sector plan development grant (ESPDG).

3. **GPE supports transitional education planning, which offers a unique starting point for policy coordination when countries are emerging from a crisis** — specifically recognizing the need to establish links between development actors (organized within a local education group) and humanitarian actors (through the education cluster).[65]

[60] Global Partnership for Education: Countries Affected by Fragility and Conflict (July 2017), http://www.globalpartnership.org/focus-areas/countries-affected-fragility-and-conflict.
[61] Conflict-affected and Fragile Countries, http://www.globalpartnership.org/data-and-results/education-data. GPE estimate based on UIS data.
[62] See "Policy Brief: GPE's Work in Countries Affected by Fragility and Conflict," http://www.globalpartnership.org/content/gpes-work-countries-affected-fragility-and-conflict.
[63] http://www.globalpartnership.org/content/gpe-operational-framework-effective-support-fragile-and-conflict-affected-states.
[64] Guidelines for Accelerated Support in Emergency and Early Recovery Situations (updated in August 2015), http://www.globalpartnership.org/content/guidelines-accelerated-support-emergency-and-early-recovery-situations.
[65] GPE's Work in Countries Affected by Fragility and Conflict: Policy Brief (September 2016), http://www.globalpartnership.org/content/policy-brief-gpes-work-countries-affected-fragility-and-conflict.

The following discussion reports on how each mechanism functions, focusing on FY17 and illustrating examples through selected descriptions for specific countries/federal states.

Modality 1: GPE grants can be restructured to meet emergency needs and can be deployed for direct service provision to address urgent needs.

Grant restructurings are the most widely used emergency response mechanism, and in FY17, there were 20 such instances in FCAC countries. This represents 77 percent of all restructuring that occurred in FY17. Of these 20 ESPIG restructurings in FCACs, eight (40%) identified specific crises as the rationale for the restructuring. These DCPs recognized the flexibility GPE allows to reallocate funding or modify indicators in order to adapt to needs that arise during a crisis. Through the grant restructuring process, these partners were able to respond swiftly and appropriately to the evolving circumstances.

One example of such was in Haiti when Hurricane Matthew struck in October of 2016, causing the largest humanitarian emergency in the country since the 2010 earthquake. More than 2 million people were affected, of which almost 900,000 were estimated to be children. Although partners in the international community responded to the country's funding appeal, immediate needs became increasingly urgent. To address these pressing concerns, the Ministry of Education and Vocational Training requested a reallocation of US$1 million from the Early Grade Mathematics Assessment component to the school feeding program, within the GPE grant. The restructuring was approved, and only 24 days after the disaster, GPE was able to support the government in responding to the new demands of the context.

Though less common than grant restructuring, accelerated funding is used to support countries/federal states in accessing funds quickly, a necessity in times of crisis. The Central African Republic, Chad, the Federal Government of Somalia, Somaliland, and Yemen have all benefitted from this provision since 2014, Somaliland being the only one to get its accelerated funding approved in FY17.

To address immediate humanitarian crisis, Somaliland partnered with GPE to use the accelerated funding modality, which was approved in April 2017 for a 10-month program from June 1, 2017 through March 31, 2018. The recent increase in the frequency of recurrent drought-related crises affected more than 2.9 million people across Somalia, including Somaliland where 118 schools were closed[66] and 30 percent of the 378,741 children enrolled in schools in drought-affected areas were at immediate risk of dropping out.[67] The project supported by the accelerated funding targets an estimated 7,800 school-aged children. It will help affected schools meet their teaching and learning, feeding, and water needs as well as provide appropriate capacity building to the target communities. According to the July 2017 implementation progress report, the initial coordination and assessment activities have started, and progress is rated as "moderately satisfactory."[68]

In FY17, South Sudan experienced a funding modality shift, the only example of this form of restructuring that occurred in the fiscal year. The South Sudan GPE Project lost funding from USAID, its sole co-financier, in December 2016. This was a planned end-of-funding to the program as notified in the April 2016 project revision. The project is now totally funded by GPE and implemented directly by UNICEF as a stand-alone project. Project activities resumed gradually after a total halt due to an eruption of conflict in July 2016. Agency staff returned to the post and contractors began work as the security situation normalized by the end of the year. The revised program targets, as per the April 2016 restructuring, are likely to be met. Project restructuring, constant oversight of UNICEF South Sudan Senior Management, and excellent contingency planning and staff turnover planning contributed to the good

[66] *Accelerated Education Support for Drought Affected Communities in Somaliland: Annual Report* (July 2017).
[67] *Keeping Children Safe, Education Cluster, Drought #2* (December 2016).
[68] *Accelerated Education Support for Drought Affected Communities in Somaliland: Annual Report* (July 2017).

progress in a context fraught with insecurity, economic volatility and harsh weather conditions. The flexibility of the funding modality shift has allowed GPE to continue providing support to South Sudan despite changing circumstances on the ground.

Modality 2: GPE supports education plans that reinforce emergency readiness, preparedness, and planning through its sector planning grant (ESPDGs).

Since 2014, 24 out of 29 (83 percent) of ESPs and TEPs assessed have components addressing emergency readiness, preparedness, and planning, of which 16 (67 percent) were supported by an ESPDG.[69] These results came out of a review of all sector plans whose credibility the GPE Secretariat has assessed, as part of the GPE quality assurance process. Based on a further review of activities that are financed by ESPDGs, it was found that, over the FY17, some of these activities consisted of developing education sector analyses (ESAs) and other studies (e.g. vulnerability), development of ESPs, and independent appraisals of ESPs, with the aim of promoting emergency readiness, preparedness, and planning.

For example, GPE currently supports Afghanistan's Ministry of Education through an ESPDG provided after the drafting of the Third National Education Strategic Plan (NESP III) 2017-2021. Approved in July 2016, the grant supports a two-step appraisal process of the document and its operational plan, as well as the preparation of the three-year operational plan for planning and reporting in the short-term. As of April 2017, the ESPDG was at 90 percentage disbursement, with the only remaining activities under the finalization of the three-year operational plan, and it is on-track to be completed by the extended closing date of November 2017. The support to appraise and operationalize the plan will increase its quality and improve implementation, essential components in a such a complex context.

Of the 29 ESPs/TEPs assessed by GPE since 2014, 10 (34 percent) specifically identify "refugees and internally displaced persons" or "children affected by conflict and crisis" as a disadvantaged or marginalized group: Afghanistan, Bangladesh, Burkina Faso, Central African Republic, Mali, Pakistan(Baluchistan), Somalia (Puntland), Republic of Congo, Democratic Republic of Congo, and Kenya.

Though these FCACs recognize these groups as disadvantaged, the Central African Republic is the only country to identify these children as the most important vulnerable group in their plan. Specifically, the TEP that covers 2015-2017 considers displaced children to be the most marginalized group. In an effort to bring the current situation back to normal, the TEP warns that the return of displaced populations to their places of origin/secure places is likely to be delayed, hence the need to address their immediate needs and accompany them to a normal process. Moreover, the three scenarios that were developed for the TEP are based on situations taking account of displaced people.[70]

Modality 3: GPE Supports Transitional Education Planning

When the changing nature of a country context makes the development of a longer-term education sector plan unfeasible or inadvisable, GPE provides support in developing TEPs. The *Guidelines for Transitional Education Plan Preparation* was published in May 2016 to strengthen TEPs and suggest the main steps and resources to be contextualized by individual countries.[71] The GPE Secretariat provides technical guidance throughout the process, including informal and formal feedback mechanisms, as well as through ESPDG support. Only four TEPs in partner countries/federal states have been endorsed since 2014: Central African Republic (CAR), Mali, Guinea and Somalia (Federal Government). Since 2012, CAR,

[69] See ESPDG section for details of GPE support to FCACs through the education sector plan development grant.
[70] *Plan de Transition 2015-2017* (2014). Republique Centrafricaine: Ministere de l'Education Nationale et de l'Enseignement Technique.
[71] Guidelines for Transitional Education Plan Preparation (May 2016).

Burundi, Somalia (Federal), Guinea, and Comoros have been awarded ESDPGs to develop a TEP, which remains ongoing in Burundi and Comoros.

The development of Burundi's TEP is ongoing, through the support of an ESPDG approved in June 2017. The grant will help the government prepare a TEP, with the LEG and ministry recommendations to have additional studies (e.g. vulnerability studies) to help address data gaps and strengthen the sector analysis. As part of these studies, it was suggested that the local expertise be leveraged, when possible, and reinforce aspects of local capacity building. This was the first time an ESPDG application was reviewed by the GPE Secretariat since the publication of the *Guidelines for Transitional Education Plan Preparation*. It will be useful to report on this process moving forward. During the application review, the GPE Secretariat noted the strength of the participatory manner involving a broad range of stakeholders, as well as the well-prepared and detailed application. The expected closing date for this grant is June 30, 2018.

5 RISK MANAGEMENT

5.1.1 Operational Risk Framework

In October 2015, the Board approved a number of recommendations to strengthen GPE's operational model, including the development of an Operational Risk Framework. The objective of the Operational Risk Framework is to ensure that the Secretariat understands and supports risk management on a country-by-country and grant-by-grant basis. In doing so, the Secretariat will be able to ensure an appropriate approach to supporting the sector plan development in each country, quality assuring new grant applications, and monitoring program progress. Importantly, the Operational Risk Framework is not designed to duplicate the risk management policies and procedures of grant agents. Instead, it will allow the Secretariat to cross-check the GA's risk assessment with the broader contextual risks when assessing grant applications, and improve consistency of risk management by addressing risk at the country, sector and grant levels in a systematic way. It therefore complements the current Corporate Risk Matrix.

The first draft of the Operational Risk Framework was endorsed by the Board at its meeting in June 2016.[72] Since then, the Secretariat has piloted the Operational Risk Framework across its grant portfolio and implemented risk management plans for 58 country contexts.

In the first half of FY17, the Secretariat assessed the operational risk in 58 countries/federal states and developed risk management plans for critical and high risk contexts. The ratings showed that 34 percent of countries/federal states are high or critical in their overall sector risk (an average of scores for three selected sub-risks that relate to key areas of GPE's work). Twenty-eight percent of ongoing ESPIGs were rated as high or critical in their overall grant risk (an average of scores for three selected sub-risks). In terms of context risk which were based on the Global Fund's rating, the assessed GPE portfolio is roughly split between contexts that have low or medium risk (52 percent) and ones with high or very high risk (48 percent). The two most elevated sub-risks were that grant objectives are not achieved within the expected implementation period and that GPE developing country partners which apply for an ESPIG fail to increase public expenditure on education or maintain expenditure at 20 percent or above.

Overall, 19 countries/states were assessed by the GPE Secretariat as either high grant risk or critical sector risk in the key areas of GPE's work. They include: Afghanistan, Central African Republic, Chad, Cote d'Ivoire, Djibouti, Democratic Republic of Congo, Eritrea, Guinea, Guinea-Bissau, Liberia, Niger, Nigeria, Sierra Leone, Somalia (Federal), South Sudan, Sudan, Uganda, Uzbekistan, and Yemen. The countries with the highest combined grant and sector risk in GPE's current ESPIG portfolio are Nigeria and Yemen.

After the initial operational risk assessment exercise, the Secretariat adopted a risk-based approach to quality assurance of incoming ESPIG applications and draft ESPs. Using the context risk ratings, the Secretariat is staffing review teams according to the risk level identified. Differentiation in deployment of the Secretariat's limited resources, and in the level and intensity of quality assurance ensures that the mitigation actions and level of effort are commensurate with the risk. This allows resources to be freed up in low-risk situations, where possible, and allows greater resources to be used to better manage higher risk situations.

[72] See "Report from the Governance Committee: Risk Management Report Number 3," http://www.globalpartnership.org/content/13-report-governance-committee-risk-management-report-3-june-2016.

In the second half of FY17, the Secretariat developed and implemented risk management plans for medium and low risk contexts.[73] The Secretariat also reviewed the risk management plans for all critical and high risk contexts with an ongoing Education Sector Program Implementation Grant (29 contexts) and assessed the impact of Secretariat's actions to mitigate risks, whether a risk rating needed to be updated, and if additional mitigations are necessary.

Looking at the impact of Secretariat's mitigation measures in the 19 focus contexts, the Secretariat has had substantial impact in managing the risk regarding achievement of grant objectives. However, the Secretariat has not been well positioned to have an impact on mitigating the risk on domestic financing, apart from during the upstream application of the funding model. The recent adoption of the Financing and Funding Framework sets out mechanisms to leverage increased resources and to strengthen monitoring and accountability around domestic finance commitments, which once designed, should strengthen management of this risk.

As for next steps, the Secretariat will reassess operational risks across the portfolio of ESPIGs on an annual basis. For its FY18 review, the Secretariat will link data from grant portfolio reviews and results-framework country analytics with the Operational Risk Framework. For example, GPE Results and Indicator Framework indicators 10 (proportion of DCPs that have increased their public expenditure on education or maintained sector spending at 20 percent or above), 16a (proportion of endorsed ESPs or TEPs meeting quality standards), 17 (proportion of DCPs with a data strategy that meets quality standards), and 18 (proportion of JSRs meeting quality standards) will be used to inform sector risk assessments. Indicator 25 (proportion of GPE program grants assessed as on-track with implementation) will help to determine the risk level for a sub-risk under grant risk. The Secretariat will continue to review the effectiveness of the risk mitigation measures and regularly report to management on progress, particularly with respect to countries and grants rated as critical risk or high risk. Revisions to the operational risk assessment methodology will be finalized and presented to the Board once risk management specialists have been brought on board in the Secretariat.

5.1.2 Audit Report Analysis

Fiscal year 2017 is the second year the Secretariat reviewed audit reports for GPE-financed programs. This function is an integral part of the Secretariat's enhanced fiduciary oversight role which is derived from the mandate received from the Board at its meeting on October 15, 2015. It requires the systematic collection of audit reports from GAs, identification of significant issues which could pose financial or reputational risk to GPE-financed programs, and follow up by the Secretariat to ensure that significant issues have been satisfactorily addressed.

The objective of reviewing audit reports is to monitor and report to the Board, through the results framework, on effectiveness of GAs' actions to mitigate risks identified through annual audits of GPE-financed programs. Grant agents are responsible for fiduciary oversight of GPE-financed programs using their own policies and procedures. This responsibility includes ensuring that annual audits are conducted for all GPE-financed programs, and significant issues are addressed by the country in a timely manner.

All programs are expected to be audited annually but a GA may, subject to its policies, waive an audit for a new grant with low disbursement or delayed implementation. In FY17, the first-year audits for new grants in Nigeria and Togo were waived by the GA (the World Bank) due to low disbursements. Grants

[73] For more information, see http://www.globalpartnership.org/content/operational-risk-framework-june-2017-7.

which have UN Agencies (UNICEF and UNESCO) as GA are not subject to annual audits of individual programs due to single-audit principle.[74] An exception in FY17 was the GPE-financed program in Afghanistan, where UNICEF as GA was playing the role of a supervising entity, instead of the usual managing entity's role, hence the program was subject to annual audits.

Typically, one audit report per program per year is expected to be submitted to the Secretariat. However, in FY17, some countries submitted multiple audit reports for a single fiscal year, and the reasons fall into two categories. First, some countries where GPE-financed programs are financed through pooled fund or budget support mechanisms presented separate audit reports for each entity that received funding rather than a single audit report on consolidated financial statements. An example is Burkina Faso which submitted 94 separate audit reports for FY14 and 51 separate audit reports for FY15. Second, some countries prepared other financial reports, such as Statement of Expenditure and Statement of Designated Account in addition to the primary Financial Statements, and separate audit reports were issued on those other financial reports. Examples of such countries include Nicaragua and Senegal.

For the purpose of reporting on the GPE results framework, multiple reports per program per year are considered as 1 report and there were 7 instances of multiple reports in FY17. According to the GPE policy, GAs are required to submit copies of audit reports to the Secretariat annually, within six months after DCPs' fiscal year end. Given varied DCPs' fiscal year ends and different timings for audits, the Secretariat receives audit reports throughout the GPE fiscal year and prioritizes review of reports on high risk programs, based on the GPE Operational Risk Framework.

In FY17, the Secretariat received 42 audit reports by the cut-off date, compared to 37 in FY16. Out of the 42 reports received in FY17, 29 were issued by third-party independent audit firms, 12 by the Office of the Auditor-General of DCPs and one by an Internal Auditor.

The Secretariat reviewed 42 audit reports, or 100 percent of the audit reports received by the cut-off date. Most of the audit reports reviewed during FY17 contained satisfactory opinions. Out of the 42 audit reports reviewed, 27 contained unmodified opinion (satisfactory), five contained qualified opinion, two- adverse opinion, seven- multiple opinions and one had no opinion as it was an internal audit report. An unmodified opinion means that the financial statements did not contain any material misstatement. A qualified opinion means that the financial statements either contain a material misstatement (such as misstatement of school grants) or the auditor did not receive information needed to test a material component (such as school grants) of the financial statements. An adverse opinion means that the financial statements contain either a single substantial misstatement (such as misstatement of expenditure on construction of classrooms) or multiple material misstatements which result in the financial statements not being reliable. A disclaimer of opinion means that the auditor did not receive sufficient information to be able to express an opinion on the financial statements. Multiple opinions relate to programs which had multiple audit reports in a fiscal year with reports having varied opinions expressed. An example is the 2014 audit for Burkina Faso, received and reviewed in FY17, where auditor expressed opinion on 94 different sets of financial statements with eight being unmodified, 16 being qualified and auditor disclaiming opinion on 70 financial statements.

Significant issues found in the audit reports reviewed during FY17 can be broadly classified as Technical and Systemic issues. Timeframes for issues to be satisfactorily addressed by GAs and reported back to the Secretariat vary, depending on the type of issues, with technical issues typically taking up to six months while systemic issues usually take longer. Most issues that were found in audit reports in FY17 were

[74] The principle by which the UN Financial Regulations give the UN's external auditors, the United Nations Board of Auditors, the exclusive right to audit the accounts and statements of the United Nations. Such audits are based on the UN's own risk model and audit plan.

technical, such as misstatement of financial statements, ineligible expenditure, unsupported expenditure, or other types of issues related to non-compliance with policy. Some reports referred to systemic issues such as weak procurement systems, weak financial management system, weak capacity at ministry of education or other challenges with human resources and systems in place for implementing programs.

FY17 is the second successive year the Secretariat has achieved 100 percent (both overall and for FCAC) on the indicator on proportion of significant audit issues that are satisfactorily addressed. Approximately 60 percent of the total 42 audits reviewed, or 25 audit reports (13 FCAC and 12 non-FCAC) had significant issues which required follow up by the Secretariat. A significant issue is considered satisfactorily addressed either when it is resolved (such as refund of ineligible expenditure by a DCP) or when GA provides the Secretariat with evidence that action is being taken to resolve a significant issue (such as a formal repayment plan between DCP and GA for refund of ineligible expenditure). In the case of the latter, the Secretariat keeps track of agreed actions and ascertains their status through review of subsequent audit reports for active grants or follow ups with GAs for closed grants.

ANNEX 1-A: EDUCATION SECTOR PLAN DEVELOPMENT GRANTS

Country Name	Year joined GPE	Country Profile Information				Current ESP/TEP Period (interim)	Total Grant Amount Approved (US$)	ESA Amount (US$)	ESPD Amount (US$)	Approval Date	Grant Agent	Start Date	Closing Date[75]	Status
East Asia and Pacific														
Cambodia	2006				LM	2014-2018	61,945	61,945	0	20-Jul-16	UNICEF	22-Jul-16	31-Oct-16	Closed
Kiribati	eligible	FCAC	S	SIDS	LM		200,000	0	200,000	16-Mar-15	UNICEF	16-Mar-15	30-Oct-16	Closed
Micronesia	eligible	FCAC	S	SIDS	LM		231,988	231,988	0	27-Oct-15	ADB	1-Feb-16	1-Aug-17	Active
Regional Pacific SIDS[76]	eligible	FCAC	S	SIDS	See footnote[76]		200,000	110,000	90,000	3-Mar-17	ADB	6-Mar-17	31-Mar-18	Active
Republic of Marshall Islands	eligible	FCAC	S	SIDS	UM		204,814	204,814	0	23-Mar-16	ADB	1-Apr-16	30-Sep-17	Active
Timor-Leste	2005		S	SIDS	LM	2011-2030	250,000	250,000	0	22-Dec-16	World Bank	22-Dec-16	30-Sep-17	Active
Vietnam	2003				LM	2003-2015	233,650	233,650	0	26-Jan-15	UNESCO	1-May-15	1-Aug-17	Active
Europe and Central Asia														
Kyrgyz Republic	2006				LM	2012-2020	500,000	250,000	250,000	18-Jan-17	World Bank	18-Jan-17	30-Jun-18	Active
Latin America and the Caribbean														
Honduras	2002				LM	2014-2018	500,000	263,500	236,500	2-Oct-15	World Bank	2-Oct-15	30-Sep-17	Active
Nicaragua	2002				LM	2011-2015	500,000	250,000	250,000	26-Jan-15	World Bank	9-Feb-15	31-Aug-17	Active
Middle East and North Africa														
Djibouti	2006	FCAC	S		LM	2010-2019	212,517	0	212,517	24-Feb-17	UNICEF	24-Feb-17	31-Dec-18	Active
South Asia														
Afghanistan	2011	FCAC			L	2017-2021	154,250	0	154,250	20-Jul-16	World Bank	21-Jul-16	1-Nov-17	Active

[75] For active grants, this is the expected closing date, while actual closing date is recorded for closed grants.

[76] This is a regional ESPDG aimed at improving the existing regional education framework for the Pacific Islands. GPE supports 8 least developed Pacific SIDS. These SIDS have varied income classification ranging from Lower Middle to Upper Middle income categories, and they include: Kiribati (LM), Marshall Islands (UM), Micronesia (LM), Samoa (UM), Solomon Islands (LM), Tonga (UM), Tuvalu (UM) and Vanuatu (LM). Three of these SIDS received individual ESPDGs during FY16 (i.e., Kiribati, Marshall Islands and Micronesia).

Country Name	Year joined GPE	Country Profile Information				Current ESP/TEP Period (interim)	Total Grant Amount Approved (US$)	ESA Amount (US$)	ESPD Amount (US$)	Approval Date	Grant Agent	Start Date	Closing Date[75]	Status
Nepal	2009	FCAC			L	2016-2023	387,608	144,038	243,570	26-Mar-15	UNICEF	1-Apr-15	1-Mar-16	Closed
Nepal[77]							78,166	78,166	0	11-Mar-16	UNICEF	1-Apr-15	15-Jul-16	Closed
Sub-Saharan Africa														
Benin	2007				L	2015-2017[78]	428,794	273,927	154,867	4-Mar-16	SDC	7-Mar-16	31-Dec-17	Active
Burkina Faso	2002				L	2017-2030	208,041	0	208,041	9-Nov-16	UNICEF	9-Nov-16	31-Jul-17	Active
Burundi	2012	FCAC			L	2012-2020	416,927	280,291	136,636	13-Jun-17	UNICEF	15-Jun-17	30-Jun-18	Active
Cape Verde	eligible		S	SIDS	LM		234,775	140,000	94,775	26-Aug-14	UNICEF	1-Jul-14	1-Jan-17	Closed
Chad	2012	FCAC			L	2013-2016	250,000	0	250,000	11-Aug-16	UNESCO	11-Aug-16	31-Dec-17	Active
Comoros	2013	FCAC	S	SIDS	L	2013-2017	444,274	238286[79]	205,988	12-May-16	UNICEF	13-May-16	30-Jun-17	Closed
Côte d'Ivoire	2010	FCAC			LM	2016-2025	220,219	0	220,219	25-Feb-16	UNICEF	26-Feb-16	30-Jun-17	Closed
Eritrea	2013	FCAC			L	2013-2017	500,000	300000[80]	200,000	24-Feb-17	UNICEF	24-Feb-17	28-Feb-18	Active
Ethiopia	2004	FCAC			L	2015/16-2019/20	187,170	0	187,170	4-Feb-16	UNICEF	4-Feb-16	30-Sep-16	Closed
Gambia, The	2003	FCAC	S		L	2014-2022	320,732[81]	228,592	92,140	23-Nov-16	World Bank	1-Dec-16	30-Oct-17	Active
Guinea	2002				L	2015-2017	219,401	219,401	0	7-Mar-17	UNICEF	7-Mar-17	7-Mar-18	Active
Guinea-Bissau	2010	FCAC	S	SIDS	L	2011-2013	190,999	14,280	176,719	9-Feb-17	UNICEF	9-Feb-17	30-Mar-18	Active
Liberia	2007	FCAC			L	2017-2021	500,000	308,000	192,000	15-Jan-16	World Bank	15-Jan-16	30-Sep-17	Active
Mali	2006	FCAC			L	2015-2016	442,604	192,742	249,862	15-Jun-16	UNICEF	15-Jun-16	30-Apr-18	Active
Rwanda	2006	FCAC			L	2013-2018	323,570	148,433	175,137	29-Mar-17	DFID	1-Apr-17	31-Mar-18	Active
Sao Tome and Principe	2007		S	SIDS	LM	2012-2022	236,600	236,600	0	29-Mar-17	World Bank	1-Apr-17	28-Feb-18	Active

[77] Nepal's two ESPDGs are counted as one. The country received additional financing of US$ 78,116, approved in March 2016.
[78] The last ESP covering 2013-2015 was extended to 2015-2017, pending the completion of the next one.
[79] The breakdown of allocations into ESA and ESPDG windows mentioned in the GARC decision for Comoros is slightly different from what is stated in the original grant application and budget documents. The latter, as reflected in this Annex, is more accurate and has been used for the ESPDG coding exercise in this portfolio review.
[80] The breakdown of allocation into ESA and ESPDG windows is not mentioned in the GARC decision document, but can be found in the original grant application.
[81] The breakdown of this grant into ESA and ESPDG allocations wasn't specifically mentioned in the GARC decision document, but can be found in the grant application.

Country Name	Year joined GPE	Country Profile Information		Current ESP/TEP Period (interim)	Total Grant Amount Approved (US$)	ESA Amount (US$)	ESPD Amount (US$)	Approval Date	Grant Agent	Start Date	Closing Date[75]	Status
Senegal	2006		L	2013-2025	250,000	35,550	214,450	6-Apr-16	World Bank	8-Apr-16	31-Dec-17	Active
Sierra Leone	2007	FCAC	L	2014-2018	361,000	132,000	229,000	18-Apr-17	UNICEF	18-Apr-17	30-Sep-17	Active
Somalia (Federal)	2012	FCAC	L	2013/14–2015/16	462,552	280,945	181,607	27-Jan-17	UNICEF	27-Jan-17	30-Oct-17	Active
Somalia (Puntland)	2012	FCAC	L	2017-2021	483,327	233,327	250,000	8-Feb-16	Save the Children	11-Feb-16	30-Jun-17	Closed
Somalia (Somaliland)	2012	FCAC	L	2012-2016	488,868	244,520	244,348	23-Sep-16	UNICEF	23-Sep-16	30-Nov-17	Active
South Sudan	2012	FCAC	L	2012-2017	467,079	233,477	233,602	21-Oct-15	UNESCO	21-Oct-15	31-Mar-17	Closed
Sudan	2012	FCAC	LM	2015/16 – 2016/17	499,900	249,950	249,950	9-Mar-16	World Bank	10-Mar-16	30-Jun-18	Active
Tanzania (Mainland)	2013		L	2008-2017	245,541	0	245,541	11-Dec-15	UNESCO	16-Dec-15	30-Sep-16	Closed
Zambia	2008		LM	2011-2015	498,391	272,929	225,462	29-Apr-16	UNICEF	3-May-16	31-Jul-17	Active

ANNEX 1-B: PROGRAM DEVELOPMENT GRANTS

Country Name	Year joined GPE	Country Profile Information				Current ESP/TEP Period	Total Grant Amount Approved (US$)	Approval Date	Closing Date[82]	Grant Agent	Status
East Asia and Pacific											
Cambodia	2006				LM	2014-2018	154,325	16-Nov-16	31-Dec-17	UNESCO	Active
Latin America and the Caribbean											
Organization of Eastern Caribbean States[83]	2016		S	SIDS	UM	2012-2021	316,000	26-Nov-14	15-Jul-16	World Bank	Closed
South Asia											
Afghanistan	2011	FCAC			L	2017-2021	200,000	4-Apr-17	31-Mar-18	World Bank	Active
Sub-Saharan Africa											
Chad	2012	FCAC			L	2013-2016	199,605	28-Oct-16	31-Oct-17	UNICEF	Active
Congo, DR	2012	FCAC			L	2016-2025	321,750	21-Oct-15	31-Dec-16	World Bank	Closed
Côte d'Ivoire	2010	FCAC			LM	2016-2025	200,000	15-Mar-17	3/16/2018[84]	World Bank	Active
Ethiopia	2004	FCAC			L	2015/16-2019/20	199,000	7-Jul-16	30-Jun-17	World Bank	Closed
Gambia	2003	FCAC	S		L	2014-2022	199,800	8-Feb-17	5-Jan-18	World Bank	Active
Guinea Bissau	2010	FCAC	S	SIDS	L	2011-2013	200,000	28-Sep-16	31-Oct-17	World Bank	Active
Lesotho	2005		S		LM	2016-2026	250,000	2-Jun-16	3-Dec-17	World Bank	Active
Liberia	2007	FCAC			L	2017-2021	200,000	9-Nov-16	1-Nov-17	World Bank	Active
Madagascar	2005	FCAC			L	2018-2022	336,420	13-Apr-17	30-Apr-18	World Bank	Active
Somalia (Puntland)	2012	FCAC			L	2017-2021	184,131	22-Dec-16	30-Nov-17	UNICEF	Active
Somalia (Somaliland)	2012	FCAC			L	2012-2016	166,194	16-Feb-17	31-Dec-17	Save the Children	Active
Tanzania (Zanzibar)	2013				L	2017/18-2021/22	144,434	19-Oct-16	31-Dec-17	SIDA	Active

[82] For active grants, this is the expected closing date, while actual closing date is recorded for closed grants.
[83] GPE supports four Caribbean Island States with a multi-country allocation. These states are Dominica, Grenada, Saint Lucia, and Saint Vincent and the Grenadines. The ESPIG allocation to these four countries is counted as one grant.
[84] Though the grant approval document mentions 3/15/2018 as the closing date, the notification letter sent to the country specifies 3/16/18 as the closing date

ANNEX 1-C: EDUCATION SECTOR PROGRAM IMPLEMENTATION GRANTS

Country Name	Year joined GPE	Country Profile Information				Current ESP/TEP Period	Total Grant Amount Approved (US$)	Grant Modality	Approval Date	Grant Agent	Grant Agreement Date/ Starting Date	Closing Date[85]	Cumulative Disbursement (US$)	Grant Status[86]	Disbursement Status	Implementation Status	Funds Status (as of June 30, 2017)[87]
East Asia and Pacific																	
Cambodia	2006				LM	2014-2018	38,500,000	Stand Alone	19-Nov-13	World Bank	16-May-14	31-Jul-17	38,500,000	Active	On Track	Slightly Behind	Active
Lao PDR	2009				LM	2011-2015	16,800,000	Project Pooled	16-Dec-14	World Bank	4-Jun-15	15-Jul-19	1,779,918	Active	Delayed	Slightly Behind	Active
Europe and Central Asia																	
Kyrgyz Republic	2006				LM	2012-2020	12,700,000	Stand Alone	19-Nov-13	World Bank	10-May-14	30-Jun-18	9,747,588	Active	Delayed	On track	Active
Tajikistan	2005				LM	2012-2020	16,200,000	Stand Alone	22-May-13	World Bank	1-Oct-13	30-Sep-17	15,415,827	Active	Delayed	Slightly Behind	Active
Uzbekistan	2013				LM	2013-2017	49,900,000	Stand Alone	28-Jun-14	World Bank	29-Oct-14	31-Jan-18	28,787,571	Active	Delayed	Slightly Behind	Active
Latin America and the Caribbean																	
Guyana	2002		S	SIDS	UM	2014-2018	1,700,000	Stand Alone	16-Dec-14	World Bank	5-Jun-15	30-Sep-18	1,353,665	Active	On Track	On track	Active
Haiti	2008	FCAC		SIDS	L	2013-2016	24,100,000	Project Pooled	28-Jun-14	World Bank	7-Nov-14	30-Jun-18	23,266,643	Active	On Track	On track	Active
Nicaragua	2002				LM	2011-2015	16,700,000	Project Pooled	31-Jul-12	World Bank	20-Apr-13	15-Nov-17	16,700,000	Active	Delayed	Slightly Behind	Active
Organization of Eastern Caribbean States[88]	2016		S	SIDS	UM	2012-2021	2,000,000	Stand Alone	15-Jun-16	World Bank	27-Jul-16	30-Sep-19	411,400	Active		Delayed	Active
Middle East and North Africa																	
Djibouti	2006	FCAC	S		LM	2010-2019	3,800,000	Stand Alone	19-Nov-13	World Bank	13-Apr-14	30-Jun-18	1,640,124	Active	Delayed	Delayed	Active
Yemen	2003	FCAC			LM	2013-2015	72,600,000	Stand Alone	22-May-13	UNICEF	28-Mar-14	3-Mar-19	21,127,634	Active	On Track	Delayed	Active
South Asia																	

[85] For active grants, this is the expected closing date, while actual closing date is recorded for closed grants.
[86] For the grant status, the determination of whether it is open or closed comes from the closing date.
[87] A grant may stay active financially beyond the implementation closing date indicated.
[88] GPE supports four Caribbean Island States with a multi-country allocation. These states are Dominica, Grenada, Saint Lucia, and Saint Vincent and the Grenadines. The ESPIG allocation to these four countries is counted as one grant.

Country Name	Year joined GPE	Country Profile Information			Current ESP/TEP Period	Total Grant Amount Approved (US$)	Grant Modality	Approval Date	Grant Agent	Grant Agreement Date/ Starting Date	Closing Date[85]	Cumulative Disbursement (US$)	Grant Status[86]	Disbursement Status	Implementation Status	Funds Status (as of June 30, 2017)[87]
Afghanistan	2011	FCAC		L	2017-2021	55,700,000	Stand Alone	15-Dec-11	UNICEF	3-Aug-12	30-Jun-17	55,700,000	Closed	On Track	Slightly Behind	Active
Bangladesh	2015			LM	2011-2017	100,000,000	Sector Pooled	23-May-15	World Bank	5-Jan-16	30-Jun-18	20,000,000	Active	Delayed	Delayed	Active
Nepal	2009	FCAC		L	2016-2023	59,300,000	Sector Pooled	23-May-15	World Bank	22-Jan-16	15-Jul-18	36,687,006	Active	Delayed	On track	Active
Pakistan (Balochistan)	2012	FCAC		LM	2013-2018	34,000,000	Stand Alone	28-Jun-14	World Bank	25-Mar-15	30-Mar-19	13,068,017	Active	Delayed	Slightly Behind	Active
Pakistan (Sindh)	2012	FCAC		LM	2014-2018	66,000,000	Stand Alone	28-Jun-14	World Bank	25-Mar-15	29-Sep-17	56,000,000	Active	Delayed	On track	Active
Sub-Saharan Africa																
Benin	2007			L	2015-2017[89]	42,300,000	Project Pooled	22-May-13	World Bank	21-Mar-14	30-Apr-18	36,567,035	Active	Delayed	Slightly Behind	Active
Burkina Faso	2002			L	2017-2030	78,200,000	Sector Pooled	22-May-13	AFD	14-Nov-13	31-Dec-17	69,800,000	Active	On Track	Slightly Behind	Active
Burundi	2012	FCAC		L	2012-2020	20,100,000	Stand Alone	15-Jun-16	UNICEF	27-Apr-16[90]	21-Jun-18	8,120,164	Active	On Track	On track	Active
Burundi						32,800,000	Stand Alone	20-Nov-12	BTC	18-Jun-13	17-Jun-16[91]	32,800,000	Closed [91]	-	-	Closed
Cameroon	2006			LM	2013-2020	53,300,000	Stand Alone	19-Nov-13	World Bank	11-Mar-14	30-Sep-18	21,323,920	Active	Delayed	Delayed	Active
Central African Republic	2008	FCAC		L	2014/15-2017	15,510,000	Stand Alone	16-Dec-14	UNICEF	17-Dec-14	31-Dec-17	13,361,927	Active	On Track	Slightly Behind	Active
Chad (AF)	2012	FCAC		L	2013-2016[92]	6,955,170	Project Pooled	2-Feb-16	UNICEF	5-Feb-16	30-Jun-17	5,851,949	Closed	On Track	On track	Active
Chad (UNESCO)						7,060,000	Project Pooled	20-Nov-12	UNESCO	30-Apr-13	30-Jun-17	5,209,140	Closed	On Track	On track	Active
Chad (UNICEF)						40,140,000	Project Pooled	20-Nov-12	UNICEF	1-Jan-13	30-Jun-17	40,030,041	Closed	On Track	On track	Active
Comoros	2013	FCAC	S	SIDS L	2013-2017	4,600,000	Stand Alone	22-May-13	UNICEF	1-Sep-13	30-Aug-17	3,984,071	Active	On Track	Delayed	Active
Congo, DR	2012	FCAC		L	2016-2025	100,000,000	Stand Alone	20-Nov-12	World Bank	15-May-13	28-Feb-17	100,000,000	Closed	Slightly Behind	Slightly Behind	Active
Congo, DR						100,000,000	Stand Alone	15-Jun-16	World Bank	28-Nov-16	28-Feb-21	-	Pending	-	-	Pending
Côte d'Ivoire	2010	FCAC		LM	2016-2025	41,400,000	Stand Alone	15-Dec-11	World Bank	16-Jul-12	30-Aug-17	40,909,620	Active	On Track	Slightly Behind	Active

[89] The last ESP covering 2013-2015 was extended to 2015-2017, pending the completion of the next one.
[90] As per UNICEF HQ's recommendation, we have put April 27, 2016 as the start date (despite the fact that this is before the grant approval date of June 15, 2016) because the procurement process began on April 27, 2016.
[91] This Burundi grant closed in terms of implementation on 17-Jun-16 but it closed financially on 31-Dec-16.
[92] Chad's ESP for the period 2013-2015 was extended, pending the completion of the next one.

Country Name	Year joined GPE	Country Profile Information			Current ESP/TEP Period	Total Grant Amount Approved (US$)	Grant Modality	Approval Date	Grant Agent	Grant Agreement Date/ Starting Date	Closing Date[85]	Cumulative Disbursement (US$)	Grant Status[86]	Disbursement Status	Implementation Status	Funds Status (as of June 30, 2017)[87]
Eritrea	2013	FCAC		L	2013-2017	25,300,000	Stand Alone	19-Nov-13	UNICEF	28-Mar-14	31-Dec-17	9,546,267	Active	Delayed	Slightly Behind	Active
Ethiopia	2004	FCAC		L	2015/16-2019/20	100,000,000	Sector Pooled	19-Nov-13	World Bank	9-May-14	16-Feb-18	89,464,166	Active	On Track	Slightly Behind	Active
Ethiopia						99,500,000[93]	Sector Pooled	2-Dec-16	World Bank	15-Mar-17	30-Jun-19	-	Pending	-	-	Pending
Gambia, The	2003	FCAC	S	L	2014-2022	6,900,000	Project Pooled	19-Nov-13	World Bank	9-Apr-14	28-Feb-18	6,238,926	Active	Slightly Behind	On track	Active
Ghana	2004			LM	2010-2020	75,500,000	Stand Alone	31-Jul-12	World Bank	22-Nov-12	31-Aug-16	75,500,000	Closed	-	On track	Closed
Guinea	2002			L	2015-2017	37,800,000	Project Pooled	16-Dec-14	World Bank	21-Jul-15	1-Jul-18	13,860,919	Active	Delayed	Delayed	Active
Guinea-Bissau	2010	FCAC	S SIDS	L	2011-2013	12,000,000	Stand Alone	15-Dec-11	UNICEF	4-Sep-12	30-Sep-17	11,114,085	Active	On Track	Slightly Behind	Active
Kenya	2005			LM	2013-2018	88,400,000	Stand Alone	16-Dec-14	World Bank	4-Jun-15	31-Mar-19	32,587,258	Active	Slightly Behind	Slightly Behind	Active
Lesotho	2005		S	LM	2016-2026	2,100,000[94]	Stand Alone	7-Jun-17	World Bank	-	-	-	Pending	-	-	Pending
Liberia	2007	FCAC		L	2017-2021	40,000,000	Stand Alone	6-May-10	World Bank	29-Sep-10	31-Oct-16	40,000,000	Closed	-	Slightly Behind	Closed
Madagascar	2005	FCAC		L	2018-2022	85,400,000	Stand Alone	22-May-13	World Bank	24-Oct-13	31-Dec-17	75,128,221	Active	Delayed	Slightly Behind	Active
Malawi	2009			L	2008-2017	44,900,000	Stand Alone	15-Jun-16	World Bank	22-Sep-16	31-Dec-20	6,000,000	Active	On Track	Delayed	Active
Mali	2006	FCAC		L	2015-2016	41,700,000	Stand Alone	7-Feb-13	World Bank	27-May-13	31-Dec-17	37,114,828	Active	Delayed	Slightly Behind	Active
Mauritania	2002			LM	2011-2020	12,400,000	Stand Alone	22-May-13	World Bank	18-Feb-14	31-Oct-17	9,513,419	Active	Delayed	Slightly Behind	Active
Mozambique	2003			L	2012-2019[95]	57,900,000	Sector Pooled	23-May-15	World Bank	16-Sep-15	30-Jun-19	18,000,000	Active	Delayed	Slightly Behind	Active
Niger	2002			L	2014-2024	84,200,000	Project Pooled	19-Nov-13	World Bank	19-Jul-14	30-Sep-18	35,110,210	Active	Delayed	Slightly Behind	Active
Nigeria	2012	FCAC		LM	See footnote[96]	100,000,000	Stand Alone	16-Dec-14	World Bank	22-May-15	29-Jun-19	28,047,320	Active	Delayed	Slightly Behind	Active
Rwanda	2006	FCAC		L	2013-2018	25,200,000	Sector Pooled	23-May-15	DFID	30-Jun-15	31-May-18	17,640,000	Active	On Track	Slightly Behind	Active
Sao Tome and Principe	2007		S SIDS	LM	2012-2022	1,100,000	Project Pooled	19-Nov-13	World Bank	6-Feb-14	30-Jun-17	1,100,000	Closed	On Track	Slightly Behind	Active
Senegal	2006			L	2013-2025	46,900,000	Project Pooled	22-May-13	World Bank	22-Nov-13	31-May-18	36,011,032	Active	Delayed	Slightly Behind	Active

[93] This grant was approved on or after the November/December 2016 board meeting, therefore, the supervision allocation was subtracted from the grant amount.
[94] This grant was approved on or after the November/December 2016 board meeting, therefore, the supervision allocation was subtracted from the grant amount
[95] The duration of Mozambique's ESP was extended from 2012-2016 with an operational plan (2015-2019).
[96] Nigeria ESP periods are: Jigawa 2013-2022; Kaduna 2006-2015; Kano 2009-2018; Katsina 2011-2020; and Sokoto 2011-2020.

Country Name	Year joined GPE	Country Profile Information		Current ESP/TEP Period	Total Grant Amount Approved (US$)	Grant Modality	Approval Date	Grant Agent	Grant Agreement Date/ Starting Date	Closing Date[85]	Cumulative Disbursement (US$)	Grant Status[86]	Disbursement Status	Implementation Status	Funds Status (as of June 30, 2017)[87]
Sierra Leone	2007	FCAC	L	2014-2018	17,900,000	Project Pooled	19-Nov-13	World Bank	1-Aug-14	31-Dec-17	13,547,148	Active	Delayed	Slightly Behind	Active
Somalia (Federal)	2012	FCAC	L	2013/14–2015/16	8,200,000	Stand Alone	19-Nov-13	UNICEF	7-Oct-13	31-Dec-17	7,648,671	Active	On Track	Slightly Behind	Active
Somalia (Puntland)	2012	FCAC	L	2017-2021	2,100,000	Stand Alone	22-May-13	UNICEF	1-Jun-13	31-Oct-16	1,906,330	Closed	On Track	On track	Active
Somalia (Somaliland)	2012	FCAC	L	2012-2016	4,200,000	Stand Alone	22-May-13	UNICEF	1-Jun-13	30-Sep-17	4,200,000	Active	On Track	Slightly Behind	Active
Somalia (Somaliland) (AF)					1,920,000	Stand Alone	28-Apr-17	Save the Children	1-Jun-17	31-Mar-18	0	Active	On Track	Slightly Behind	Active
South Sudan	2012	FCAC	L	2012-2017	36,100,000	Stand Alone	20-Nov-12	UNICEF	1-Jan-13	30-Nov-17	17,681,973	Active	On Track	Slightly Behind	Active
Sudan	2012	FCAC	LM	2015/16 – 2016/17	76,500,000	Project Pooled	20-Nov-12	World Bank	11-Apr-13	28-Feb-18	63,817,763	Active	Slightly Behind	On track	Active
Tanzania (Mainland)	2013		L	2008-2017	94,800,000	Stand Alone	19-Nov-13	Sida	1-Jul-14	31-Dec-18	76,490,492	Active	On Track	On track	Active
Tanzania (Zanzibar)	2013		L	2017/18-2021/22	5,200,000	Stand Alone	22-May-13	Sida	1-Aug-13	31-Jan-17	5,194,966	Closed	On Track	On track	Active
Togo	2010	FCAC	L	2014-2025	27,800,000	Stand Alone	28-Jun-14	World Bank	5-Mar-15	30-Sep-18	11,120,000	Active	Delayed	Slightly Behind	Active
Uganda	2011	FCAC	L	2010-2015	100,000,000	Stand Alone	19-Nov-13	World Bank	19-Aug-14	30-Jun-18	40,932,118	Active	Delayed	Delayed	Active
Zambia	2008		LM	2011-2015	35,200,000	Sector Pooled	22-May-13	DFID	15-Nov-13	15-Mar-18	17,664,000	Active	On Track	Delayed	Active
Zimbabwe	2013	FCAC	L	2016-2020	18,980,000[97]	Stand Alone	2-Dec-16	UNICEF	9-Dec-16	31-Dec-19	535,721	Active	Delayed	Slightly Behind	Active
Zimbabwe					23,600,000	Stand Alone	22-May-13	UNICEF	1-Jan-14	31-Dec-16	22,202,335	Closed	On Track	On track	Active

[97]This grant was approved on or after the November/December 2016 board meeting, therefore, the supervision allocation was subtracted from the grant amount.

ANNEX 1-D: GRANT AND MCA ELIGIBILITY

Country Name	Current ESPIG[98]	Approved MCA	GPE Member	Year Joined GPE	Country Profile			
ESPIG Eligible Countries[99]								
Afghanistan	Yes	Yes	Yes	2011	FCAC			L
Bangladesh	Yes	No	Yes	2015				LM
Benin	Yes	Yes	Yes	2007				L
Bhutan	No	Yes	Yes	2009		S		LM
Burkina Faso	Yes	Yes	Yes	2002				L
Burundi	Yes	Yes	Yes	2012	FCAC			L
Cabo Verde	No	Yes	No	Eligible		S	SIDS	LM
Cambodia	Yes	Yes	Yes	2006				LM
Cameroon	Yes	No	Yes	2006				LM
Central African Republic	Yes	No	Yes	2008	FCAC			L
Chad	Yes	Yes	Yes	2012	FCAC			L
Comoros	Yes	Yes	Yes	2013	FCAC	S	SIDS	L
Congo, DRC	Yes	No	Yes	2012	FCAC			L
Cote d'Ivoire	Yes	Yes	Yes	2010	FCAC			LM
Djibouti	Yes	No	Yes	2006	FCAC	S		LM
Dominica[100]	Yes	No	Yes	2016		S	SIDS	UM
Eritrea	Yes	Yes	Yes	2013	FCAC			L
Ethiopia	Yes	Yes	Yes	2004	FCAC			L
Gambia	Yes	Yes	Yes	2003	FCAC	S		L
Ghana	Yes	No	Yes	2004				LM

[98] Some ESPIG eligible countries also had active grants during the FY17 fiscal year, while others did not.
[99] These countries are eligible to receive ESPIG. Some of them have Maximum Country Allocation (MCA) based on the March 2017 Board decision, while others do not.
[100] Dominica is one of four Caribbean island states in the OECS regional grouping that receives a multi-country allocation from GPE. The others are Grenada, Saint Lucia, and Saint Vincent and the Grenadines. The ESPIG allocation to these four countries is counted as one grant.

Country Name	Current ESPIG[98]	Approved MCA	GPE Member	Year Joined GPE	Country Profile			
Grenada	Yes	No	Yes	2016		S	SIDS	UM
Guinea	Yes	No	Yes	2002				L
Guinea-Bissau	Yes	Yes	Yes	2010	FCAC	S	SIDS	L
Guyana	Yes	No	Yes	2002		S	SIDS	UM
Haiti	Yes	Yes	Yes	2008	FCAC		SIDS	L
Kenya	Yes	No	Yes	2005				LM
Kiribati	No	Yes	No	Eligible	FCAC	S	SIDS	LM
Lao PDR	Yes	No	Yes	2009				LM
Lesotho	Yes	Yes	Yes	2005		S		LM
Liberia	Yes	Yes	Yes	2007	FCAC			L
Madagascar	Yes	Yes	Yes	2005	FCAC			L
Malawi	Yes	No	Yes	2009				L
Maldives	No	Yes	No	Eligible		S	SIDS	UM
Mali	Yes	Yes	Yes	2006	FCAC			L
Marshall Islands	No	Yes	No	Eligible	FCAC	S	SIDS	UM
Mauritania	Yes	No	Yes	2002				LM
Micronesia	No	Yes	No	Eligible	FCAC	S	SIDS	LM
Mozambique	Yes	No	Yes	2003				L
Myanmar	No	Yes	No	Eligible	FCAC			LM
Nepal	Yes	No	Yes	2009	FCAC			L
Nicaragua	Yes	Yes	Yes	2002				LM
Niger	Yes	No	Yes	2002				L
Nigeria	Yes	No	Yes	2012	FCAC			LM
Pakistan (Balochistan)	Yes	No	Yes	2012	FCAC			LM
Pakistan (Sindh)	Yes	No	Yes	2012	FCAC			LM
Papua New Guinea	No	Yes	Yes	2010	FCAC		SIDS	LM
Rwanda	Yes	No	Yes	2006	FCAC			L

Country Name	Current ESPIG[98]	Approved MCA	GPE Member	Year Joined GPE	Country Profile			
Samoa	No	Yes	No	Eligible	FCAC	S	SIDS	UM
Sao Tome and Principe	Yes	Yes	Yes	2007		S	SIDS	LM
Senegal	Yes	No	Yes	2006				L
Sierra Leone	Yes	Yes	Yes	2007	FCAC			L
Solomon Islands	No	Yes	No	Eligible	FCAC	S	SIDS	LM
Somalia (Federal Government)	Yes	Yes	Yes	2012	FCAC			L
Somalia (Puntland)	Yes	Yes	Yes	2012	FCAC			L
Somalia (Somaliland)	Yes	Yes	Yes	2012	FCAC			L
South Sudan	Yes	Yes	Yes	2012	FCAC			L
St. Lucia	Yes	No	Yes	2016		S	SIDS	UM
St. Vincent & the Grenadines	Yes	No	Yes	2016		S	SIDS	UM
Sudan	Yes	No	Yes	2012	FCAC			LM
Syria	No	No	No	Eligible	FCAC			LM
Tanzania (Mainland)	Yes	Yes	Yes	2013				L
Tanzania (Zanzibar)	Yes	Yes	Yes	2013				L
Timor-Leste	No	Yes	Yes	2005		S	SIDS	LM
Togo	Yes	Yes	Yes	2010	FCAC			L
Tonga	No	Yes	No	Eligible	FCAC	S	SIDS	UM
Tuvalu	No	Yes	No	Eligible	FCAC	S	SIDS	UM
Uganda	Yes	No	Yes	2011	FCAC			L
Vanuatu	No	Yes	No	Eligible	FCAC	S	SIDS	LM
Yemen	Yes	No	Yes	2003	FCAC			LM
Zambia	Yes	No	Yes	2008				LM
Zimbabwe	Yes	Yes	Yes	2013	FCAC			L
Countries Eligible for ESPDG Only								
Armenia	No		No	Eligible				LM

Country Name	Current ESPIG[98]	Approved MCA	GPE Member	Year Joined GPE	Country Profile		
Bolivia	No		No	Eligible			LM
Congo Republic	No	No	Yes	2015			LM
Egypt	No		No	Eligible			LM
El Salvador	No		No	Eligible			LM
Guatemala	No		No	Eligible			LM
Honduras	No	No	Yes	2002			LM
India	No		No	Eligible			LM
Indonesia	No		No	Eligible			LM
Kyrgyz Republic	Yes	No	Yes	2006			LM
Moldova	No	No	Yes	2005			LM
Mongolia	No	No	Yes	2006			LM
Morocco	No		No	Eligible			LM
Philippines	No		No	Eligible			LM
Sri Lanka	No		No	Eligible			LM
Swaziland	No		No	Eligible		S	LM
Tajikistan	Yes	No	Yes	2005			LM
Tunisia	No		No	Eligible			LM
Ukraine	No		No	Eligible			LM
Uzbekistan	Yes		Yes	2013			LM
Vietnam	No	No	Yes	2003			LM
West Bank and Gaza	No		No	Eligible	FCAC		LM
GPE Members Not Eligible for ESPIG or ESPDG							
Albania	No	No	Yes	2006			UM
Georgia	No	No	Yes	2007			LM

ANNEX 2: GPE DEVELOPING COUNTRY PARTNERS LIST

Click on the hyperlinks below to access the GPE website country pages (internet connection required)

A
- Afghanistan
- Albania

B
- Bangladesh
- Benin
- Bhutan
- Burkina Faso
- Burundi

C
- Cambodia
- Cameroon
- Central African Republic
- Chad
- Comoros
- Congo, Dem. Rep.
- Congo, Rep.
- Cote d'Ivoire

D
- Djibouti
- Dominica

E
- Eritrea
- Ethiopia

G
- Gambia, The
- Georgia
- Ghana
- Grenada
- Guinea
- Guinea-Bissau
- Guyana

H
- Haiti
- Honduras

K
- Kenya
- Kyrgyz Republic

L
- Lao PDR
- Lesotho
- Liberia

M
- Madagascar
- Malawi
- Mali
- Mauritania
- Moldova
- Mongolia
- Mozambique

N
- Nepal
- Nicaragua
- Niger
- Nigeria

P
- Pakistan
- Papua New Guinea

R
- Rwanda

S
- St. Lucia
- St. Vincent and the Grenadines
- Sao Tome and Principe
- Senegal
- Sierra Leone
- Somalia
- South Sudan
- Sudan

T
- Tajikistan
- Tanzania
- Timor-Leste
- Togo

U
- Uganda
- Uzbekistan

V
- Vietnam

Y
- Yemen, Rep.

Z
- Zambia
- Zimbabwe

ANNEX 3: REPONSES TO RECOMMENDATIONS FROM 2016 PORTFOLIO REVIEW

Recommendations

1. **Key Observation: Implementation of grants has shown some delays.** Some causes of delayed implementation could likely be better mitigated at the time of the grant preparation and/or implementation. Going forward, strengthened quality assurance and monitoring mechanisms are expected to have an impact on more effective and timely actions to turn this trend.

Analysis of progress reports suggests that a major constraint is a gap between the complexity of program design and the available capacity within the ministries during the first year of implementation. Some potential ways to address this problem include:

a) The GAs, together with their ministry partners, could include with their grant applications an evaluation of human resources and their proposed managerial and technical teams. While not being contractually binding, this could facilitate the mapping and assessment of existing capacity against the skills needed to fill the roles required to implement the proposed project and to identify where external support or additional training is needed. In this way, emphasis could be given in the program design to demonstrating the human resources that need to be mobilized to implement the proposed program. Indeed, GPE's goals require grant-financed programs to be ambitious to support improved access, quality and capacity. This ambition usually necessitates a degree of complexity that requires sophisticated organizational, managerial and technical skills at various levels of the system to ensure effective implementation. While the design of such programs may be based on detailed assessments of needs, shortcomings and opportunities within the education system, there is not usually an equivalent assessment provided of the existing and available skills and capacity needed to successfully implement the proposed program.

b) The GAs and their ministry partners could clearly delineate roles and responsibilities in the project document, with particular attention paid to the decision-making process and chain. Many projects are delayed when decision-making authority is either unclear or centralized in the hands of top ministry officials who are not always able to respond, as needed, to provide timely decisions. Knowing in advance who will be responsible for which types of decisions will help alleviate this.

Response

GPE has strengthened quality assurance and monitoring to reduce upstream the delays in implementation of grants.

As a response to an increase in delays with the performance of grants, as well as to improve grant outcomes, the Secretariat has strengthened its quality assurance processes during grant application and its monitoring mechanisms during grant implementation.

1) Strengthened its quality assurance processes: The changes in this area were an increase of capacity (hiring extra staff) and an improvement in systems (getting formal processes together, including establishing review meetings and clear timelines for disseminating the materials for this, and recording and disseminating the minutes from these meetings). Templates and guidance have been updated and circulated.
2) Strengthened monitoring mechanisms: New staff were also recruited to strengthen this mechanism, as there was not enough bandwidth in the Secretariat to monitor the grant pipeline and the existing grants on a regular basis. Among the revamped tasks of the new staff are monitoring closing dates and extension dates, and collecting, reviewing and following up on recommendations from audit reports, implementation progress reports and implementation completion reports.

With regards to the suggestions on how to address delays within the first year of implementation of a grant, below are some examples of processes put in place to address the delays:

1) During QAR II, the QA Review Team reports whether the proposed managerial and technical team structure, as well as the Grant Agent's team capacity, has any shortcomings. The QA's Review Team's recommendations will be based on the country context and will consider arrangements that will build internal capacity, include managerial and technical preparedness, and consider alignment principles. However, while the Secretariat is aware that the Grant

c) To supplement an increased focus during FY16 on implementation arrangements and capacity during the design and preparation stages of the ESPIG, in future an increased focus to monitor these two crucial aspects during the first year of project implementation would ensure that the proposed arrangements and capacity are functioning as anticipated, in order to provide additional support as required. For the Secretariat, this would mean collaborating closely with GAs according to the risk level of each country and using the operational risk framework to support a differentiated risk-based approach to quality assurance and monitoring, particularly in recently approved projects for which grant agreements are signed and which should be gearing up to implemented in their first-year work plans.

Agent will have undertaken this exercise and will in general trust the Grant Agent's selection of implementation structure, the Secretariat will still quality assure the implementation arrangements.

2) The Operational Risk Framework has been used to determine which countries and grants require a particular emphasis on certain implementation arrangements, and help differentiate when more human capital from the Secretariat is needed to prepare and monitor grants.

2. **Key observation: Monitoring grant modality.** Alignment with national systems has shown a slight decrease from 2015 to 2016. Better alignment of GPE programs to national systems, with due attention to capacity and fiduciary controls, could greatly help reduce startup and implementation delays of programs. It is also essential in ensuring that GPE's resources contribute to strengthen education systems, by using and building capacity within these systems instead of bypassing them. GPE will continue recommending the use of country systems where possible through the grant agent selection process and throughout the quality assurance review process during grant application. Making links beyond the education sector with partners at the country and global levels could also help to reinforce development cooperation effectiveness and alignment on national systems, in particular because these systems are not education-specific. The methodology developed for the results framework helps unpack alignment to focus on key areas where progress is needed in various contexts, notably in areas such as budget, procurement, accounting and audit.

The alignment data for FY17 shows that a majority of ESPIGs remain weakly aligned with national systems.

The Secretariat is working with country partners to engage in dialogue around aid effectiveness and the need for greater harmonization and alignment of external aid. This dialogue should be part of the early ESA and ESP development processes. Practices in aid delivery need to be questioned more strongly against the objectives of the Partnership to develop more pooled funding and aligned modalities. This should be reflected in decisions and processes going forward, including the choice of modality to support GPE grant funding and quality assurance reviews of ESPIG-funded programs. Lessons learned from aligned pooled funds will be capitalized to better inform options available to Developing country partners and Grant agents, particularly around risk management and support strategies.

3. **Key Observation: Need for more investment in analysis and learning around GPE's operating and funding model.** It is evident from this portfolio review that there has been substantial progress made across many different areas during FY16 as the funding model and activities to strengthen the operational model are rolled out further. However, as expected, both strengths and areas for needed improvement are identified in the process. It is important to ensure GPE has a strong mechanism for analysis and learning, so that lessons are captured and processes and requirements systematically refined accordingly.

Currently, there is no platform or forum to review all lessons learned from the operational model and the funding model, but rather the lessons are discussed within each process and incorporated when necessary. For instance, lessons learned which have been identified by Country Leads from the nine grants that have been approved in the past three years of the results-based funding model have been gradually incorporated into the ESPIG application processes for new grants. Consultations to improve QA processes led to engaging in quality assurance processes at an earlier stage to strengthen and improve sector analysis, plan development and program design and facilitate more nuanced, context sensitive and consistent assessment and dialogue around the funding

	model benchmarks, particularly on domestic financing and data requirements. Lessons learned have been captured during Cluster Meetings, Coordination Committee Meetings, Country Support Team meetings, Quality Assurance Review Meetings and Leadership Team meetings on an ongoing basis, with guidelines, templates, decisions, and processes being adjusted as needed. Lessons learned have also been discussed through regular meetings between the Secretariat and grant agents. An improved communications process has been introduced for updating guidelines and templates to ensure that all relevant GPE stakeholders are better notified of changes (Grant Agent, Coordinating Agent, Developing Country Partners, etc.).
4. **During FY17, the Secretariat will further strengthen its coding methodology.** For example, one aspect of future efforts will be to explore whether some of the cross-cutting categories can be more clearly aligned to specific strategic objectives. The Secretariat will develop expanded illustrations of the range of activities supported under each set of grant activities. The Secretariat will also be working with OECD/DAC to improve GPE's reporting of its funding by subsector, using the OECD/DAC reporting codes.	The coding methodology has been improved during FY17 and all the ESPIG coding to date has been brought into line with this. In the revised methodology, cross-cutting categories are aligned with the strategic objectives and some of the previous sub-categories were also merged to avoid double counting activities. There is also a list of activities per sub-category and sub-categories in the revised methodology have been mapped onto OECD/DAC codes to the extent possible. The methodological annex of the coding section of the Portfolio Review contains more specific details on what has changed in the coding framework.
5. **Key Observation:** The coding is based on program proposal documents and does not yet include budgeted spending — hence it is not yet possible to analyze GPE planned investment per strategic goal. In addition, different formats used by the GAs on expenditure make the analysis on actual spending per strategic goals a real challenge. Based on this initial coding, the Secretariat will further develop the coding methodology. The Secretariat will work with OECD/DAC to improve reporting of its funding/spending by subsector; capture the weighting/volume of resources being allocated to different grant subcomponents; and further refine the coding and develop a clear rubric and operational guide for coding. These improvements to the coding methodology will likely require agreements with grant agents to code grant components using a common typology in the grant budget and grant application, so that U.S. dollar amounts can be identified.	The coding methodology was revised internally (within the Secretariat) to the extent possible. The remaining challenge is the analysis of ESPIG by budgeted spending. The current set-up of many project documents makes this a real challenge since the level of details provided on budgeted spending by components/sub-components vary from one project to another, and even more so from one GA to another. A consultation is being held with OECD in October 2017 to implement a standardized approach for coding all grants as per the OECD standard, which GAs also report in line with.

ANNEX 4: GRANTS DISBURSEMENT AND IMPLEMENTATION STATUS

Grants that came out of the Red compared to FY16 status

Cote d'Ivoire

Grant	Amount: US$41.4 million GA: World Bank	Period elapsed: 96.79% Disbursed: 98.82% Closing Date: 30-Aug-17	**Status FY16**	Delayed IMPLEMENTATION	Slightly behind CUMULATIVE DISBURSEMENT
			FY17	Slightly behind IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
Comments	The project had shown a slow start, where it took more time than anticipated to setup project management systems and start the community-led school construction activities. Over the past year, the project's implementation and management has shown improvement, and the project has shown progress towards the PDOs. However, the project did need restructuring to reallocate resources across categories in order to correct an imbalance between the current allocation of the project proceeds by category and the activities to be implemented during the extension. A restructuring paper was presented and later approved in April 2017 whereby allocations were transferred between program components and the number of project beneficiaries were reduced. The ratings for achievement towards PDOs, Implementation Progress, and 2 of its components have improved from Moderately Unsatisfactory to Moderately Satisfactory. With the project's end date extended by 11 months to August 2017, most of the project targets have been met or exceeded.				

Guinea Bissau

Grant	Amount: US$12 million GA: UNICEF	Period elapsed: 95.09% Disbursed: 92.62% Closing Date: 30-Sep-17	**Status FY16**	Slightly behind IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
			FY17	Slightly behind IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
Comments	There were contextual changes in the country that required revisiting some of the activities included in the program and prioritize on school rehabilitation. The recruitment of new professionals was no longer considered a priority because of the excessive number of civil servants and the government's difficulty to pay salaries. There was a need to restructure the grant to meet new country needs. The request for restructuring was approved in Q2 FY17, and included reallocation of funds from activities related to the recruitment of new professionals to the rehabilitation of inundated classrooms in Bissau. The cumulative amount of funding re-allocated between the components and sub-components of the project since its start date has been 12.6% of the total budget and improved the implementation and disbursement of the funds for Q3 and Q4 of FY17.				

Mauritania

Grant	Amount: US$12.4 million GA: World Bank	Period elapsed: 90.97% Disbursed: 76.72% Closing Date: 31-Oct-17	**Status FY16**	Delayed IMPLEMENTATION	Slightly behind CUMULATIVE DISBURSEMENT
			FY17	Slightly behind IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
Comments	The project has experienced delays in the implementation of a key activity on EMIS and has just received a non-objection for an extension of its closing date. The establishment of an integrated EMIS within the MNE and its regional offices has experienced substantial delays due to				

	difficulties within the Ministry to manage such a task. This has resulted in delays in several related activities. Also, the bankruptcy of Maurisbank where the project's special account was housed had a significant impact on the ability of the project to pay contractors, thus, to speed school construction up. In April, 2017, the project received a non-objection for a 6-months extension of its closing date (October 31, 2017) to allow completion of key planned activities.

Rwanda

Grant	Amount: US$25.2 million GA: DFID	Period elapsed: 68.67% Disbursed: 70% Closing Date: 31-May-18	**Status FY16**	Slightly behind IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
			FY17	Slightly behind IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
Comments	In FY17 disbursements totaled to USD 17.6 mil which improved the disbursement rating and removed previous delays. The project is at a moderately satisfactory rating, however, it is facing delays in several of its components. These include textbook purchase and distribution, enrollment of children with disabilities, transition rate from primary to secondary, and primary completion rate. The latest report mentions that procurement is underway for textbooks and those procured are not fully distributed yet.				

Sierra Leone

Grant	Amount: US$17.9 million GA: World Bank	Period elapsed: 85.34% Disbursed: 75.68% Closing Date: 31-Dec-17	**Status FY16**	Delayed IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
			FY17	Slightly behind IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
Comments	One of the funding agencies withdrew its funding of $3.1m from the project, therefore, project had to be restructured to allow reallocation of cost savings in other components to ensure that key activities under the project are completed. Also, the subcomponent on Teaching Service Commission (TSC) had been facing delays as staff recruitment had slowed down because the salary structure proposed under the project was found inconsistent with the national norms. Restructuring was proposed by the GA and approved in February 2017. The project has now been extended to December 2017 giving it more room to complete the project activities and achieve project targets. Regarding the subcomponent on TSC, the issue was raised in a meeting with the minister of MEST where he committed that these issues will be resolved by end of April 2017. The latest report of April 2017 indicates that the project has made progress on most of its indicators, however indicators primary school grants, teacher training outcomes, teacher management, and reading books still are still not achieved.				

Sudan

Grant	Amount: US$76.5 million GA: World Bank	Period elapsed: 86.43% Disbursed: 83.42% Closing Date: 28-Feb-18	**Status FY16**	Slightly behind IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
			FY17	On track IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
Comments	Key result targets have either been surpassed or are on target to be achieved by project closing. The number of schools receiving school grants to date is more than double the final target. Similarly, textbook provision and classroom construction will surpass the target. The improvement in implementation and disbursements is due to strong leadership provided by the Minister of Education, more efficient deployment of project				

	staff, more detailed planning and implementation follow-up by the Project Implementation Unit and close monitoring (monthly meetings and field missions) by the task team.

Tanzania (Mainland)

Grant	Amount: US94.8 million GA: Sida	Period elapsed: 66.67% Disbursed: 80.69% Closing Date: 31-Dec-18	**Status FY16**	Delayed IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
			FY17	On track IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
Comments	The overall implementation of activities has steadily increased and project funds have been utilized. As of 31st December 2016, the program had spent 31% of the total grant, which is a 13% increase from the cumulative spending reported at the end of FY2015/16 (at 18%). Procurement activities have been executed in a much better manner than before with a clearer and more established process, with better coordination with other relevant Units. To mitigate any future challenges some of the newly engaged LANES Coordination staff will be based at PORALG once they are well acquainted with program requirements, and quarterly MDA progress review meetings shall be coordinated through DPP alongside reviving the Education Sector Development Committee (ESDC) which also sits as the LEG.				

Grants that turned Red in FY17

Bangladesh

Grant	Amount: US$100 million GA: World Bank	Period elapsed: 59.87% Disbursed: 20% Closing Date: 30-Jun-18	**Status FY16**	On track IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
			FY17	Delayed IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
Delay Factors	Out of 24 DLIs for 3 years (year 4, 5, and 6), only 14 have been met so far. The project is behind in construction and rehabilitation of classrooms where the current gap is of 30,725 schools per the latest progress report. In teacher recruitment and training the project is behind target by about 1600 teachers because of lags in approval of the DPE's proposal on teacher career progression, and delays because of an anticipated court case over recruitment of about 36,000 teachers. Activities in relation to second chance education have been slow, with the SCE division staffed with only a few members and unclear TORs, and delays in hiring of a firm to supervise implementation. In relation to textbook development and printing, some issues have been observed in spellings, factual errors and unauthorized changes to some of the text.				
Remedial Actions	Regarding SCE, the design for SCE has now been finalized and a task team has been appointed to oversee the implementation procedures. Also, an SCE division has been established. Regarding textbooks, the observations in relation to errors in the textbooks have been communicated to the government, and the government has agreed to make these changes.				
Current Status	No disbursements have been made this year and the total disbursed amount remains at $20m (20%) as of June 30, 2017. Funds have not been disbursed due to administrative delays, and it is unlikely that all the remaining funds ($80m) can be released by the closing date of the grant -- December 2017.				

Cameroon

Grant	Amount: US$53.3 million	Period elapsed: 72.60% Disbursed: 40.01%	**Status FY16**	Slightly behind IMPLEMENTATION	Slightly behind CUMULATIVE DISBURSEMENT

	GA: World Bank	Closing Date: 30-Sep-18	**FY17**	Delayed IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
Delay Factors	Several factors caused the delay, including external factors, such as the humanitarian crisis in the northern states, continuous teachers' strikes and political crisis with Anglophone states. Delays were also related to textbook procurement, and teacher selection process involving regional agencies and central Ministries.				
Remedial Actions	Following the recommendations of the Medium-Term Review, the ESPIG was restructured in May, 2017 to allow the country to distribute textbooks and adjust the Results Framework to the current situation.				
Current Status	The new timeline has enabled the country to distribute the textbook, and modifications brought to the Results Framework will facilitate the implementation of the planned activities. Disbursements (which were only 35% of the Grant as of June, 2017) are expected to pick up substantially in view of sizeable disbursements for teacher recruitment and textbooks.				

Guinea

Grant	Amount: US$37.8 million GA: World Bank	Period elapsed: 66.08% Disbursed: 36.67% Closing Date: 1-Jul-18	**Status FY16**	On track IMPLEMENTATION	Slightly behind CUMULATIVE DISBURSEMENT
			FY17	Delayed IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
Delay Factors	The starting of the program was delayed by the Ebola crisis in 2014-2015 and the complexity of setting up the pooled fund arrangements. Some management challenges have emerged with the change in the project management; with the project coordinator also having the role of the ESP unit coordinator, and an abrupt change of the Minister and the Secretary General has caused implementation (particularly the reform-oriented activities) to slow down. Also, construction and training activities under component 1 have been delayed: construction of classrooms at primary level began recently, while the bidding process for classrooms for lower secondary was still to be completed at the time of the latest progress report (June 2017).				
Remedial Actions	Activities commenced in the first quarter of 2016, so the lag is still related to the slow start-up. There has been no salient remedial action other than to plan for an extension request. To implement all project activities a 14-month extension has been recommended by the government and the mission team after the joint Mid-Term Review in April 2017. The program was planned with a 36-month implementation period.				
Current Status	Selection for training providers for adult literacy training is still ongoing. Due to high volume of procurement activities which are delaying project implementation, disbursements are also low at 37%. And the extension request has not yet been submitted, so the delayed rating is related to the currently planned closing date: July 1, 2018.				

Malawi

Grant	Amount: US$44.9 million GA: World Bank	Period elapsed: 18.07% Disbursed: 13.36% Closing Date: 31-Dec-20	**Status FY16**	N/A IMPLEMENTATION	N/A CUMULATIVE DISBURSEMENT
			FY17	Delayed IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
Delay Factors	Considerable time was spent on developing a common understanding on the selection of schools to be supported by the project.				

Remedial Actions	Better communication and coordination between the grant agent, government and development partners.
Current Status	Agreement has been reached on the selection of schools. Project Steering Committee has been notified by the government.

OECS

Grant	Amount: US$2 million GA: World Bank	Period elapsed: 29.22% Disbursed: 20.57% Closing Date: 30-Sep-19	**Status FY16**	N/A IMPLEMENTATION	N/A CUMULATIVE DISBURSEMENT
			FY17	Delayed IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
Delay Factors	While the disbursements are on track, the funds are yet to be utilized towards hiring of four major consultancies, after which, activities under this project are expected to be carried out. These consultancies are yet to be finalized and signed, leading to delays in implementation. There still some reconsideration on the project targets which seem to be too high and too many for a small sized grant.				
Remedial Actions	Regarding project targets, changes in the PDOs are being considered keeping in mind measurability and achievability of the targets. Two PDOs around learning are being considered to be removed as data is anticipated to be hard to collect and the results are expected to be achieved after the project close date. PDO 3 on SIPs seems to have a target that is too low and may be revised.				
Current Status	Contracts for consultants are expected to be signed in July 2017. The GA is planning on meeting with OECS this September 2017 and discuss restructuring of the project.				

Zambia

Grant	Amount: US$35.2 million GA: DFID	Period elapsed: 83.74% Disbursed: 50.18% Closing Date: 15-Mar-18	**Status FY16**	On track IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
			FY17	Delayed IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
Delay Factors	After the 2016 elections, there have been significant changes in the management of the Ministry of General Education (MoGE) which had an impact on the implementation of overall education activities in Zambia. In addition, Zambia was unable to meet a few DLI's agreed between the government and the GA (DFID) under the Sector Budget Support (SBS) program.				
Remedial Actions	During Fy17, several meetings took place between the GA and the government to address pending DLI results. GPE Secretariat Country Lead also participated in the dialogue and the meetings.				
Current Status	Dialogue with GA and government are ongoing to find solutions to pending issues.				

Grants that have remained Red from FY16 to FY17

Comoros

Grant	Amount: US$4.6 million	Period elapsed: 95.89% Disbursed: 86.61%	**Status FY16**	Slightly behind IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT

	GA: UNICEF	Closing Date: 30-Aug-17	FY17	Delayed IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
Delay Factors	Activities related to construction have been put on hold. There have also been program management issues due to proper sector coordination within the Ministry and education authorities in each autonomous island, to lack of efficiency of communication and decision making mechanisms between authorities at central level and in the islands, and to high turnover of government staff in charge of the implementation of activities. Rehabilitation of Ministry's infrastructure, approved in the restructuring of September 2016 was also delayed due to a decision by the government that no external assistance could be used to build or renovate government offices. This decision was revoked in May 2017 only. A teachers' strike in April-June 2017 also had an impact on the implementation of activities (the school year was extended until Aug 2017).				
Remedial Actions	The Secretariat undertook three missions during FY17 to meet with government officials, the CA and GA, monitor implementation of the grant and address bottlenecks. The Secretariat approved a restructuring of the grant in September and November 2016, including an extension of the grant from closing date September 30, 2016 to August 30, 2017. The GA also took measures to ensure effective implementation: update and monitor remaining activities to be implemented and results to be achieved; close monitoring with political advocacy as needed to solve bottlenecks; increased involvement of the LEG through LEG meetings; use of alternative modes of payments to implementing entities: reimbursements, direct payment and direct implementation by the GA.				
Current Status	Measures taken led to progress in the implementation of several activities, but there are still critical delays. The Secretariat monitored such delays before the end of FY17, when it was decided with the LEG that an additional request for an extension of the grant would be presented to the Secretariat.* There have been slight improvements due to peace in a few regions. (*the request was presented in July and approved by the Secretariat in August. The ESPIG has been extended until June 30, 2018)				

Djibouti

Grant	Amount: US$3.8 million GA: World Bank	Period elapsed: 76.35% Disbursed: 43.16% Closing Date: 30-Jun-18	**Status FY16**	Delayed IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
			FY17	Delayed IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
Delay Factors	Delays at the project inception have had repercussions over the life of the Project. These delays were caused by late approval of the Project by the government, followed by protracted delays in project start-up. While the Project Effectiveness date was on April 13, 2014, the Project was only launched in November 2014 with initial project implementation beginning in January 2015. In addition, the first disbursement was recorded 11 months later, on March 2, 2015.				
Remedial Actions	A Project restructuring was submitted and approved by the GPE Secretariat on April 2017. The restructuring extended the Project closing date by 12 months (from June 30, 2017 to June 30, 2018) to allow the completion of two major sets of activities: school constructions and trainings in mathematics. There were also revised estimated costs to reflect the real costs for school construction and a change in the result framework due to added activities. The added activities are the implementation of a reading initiative and an ECD pilot program in primary schools (cf. recommendations of the project mid-term review).				
Current Status	The extension of the closing date will allow the project to meet its objective with the completion of (1) all school construction/rehabilitation/extension contracts, and (2) all the activities aimed at enhancing teaching and learning in mathematic. The change				

	of Minister of Education and Vocational Training after the elections of mid-2016 will stabilize coordination and improve implementation progress that may be reflected in the next FY18.

Eritrea

Grant	Amount: US$25.3 million GA: UNICEF	Period elapsed: 86.68% Disbursed: 37.73% Closing Date: 31-Dec-17	**Status FY16**	Delayed IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
			FY17	Slightly behind IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
Delay Factors	Delay in Government procurement of school construction materials has caused delay in school construction activities. The Government has introduced new regulations, permissions, and approvals that require development and implementing partners to seek permission from the GoSE highest authority for any construction-related work and procurement of construction materials.				
Remedial Actions	Ministry of Education has been pursuing the central procurement authority in Eritrea to prioritize school construction materials. GPE Mission passed on the same message to the procurement authority hoping positive action. Temporary solutions were implemented that utilized temporary learning spaces and made use of un-utilized classrooms in exiting schools to cater to 17,596 students.				
Current Status	Ministry of Education informed that the request for prioritizing school construction materials has been accepted. A capacity assessment was conducted to gauge community capacity to complete construction work by December 2017, and the report found out that capacity exists to complete construction work in 6-months if materials are made available.				

Lao PDR

Grant	Amount: US$16.8million GA: World Bank	Period elapsed: 50.47% Disbursed: 10.59% Closing Date: 15-Jul-19	**Status FY16**	Delayed IMPLEMENTATION	Slightly behind CUMULATIVE DISBURSEMENT
			FY17	Slightly behind IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
Delay Factors	Delays in FY16 had a knock-on effect on Component 1 (School Grants), Component 2 (EGRA) and Component 3 (Project management and capacity) in FY17. Disbursement is very low at only 11% at FY17 closing. This is because 75% of the ESPIG (US$12.7mil out of US$16.8 mil) is to support school grants, which have been delayed. Once this activity begins, the disbursement rate should increase rapidly.				
Remedial Actions	The GA and government have agreed to restructure the project in Q2 of FY17. This would involve an extension of 18 months to allow for the completion of activities under all 3 components, but especially component 2 (EGRA). As of June 30, 2017, a formal request has not been received. The SBM training (accounting for 75% of ESPIG funds) was simplified and compressed which increases the impact of the messaging and offsets delays. Training began in FY17.				
Current Status	The national school based management training began on May 29, 2017, training all primary school principals, village education committees, and District Education and Sports Bureau officers in the country on school block grants management, school self-assessment and preparation of school development plans. About 98 percent of the primary schools in the country have opened school bank accounts and the first tranche of the complementary school block grants will be disbursed in late June 2017.				

Niger

Grant	Amount:	Period elapsed: 70.27%	**Status**	Slightly behind	Delayed

	US$84.2 million GA: World Bank	Disbursed: 41.70% Closing Date: 30-Sep-18	**FY16**	IMPLEMENTATION	CUMULATIVE DISBURSEMENT
			FY17	Slightly behind (t IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
Delay Factors	The delays had been related to the Ministries (M. of Primary Education and M. of Secondary Education) being late in completing the 2017 Annual Action Plans and budgets under the project. Even though these plans have been produced and validated by the sector Steering Committee chaired by the Prime Minister in FY17, the project has still not been able to catch up on disbursements.				
Remedial Actions	A joint mid-term review is planned for July 2017, where the GA and development partners, including GPE, would follow the progress achieved and identify constraints that the program is still facing.				
Current Status	The overall context is quite difficult in Niger, where the security environment is still impacted by many security threats spilling over from neighboring countries, the displacement of people, and pressure on the government budget for higher security spending.				

South Sudan

Grant	Amount: US$36.1 million GA: UNICEF	Period elapsed: 91.53% Disbursed: 48.98% Closing Date: 30-Nov-17	**Status FY16**	Slightly behind IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
			FY17	Slightly behind IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
Delay Factors	Security situation prevented program activities to be implemented in several states of the country. Accessibility of some regions had remained limited resulting in delays in construction activities. Because of conflict in the former Eastern Equatorial State, communities have fled to other places, resulting in enrollment numbers going down. Disbursements have been delayed where USD 12.5 mil remain to be disbursed in the limited period between July 2017 and the revised closing date of November 2017 for the ESPIG grant.				
Remedial Actions	As the security situation improved, implementation of program activities picked pace. To reduce delays in school construction activities, contractors were either held liable for delays or were granted non-penalty extension where appropriate. The grant agent has developed four spending scenarios for MoGEI's consideration in which three scenarios assume completion of activities by 30 November 2017 and one considers a 90 day no cost extension to focus on continuing curriculum development activities.				
Current Status	With the remedial actions in place, the project has been able to complete all school construction (except for one), and discussions with the relevant reference groups (for construction and curriculum development) are in progress. Recommendations are to be brought to the MoGEI's steering committee for a final discussion.				

Togo

Grant	Amount: US$27.8 million GA: World Bank	Period elapsed: 65.06% Disbursed: 40% Closing Date: 30-Sep-18	**Status FY16**	Delayed IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
			FY17	Slightly behind IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
Delay Factors	The delays in disbursement were caused by procurement bottlenecks, which had an effect on the implementation of the curriculum reform.				
Remedial Actions	Several supervision missions have taken place to address the issues with procurement and curriculum reform implementation.				

Current Status	The curriculum reform is underway. It is expected that the distribution of the textbooks will take place in September 2017 to enable the full implementation of the new curricula for grade 2. The finalization of the textbooks and teachers' guides is also underway.

Uganda

Grant	Amount: US$100 million GA: World Bank	Period elapsed: 74.20% Disbursed: 40.93% Closing Date: 30-Jun-18	**Status FY16**	Delayed IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
			FY17	Delayed IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
Delay Factors	Procurement of goods and services, especially for school construction and textbooks, was delayed owing to inadequate attention to social and environmental safeguards, delays in assessing bid documents, and incomplete documentation being sent for approval to the GA. Furthermore, there had been delays in delegation of authority to the PCU and staffing of the PCU. Disbursements remained low at 41% and documented expenditure at 8%.				
Remedial Actions	A mission for project restructuring took place in March 2017 after which a one-year extension along with rationalizing several activities was proposed. Furthermore, a new ministry administration streamlined management and governance of the project, which is expected to bring efficiency in procurement and project-related decisions.				
Current Status	The restructuring is excepted to go for approval to GPC in September 2017. Results will be reported in the next report.				

Yemen

Grant	Amount: US$72.6 million GA: UNICEF	Period elapsed: 66.13% Disbursed: 29.10% Closing Date: 3-Mar-19	**Status FY16**	Delayed IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
			FY17	Delayed IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
Delay Factors	Due to the ongoing conflict, several program activities have faced serious delays in implementation. This situation has also affected disbursement rates. Specifically, activities related to construction have been put on hold.				
Remedial Actions	Regular programmatic reviews and dialogues are being held with the GA and the government.				
Current Status	Although there have been no significant changes, there have been slight improvements due to peace in a few regions.				

Grants that Closed by June 30, 2017 that came out of red, turned red, or remained red

Afghanistan (came out of red)

Grant	Amount: US$55.7 million GA: UNICEF	Period elapsed: 100% Disbursed: 100% Closing Date: 30-Jun-17	**Status FY16**	Slightly behind IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
			FY17	Slightly behind IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT

Comments	The remedial actions introduced last year to improve the performance of the grant in terms of disbursements, such as the introduction of counter-factual planning forecasts (alternative scenarios) and addressing key issues of non-compliance in the oversight of the program (i.e., ex ante controls on GA's disbursements and the absence of an external audit) moved the grant to close in a timely manner and disburse all the funds by the closing date of June 30, 2017.

Chad (came out of red)

Grant	Amount: US$7.06 million GA: UNESCO	Period elapsed: 100% Disbursed: 74% Closing Date: 30-Jun-17	**Status FY16**	Delayed IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
			FY17	On track IMPLEMENTATION	N/A CUMULATIVE DISBURSEMENT
Comments	With the grant closing on June 30, 2017, activities related to literacy and non-formal Basic education (EBNF) were moving and were expected to be completed before the closing date. A field visit to one of the EBNF session in March 2017 revealed an impressive roll-out of this component of the project. However, as of March 2017, some activities remained to be completed which included a study on nomadic middle school and an audit of APICED. A project closing report will provide a through look into the project achievements and lessons learned.				

Liberia (came out of red)

Grant	Amount: US$40 million GA: World Bank	Period elapsed: 100% Disbursed: 100% Closing Date: 31-Oct-16	**Status FY16**	Slightly behind IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
			FY17	Slightly behind IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
Comments	Project fully disbursed for closing date.				

Zimbabwe (came out of red)

Grant	Amount: US$23.6 million GA: UNICEF	Period elapsed: 100% Disbursed: 94% Closing Date: 31-Dec-16	**Status FY16**	On track IMPLEMENTATION	Delayed CUMULATIVE DISBURSEMENT
			FY17	On track IMPLEMENTATION	On track CUMULATIVE DISBURSEMENT
Comments	All project disbursements have been made and the project has come to a close. As a promising practice, it may be useful to learn from the newly adopted fund disbursement method based on number of teacher as opposed to equal district disbursement. For the GPE program for teacher development, this worked out to USD15 per teacher. Also, it was learned in this project that building capacity at subnational level and providing relevant information and knowledge yielded promising results. District and cluster level personnel showed great comment to achieve results, and also become very efficient in delivery of trainings and follow ups. Districts also demonstrated efficiency in procuring on their own, with shorter turnaround time and more responsive to local needs. However, at closure of the project it was noted that some components of the project such as ERI PLAP, and TPS are at risk of slowing down or stalling if the government does not put in financial resources. GPE II at the moment does not include a mechanism to fund continuation of these components. Adding to the challenges are staffing constraints at the MoPSE.				

ANNEX 5-A: APPROVED NON-MINOR PROGRAM REVISIONS RELATING TO THE EDUCATION SECTOR PROGRAM IMPLEMENTATION GRANTS

i) List of Non-Minor Extension Requests Approved by the Secretariat in FY17

Country	FCAC	Original Grant Amount (US$ Million)	Grant Agent	Original Closing Date	New Closing Date	Length of Latest Extension (Months)	Implementation Period
Burkina Faso		78.2	AFD	6/30/17	12/31/17	6	Grant approved in May 2013. Agreement signed in November 2013. New implementation period is 4 years and 1 month.
Chad	Yes	6.96	UNICEF	2/7/17	6/30/17	5	Grant approved in February 2016. Agreement signed in February 2016. New implementation period is 1 year and 4 months.
Comoros	Yes	4.6	UNICEF	9/30/16	8/30/17	11	Grant approved in May 2013. Agreement signed in September 2013. New implementation period is 3 years and 11 months.
Congo, Dem. Rep.	Yes	100	WB	8/31/16	2/28/17	6	Grant approved in November 2012. Agreement signed in May 2013. New implementation period is 3 years and 9 months.
Djibouti	Yes	3.8	WB	6/30/17	6/30/18	12	Grant approved in November 2013. Agreement signed in April 2014. New implementation period is 4 years and 2 months.
Eritrea	Yes	25.3	UNICEF	12/31/16	12/31/17	12	Grant approved in November 2013. Agreement signed in March 2014. New implementation period is 3 years and 9 months.
Ethiopia	Yes	100	WB	2/17/17	2/16/18	12	Grant approved in November 2013. Agreement signed in May 2014. New implementation period is 3 years and 9 months.
Haiti	Yes	24.1	WB	6/30/17	6/30/18	12	Grant approved in June 2014. Agreement signed in November 2014. New implementation period is 3 years and 7 months.
Kyrgyz Republic		12.7	WB	6/30/17	6/30/18	12	Grant approved in November 2013. Agreement signed in May 2014. New implementation period is 4 years and 1 month.
Mauritania		12.4	WB	5/1/17	10/31/17	6	Grant approved in May 2013. Agreement signed in February 2014. New implementation period is 3 years and 8 months.
Mozambique		57.9	WB	12/31/18	6/30/19	6	Grant approved in May 2015. Agreement signed in September 2015. New implementation period is 3 years and 9 months.
Nicaragua		16.7	WB	10/31/16	8/31/17	10	Grant approved in July 2012. Agreement signed in April 2013. New implementation period is 4 years and 4 months.
Pakistan (Balochistan)	Yes	34	WB	3/30/18	3/30/19	12	Grant was approved in June 2014. Agreement signed in March 2015. New implementation period is 4 years.

Country	FCAC	Original Grant Amount (US$ Million)	Grant Agent	Original Closing Date	New Closing Date	Length of Latest Extension (Months)	Implementation Period
Senegal		46.9	WB	5/31/17	5/31/18	12	Grant approved in May 2013. Agreement signed in November 2013. New implementation period is 4 years and 6 months.
Sierra Leone	Yes	17.9	WB	2/28/17	12/31/17	10	Grant approved in November 2013. Agreement signed in August 2014. New implementation period is 3 years and 4 months.
Somalia (Federal)	Yes	8.2	UNICEF	12/31/16	12/31/17	12	Grant approved in November 2013. Agreement signed in October 2013. New implementation period is 4 years and 2 months.
Somaliland	Yes	4.2	UNICEF	12/31/16	5/30/17	5	Grant approved in May 2013. Agreement signed in June 2013. New implementation period is 3 years and 11 months.
Somaliland	Yes	4.2	UNICEF	5/30/17	6/30/17	1	Grant approved in May 2013. Agreement signed in June 2013. New implementation period is 4 years.
Zanzibar		5.2	SIDA	8/1/16	1/31/17	6	Grant approved in May 2013. Agreement signed in August 2013. New implementation period is 3 years and 5 months.

ii) List of Non-Minor Restructuring Requests Approved by the Secretariat

Country	FCAC	Original Grant Amount (US$ Million)	Grant Agent	Restructuring Amount (US$)	Share of Original Grant Amount	GPE Additional Financing	Impact on Capacity Dev.	Impact on Indicators and Targets	Modification of Program Scope or Design	Additions /Cancellations of Components
Cambodia		38.5	WB					X		
Cameroon		53.3	WB	4,200,000	7.9%			X		X
Chad	Yes	6.96	UNICEF	368,952	8%			X		
Comoros	Yes	4.6	UNICEF					X		
Cote d'Ivoire	Yes	41.4	WB	3,740,000	9%			X		
Djibouti	Yes	3.8	WB	330,000	8.6%			X	X	
Eritrea	Yes	25.3	UNICEF					X		
Gambia	Yes	6.9	WB			1,000,000		X	X	
Guinea Bissau	Yes	12	UNICEF	1,512,000	12.6%		X	X		
Haiti	Yes	24.1	WB	1,000,000	4.1%			X		X
Haiti	Yes	24.1	WB	2,700,000	11.2%			X		X
Kyrgyz Republic		12.7	WB					X	X	
Mozambique		57.9	WB				X	X		X
Pakistan (Balochistan)	Yes	34	WB	3,480,000	10.2%			X		

Senegal		46.9	WB	4,200,000	9.0%					
Sierra Leone	Yes	17.9	WB	765,000	4.3%					
Sierra Leone	Yes	17.9	WB					X		
Somalia (Federal Gov.)	Yes	8.2	UNICEF	601,906	7.3%			X		X

iii) List of Major Restructuring Requests Approved by the GPC

Country	FCAC	Original Grant Amount (US$ Million)	Grant Agent	Restructuring Amount (US$)	Share of Original Grant Amount	GPE Additional Financing	Impact on Capacity Dev.	Impact on Indicators and Targets	Modification of Program Scope or Design	Additions /Cancellations of Components
Chad	Yes	7.06	UNESCO					X		
Cote d'Ivoire	Yes	41.4	WB	1,500,000	4%			X		X
Congo, Dem. Rep.	Yes	100	WB					X		
Ethiopia	Yes	100	WB					X		
Madagascar	Yes	85.4	WB					X		
Rwanda	Yes	25.2	DFID					X		
Sudan	Yes	76.5	WB	10,500,000	14%			X		
Tanzania		94.8	SIDA	12,000,000	13%			X		
Uzbekistan		49.9	WB	14,700,000	29%			X		X

iv) Decisions and Explanations Relating to Non-Minor Revision Requests

Country	Decision	Request Explanation
Extension and Restructuring		
Chad $6,955,170 GA: UNICEF February 3, 2017 Extension: **Yes** Restructuring: **Yes**	The GPE has no objection to Chad's request for an extension of its Education Sector Program Implementation Grant (ESPIG) from the closing date of February 7, 2017 to June 30, 2017 and revisions to the results framework, as requested by the Grant Agent.	As of January 1, 2017, the full amount had been transferred to UNICEF (GA), however, US$ 2.343m (33.7%) had not yet been spent by the GA. The implementation had been delayed due to nationwide teacher strikes affecting both civil servant and community school teachers. The infrastructure-related project activities progressed rapidly, however, not all classroom construction had been completed.

Country	Decision	Request Explanation
Comoros $4,600,000 GA: UNICEF September 23, 2016 and November 23, 2016 Extension: **Yes** Restructuring: **Yes**	**1st Decision**: The GPE has no objection to Comoros' request to extend the project closing date from September 30, 2016 to August 30, 2017, and to adjust indicators and targets for selected components (renovation of schools and education administration infrastructure, development of teaching and learning materials). The Secretariat encourages the LEG to resubmit a request that provides additional clarity and justification for the proposed approach for the special needs children (indicator #2). Funds were also reallocated between components, but this was considered as a minor revision since only about 8% of funds were concerned. **2nd Decision:** The GPE has no objection to Comoros' request to change the indicator #2 (number of children reached) activities related to special needs children.	Comoros is implementing an Interim Education Program funded by GPE in the amount of $4.6M. The implementation of the project in Comoros along with other projects to support the interim education plan 2013-2015 was characterized by significant weaknesses, lack of consistency and consolidation between the various support interventions. These weaknesses are due to internal and external deficiencies such as weak overall coordination resulting in duplications and poor communication and consultation.
Djibouti $3,800,000 GA: World Bank May 16, 2017 Extension: **Yes** Restructuring: **Yes**	The GPE has no objection to Djibouti's request to i) extend the project's closing date by twelve (12) months from June 30, 2017 to June 30, 2018; ii) reallocate about $US 0.33 million of the project budget between components; and iii) revise the results Framework as per the request.	The "Access to Quality Education" project funded by GPE started in April 2014 and its implementation is foreseen until June 30, 2017, but the delays at the project inception have had repercussions. These delays were caused by late approval of the project by the government, followed by protracted delays in project start-up, so, while the project start date was April 13, 2014, it was only launched in November 2014 with initial implementation beginning in January 2015. In addition, the first disbursement was recorded 11 months later, on March 2, 2015.

Country	Decision	Request Explanation
Eritrea $25,300,000 GA: UNICEF November 16, 2016 Extension: **Yes** Restructuring: **Yes**	The Global Partnership for Education (GPE) Secretariat has no objection to Eritrea's request for a 12-month extension to its Education Sector Program Implementation Grant (ESPIG), previously approved in the amount of US$ 25.3 million, with UNICEF as the grant agent. The closing date of December 31,2016 has been extended to December 31,2017. Along with this extension, the Secretariat approves the request to change the indicator target in the results framework.	The GPE Board approved $25.3 million on 19th November 2013 for a three-year program (2014-2016). The school construction component had an ambitious target of 500 classrooms, 50 early learning centers, 150 alternative education centers and 8 special needs classrooms. However, the component activities ran into delays from the inception. This extension will allow to complete the construction of 407 classrooms. This is a reduced number than the 600 classrooms proposed in the program document. The reduction is a result of increased cost of the revised school design, which made the design more suitable for geo-climatic zones in Eritrea and brought the designs into alignment with national school designs. The reduction in classroom number will not impact the total number of children served by the program as the classrooms required for new students in schools have been prioritized over replacing old classrooms. The Ministry will use the extension period to complete distribution of the remainder of over 2 million textbooks and other learning materials. The extension will lower grant risks from high to moderate as the grant objectives may be achieved within the extended period.
Haiti $24,100,000 GA: World Bank April 26, 2017 Extension: **Yes** Restructuring: **Yes**	The Global Partnership for Education (GPE) has no objection to Haiti's request to restructure its Education Sector Plan Implementation Grant (ESPIG) including: i) extension of the project ending date by twelve (12) months from June 30, 2017 to June 30, 2018; and ii) reallocation of US$ 2.7 million to support the Tuition Waiver Program (TWP).	The US$ 24.1 million ESPIG was approved as additional financing to the Project which became effective on February 5, 2015. The GPE grant's implementation has progressed very well. This request constitutes the second part of the restructuring of the GPE grant EFA-II that began on October 2016 to redirect about US$ 1 million in favor of post-Hurricane Matthew school feeding activities in affected areas. The second restructuring seeks to align the scope of the Project with the new reality on the ground.

Country	Decision	Request Explanation
Kyrgyz Republic $12,700,000 GA: World Bank December 21, 2016 Extension: **Yes** Restructuring: **Yes**	The Global Partnership for Education (GPE) has no objection to Kyrgyz Republic's request for a 12-month extension of its Education Sector Program Implementation Grant (ESPIG), US $12.7 million, from the original closing date of June 30, 2017 to June 30, 2018.	The program will use the $3 million newly available to the country due to identified cost savings to finance additional activities and extend the scope of the project to achieve stronger results in four areas: (a) increased number of pre-school classes under the School Preparation Program from 2229 to 2779; (b) expanded the CBKs from 100 to 120; (c) trained additional 550 pre-school teachers and (d) designed and piloted a Per Child Financing model. The extension will increase the odds of achieving the above-mentioned results from the program.
Mozambique $57,900,000 GA: World Bank April 25, 2017 Extension: **Yes** Restructuring: **Yes**	The GPE has no objection to Mozambique's request for restructuring the Education Sector Support Project (ESSP) and approves the following revisions: (i) an additional grant from IDA in the amount of US$50 million to increase the scope of selected activities (distribution of textbooks, the school grants program, and Early Childhood Development interventions), (ii) the addition of a fourth component to support the Ministry in strategic thinking for the next education sector plan; and (iii) amendments to the results framework to add or revise indicators and adjust targets in line with the revised activities and timeline.	Three revisions were requested: 1) An additional grant from IDA in the amount of US$50 million to increase the scope of selected activities. 2) The addition of a 4th component to support the Ministry in strategic thinking for the next education sector plan, in line with the Project Development Objectives (PDO) and the Ministry of Education and Human Development's (MINED) priorities. 3) Amendments to the results framework to add or revise indicators and adjust targets in line with the revised activities and timeline.
Pakistan (Balochistan) $34,000,000 GA: World Bank February 17, 2017 Extension: **Yes** Restructuring: **Yes**	The GPE has no objection to Balochistan's request for project restructuring, including a 12 month no-cost extension, changes in the results framework and the reallocation of funds of its ESPIG, previously approved in the amount of US$ 34 million, with the World Bank as GA. The implementation end date is extended to March 30, 2019 (closing date of September 30 2019) as requested. In addition, the reallocation of funds approved are in the amount of US$ 3.48 million or 10.2 % budget of the total budget, which will be distributed between the program's sub-components. The Secretariat recommends that the World Bank regularly monitor teacher appointments, and for reasons of sustainability, ensure their progressive regularization on the government payroll.	The GPE grant is the largest single source of external funding and has required a sizeable increase in the operating size and capacity of the Project Management Unit, which hitherto had implemented a US$10 million World Bank project. The extension of the implementation period by 12 months is justified on the grounds of the challenges in bringing the PMU up to strength. The restructuring of the project results framework reflects the improvement through third party verification and better school data. It also reflects the Government of Balochistan's intent to improve the management of the education sector towards better utilization of existing resources, more durable investment and a more sustainable teacher wage bill.

Country	Decision	Request Explanation
Senegal $46,900,000 GA: World Bank May 26, 2017 Extension: **Yes** Restructuring: **Yes**	The Global Partnership for Education (GPE) has no objection to Senegal's request to i) extend the project's closing date by twelve (12) months from May 31, 2017 to May 31, 2018; ii) reallocation of funds between components/sub-components amounting to US$4.2 million; and iii) make corresponding changes in the target end dates of the results framework.	The GPE approved an ESPIG of US$46.9 million for 2014-2017. As of May 2017, the implementation performance is generally satisfactory. The project is on track to meet or exceed the Project Development Objectives (PDO). The only DLI that has not been achieved concerns the Scientific and Technology Block (BST): "28 functional BST" and that is due to an underestimated cost of the activity and delayed counterpart funding, which will be addressed as part of the restructuring with support from the country management unit through continued discussions and an agreed action plan with the Ministries of Finance and Education.
Sierra Leone $17,900,000 GA: World Bank January 27, 2017 Extension: **Yes** Restructuring: **Yes**	The Global Partnership for Education (GPE) Secretariat has no objection to Sierra Leone's request for project restructuring, including a no-cost extension and reallocation of funds of its Education Sector Program Implementation Grant (ESPIG), previously approved in the amount of US$ 17.9 million, with the World Bank as Grant Agent. The current closing date of February 28, 2017 has been extended to December 31, 2017. The decision to approve this request was taken with the understanding that the revisions will maintain the effective implementation of performance-based school grants and the teacher service commission component as originally expected.	The grant was approved by the Board on November 2013, the Grant Agreement signed in September of 2014 and the implementation started on August 2015. The reallocation and extension is due to (1) impact of the Ebola crisis delaying the launch of the project by 11 months, (2) some communication difficulty between Ministry and World Bank, and (3) the cancellation of the last tranche of the DFID funds. The restructuring of the project for the above reasons has little change for the GPE financed activities.
Somalia (Federal Government) $8,200,000 GA: UNICEF December 16, 2016 Extension: **Yes** Restructuring: **Yes**	The Global Partnership for Education (GPE) Secretariat has no objection to the Federal Government of Somalia (FGS)'s request for a 12-month extension of its Education Sector Program Implementation Grant (ESPIG), previously approved in the amount of US$ 8.2 million, with UNICEF as the grant agent. The program's current closing date of December 31, 2016 has been extended to December 31, 2017. Along with this extension, the GPE Secretariat also approves Somalia's request to reallocate US$ 601,906 between the grant's sub-components and to cancel the related indicators supporting the school infrastructure.	The Federal Somali Government program was approved as a 3-year program with a start date of January 2014 and an end date of December 31, 2016. Progress in the program has generally been well, especially in light of the very fragile situation. The program intended to recruit, train and pay salaries for 1000 new teachers as well as take over salary payment for 550 teachers that were previously supported by INGOs. Only 900 newly recruited teachers were able to graduate from the training, and not more than 350 teachers were transferred from INGOs. The country then decided to work with this reduced number of teachers, in part because sustainability of salary payment to a larger group of teachers could not be ensured. With the number of teachers to be paid reduced, the program can continue to pay these teachers for a longer period.

Country	Decision	Request Explanation
Restructuring		
Cambodia $38,500,000 GA: World Bank August 29, 2016 Extension: No Restructuring: **Yes**	The Global Partnership for Education (GPE) has no objection to Cambodia's request in restructuring its Education Sector Program Implementation Grant (ESPIG) to reflect the adjustments to the results framework as follows: • Change of baseline and targets to 51.50% and 66.5% respectively for the indicator on Early Grade Reading Assessment to reflect the newly obtained national baseline. • Use of the newly developed national ECE environment indicators instead of the international scale for the indicator on ECE service quality standards. These changes will not have any budget implication for the program implementation.	Discussions about whether to revise the results indicators began during the GA's implementation support mission in late 2015. The decision to request revisions was made during the Joint Sector Review in March 2016 and was supported by the local education group. The decision to request alterations to the results framework was based on a previous project evaluation. This evaluation recommended that results frameworks should be adjusted to enable the adequate measuring of project outcomes and outputs. Since the baseline had changed, the end targets were revisited. For another indicator, it was decided to measure school quality against recently developed national standards instead of international standards. The request was approved since (1) the project was progressing well towards achieving its Project Development Objectives, and (2) the changes proposed for the results framework were minor and they did not deviate from the original Project Development Objectives (PDO) or program concept.
Cameroon $53,300,000 GA: World Bank May 12, 2017 Extension: No Restructuring: **Yes**	The Global Partnership for Education (GPE) has no objection to Cameroon's request to restructure its Education Sector Plan Implementation Grant (ESPIG) including: i) changes in the results framework; ii) reallocation of US$ 4.2 million between subcomponents; iii) changes in disbursement estimates; and iv) changes in implementation schedule.	Cameroon is supported by a Global Partnership for Education (GPE) allocation of US$ 53.3 million called The Equity and Quality for Improved Learning Project (PAEQUE). Initial, unforeseen project delays (e.g. staffing, procurement) led to substantial delays affecting critical project activities. This was exacerbated invariably by strikes, insecurity in northern areas of the country, and the protests in Anglophone areas of the country leading even to school closings in those areas for almost three months. These had a profound effect on project implementation, especially core activities related to Disbursement Linked Indicators (DLIs).
Cote d'Ivoire $41,400,000 GA: World Bank April 12, 2017 Extension: No Restructuring: **Yes**	The Global Partnership for Education (GPE) Secretariat has no objection to Cote d'Ivoire's request to restructure its Education Sector Plan Implementation Grant (ESPIG) to transfer $3.74 million between program components and reduce the number of project beneficiaries from 62,400 to 53,080.	An ESPIG in the amount of $41.4 million was granted to Cote d'Ivoire in December 2011. The grant was first restructured in August 2015 to allow for a 12-month extension as well as changes in the results framework and a reallocation of funds between components. It was then restructured a second time to allow for an 11-month extension and further changes in the results framework. The restructuring is the result of two previous errors made from previous restructuring requests.

Country	Decision	Request Explanation
Gambia $6,900,000 GA: World Bank July 15, 2016 Extension: No Restructuring: **Yes**	The Global Partnership for Education Secretariat has no objection to Gambia's request for restructuring the READ project related to: (i) an additional grant in the amount of US$7.5 million from IDA to help finance teacher salaries for six months and school grants for seven months; (ii) an additional grant in the amount of US$1 million from the Early Learning Partnership (ELP); (iii) the cancellation to five DLIs; (iv) changes to the results framework; and (v) reallocation of funds between project components. The Secretariat notes the macroeconomic difficulties that the Government is facing, and is thus concerned about the potential negative impact to the education sector. In this regard, the Secretariat requests that the Coordinating Agency and Grant Agent discuss with the Government the need to ring fence spending for the basic education sector and they monitor closely the ability of the Government to sustain the quality improvements included in the READ project.	The READ Project is financed jointly by the Global Partnership for Education (GPE) (US$6.9 million) and the IDA (US$11.9 million). The project was approved on March 6, 2014 in support of the Education Sector Strategic Plan (ESSP 2014-22). This restructuring request of the READ project focuses on four revisions: (i) An additional grant in the amount of US$7.5 million from IDA to help finance teacher salaries for six months and school grants for seven months; (ii) An additional grant in the amount of US$1 million from the Early Learning Partnership (ELP) trust fund to help finance the costs of providing additional support to Early Childhood Development (ECD) activities; (iii) The Project Development Objectives (PDO) indicators remain the same with adjustments being made to reflect the greater number of beneficiaries and to cover the additional activities; (iv) the target of the PDO indicator pertaining to the grade 3 National Assessment Test (NAT) will be lowered from 46% to 43% take into account the unexpected increase in the grade 1 intake rate; (v) the cancellation of 2 DLIs.
Guinea Bissau $12,000,000 GA: UNICEF December 8, 2016 Extension: No Restructuring: **Yes**	The GPE Secretariat has no objection to UNICEF's request for re-allocating 12.6% of the total grant amount between the components and sub-components of the Education Sector Program Implementation Grant, while keeping the total budget amount the same. It is recommended that the results monitoring framework is updated to track progress toward achievement of project targets.	The implementation of the project "Support to Education for All Implementation in Guinea-Bissau" funded by the Global Partnership for Education (GPE) started in May 2013 and its implementation is foreseen until March 31st, 2017. In August 2014, the Minister of Education identified new priorities, in particular, the rehabilitation of inundated schools in Bissau. The recruitment of new professionals was not any longer considered as a priority because of the excessive number of civil servants and the government's difficulty to pay salaries. In early 2014, the LEG already approved the re-allocation of about 5.7% of the total budget to the textbook distribution.

Country	Decision	Request Explanation
Haiti $24,100,000 GA: World Bank October 28, 2016 Extension: No Restructuring: **Yes**	The Global Partnership for Education has no objection to the Grant Agent request for a budget reallocation of US$ 1 million from the Early Grade Mathematics Assessment component to the school feeding program.	The Category-4 Hurricane Matthew that struck parts of Haiti violently on October 4, 2016 caused the largest humanitarian emergency since the 2010 earthquake. Education is disrupted for 116,100 children ages 6-14. The Government developed a post-disaster action plan. It has been working with partners to address most urgent needs. GPE funding is part of Education for All 2 (EPT 2) - a large pool of funds that allows coordination among different partners to address most pressing needs. GPE funds will be allocated to the school feeding program. The GA has a long experience and expertise on school feeding.
Sierra Leone $17,900,000 GA: World Bank May 3, 2017 Extension: No Restructuring: **Yes**	The Global Partnership for Education (GPE) Secretariat has no objection to the additional financing from IDA in the amount of US$ 10 million to the Revitalizing Education Development in Sierra Leone (REDiSL) project co-financed by the GPE Education Sector Program Implementation Grant.	The Revitalizing Education Development in Sierra Leone (REDiSL) Project has been financed jointly by GPE (US$17.9 million), the DFID through the Multi-Donor Trust Fund (MDTF) (US$2.46 million), and the Ebola Recovery and Reconstruction Trust Fund (ERRTF) (US$0.95 million). The proposed Additional Financing (AF) would provide additional support from IDA to scale up/reinforce select project interventions until December 2019 to increase the development effectiveness and overall impact. Interventions supported by the ESPIG will be closed in December 2017 as approved earlier.
Extension		
Burkina Faso $78,200,000 GA: AFD September 6, 2016 Extension: **Yes** Restructuring: No	The Global Partnership for Education has no objection to Burkina Faso's request to extend the timeframe in which to disburse funds by 7 months until 31 July 2017 and to extend the timeframe in which to use resources by 12 months until 31 December 2017.	Burkina Faso had an uprising at the end of 2014 and a failed coup d'etat at the end of 2015. While the country's reaction to both events has been commended, the country delayed implementation of activities in education sector, included those financed by the GPE grant, and in particular, the 2014 audit. The country asked to extend the disbursement timeframe by 7 months until 31 July 2017 and to extend the timeframe to use the resources by 12 months until 31 December 2017.

Country	Decision	Request Explanation
DRC $100,000,000 GA: World Bank July 21, 2016 Extension: **Yes** Restructuring: No	The Global Partnership for Education (GPE) has no objection to DRC's request for a 6-month extension of its Education Sector Program Implementation Grant (ESPIG) in the amount of US$ 100 million, from the original closing date of August 31, 2016 to February 28,2017.	The implementation of the project started in July 2013 and was initially foreseen to end in August 31, 2016. The rationale for the requested extension is to allow the GA to complete the following activities under the current ESPIG: (i) supervision of the completed school civil works program to increase the percentage of its final acceptance; (ii) completion of the drilling program for potable water; (iii) the delivery of the additional batch of textbooks nationwide, particularly to schools located in remote areas, to improve the ratio students/textbook; (iv) the full functioning of the 53 resource centers constructed and equipped under the Project; and (v) the completion of the study on the use of textbooks and discussion of the findings with a view towards actions to improve the use of textbooks in the classroom.
Ethiopia $100,000,000 GA: World Bank February 14, 2017 Extension: **Yes** Restructuring: No	The Global Partnership for Education (GPE) Secretariat has no objection to Ethiopia's request for a one year no-cost extension of its Education Sector Program Implementation Grant (ESPIG), previously approved in the amount of US$ 100 million, with the World Bank as Grant Agent. The current closing date of February 17, 2017 has been extended to February 16, 2018 as requested.	The ESPIG grant (General Education Quality Improvement Project II,) became effective in May 2014. GEQIP II is a flagship project ($550 million) supported by all major donors involved in general education in Ethiopia through a pooled funding mechanism. The ESPIG grant became effective in May 2014 and will end on February 17, 2017. The implementation has progressed well, many of the targets are already been met. This was a request only for extension of the GPE disbursement schedule.
Mauritania $12,400,000 GA: World Bank April 28, 2017 Extension: **Yes** Restructuring: No	The Global Partnership for Education (GPE) has no objection to Mauritania's request for extension of its Education Sector Program Implementation Grant (ESPIG) in the amount of US$ 12.4 million. While the Grant Agent requested a four-month extension, the Secretariat authorizes a six month extension with a grant closing date of October 31, 2017, to allow enough time for the underlying ESPIG restructuring.	The Mauritania Basic Education Sector Support Project (BESSP) is funded by a GPE grant in the amount of US$12.4 million. The grant was approved on May 21, 2013 and became effective on February 18, 2014. The project close date was May 1, 2017. The implementation has experienced some delays due to several reasons: (i) The project became effective almost one year after the grant approval date; (ii) Little to no EMIS capacity within the Ministry in design and implementation of this activity; (iii) The bankruptcy of Maurisbank where the project special account was housed had a significant impact on the ability of the project to pay contractors, thus, to speed school construction.

Country	Decision	Request Explanation
Nicaragua $16,700,000 GA: World Bank October 19, 2016 Extension: **Yes** Restructuring: No	The Global Partnership for Education (GPE) Secretariat has no objection to Nicaragua's request for a 10-month extension to its Education Sector Program Implementation Grant (ESPIG) previously approved in the amount of US$ 16.7 million, with the World Bank as grant agent. The closing date of October 31, 2016 has been extended to August 31, 2017·	Following the approval of restructuring the program in March 2016 the Ministry of Education has worked dedicated and intensively to implement the remaining part of the program and more specifically the infrastructure investments in preschool classrooms. 35 construction contracts for the remaining part of funds from the GPE grant allocated for rehabilitation and construction of preschool facilities did not initially provide the number and quality of bids expected in order to initiate all the works. 13 of the already awarded contracts being implemented were facing delays but have now been concluded within the extended closing date, August 31 2017.
Somaliland $4,200,000 GA: UNICEF November 30, 2016 Extension: **Yes** Restructuring: No	The Global Partnership for Education (GPE) Secretariat has no objection to Somaliland's request for a 5-month extension to its Education Sector Program Implementation Grant (ESPIG), previously approved in the amount of US$ 4,2 million, with UNICEF as grant agent. The closing date of December 31, 2016 has been extended to May 30, 2017·	In May 2013, the Board approved a $4.2 million ESPIG to Somaliland with UNICEF as GA. The program includes the construction of a teacher training institute, which has been delayed. While the construction has now started, it will not be possible to finalize it before the closing date of 31 December 2016. This is the second extension request. A first request was to ensure teachers were fully paid for 3 years. At that time, it was already flagged that another extension might be needed depending on the construction of the teacher training institute.
Somaliland $4,200,000 GA: UNICEF May 16, 2017 Extension: **Yes** Restructuring: No	The Global Partnership for Education (GPE) has no objection to Somaliland's request for one month no-cost extension of its Education Sector Program Implementation Grant (ESPIG) in the amount of US$ 4.2 million, from the previously extended closing date of May 30, 2017 to June 30, 2017.	An extension of the ESPIG program with 1 additional month is requested to complete construction activities. This is the third extension request. A first request of 6 months was to ensure that teachers would be fully paid for 3 years. A second request extended the program at the beginning of construction of the teacher training institute. That construction has gone less rapid than estimated so a further extension of 1 month is necessary.
Zanzibar $5,200,000 GA: Sida July 26, 2016 Extension: **Yes** Restructuring: No	The Global Partnership for Education (GPE) has no objection to Zanzibar's request for a 6-month extension of its Education Sector Program Implementation Grant (ESPIG) in the amount of US$ 5.2 million, from the original closing date of August 1, 2016 to January 31,2017.	The rationale for the 6-month extension is as follows: 1. The program initiated several months after the start date/agreement signing or on November 2013. 2. Zanzibar witnessed political instability, which affected the implementation and delivery of some program activities. 3. The project encountered procurement challenges on the mobile library.

ANNEX 5-B: APPROVED MATERIAL REVISIONS RELATING TO THE EDUCATION SECTOR PROGRAM IMPLEMENTATION GRANTS

i) List of Material Extensions Approved by the GPC

Country	FCAC	Original Grant Amount (US$ Million)	Grant Agent	Original Closing Date	New Closing Date	Length of Latest Extension (Month)	Cumulative Extension (Months)	Implementation Period
Afghanistan	Yes	55.7	UNICEF	12/31/16	6/30/17	6	24	Grant approved in December 2011. Agreement signed in August 2012. New implementation period is 4 years and 10 months.
Benin		42.3	WB	5/31/17	4/30/18	11	22	Grant approved in May 2013. Agreement signed in March 2014. New implementation period is 4 years and 1 month.
Chad	Yes	40.1	UNICEF	12/31/16	6/30/17	6	18	Grant approved in November 2012. Agreement signed in January 2013. New implementation period is 4 years and 5 months.
Chad	Yes	7.06	UNESCO	12/31/16	6/30/17	6	18	Grant approved in November 2012. Agreement signed in April 2013. New implementation period is 4 years and 2 months.
Cote d'Ivoire	Yes	41.4	WB	9/30/16	8/30/17	11	23	Grant approved in December 2011. Agreement signed in July 2012. New implementation period is 5 years and 1 month.
Congo, Dem. Rep.	Yes	100	WB	2/1/17	5/31/17	4	10	Grant approved in November 2012. Agreement signed in May 2013. New implementation period is 4 years.
Guinea Bissau	Yes	12	UNICEF	3/31/17	9/30/17	6	17	Grant approved in December 2011. Agreement signed in September 2012. New implementation period is 5 years.
Madagascar	Yes	85.4	WB	5/31/16	12/31/17	7	7	Grant approved in May 2013. Agreement signed in October 2013. New implementation period is 4 years and 2 months.
Somaliland	Yes	4.2	UNICEF	6/30/17	9/30/17	3	15	Grant approved in May 2013. Agreement signed in June 2013. New implementation period is 4 years and 3 months.
Sudan	Yes	76.5	WB	2/28/17	2/28/18	12	12	Grant approved in November 2012. Agreement signed in April 2013. New implementation period is 4 years and 10 months.
Tanzania		94.8	SIDA	6/30/17	12/31/18	18	18	Grant approved in November 2013. Agreement signed in July 2014. New implementation period is 4 years and 5 months.
Uzbekistan		49.9	WB	1/31/18	7/31/19	18	18	Grant approved in June 2014. Agreement signed in October 2014. New implementation period is 4 years and 9 months.

ii) List of Major Restructuring Requests Approved by the GPC

Country	FCAC	Original Grant Amount (US$ Million)	Grant Agent	Restructuring Amount (US$)	Share of Original Grant Amount	GPE Additional Financing	Impact on Capacity Dev.	Impact on Indicators and Targets	Modification of Program Scope or Design	Additions/Cancellations of Components
Chad	Yes	7.06	UNESCO					X		
Cote d'Ivoire	Yes	41.4	WB	1,500,000	4%			X		X
Congo, Dem. Rep.	Yes	100	WB					X		
Ethiopia	Yes	100	WB					X		
Madagascar	Yes	85.4	WB					X		
Rwanda	Yes	25.2	DFID					X		
Sudan	Yes	76.5	WB	10,500,000	14%			X		
Tanzania		94.8	SIDA	12,000,000	13%			X		
Uzbekistan		49.9	WB	14,700,000	29%			X		X

iii) Decisions and Explanations Relating to Material Revision Requests

Country	Decision	Request Explanation
Extension and Restructuring		
Chad 7,060,000 GA: UNESCO December 22, 2016 and February 15, 2017 Extension: **Yes** Restructuring: **Yes**	**1st Decision:** The GPC partially approves the proposed revision to the Chad ESPIG UNESCO grant as requested. The Committee approves (i) an extension of six months, ending June 30, 2017; and (ii) the proposed target revisions for the community school teacher training. The proposed revision to the non-formal basic education target in the results framework for the UNESCO grant is not approved at this time given the incompleteness and the lack of realism in the Program Revision Notification. Further, the approval of (i) above is contingent on the submission no later than January 20, 2017 by the GA of a satisfactory report, as determined by the GPC providing an update on the implementation of adult literacy and non-formal basic education activities that shows that steps have been taken to provide a reasonable likelihood of reaching the planned or revised targets. For the UNICEF grant, the requested extension is approved without contingency. **2nd Decision:** The GPC in its delegated authority from the Board and in reference to decision: 1) Approves the update report on the Chad ESPIG UNESCO grant, including the proposed revision to the target for the non-formal basis education activity. 2) The approval of the update report removes the previous contingency on the six-month grant extension.	The implementation time was insufficient and the measures taken to complete implementation on time failed to achieve that result.

Country	Decision	Request Explanation
Cote d'Ivoire 41,400,000 GA: World Bank September 30, 2016 and October 27 2016 Extension: **Yes** Restructuring: **Yes**	In September, the GPC approved the 11-month extension and in October the committee approved the technical revisions which removed the school feeding and Education Management Information System (EMIS), and added other activities.	Initially planned for a 37-month implementation period at the time of grant signing, the PUAEB fell behind its implementation schedule and in September 2015 a 12-month extension was requested and the Secretariat provided a non-objection. The primary reasons for delays in the PUAEB implementation have been: (i) The start-up was slow for an emergency recovery project, with the "effectiveness date" coming a full 10 months after GPE Board approval, and (ii) the community-led school construction took some time to launch. The September and October 2016 submission reflects ongoing delays and includes modifications to the results framework.
DRC 100,000,000 GA: World Bank February 2, 2017 Extension: **Yes** Restructuring: **Yes**	The GPC approves the extension of the effectiveness date of the DRC ESPIG from February 1, 2017 to May 31, 2017 and subsequently the extension of the end date of the grant program to February 28, 2021 as well as the revision of variable part indicators of the DRC ESPIG.	The Board approved DRC's application for a US$100 million ESPIG, which includes a fixed part of US$70 million and a variable part of US$30 million on June 15, 2016. The expected implementation start date was November 1, 2016. The Secretariat provided its non-objection to postpone the start date to February 1, 2017. Due to a change in government, the GA expects the program to start on May 31, 2017.
Madagascar 85,400,000 GA: World Bank May 16, 2017 Extension: **Yes** Restructuring: **Yes**	The GPC, in its delegated authority from the Board: 1) Approves the proposed revision to the Madagascar ESPIG: An extension of the closing date by 7 months to allow for: (i) preparation of the transition to a new ESP, while mitigating a funding gap expected in the period between the financing of the current Interim Sector Plan and the launch of the financing of the ESP 2018-2022; (ii) the implementation of activities added due to cost savings; and (iii) completion of three key activities which are nearly fully implemented: the finalization of activities (endorsement, communication) related to the ESP 2018-2022, school construction, and the delivery of mathematics textbooks; (b) Revisions to project components and related costs by component which take into account the added activities and the reallocation of funds between the components; (c) Amendments to the results framework by adjusting indicator targets in line with the revised activities; and (d) Revisions of disbursement estimates in conformity with the pace of project implementation and expectations of future progress. (2) Approves an additional GA allocation of US$195,320 to the World Bank.	The project has generated significant cost savings in the last few months. First, cost savings of US$7.6 million were made from the procurement of textbooks and school kits. Second, fluctuations in the US Dollar and Ariary exchange rate have led to availability of an additional US$2 million, and third, unallocated funds of US$1 million. A total of US$10.6 million is thus available to be programmed toward additional activities until the end of the project. Additionally, the implementation of three main activities has incurred some delays.

Country	Decision	Request Explanation
Sudan 76,500,000 GA: World Bank January 18, 2017 Extension: **Yes** Restructuring: **Yes**	The GPC has no objection to Sudan's request for a revision of its ESPIG, previously approved in the amount of US$ 76.5 million. The approval of the revision request includes an extension of the program closing date from February 28, 2017 to February 28, 2018. The GPC also approves adjustment of the Project Development Objectives and intermediate targets to reflect the actual costs. Furthermore, the GPC approves the reallocation of US$8m from Component 2 (textbooks) to Component 1 (school construction) to take advantage of the lower textbook unit costs and to compensate for higher school construction unit costs and to reallocate US$2.5m from Component 3 (project management) to Component 1 (school grants).	The idea was to (i) Compensate for delays incurred because of conflict in some states and external constraints. Due to sanctions, the Bank of Sudan could no longer be the service bank of the World Bank portfolio, a transition to the Bank of Khartoum was required. The transition took about 6 months, during which funds were unavailable. This led to 6 months of delays in project implementation; (ii) Scale up teacher training after new curriculum/textbooks have been developed, printed, and distributed; (iii) Finalize the ESP, which requires economic and social/poverty data; (iv) Maintain support to the sector for a longer period as Sudan was not eligible for next funding allocation from GPE and allow the country to look for support from various partners while partners remain engaged in Sudan through this project.
Tanzania 94,800,000 GA: Sida November 23, 2016 Extension: **Yes** Restructuring: **Yes**	The GPC has no objection to Tanzania Mainland's request for a revision of its ESPIG, previously approved in the amount of US$ 94.8 million. The approval of the revision request includes an extension of the program closing date from June 30, 2017 to December 31, 2018. The committee also approves the reallocation of approximately US$ 12 million and reprogramming currency exchange gains of approximately US$ 20 million, as well as the refinement of the targets in the Results Framework. Also, GPC recommends that the country monitor efforts to strengthen CSO participation in sector dialogue. The GPC would also like to stress that the development of a national strategy on teacher training should be completed with the full/meaningful participation of teachers and their representatives.	The request stems from a 6-month delay in the start of implementation, the strengthening of the US dollar (which led to additional financing of over $20 million US dollars) and sector trends (which meant indicator targets had to be adjusted).
Uzbekistan 49,900,000 GA: World Bank September 5, 2016 Extension: **Yes** Restructuring: **Yes**	The GPC approved the proposed restructuring for the Improving Pre-primary and General Secondary Education Project, a US$49.9 million ESPIG financed by the GPE. As proposed in the June 21, 2016 restructuring paper, the approval allows for the (i) reallocation of grant savings across components to increase the scope of activities and the number of beneficiaries; (ii) reallocation of funds from Component 2 (secondary education) to Component 1 (ECD); (iii) adjustments to the project's results framework to reflect the reallocation of financing and the increased number of beneficiaries; and (iv) an extension of the project closing date for 18 months.	Cost savings of $14.7 million resulted in the expansion of the scope of existing activities in pre-primary and secondary, as well as add a number of new activities, including: (i) review of State requirements for pre-primary; and (ii) preparation of digital content in support of child development. As the greater number of beneficiaries and additional activities would result in a change in the indicators, the results framework was adapted to reflect this. The 18-month extension will allow the Ministry to have sufficient time to execute and complete all activities that are proposed through the restructuring.

Country	Decision	Request Explanation
Restructuring		
Ethiopia 100,000,000 GA: World Bank May 8, 2017 Extension: No Restructuring: **Yes**	The Grants and Performance Committee (GPC), in its delegated authority from the GPE Board of Directors, approves Ethiopia's proposed revision to the GPE Education Sector Program Implementation Grant's variable part, which was approved in the amount of US $30 million with an implementation period of two years. This approval provides flexibility in the timing of the achievement of the stretch indicators, so that the residual targets could be transferred to year 2, if these are not achieved in year 1 of project implementation. This flexibility will ensure the successful achievement of the cumulative targets within the agreed implementation period.	The request is the result of a delay in grant effectiveness, preparation of a new program for the variable part (VP) separated from the fixed part (FP) as the implementation period for the VP goes beyond the implementation period of the General Education Quality Improvement Project II supported by the FP. Given the delays in the process, it is not certain that all indicators can still be reached in Year 1 as approved. Grant effectiveness has been delayed by the decision-making process. Ethiopia followed the advice and the timeline exactly as proposed by GPC in preparation and processing of the revised results indicators. However, the final approval was given in mid-February 2017, leaving only about 5 months for reporting the first set of results. This constrains the country to achieve all the results of year 1 in due time.
Rwanda 25,200,000 GA: DFID December 13, 2016 Extension: No Restructuring: **Yes**	The GPC approved the proposal to conduct a learning assessment at Primary 2 in partial fulfillment of the learning outcomes indicator in line with the original proposal. The Committee did not approve the proposed learning assessment at Primary 3 to replace that of Primary 5 as part of the learning outcomes indicator as it was not aligned with the original principle of measuring learning outcomes at the end of or towards the end of the primary cycle. However, the Committee would accept the assessment of either Primary 2 or Primary 3 as a basis for disbursement of the proportion of the variable part originally linked to Primary 2 assessment. Given the country's decision to move the end of primary assessment from grade 5 to 6, the Committee suggested that the proportion of disbursement originally linked to grade 5 assessment be instead linked to the grade 6 assessment. This would imply a partial disbursement of the variable part beyond the current grant end date of May 31, 2018, which could either lead to a grant extension or to a corresponding top-up to a future MCA, if applicable.	Rwanda wanted to align its learning outcome indicators with Sustainable Development Goal (SDG) 4. Accordingly, the country changed assessment at Primary Grade 5 to an assessment at the terminal year of primary education, i.e., at Grade 6.
Extension		

Country	Decision	Request Explanation
Afghanistan 55,700,000 GA: UNICEF December 9, 2016 Extension: **Yes** Restructuring: No	The Grants and Performance Committee (GPC), in its delegated authority from the GPE Board of Directors, has no objection to Afghanistan's request for a revision of its Education Sector Program Implementation Grant (ESPIG), previously approved in the amount of US$55.7 million. The approval of the revision request includes an extension of the closing date of the program from its current date of December 31, 2016 to June 30, 2017.	This request follows a six-month extension and material revision of the program budget in 2014 and a 12-month extension in 2015. The cumulative extension is more than 12 months making the revision material. The focus on the planned activities is to continue supporting the Community Based Education and Accelerated Learning Program (ALP) classes that have been established through the program. The objective is to provide the required time for the children to transition to formal schools.
Benin 42,300,000 GA: World Bank May 12, 2017 Extension: **Yes** Restructuring: No	The Grants and Performance Committee (GPC), in its delegated authority from the GPE Board of Directors, has no objection to Benin's request for a revision of its Education Sector Program Implementation Grant (ESPIG), previously approved in the amount of US$42.3 million. The approval of the revision request includes an extension of the program closing date from its current date of May 31, 2017 to April 30, 2018.	The main reasons that required a new revision were: delayed construction-related activities; delay in the implementation of a learning system and implementation of Education Management Information System (EMIS).
Chad 40,140,000 GA: UNICEF December 22, 2016 Extension: **Yes** Restructuring: No	The GPC partially approves the proposed revision to the Chad ESPIG UNESCO grant as requested. The Committee approves (i) an extension of six months, ending June 30, 2017; and (ii) the proposed target revisions for the community school teacher training. The proposed revision to the non-formal basic education target in the results framework for the UNESCO grant is not approved at this time given the incompleteness and the lack of realism in the Program Revision Notification. The approval of (i) above is contingent on the submission no later than January 20, 2017 by the GA of a satisfactory report, as determined by the GPC, providing an update on the implementation of adult literacy and non-formal basic education activities that shows that the necessary steps have been taken to provide a reasonable likelihood of reaching the planned or revised targets. For the UNICEF grant, the requested extension is approved without contingency.	The implementation time was insufficient and the measures taken to complete implementation on time failed to achieve that result.
Guinea Bissau 12,000,000 GA: UNICEF February 15, 2017 Extension: **Yes** Restructuring: No	The Grants and Performance Committee in its delegated authority from the Board of Directors approves the extension of the Guinea Bissau ESPIG end date from March 31, 2017 to September 30, 2017.	The Secretariat already approved an extension of the ESPIG end date for 11 months on August 28, 2015.

Country	Decision	Request Explanation
Somaliland 4,200,000 GA: UNICEF June 13, 2017 Extension: **Yes** Restructuring: No	The GPC has no objection to the revision request for the ESPIG for Somaliland, previously approved in the amount of US$ 4.2 million. The approval of the revision request includes an extension of the program closing date from its current date of June 30, 2017 to September 30, 2017.	In May 2013, the Board approved a US$4.2 million ESPIG to Somaliland with the UNICEF as GA. A 3-month extension of the program is requested for the completion of construction activities. This is the 4th extension request caused by delays in construction of the teacher training institute.

ANNEX 6: REPORT BACKS ON FAC/GPC'S RECOMMENDATIONS AND CONCERNS

Country	Issues or Concern and Recommendations	Fiscal Year 2017 Update
Bangladesh	**Issue or Concern** Education Financing: Domestic Resource Allocation **Recommendation (Report Backs)** With respect to the low level of domestic financing on education, the Committee requested a report back on domestic financing for education over the medium term (committed and actual expenditure) and on the intended measures to progressively increase the financing to the sector, for the new medium-term expenditure framework.	**Status:** Ongoing **Action Taken to Address the Issue in FY17** The share of the education budget against total government expenditure in Bangladesh in the fiscal year 2017-2018 has still not been improved to reach the expected 20% and is only at 12.6 percent. To understand the situation best and to forge a roadmap to improve the trend, a meeting took place on April 21, 2017 at which the Hon. Mr. Abul Maal Abdul Muhith, Finance Minister met with H.E. Julia Gillard and Ms. Alice Albright. The Finance Minister was informed by GPE Board Chair that pledging on domestic financing on education toward 20% of the total government budget is one of the key elements of the GPE replenishment this year and a critical condition for access to the next grant. Even in the latest mission summary report shared in July 2017, it was advised that "if the existing 12.6% does not show improvement, it is highly likely that the GPE Board of Directors will not consider the domestic finance requirement met if Bangladesh fails to indicate an upward trend toward 20 percent." Consideration was given to whether Bangladesh could approach the 20% by providing free and compulsory education up to Grade 8, extended from Grade 5. During the Secretariat mission in June 2017, the joint chief of the MOE, Mr. Quzi Munirul Islam and his team were open to the extension considering it would contribute to making the level of education expenditure relevant and be regarded as a good strategy for achieving an upward trend. It would also satisfy the Finance Minister's preference to support secondary education, though GPE's financial support can only be extended up to lower secondary education. The budget execution rate for PEDP3 has improved from last year to this year. While the 2016/17 budget implementation was unavailable at the time of the Annual Sector Performance Report for 2017, but as of March 2017 (3 quarters) it had reached 52.1%, which is higher than the one

Country	Issues or Concern and Recommendations	Fiscal Year 2017 Update
		reported for last March at 45%. The June 2017 WB ISR mentions that although timely release of advances has always been an issue in PEDP 3, the most recent Joint Consultative Meeting (JCM) noted that MoPME has received strong support from MoF during this fiscal year in improving the timeliness of approval and release of advances to MoPME. Despite these improvements, disbursement of GPE funds has been stagnated. It is highly likely that all of the funds cannot be released by the end of 2017, which is the end of the PEDP 3. Such an unspent amount will be officially identified at the Joint Consultation Meeting (JCM) in October or November. As no further extension of the PEDP 3 is expected, and as it is difficult to restructure the program of the World Bank within this timeline, the remaining amount would need to be cancelled unless it can be reallocated to other activities.
The Democratic Republic of Congo	**Issue or Concern** Education Financing: pooled funding mechanism **Recommendation (Report Backs)** The plan to develop a pooled funding mechanism is welcome.	**Status:** Ongoing **Action Taken to Address the Issue in FY17** The grant is not yet under implementation and a full update will be reported in FY18. However, the following is envisioned: The program implementation will be mainstreamed within the government structures with a strong emphasis on activity management by the government to reinforce institutional capacities and ownership and to sustain project outcomes. Moreover, the MEPS-INC procurement unit will ensure the procurement function, with the support of the program, although a Project Coordinating Team (PCT) will handle the financial management under the Secretary-General of the MEPS-INC's control. The MEPS-INC cannot ensure the financial management function, because the MoE does not have a Financial Affairs Directorate (Direction des Affaires Financières, or DAF). Regarding the creation of a pooled funding mechanism, the donors did not have new funding that could have been pooled with the GPE grant.
The Democratic Republic of Congo	**Issue or Concern** Equity: bilingual instruction	**Status:** Ongoing **Action Taken to Address the Issue in FY17**

Country	Issues or Concern and Recommendations	Fiscal Year 2017 Update
	Recommendation (Report Backs) The LEG is encouraged to ensure that the issue of mother tongue language of instruction is appropriately considered.	The grant is not yet under implementation and a full update will be reported in FY18. However, the following is envisioned: The pilot program introducing reading and learning in the mother tongue, which has been implemented through various projects (e.g. by Elan, Accelere, UNICEF) will be generalized through the distribution of textbooks in national languages for Grades 1-3, inclusively, by the new GPE program.
The Democratic Republic of Congo	**Issue or Concern** Education Financing: Domestic Financing Budget **Recommendation (Report Backs)** The application shows 45 percent budget allocation to primary while the commitment letter references 40 percent. The Committee asks the LEG to engage in dialogue regarding the allocation to primary, with particular attention to budget execution, and that regular updates be provided.	**Status:** Ongoing **Action Taken to Address the Issue in FY17** The government's commitment to increase the education budget was evident during the most recent Joint Sector Review, which took place in February 2017. The share of education sector expenditures within overall public expenditures continues to increase: from 17.8% in 2014 to 18.2% in 2015, and to 18.8% in 2016. The education budget is not disaggregated per sub-sector. As a result, it is not possible to determine the share of budget allocated to primary education. However, significant increased expenditure within the Ministry of Primary and Secondary Education and TVET (MEPSEP) indicates the government's commitment to this sub-sector. The share of MEPSEP expenditure within the education budget has increased from 71% in 2013 to 76% in 2014, 74% in 2015, up to 79% in 2016. MEPSEP's recurrent expenditure has increased overall from 70% in 2010 to 75% in 2014, 73% 2015 and 77% in 2016.
The Democratic Republic of Congo	**Issue or Concern** Education Financing: Financial planning for abolition of household expenditures **Recommendation (Report Backs)** The Committee notes the government's plan to abolish school fees, in particular the government's commitment to absorb the salaries of nonpaid teachers in the public payroll and the operating costs of schools and local administrations, and to extend the suppression of direct fees to Grade 6 and nationwide, in order to reduce household contributions to education expenditures (currently 73 percent). The Committee requests to be regularly updated on the government's	**Status:** Ongoing **Action Taken to Address the Issue in FY17** During a Joint Sector Review in February 2017 it was reported that within the Ministry of Primary and Secondary Education and TVET's (MEPSEP) recurrent expenditures, the share of salaries has increased from 84% in 2010 to 87% in 2014, 90% in 2015 and to 95% in 2016. Of MEPSEP personnel who were on the government payroll and who work at school level or in decentralized offices, 59% are primary school teachers.

Country	Issues or Concern and Recommendations	Fiscal Year 2017 Update
	concrete financial projections and targets on how it is going to gradually absorb the household share of education expenditures into the education budget over the next years.	
Ethiopia	**Issue or Concern** Inclusiveness of civil society in LEG and teachers' union rights. **Recommendation (Report Backs)** The difficult working conditions of civil society organizations and their non-participation in the Technical Working Group (which acts as the LEG) is of great concern. There is also a serious concern about the situation and rights of the teachers' unions. Progress on a more inclusive LEG should be monitored and reported to the Secretariat.	**Status:** Complete **Action Taken to Address the Issue in FY17** As a result of several discussions with the Ministry of Education and the Education Technical Working Group (ETWG), representatives from the umbrella CSO network and Ethiopian Teachers' Association were included in ETWG as of September 24, 2016. Ongoing engagement is needed to ensure active participation of all stakeholders.
Lesotho	**Issue or Concern** Education Financing: Domestic Financing Budget **Recommendation (Report Backs)** With regard to financing, there is a funding gap in fully realizing the education sector plan, in particular for the closing years from 2021-2025, and recommends Lesotho prepare a robust strategy to fully fund the ESP and report back on progress in this regard in the annual progress report.	**Status:** On-going **Action Taken to Address the Issue in FY17** The ESPIG grant was approved in March 2017, and GPC's recommendation was communicated to the LEG. At the end of June 2017 implementation had not yet begun, and no annual progress reports were due. Implementation of the grant is expected to begin in FY18 and progress towards this recommendation, as well as progress on the grant will be reported through the annual progress report in FY18.
Lesotho	**Issue or Concern** M&E: Results Framework Indicators **Recommendation (Report Backs)** The ESP intermediate results do not have annual targets, which will make it difficult to measure progress towards the achievement of final targets. Lesotho is therefore requested to set annual targets for the intermediate indicators in the ESP results framework and report back on these targets in the annual progress report.	**Status:** On-going **Action Taken to Address the Issue in FY17** The ESPIG grant was approved in March 2017, and GPC's recommendation communicated to the LEG. At the end of June 2017 implementation had not yet begun, and no annual progress reports were due. Implementation of the grant is expected to begin in FY18 and progress towards this recommendation, as well as progress on the grant will be reported through the annual progress report in FY18.

Country	Issues or Concern and Recommendations	Fiscal Year 2017 Update
Lesotho	**Issue or Concern** Donor coordination **Recommendation (Report Backs)** Finally, given the importance of overall sector monitoring and coordination, there is concern about the lack of joint sector reviews in recent years and the Committee strongly recommends that the Ministry resume conducting such reviews annually, in collaboration with the local education group. The Committee looks forward to reading about progress in this regard in the annual progress report.	**Status:** On-going **Action Taken to Address the Issue in FY17** The ESPIG grant was approved in March 2017, and GPC's recommendation communicated to the LEG. At the end of June 2017 implementation had not yet begun, and no annual progress reports were due. Implementation of the grant is expected to begin in FY18 and progress towards this recommendation, as well as progress on the grant will be reported through the annual progress report in FY18.
Nepal	**Issue or Concern** Building for the future: strengthening systems **Recommendation (Report Backs)** With respect to the amended education act, the Committee requests the government to report back on its development and the associated implications if and when it is passed.	**Status:** Complete **Action Taken to Address the Issue in FY17** The Amendment of the Education Act has been approved by the parliament and signed by the Right Honorable President in June 2016. The act included school restructuring, one of the key reforms of the ESP (School Sector Reform Plan 2009-2016), which allows for more children to complete pre-primary and basic education of 8 years.
Nepal	**Issue or Concern** Education Financing: domestic resource allocation **Recommendation (Report Backs)** The Committee noted with concern the decrease in budget allocation to the education sector, specifically, the implications for the proposed efficiency and equity measures. The success of these measures which are linked to two indicators for the variable tranche hinges on the availability of sufficient resources to absorb the additional students continuing their education. The Committee requests to be updated on progress of the Education Sector Planning which the Ministry aims to complete in 2016, notably on domestic financing for education over the medium term (committed and actual expenditure).	**Status:** Ongoing **Action Taken to Address the Issue in FY17** Nepal's new sector plan (School Sector Development Plan 2016-23) was finalized and launched in FY17. The SSDP states that a minimum of 15% of national budget will be allocated to education. This is a slight increase from the 14.65% allocation recorded in the Requirements Matrix in 2015. Nepal is currently moving to a federal structure, and the LEG has noted that this may have implications for defining the share of the national budget that is allocated to education during the transitional period and in the federal context where budget will be highly decentralized and may be allocated through different ministries and departments. In the March 2017 Budget Review Meeting, the data showed that although the education sector budget has continued to increase in real terms in line

Country	Issues or Concern and Recommendations	Fiscal Year 2017 Update
		with the global covenants agreed for the SSDP program, the national education budget as a percentage of the national budget continued to decline from 12.05% (FY 2016-17) to 10.85% (FY 2017/18). This raises concerns about the government's ability to meet the national targets set out in the SSDP to gradually increase to 20% and its commitment to assuring an upward trend in terms of percentage of national budget allocated to education. Partners agreed that there is need for more clarity on the status of the education budget. It was agreed that the MOE and DPs will jointly undertake an analysis of trends in the education budget as a percentage of the national budget in the context of Nepal's overall budget structure and specific features. This work is expected to be completed in October 2017 and the results shared with the Secretariat.
Rwanda	**Issue or Concern** Monitoring and evaluation **Recommendation (Report Backs)** With respect to the availability of data, the Committee acknowledges the Ministry's commitment to address the issue and requests a report back on the plan/strategy for strengthening and obtaining data.	**Status:** Complete **Action Taken to Address the Issue in FY17** The country now regularly compiles data and reports to UIS. However, in some cases, the latest data are from 2015. In relation to the 12 key education indicators identified in GPE's indicator 14, Rwanda has reported on 7 indicators for 2015 including on all primary education indicators and has reported on 2 indicators for both 2015 and 2016 (primary GER and pupil teacher ratio at primary level). No data on the three lower secondary education indicators was shared with UIS for either year.
Rwanda	**Issue or Concern** Education Financing: domestic financing budget **Recommendation (Report Backs)** The Committee requests a report-back on domestic financing for education (committed and actual expenditure), specifically the amount of domestic financing for education over the medium term (previous three years and projected three years) exclusive of aligned development assistance.	**Status:** Ongoing **Action Taken to Address the Issue in FY17** Over the past year, all missions focused on the issue of downward trend in domestic financing for education. Discussions were held with the DPs, the Ministry of Education and the Ministry of Finance. During the last WB-IMF Spring meeting, discussions were held between the Finance Minister and the GPE Secretariat Management. Tis is now yielding results. The data from the recent JSR show an upward trend. However, reaching a 20% target is still a long haul. The most important thing is—the Ministry of Finance is now fully on board about this issue. Corrective measures are expected during the forthcoming plan period. Rwanda is now in the process of preparing the Education Sector Strategic Plan III and the country's Economic Development

Country	Issues or Concern and Recommendations	Fiscal Year 2017 Update
		and Poverty Reduction Strategy III. Both the documents are to be prepared by the end of 2017 which hopefully will reflect the recognized concern regarding low domestic financing in education. Despite low investment, however, Rwanda is achieving good results in enrolment, completion and ECE due to high efficiency.
Zimbabwe	**Issue or Concern** Education Financing **Recommendation (Report Backs)** The CGPC is concerned the over high amounts from household income being dedicated to education. It hopes to see it addressed in the ESP.	**Status:** Ongoing **Action Taken to Address the Issue in FY17** The difficult economic environment and fiscal challenges continue to impact the resources available to the government to fund education. MoPSE provides almost all state funding to primary and secondary education, however, most of the budgeted and obligated funding is dedicated to salary expenses, leaving little to finance other education sector needs. MoPSE is working on a school financing policy, as contained in the ESSP, that aims to simplify and clarify the use of funds at the school level, including management and operational procedures, and to ensure that there is transparency and accountability in the use of funds. The policy will build on the work already completed in school planning and the current modalities, such as the School Improvement Grant Mechanism. Its development is being supported by the current ESPIG.
Zimbabwe	**Issue or Concern** Inclusiveness of civil society and teacher participation **Recommendation (Report Backs)** Encourage civil society and teacher participation in the LEG, including in the Joint Sector Review processes, and the development of the education sector plan. Teacher involvement is particularly important in order to promote a balanced approach to teacher training needs.	**Status:** Completed **Action Taken to Address the Issue in FY17** Non-state actors have participated in the development of the ESSP and in the operational planning and are members of the Education Coordination Group (the Zimbabwe equivalent to the LEG). Teachers organizations are represented in the ECG by the National Coalition, ECOZI and are invited to the annual JSR. Ongoing engagement is needed to ensure active participation of all stakeholders.

ANNEX 7-A: ESPIG CODEBOOK FOR EDUCATION SUB-SECTORS

Education Level Coding Aligned with World Bank Taxonomy and OECD/DAC Codes

These sector codes are based on the ISCED 2011 report, the WB sector taxonomy and definitions, and the OECD/DAC codes.[101]

GPE Definition (based on ISCED)	Mapping to WB sector taxonomy and definitions	Mapping to OECD/DAC
Early Childhood Care and Education (ECCE) -ISCED level 0		
This category is used when ESPIG project/activities are focused on early childhood education development (0-2years)/ pre-primary level of education (from age 3 to primary age).	***Early Childhood Education (ECE)*** targets children below the age of entry into primary education. These programs may be referred to in many ways such as early childhood development, play school, reception, preprimary, or pre-school. This subsector corresponds to the International Standard Classification of Education(ISCED) level 0. It can include two phases: 1) Early childhood educational development, which is designed for younger children in the age range of 0 to 2 years; and 2) Pre-primary education, which is designed for age 3 to the start of primary education.	Code **11240** Called *early childhood education* and defined as "formal and non-formal pre-school education"
Primary Education- ISCED level 1		
This category is used when activities are focused on primary level. Age is typically the only entry requirement at this level. The customary or legal age of entry is usually not below 5 years old nor above 7 years old. This level typically lasts six years, although its duration can range between four and seven years. Primary education typically lasts until age 10 to 12.	The ***primary education*** subsector corresponds to the International Standard Classification of Education (ISCED) level 1. Primary education programs may also be referred to as elementary education or basic education, but in basic education, primary education is only the first stage/lower grades. Basic education can be coded as both Primary and Secondary education subsectors since they typically range from primary to lower secondary.	Code **11220** Called *primary education* and defined as "formal and non-formal primary education for children; all elementary and first cycle systematic instruction; provision of learning materials."
Secondary Education – ISCED levels 2 and 3, secondary TVET, and secondary unspecified		
Lower secondary education can be referred to as junior secondary, lower secondary, middle school, or junior high school. The later grades of basic education programs are also lower secondary education. Lower secondary typically ends 8 to 11 years after the start of primary education with 9	***Lower secondary education*** corresponds with the International Standard Classification of Education (ISCED) level 2 and can be referred to as junior secondary, lower secondary, middle school, or junior high school. The later grades of basic education programs are also lower secondary education. Lower secondary typically ends 8 to 11 years after	Code **11320** called *secondary education* and defined as "Second cycle

[101] Note that OECD/DAC codes combine formal and non-formal education at all levels. See http://www.oecd.org/dac/stats/education.htm for OECD codes.

years being the most widespread cumulative duration. At the end of lower secondary, pupils are typically aged 14 to 16 years.	the start of primary education with 9 years being the most widespread cumulative duration. At the end of lower secondary, pupils are typically aged 14 to 16 years.	systematic instruction at both junior and senior levels"
Upper secondary education It can be referred to as senior secondary, high school, or senior high school. Upper secondary education begins 8 to 11 years after the beginning of primary education, typically when pupils are between ages 14 and 16. Upper secondary ends 12 or 13 years after the beginning of primary education or around age 17 or 18, with 12 years being the most widespread cumulative duration.	***Upper secondary education*** corresponds with ISCED level 3 and can be referred to as senior secondary, high school, or senior high school. These programs are typically designed to prepare students for tertiary education or provide skills relevant to employment, or both. Programs at this level offer student more varied, specialized and in-depth instruction than lower secondary programs. They are more differentiated with an increased range of options and streams available. Teachers are often highly qualified in the subjects or fields of specialization they teach – particularly in the higher grades.	
Secondary (unspecified level) This category is used when activities are focused on secondary without specifying whether it is lower or upper secondary (e.g. general secondary) **Not** used by ISCED or WB sector codes; the Secretariat created this category for its own coding exercise	No equivalent	**No equivalent**
Secondary (TVET): this category is used when project activities are focused on vocational training at the secondary level	No equivalent	Code **11330** called *vocational training* and defined as "elementary vocational training and secondary level technical education; on-the job training; apprenticeships; including informal vocational training"
Post-secondary - ISCED levels 4 to 8		
Post-secondary (non-tertiary education/TVET): this category is used when activities are focused on: post-secondary non-tertiary education such as vocational education; ISCED level 4 are typically vocational and	***Workforce Development*** activities support the policies and institutions that affect the supply of and demand for skills. Vocational training programs are designed for learners to acquire the knowledge, skills and competencies specific to a particular occupation, trade, or class of occupations or trades.	Code **11430** called *Advanced technical and managerial training* as defined as "professional-level vocational training

terminal programs that prepare students for the labor market.	Successful completion of such programs typically leads to labor market-relevant, vocational qualifications acknowledged as occupationally oriented by the relevant national authorities and/or the labor market. ***Tertiary education*** includes what is commonly understood as academic education but also includes advanced professional/vocational education (for example, in law, medicine, and business). It comprises the International Standard Classification of Education (ISCED) levels 4 to 8, which are labeled as: Post-secondary non-tertiary education (ISCED 4), Short-cycle tertiary education/associate degree level (ISCED 5), Bachelor's or equivalent level (ISCED 6), Master's or equivalent level (ISCED 7), Doctoral or equivalent level (ISCED 8).	programs and in-service training"
Post-secondary (tertiary education/Bachelor's, Master's PhD) Tertiary education includes what is commonly understood as academic education but also includes advanced professional education (for example, in law, medicine, and business). It comprises the International Standard Classification of Education (ISCED) levels 5 to 8.		Code **11420** *Higher Education* defined as "degree and diploma programs at universities, colleges and polytechnics; scholarships**"**
Adult Education		
Adult Education specifically targets individuals who are regarded as adults (over 18 years old) to improve their literacy/numeracy skills, develop technical or professional qualifications, enrich their knowledge with the purpose to complete a level of formal education, or to acquire, refresh or update their knowledge, skills and competencies in a particular field. This also includes what may be referred to as 'continuing education', 'recurrent education' or 'second chance education' for adults.	***Adult Basic and Continuing Education*** specifically targets individuals who are regarded as adults (over 18 years old) to improve their literacy/numeracy skills, develop technical or professional qualifications, enrich their knowledge with the purpose to complete a level of formal education, or to acquire, refresh or update their knowledge, skills and competencies in a particular field. This also includes what may be referred to as 'continuing education', 'recurrent education' or 'second chance education' for adults.	Code **11230:** *basic life skills for youth*[102] *and adults* and defined as "formal and non-formal education for basic life skills for young people and adults (adults' education); literacy and numeracy training"

<u>Countries Supporting ECCE, Secondary, Adult and Postsecondary Education, by FCAC and Non-FCAC</u>

[102] Note that the ISCED and WB definitions specifies that this type of training is offered to adults (18 years or older), while the OECD/DAC definition includes youth, which they define as people aged 15 or less.

Countries	FCAC Status	ECCE	Primary	Secondary	Post-Secondary	Adult Education
Benin			√	√		
Burundi	FCAC		√			
Cambodia		√	√	√		
Cameroon		√	√	√		
Central African Republic	FCAC		√	√		
Comoros	FCAC		√			
Côte D'Ivoire	FCAC		√	√		
Djibouti	FCAC	√	√			
Eritrea	FCAC	√	√	√		√
Gambia	FCAC	√	√	√		
Guinea		√	√	√		√
Guinea Bissau	FCAC	√	√			
Guyana		√	√			
Haiti	FCAC	√	√	√		
Kenya			√			
Kyrgyz Republic		√	√			
LAO PDR		√	√			
Madagascar	FCAC		√			
Malawi			√			
Mali	FCAC		√	√		
Mauritania			√	√		
Nicaragua		√		√		
Niger			√	√		
Nigeria	FCAC	√	√			
OECS			√			
Pakistan (Balochistan)	FCAC	√	√	√		
Pakistan (Sindh)	FCAC		√	√		

Senegal			√	√		
Sierra Leone	FCAC	√	√	√	√	
Somalia (Somaliland)	FCAC		√	√		
Somalia (Somaliland, AF)	FCAC		√			
Somalia (Federal)	FCAC		√			
South Sudan	FCAC		√			√
Sudan	FCAC		√	√		
Tajikistan		√	√	√	√	
Tanzania (Mainland)		√	√			
Togo	FCAC	√	√			√
Uganda	FCAC	√	√	√		
Uzbekistan		√	√	√		
Yemen	FCAC	√	√	√		√
Zimbabwe	FCAC	√	√	√		

ANNEX 7-B: ESPIG CODEBOOK FOR THEMATIC AREAS[103]

GPE STRATEGIC GOAL: LEARNING	**Teacher Management** This theme includes activities that aim to recruit, deploy, and motivate teachers. Examples of activities coded are: Teacher Salary Payment Systems, Teacher Recruitment and Deployment, provision of benefits (or stipends) to community teachers, teachers' unions and professional associations, other types of incentives for teachers (e.g. housing assistance). Note: When activities are specific to female teachers or administrators, they are coded as gender equality; Teacher Management Information Systems are coded under EMIS.
	Teacher training This theme includes activities that aim to train, mentor, or build capacity of teachers. Examples of sub-themes coded under this category are: Pre-service training, in service training, restructuring of teacher training systems, Mentoring/Shadowing/Coaching, teacher accreditation and certification, teacher education, development of teacher training framework, training on specific theme/methodology, infrastructure and equipment for teacher training, distance learning for teachers. Note: When training activities are specific to female teachers, these are coded as gender equality; teacher training for target groups are coded under the relevant target group (e.g. training of adult literacy teachers).
	Standards, Curriculum, and Learning Materials This theme includes activities that relate to the content delivered in educational institutions including learning standards, curriculum, textbooks, and other teaching/learning materials. Types of activities coded are: development of new learning standards, curriculum and/or textbooks, strengthening/revision of learning standards/curriculum and textbooks, provision and distribution of teaching/learning materials. Note: provision of teaching and learning materials for target groups should be coded under the relevant target group (for example 'production of special needs literacy and numeracy materials' is coded under 'support children with disabilities and special needs').
GPE STRATEGIC GOAL: LEARNING	**Learning Assessment Systems** This theme includes activities that strengthen countries, teachers, and schools' abilities to collect and use information on student learning through assessments such as: international student assessments (PISA, TIMSS, PIRLS), regional student assessments (PASEC, WAEC, LLECE, SACMEQ), national student assessments (including Early Grade Reading Assessments and Early Grade Mathematics Assessments), classroom assessments and examinations, school-based evaluations, formative assessment, and continuous assessment, Learning Management Information Systems. Note: activities aiming at aiming at improving data collection and information of the whole education system should be coded under EMIS, the data collection focused specifically on learning outcomes should be coded under learning assessment systems.

[103] This codebook shows the types of activities coded under each theme discussed in the coding chapter. Thematic categories have been harmonized with those found in the latest world bank theme taxonomy for most categories. Some categories not found in the WB taxonomy are specific to GPE's focus on equity.

	Use of ICT in learning This theme includes activities related to the use of information and communication technology in learning, such as: use of technologies in/outside the classroom (e.g. Provision of laptops to learners; Access to e-learning materials for teachers; equipping computer labs); use of mobile phones for education, digitization of a curriculum. Note: activities with use of technologies meant for project administration or management should be coded under systems strengthening at the central level, e.g. the provision of computers to the project coordination unit.
GPE STRATEGIC GOAL: EQUITY	**Education Facilities and Infrastructure** This theme includes the construction or rehabilitation of educational institutions and relevant infrastructure: construction/rehabilitation/expansion of schools and/or classrooms, construction of libraries and resources centers, housing/ boarding/transportation facilities for teachers and students, facilities for education administration, school maintenance programs, water and sanitation construction. Note: The construction of education facilities for general education purposes is coded under this category; on the other hand, constructions of facilities for a specific purpose is coded under the other relevant theme. For example, construction of teacher training institutes is coded under teacher training. Exceptionally, school facilities that are specifically gender responsive are also coded under gender equality.
	Gender Equality This theme was used for various initiatives and programs aiming to improve the participation of girls in education. Such activities would be: recruitment of female teachers, awareness campaigns/advocacy to sensitize communities about the importance of schooling for girls, other targeted programs including focus groups in communities to better understand what prevents girls' retention in school etc. It also included projects that had an integrated approach to gender equality (e.g. promotion of gender-sensitive education).
	Cash Transfers and other targeted incentives for students This category includes activities such as compensation of families of working children for the opportunity costs of sending their children to primary school, conditional cash for the poorest families to ensure their children enroll and remain in school, stipends and scholarships for disadvantaged students, tuition waivers, other targeted incentives Note: cash transfers and incentives to schools are coded as School Grants, cash transfers and incentives to girls are coded as gender equality.
	Access to Education for Out-Of-School Children This theme applies to initiatives specifically targeted for out-of-school children, including non-formal education systems and interventions for refugees and displaced children. Non-formal education activities such as use of radio or television for educational programs, utilization of mosques in support of education at the local level are also coded in this category. Note: in some cases, non-formal education programs are also open for adults; in those cases, adult training is also coded.

	Adult Learning This theme includes initiatives aimed at improving adult literacy/learning. Note: in some cases, adult training is done through non-formal education programs which are also open to out-of-school children; in those cases, both themes are coded.
	Well-being Programs This theme applies to nutrition and health interventions (including hygiene programs and psychological health) integrated in the projects to improve school participation. Examples of such activities are: school feeding, deworming, vision screening/glasses, hand-washing, etc... Note: sanitation and water construction goes under education facilities.
	Support to children with disabilities/special needs This theme applies to activities that specifically aim to support children with disabilities and special needs. The type of special needs covered typically include enrollment of seeing and hearing impaired, support for students with poor vision and hearing, hearing aid for hearing impaired; it also includes policy or research initiatives such as the mapping of children with disabilities. Note: activities such as training of teachers in special education are coded here.
GPE STRATEGIC GOAL: SYSTEM	**Systems[104] strengthening at the Central level (regardless of government level, unless specific to a particular level)** This theme applies to all the broad activities that go into the Planning, Monitoring, and Evaluation of the grant at the centralized level of government (Ministry of Education). It also includes Education Sector Policy Planning and M&E, Education Research & Policy (e.g. policy research, impact studies, etc.), ICT strategy and policy (e.g. ICT for monitoring, national ICT strategy, etc.), and other types of capacity building activities (e.g. leadership training and incentives for program managers). Note: use of EMIS in strategic planning and decision making is coded as Education Management Information Systems (EMIS); if the policy activity is immediately connected to a different category that exists in this codebook, it should be coded under the relevant category. For example, a school mapping study to identify areas where children with disabilities need support would be coded under "Support to children with disabilities/special needs."
	Systems strengthening at the decentralized level This theme is about strengthening the capacity of managing education policies by different actors at the regional or sub-regional level depending on the country structure (federal vs. non-federal state; provinces vs regions, including municipalities, communities etc.). It has the sub-categories: decentralization-general and decentralization-school grants. ***Decentralization - General*** focuses on institutional strengthening at the regional level (e.g. enhancing leadership and management capabilities of regional education officers). ***Decentralization - School Grants*** focuses on direct grants to schools. Note: school grants are not currently not coded under systems strengthening at the school level because this code emphasizes management and capacity building activities at the school level; however, we recognize the strong overlap between these two categories which can potentially be merged in the future.

[104] There is inevitable overlap across all the system themes but these distinct themes were still created to capture the types of activities emphasized at different levels of the education system administration.

	Systems strengthening at the school level This theme is about strengthening the capacity of managing schools by different actors, such as communities, inspectors, teachers, parents, head teachers, quality assurance officers; It was applied for activities such as: school supervisory visits/monitoring, leadership building at the school level, school management committees, training of school directors, academic leadership of school principals, implementation and monitoring of effective School Development Plan (SDP). Note: same notes as in above two categories.
	Education Management Information Systems (EMIS) EMIS is understood as a system of people, technology, models, methods, processes, procedures, rules and regulations that function together to provide education leaders, decision-makers and managers at all levels with a comprehensive and integrated set of relevant, reliable, unambiguous and timely data and information to support them in fulfilling their responsibilities. This theme includes activities such as: the **s**trengthening of data production capacity (data collection, validation processing, reporting and analysis), the development, enhancement, institutionalization of information management systems (e.g. Education Management Information Systems; Teacher Information Management Systems; Geographical information systems); it also includes technical assistance/capacity building for use of EMIS (e.g. training staff to use EMIS) and the use of EMIS in strategic planning and decision making. Note: Learning Management Information Systems are coded under Learning Assessment Systems; Teacher Management Systems and Human Resources Information Systems are coded here.

Top 10 Thematic Activities in FY17 Active ESPIGs Coded

	Thematic activities	Strategic Goal	Number of ESPIGs
1	Systems strengthening: at the Central level	System	41
2	Teacher training	Learning	40
3	Standards/Curriculum/Learning Materials	Learning	35
4	Education Management Information Systems	System	33
5	Education Facilities and infrastructure	Equity	30
6	Gender equality	Equity	30
7	Learning assessment systems	Learning	29
8	Systems strengthening: at the school level	System	29
9	Teacher management	Learning	26
10	Systems strengthening: at the decentralized level	System	25

ANNEX 7-C: THEMATIC ACTIVITIES BY STRATEGIC GOAL, BY COUNTRY/FEDERAL STATE

Learning

Countries	FCAC Status	Teacher Management	Teacher training	Standards, Curriculum and Learning Materials	Learning assessment systems	Use of ICT in learning
Benin		√	√	√	√	
Burundi	FCAC		√	√		
Cambodia			√	√	√	
Cameroon		√	√	√	√	
Central African Republic	FCAC	√	√	√	√	
Comoros	FCAC		√	√	√	
Cote D'Ivoire	FCAC	√	√	√	√	
Djibouti	FCAC		√		√	
Eritrea	FCAC	√	√	√	√	
Gambia	FCAC	√	√	√	√	√
Guinea		√	√	√	√	
Guinea Bissau	FCAC	√	√	√	√	
Guyana			√	√		
Haiti	FCAC		√		√	
Kenya		√	√	√	√	
Kyrgyz Republic			√	√		
LAO PDR		√	√	√	√	
Madagascar	FCAC	√	√	√		
Malawi			√			
Mali	FCAC	√	√	√		
Mauritania			√	√	√	
Nicaragua			√	√		√
Niger			√	√	√	
Nigeria	FCAC		√	√	√	
OECS			√	√	√	
Pakistan (Balochistan)	FCAC	√	√	√	√	
Pakistan (Sindh)	FCAC	√				
Senegal			√	√	√	√
Sierra Leone	FCAC	√	√	√	√	

Somaliland	FCAC	√	√			
Somaliland (accelerated funding)	FCAC	√	√	√		
Somalia (Federal Government)	FCAC	√	√			
South Sudan	FCAC	√	√	√	√	
Sudan	FCAC	√	√	√	√	
Tajikistan		√	√	√		
Tanzania (Mainland)		√	√	√	√	√
Togo	FCAC	√	√	√	√	
Uganda	FCAC	√	√	√	√	
Uzbekistan			√	√	√	√
Yemen	FCAC	√	√	√	√	
Zimbabwe	FCAC	√	√	√	√	

Equity

Countries	FCAC Status	Education Facilities and Infrastructure	Gender Equality	Cash Transfers and other Targeted Incentives for Students	Access to Education for Out of School Children	Adult Learning	Well Being Programs	Support to Children with Disabilities and Special Needs
Benin		√	√				√	
Burundi	FCAC	√			√			
Cambodia		√	√	√	√		√	√
Cameroon			√	√				
Central African Republic	FCAC	√		√	√			
Comoros	FCAC	√	√					√
Côte D'Ivoire	FCAC	√	√				√	
Djibouti	FCAC	√	√					√
Eritrea	FCAC	√	√		√	√	√	√
Gambia	FCAC	√			√			
Guinea		√	√		√	√	√	
Guinea Bissau	FCAC	√	√					
Guyana					√			

Haiti	FCAC			√			√	
Kenya			√					
Kyrgyz Republic		√						√
LAO PDR			√					
Madagascar	FCAC	√					√	
Malawi	FCAC	√	√					
Mali	FCAC	√	√		√		√	
Mauritania			√					
Nicaragua		√	√					
Niger		√	√				√	√
Nigeria	FCAC		√		√			
OECS			√					
Pakistan (Balochistan)	FCAC	√	√		√			
Pakistan (Sindh)	FCAC		√					
Senegal		√			√			
Sierra Leone	FCAC		√					
Somaliland	FCAC	√	√					
Somaliland (accelerated funding)	FCAC	√			√		√	
Somalia (Federal Government)	FCAC	√	√					
South Sudan	FCAC	√	√		√	√		
Sudan	FCAC	√	√					
Tajikistan		√	√					√
Tanzania (Mainland)			√		√		√	√
Togo	FCAC	√	√			√		
Uganda	FCAC	√	√		√			√
Uzbekistan		√						
Yemen	FCAC	√	√		√	√		
Zimbabwe	FCAC	√			√		√	√

System

Countries	FCAC Status	Systems Strengthening: at Central Level	Systems Strengthening: at Decentralized Level	Systems Strengthening: at School Level	Education Management Information Systems
Benin		√	√	√	√
Burundi	FCAC	√			√
Cambodia		√	√	√	√
Cameroon		√			√
Central African Republic	FCAC	√		√	√
Comoros	FCAC	√			√
Côte d'Ivoire	FCAC	√	√	√	√
Djibouti	FCAC	√		√	
Eritrea	FCAC	√		√	√
Gambia	FCAC	√	√		√
Guinea		√	√	√	√
Guinea Bissau	FCAC	√	√		√
Guyana		√		√	
Haiti	FCAC	√	√		
Kenya		√	√	√	√
Kyrgyz Republic		√			
LAO PDR		√	√	√	√
Madagascar	FCAC	√	√	√	√
Malawi	FCAC	√	√	√	√
Mali	FCAC	√	√	√	√
Mauritania		√			√
Nicaragua		√			
Niger		√	√		√
Nigeria	FCAC	√	√	√	√
OECS		√		√	
Pakistan (Balochistan)	FCAC	√		√	√
Pakistan (Sindh)	FCAC	√			√

Senegal		√	√	√	√
Sierra Leone	FCAC	√	√	√	√
Somaliland	FCAC	√	√	√	√
Somaliland AF	FCAC	√		√	
Somalia (Federal Government)	FCAC	√	√	√	√
South Sudan	FCAC	√		√	
Sudan	FCAC	√	√	√	√
Tajikistan		√	√	√	√
Tanzania (Mainland)		√	√	√	√
Togo	FCAC	√	√	√	√
Uganda	FCAC	√	√	√	√
Uzbekistan		√			√
Yemen	FCAC	√	√	√	√
Zimbabwe	FCAC	√	√	√	√

A Brief Note on Methodology

Sub-sectoral and thematic categories were developed, building upon the OECD/DAC definitions for education Official Development Assistance (ODA)[105] and the World Bank taxonomy. Adjustments were made to the coding schema based on the pilot coding exercise conducted during FY16 and internal consultations with GPE staff working on specific thematic areas. Using an iterative process of coding, planned activities were clustered into above themes which are linked to GPE's Strategic Goals (Learning, Equity, System). In terms of quality assurance, project documents have been coded by two different team members and spot checked by a senior team member. Coding essentially consisted of reading through each project document[106] for specific activities that will be financed and tagging the relevant excerpts to the corresponding themes in the software used[107]. All the coding was done manually (i.e. line by line reading of relevant sections of the project document). Sections of project documents providing background information such as country context were not coded. Once the coding was completed in Nvivo, coding results were extracted from Nvivo as excel sheets and further organized and analyzed in Excel. Although the current approach has improved last year's exercise, some limitations remain. ESPIGs have different grant agents, and each uses its own grant proposal document format. They provide different levels of granularity about grant components; therefore, the quality of the coding is contingent upon the quality of project documents. Along the same lines, the availability of details on financial figures varies from one project document to the next; therefore, the coding cannot currently track such figures across the portfolio systematically. Finally, documents for sector-pooled grants have been coded but not included in this portfolio because they require a different analytical approach.

[105] See http://www.oecd.org/dac/stats/education.htm for further information on OECD coding.

[106] the data was extracted purely by coding project appraisal documents. Therefore, any changes due to restructuring are not reflected. Because financial figures are not tracked, changes based on restructuring usually does not affect the results of the coding by sub-sector or thematic activity.

[107] An Nvivo database was created to conduct the coding exercise during FY17. Nvivo is a software that allows for systematic organization of large amount of textual data.

ANNEX 8: LIST OF VARIABLE TRANCHE INDICATORS PER EQUITY, EFFICIENCY AND LEARNING

A: Equity Indicators

Country	Indicator
Mozambique	Number of districts with PTR (pupil-teacher ratio) above 80.
Nepal	Targeted interventions implemented in 10 *most disadvantaged* districts according to the newly developed equity index.
	Out-of-school children (OOSC) reduced by 20% in these 10 districts.
Rwanda	Pre-primary gross enrolment rate (GER) increased from an average of 10% in 2014 to 17% by 2017 in the 22 poorest performing districts (defined as those that had GER of less than 17% in 2014).
Malawi	10% increase in female-to-male teacher ratio in Grades 6-8 in eight *most disadvantaged* districts.
Democratic Republic of Congo	Inclusion of 1,600 previously unpaid primary school teachers on government payroll in the *poorest provinces* (in order to reduce *the poorest* households out-of-pocket for education).
	Percentage of pupils required to pay for SERNIE[108] and Minerval[109] is less than 5% in 2017–18.
	Percentage of pupils required to pay for TENAFEP[110] fees is less than 5% in 2019.
	Household out-of-pocket fees for education have been reduced by 10%, on average, and by 20% for households from the *poorest quintile.*
Ethiopia	Addressing the gender balance in school leadership by increasing the number of trained female primary school principals.
	Encouraging more inclusive learning environments by increasing the School Grant allocation to support special needs.

B: Efficiency Indicators

Country	Indicator
Malawi	Reduction in repetition rate in Grades 1-4 in 8 most disadvantaged districts through the development and institutionalization of a national implementation strategy on repetition.
Mozambique	Number of primary school managers who participated in management training.
	Percent of trained school managers (year n-1) evaluated based on performance (year n).
Rwanda	Education statistics 2016, disaggregated at district level available by March 2017.
Democratic Republic of Congo	Study on operationalization of the education and training sector strategy to fight dropout disseminated and implementation of some strategies to fight dropout start to roll out.
	Reduction of dropout rate at the end of Grade 1 in low-efficiency provinces by 25% (by the end of second year of implementation).
Nepal	Single-subject certification implemented in school leaving certificate (SLC) examinations and approved for higher secondary examinations.
Ethiopia	Reducing Grade 1dropout rates in the region with highest Grade 1 drop-out rate.

[108] Service National de l'Identification des Élèves [National Service for Student Identification].
[109] A monthly payment of 4,500 francs (US$5) per child to cover the cost of incentives for teachers, a school uniform and learning materials.
[110] Test National de Fin d'Études Primaires [National Elementary Completion Exam].

C: Learning Outcome Indicators

Country	Indicator
Malawi	20% reduction in pupil-qualified teacher ratio (PqTR) in Grades 1 and 2 in eight most disadvantaged districts.
Mozambique	Number of teachers that have participated in the new in-service training program that focuses on applying adequate teaching methodologies in the classroom to enable children to learn to read, write and speak Portuguese.
Rwanda	National sample-based assessment of learning outcomes in literacy and numeracy at P2 and P5, conducted in 2016 and used to inform teaching and learning.[111]
The Democratic Republic of Congo	Improvement of Grade 2 and 4 students' test scores in reading, in French and in national languages, as measured by standardized learning assessments carried out by teachers and supervised by the parental committee.
Nepal	Standardized classroom-based EGRA for Grades 2 and 3 are conducted with parent observation, and results are shared and discussed with parents in 3,000 schools/communities.
Ethiopia	Reducing the proportion of low performing primary schools (Level 1 in inspection standards) in the region with highest share of these schools.
	Improving the learning environment of O-classes (pre-primary class) in two emerging regions by increasing the capacity of O-class facilitators to deliver an early childhood education curriculum package.

[111] This is the original indicator. The revised indicator suggests to measure literacy and numeracy at P 2(or 3) and P6.

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