



BOD/2018/04 DOC 04
Board of Directors
Decision via Affirmative Vote
April 30, 2018

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

For Decision

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

1. STRATEGIC PURPOSE

1.1. The purpose of this paper is to request the Board to approve an allocation for an education sector program implementation grant (ESPIG) to Chad, as recommended by the Grants and Performance Committee (GPC) following its discussion of the grant application during its April 10-12, 2018 meeting.

2. RECOMMENDED DECISION

2.1 The GPC recommends the Board approve the following decision:

BOD/2018/05-XX–Approval of Allocation for an Education Sector Program Implementation Grant to Chad: The Board of Directors with respect to the application submitted in the first round of 2018:

1. Notes compliance with the requirements for accessing the fixed part of the maximum country allocation, as described in the application and summarized and assessed in Annex 2 to BOD/2018/04 DOC 04.
2. Notes compliance with the incentives for accessing the variable part of the maximum country allocation and approves the indicators on Equity, Efficiency, and Learning and their means of verification, as described in the application and assessed in Annex 2 to BOD/2018/04 DOC 04.
3. Approves an allocation from GPE trust funds for an Education Sector Program Implementation Grant (ESPIG), as described in the application submitted and summarized in Table 1 in BOD/2018/05-XX 3 (c), subject to:
 - a. Availability of funds.

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

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

Chad		
a.	Maximum Country Allocation	27,844,830
b.	Allocation Requested (100%)	27,844,830 ¹
c.	Fixed Part Requested	19,490,830
d.	Variable Part Requested	8,354,000
e.	Allocation Recommended by GPC	27,844,830
f.	Grant Agent	UNICEF and UNESCO
g.	Agency Fee % - Amount	7.3% - 2,034,445 ²
h.	Period	3 years and 1 month
i.	Expected Start Date	June 1, 2018
j.	Variable Part Disbursement Modality	Ex-Post
k.	Funding Source	GPE Fund

4. Requests the Secretariat to:
- a. Include in its notification to Chad, the relevant grant agent and coordinating agency, for distribution to the local education group (LEG) of the approval of the allocation and the expected timeframe for signing of the Grant Agreement and grant effectiveness, as applicable, the conditions, requests for report-back, and observations on the program as recommended by the GPC and set out in Annex 1 to BOD/2018/04 DOC 04.
 - b. Include an update on the issues listed as “conditions” and “report back” in the annual Portfolio Review in accordance with the specified timeline.

3. BACKGROUND

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

¹ Includes US\$1,392,250 for the cost of the grant agent to perform its roles and responsibilities (formerly supervision fees). Per decision BOD/2015/10-02 supervision fees are funded from the maximum country allocation effective from the second funding round of 2016.

² The agency fee for UNICEF is US\$1,436,375; the agency fee for UNESCO is US\$598,070.

3.2 Prior to the discussion, the following conflict of interest was disclosed:

- Atif Rafique, UNICEF, as representative of the co-grant agent for the proposed program.

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

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

4. **PLEASE CONTACT** Margarita Focas Licht (mlicht@globalpartnership.org) for further information.

5. ANNEXES

5.1 This paper includes the following annexes:

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

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

- Chad ESPIG Application Package (GPC/2018/04 DOC 11)

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

Chad	
Observations	<p>The Committee appreciated the quality of the program that is proposed in a context as difficult as in Chad.</p> <p>The Committee noted that for some of the results framework indicators, it is not clear if the indicator is for national coverage or specific to program implementation areas, in particular with regard to school infrastructure.</p> <p>Given the broader context in the country and the issue of gender-based violence, the Committee recommends attention to safeguarding this issue.</p> <p>The Committee also noted the pragmatic approach used in planning interventions that are likely to be implemented within a three-year timeframe, while it encourages the government and its partners to consider extending implementation to four years.</p> <p>The Committee reiterated concerns regarding the continued use of a dual grant agent mechanism. The Committee recommends that strong links are maintained between UNESCO and UNICEF and urges heightened coordination. It requests that the Secretariat provides close oversight of this arrangement and update the Committee if it appears that the dual grant agent arrangement is ineffective.</p>
Report-Backs	<p>The Committee recognized a degree of uncertainty in projecting the share of public sector education expenditures based on data from previous years. The Committee requests the government, through the local education group (LEG), to report back annually on the share of domestic financing that goes to the education sector.</p> <p>Given the timing of grant approval, the Committee requests the government, through the LEG, to submit an updated annual implementation schedule of the annual PREAT implementation plan based on the current timing.</p> <p>The Committee requests the government, through the LEG, to report back annually on the number of schools that have been reopened as a result of the transitional plan's (PIET) support to rural education. The Committee further recognizes that it is important to maintain minimum support and ensure that teachers are in rural schools, through payment of subsidies.</p> <p>While recognizing progress made in the preparation and quality of annual joint sector reviews (JSRs) over the previous years, the Committee also recognized that there are opportunities to improve the timing of the reviews and the reporting on sector performance. The Committee requests to be kept informed on the scheduling of JSRs for the duration of the grant period and to receive confirmation that they have taken place. The Committee recommends further strengthening technical and financial reporting in the annual sector plan implementation report and include the GPE-supported program and other donor programs in the reporting going forward.</p>

	The Committee commended Chad's plan to conduct a full sector analysis, and notes that an application for an Education Sector Plan Development Grant will be submitted for this exercise. The Committee encourages the country to subsequently strengthen its education sector plan through improved data and analysis and report-back to the Committee on this.
Conditions	N/A

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

Quality Assurance Review – Phase 3

Proposed GPE grant amount: US\$27.844 million
Fixed part: US\$19.491 million, of which US\$1.392 million for Grant Agent's Implementation Support Costs;
Variable part: US\$8.353 million
Implementation period: 3 years, 1 month
Projected implementation start date: June 1, 2018
Grant Agents: UNICEF and UNESCO

1. BACKGROUND AND EDUCATION SECTOR OVERVIEW

1.1 COUNTRY BACKGROUND

After a period of economic growth, Chad has been in a deep financial crisis since world oil prices dropped in 2014. Chad relied heavily on its earnings from oil exports and had to cut back government spending significantly at a time when debt service requirements were becoming much more pressing. The financial crisis was compounded by the arrival of refugees, returnees and displaced persons fleeing the insecurity caused by jihadist activities in northeastern Nigeria and neighboring countries. After previously taking in people fleeing conflicts in Darfur and Central Africa, Chad now hosts some 700,000 people who have fled from their homes. Chad still figures on the Harmonized List of Fragile Situations, with an average of 2.99 (compared to 2.75 for Afghanistan and 3.19 for Myanmar). Chad is considered to be the most vulnerable country in the world with regard to climate change, with the desert advancing and Lake Chad shrinking and even disappearing. Chad is very diverse in terms of languages, religions and cultures. The adult literacy rate stood at 40 percent in 2015.

Important background information: The country's financial crisis remains very serious and, coupled with the ongoing conflicts in the region, the contextual risks as well as sector risks are elevated. Episodic public sector strikes remain a distinct possibility.

Republic of Chad	
Population	14.5 million (2016, Program Document)
Human Development Index Ranking	183rd of 186 countries (2016, Program Document)
GDP	US\$9.601 million (2016, World Bank)
GDP per capita	US\$664 (2016, Program Document)
World Bank Income Classification Level	Low income country (2018, World Bank)

1.2 EDUCATION SECTOR OVERVIEW

Chad's education sector has just completed a transition period between the Interim Strategy for Education and Literacy (SIPEA), which was initially planned to run from 2013 to 2015 and was officially extended until the end of 2016, and Chad's Interim Education Plan (PIET), which was validated in September 2017 to cover the period from 2018 to 2020. There were proposals in 2016 to develop a ten-year plan covering the period from 2017 to 2026, but this objective was not fulfilled. The main reason was that the financial crisis was so severe that it was impossible to develop a viable funding model that was consistent with education data. More specifically, the most recent education data available in 2016 were from the 2013-2014 school year, before the financial crisis. Building a ten-year emergence plan based on data from before the crisis turned out to be technically unworkable. Instead, a new approach and a new transitional plan were adopted that place greater emphasis on the resilience of the education sector and other issues. This is Chad's Interim Education Plan, developed in 2017 and based on the data from the 2015-2016 school year, which reflects the impact of the financial crisis. According to the data from the Ministry of Education's Education Monitoring and Information System (EMIS), 2,300 schools were shut down after subsidy payments to community teachers were suspended in 2014.

1.2.1 Learning outcomes:

Chad's math and reading scores are lower than those of the other countries in the sub-region. The Program for Analysis of Education Systems (PASEC) found that a total of 15.7 percent of sixth year pupils had attained sufficient competency for reading and 19.1 percent for mathematics in 2014, compared to averages of 28.6 percent for reading and 52.9 percent for mathematics in the group of 10 participating Francophone countries in sub-Saharan Africa. The findings of the 2004 and 2010 PASEC surveys are not comparable to the 2014 survey because of methodological changes.

Severe disruption of the school system and the school year following the suspension of government subsidy payments for community teachers in 2014, combined with multiple strikes by civil service teachers, are likely to have a negative impact on the findings of the upcoming 2019 PASEC survey. However, urban schools will be more heavily represented in the 2019 survey sample, given the large number of rural school closures. This means that the sample may contain a much greater number of pupils attending schools where the faculty consists mainly of civil service teachers, who are under-represented in rural schools.

Several factors contribute to Chad's poor learning outcomes. Such factors include the lack of textbooks, the poor use made of existing textbooks, reliance on teacher-centered instruction and rote learning. Rural children may have greater difficulty making the transition to the teaching language (often French) because they are less familiar with it than urban children. In the wake of Chad's financial crisis, no budgets were provided for teacher support services, and local-level services in general. This means that the vast majority of rural schools are no longer visited by teaching consultants or school inspectors.

There is very little pre-primary education in Chad. The enrollment rate in 2016 was 2.8 percent (PIET, p. 15) and proportion of public pre-primary education is only 18.0 percent (PIET, p. 15).

1.2.2 Equity³:

According to the GPE Secretariat's database, the primary completion rate rose from 20.1 percent in 1999 to 38.1 percent in 2013. In other words, this rate increased by 1.3 percentage points per year over the period. This rate falls far short of the target that the GPE recommends for fragile countries, which is 70.6 percent. The average primary completion rate for the countries of sub-Saharan Africa is 69.5 percent. The gender parity index for the primary completion rate increased from 0.39 in 1999 to 0.64 in 2013, showing a significant decrease in the disparity. However, it should be noted that the gender gap is still very wide, falling far short of the GPE's threshold of 0.88 and the average for sub-Saharan Africa, standing at 0.93.

The lower secondary completion rate rose from 8.8 percent in 2000 to 17.5 percent in 2013, falling short of the threshold of 42.7 percent set by the GPE and the average of 41.4 percent for sub-Saharan Africa. The gender parity index rose from 0.27 in 2000 to 0.42 in 2013, and Chad falls far short of the GPE threshold of 0.88.

The disparity between urban and rural schools still plays a major role in the underperformance of the sector. Several vectors of the rural/urban disparity within the school system during the period of increasing access to education in Chad were (i) the clustering of civil service teachers in urban areas; (ii) the large proportion of schools that do not offer the full primary cycle and, a fact that is less well documented in the transitional plan; (iii) such schools do not rotate their grades. In other words, in other countries with large numbers of schools that do not offer the full primary cycle, such schools teach successive grades from one year to the next, whereas, in Chad, such schools generally teach the same grades year after year. For example, a school offering the first two grades will continue to offer the same two grades each year, which means pupils cannot complete their primary education.

1.2.3 Efficiency:

According to the Secretariat's database, the internal efficiency coefficient of primary education stood at 0.41 in 2012, falling far short of the GPE threshold of 0.70. This coefficient looks at the number of years of schooling necessary for a pupil to complete primary education and it factors in the repetition and dropout rates. R2 tracks the correlation between the allocation of teachers and the number of primary pupils. It stood at 0.69 in 2012, which is below the GPE threshold of 0.80. The student-teacher ratio posted a positive trend between 2003 and 2013, falling from 72.1 to 62.4. However the ratio of students to trained teachers worsened significantly, rising from 89.6 to 96.1 between 2009 and 2016. The GPE threshold for this ratio is 40.0.

It is important to note that the handful of positive data and trends in 2012 and 2013 are not likely to continue during the current financial crisis. The Government's decision to prioritize hiring some 4,000 civil service teachers in 2013, in addition to the planned hiring under the transitional plan of

³ The Secretariat's presentation of the different dimensions of sector performance includes information about the thresholds set out in the GPE Results Framework.

the day, meant that there were not enough funds to pay community teachers, despite the fact that the unit cost of subsidy payments to a community teacher was approximately 1.79 times per capita GDP, versus 8.5 times per capita GDP for a civil service teacher. In other words, civil service teachers cost five times more (PIET simulation, 2013).

1.2.4 Monitoring of Sector Performance:

Chad organizes annual joint sector reviews, but the reviews for 2016 and 2017 were repeatedly postponed. A draft of the annual report on implementation of the sector plan was produced in advance of the review and covers changes in key sector indicators. However, this report does not contain all of the information on implementation of activities under the plan of action for the previous year. Consequently, it may take a long time to produce the final report.

The Local Education Group in Chad is operating fairly smoothly, but there are relatively few development partners even though the needs of the education system are so great. The Local Education Group is chaired by the Secretary General of the Ministry of Education and the Lead Donor is Swiss Cooperation. The Group's members include representatives of trade unions, civil society, donors, such as Agence Française du Développement (AFD), the Islamic Development Bank (IsDB), the World Bank, and United Nations bodies, including the World Food Program (WFP), the United Nations Children's Fund (UNICEF), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the United Nations High Commissioner for Refugees (UNHCR).

2. FIXED PART REQUIREMENTS

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

Chad's Interim Education Plan (PIET) was validated by the Cabinet on September 5, 2017 and then endorsed by the members of the Local Education Group two days later. The plan was developed in accordance with the GPE-IIEP Guidelines following the completion of the Education Country Status Report (CSR) in 2014. The plan comes with a costed Three-Year Action Plan for 2018 to 2020, which was drafted in accordance with GPE Guidelines.

The development partners and GPE Secretariat received drafts of both plans in July 2017 and their comments were incorporated into the finalized plan. The external appraisal took place in August 2017. It found that the preparation process was transparent and collaborative and that the Government had led the process. It also found that the plan clearly set out the strategies, objectives, activities and outcomes, and that it was based on systemic analysis.

However, the external appraisal also found that the priorities for the sector should be specified, that the number of activities under each strategic thrust should be reduced and that a logical results framework should be developed. The appraisal report pointed out that the Interim Education Plan included a significant number of activities without funding sources and/or a clear chain of accountability. More specifically, the appraisal report recommended completing work on the costed Three-Year Action Plan, developing a capacity-building plan and finding funding for

the activities under the Plan that are still unfunded. The findings of the external appraisal were submitted to the Local Education Group.

The Plan was revised to incorporate most of the recommendations in the external appraisal report. The Secretariat's analysis of the final version of the Interim Education Plan found that the Plan met all of the five basic standards for a transitional plan. Nevertheless, the Secretariat urged Chad to refine the strategies set out in the Plan during implementation.

The results framework of the Interim Education Plan was incorporated into the document after the external appraisal. Therefore, it was included in the documents validated by the Government and endorsed by the development partners. However, it should be noted that the quality of the results framework could have been improved significantly if it had been available at a much earlier stage of the process.

Conclusion: The Secretariat deems that Requirement 1 has been met. However, it recommends further work to improve the prioritization of strategies during implementation of the Transitional Plan.

2.2 **Requirement 2:** Evidence of commitment to the Education Sector Plan or the Transitional Education Plan and its financing.

The commitment to increase the share of the national budget gradually to 20 percent is part of the Interim Education Plan, which states that Chad will maintain education's share of recurrent budget expenditure, excluding debt, at approximately 20 percent in the medium term, varying from 20.9 percent in 2015 to 18.8 percent in 2018 and 20.2 percent in 2020.⁴

With regard to the share of recurrent expenditure allocated to primary education, universal primary education has not yet been achieved. The primary completion rate stood at 45.5 percent in 2016 and 2017. The Interim Education Plan shows the share of recurrent expenditure allocated to primary education rising from 43.9 percent in 2013 to 49.9 percent in 2017 and 53.7 percent in 2020. The increase in primary education's share can be attributed in part to the Government's coverage of payments to community teachers.

After the Transitional Education Plan was endorsed, a Medium-Term Expenditure Framework (MTEF) was finalized and published in 2017. According to this document, education's share of the Government's recurrent expenditure varies from 18.8 percent in 2017 to 20.9 percent in 2018 and will stand at 21.0 percent in 2019. Primary education's share of the education budget, according to the Medium-Term Expenditure Framework, will vary from 52.0 percent in 2017 to 42.9 percent in 2018, and stand at 54.8 percent in 2019. It should be remembered that Chad is in the midst of an extreme financial crisis and that it has encountered major difficulties in finalizing its Medium-Term Expenditure Frameworks in a timely manner in recent years.

⁴ Chad submitted the Requirement Matrix in October 2016 for the first time for the purpose of a grant application in February 2017. This means that the recently adopted methodology for monitoring domestic funding, which includes capital expenditure, is not used in this application. Under the new methodology, education's share of public expenditure would be 22.3 percent in 2015, 24.2 percent in 2018 and 18.3 percent in 2020.

The costed Three-Year Action Plan specifies the external funding sources. This Plan is much more comprehensive than the Transitional Education Plan, with a final total of 15 outside funding sources, including three bilateral agencies, three UN agencies, five multilateral agencies and international non-governmental organizations (NGOs). The amount for activities still seeking funding is equivalent to 7 percent of the amount of outside funding in hand (including GPE grants). The GPE grants include a total of CFAF15,535 million (approximately US\$27.85 million) that has been attributed to the costed Three-Year Action Plan, which is 80 percent of the indicative allocation announced in 2015. It should be remembered that 20 percent of the amount had been allocated to Chad to fund an emergency project (accelerated grant process) in the Lake Chad region, which took in people fleeing conflicts in neighboring countries.

Conclusion: The Secretariat deems that Requirement 2 has been met. However, given the volatility of funding for the sector, the Secretariat recommends that the Grants and Performance Committee request a report back from the Local Education Group on the share of the national budget allocated to education and the share of the education budget that is allocated to primary education annually.

2.3 Requirement 3: Availability of Data

The Education Sector Analysis was conducted in 2013 and 2014 using data from 2012 and 2013. The analysis covered issues relating to curricula, internal efficiency, out-of-school children, external efficiency, costs and funding, management, quality, equity, disparities, early childhood, risks and vulnerability and school buildings. The diagnostic analysis addresses the issues of equity and vulnerability, along with other recommended topics. Since the Education Sector Analysis was conducted, Chad has suffered a severe financial crisis stemming from its heavy reliance on the price of oil, which plunged in 2014. Chad figures on the Harmonized List of Fragile Situations. A fresh Education Sector Analysis is planned prior to the preparation of a ten-year strategy for 2021 to 2030. Under the requirements of the GPE funding model, countries that have not conducted an Education Sector Analysis in the three years prior to submitting the application may be eligible if they commit to conduct an analysis during the implementation period of the Transitional Education Plan.

The Education Monitoring and Information System is operational, but there have been some delays. The 2015–2016 data were finalized and published in early 2017. The most recent household survey was the DHS-MICS and the Household Consumption and Informal Sector Survey in Chad (ECOSIT) at the end of 2017.

The UNESCO Institute of Statistics (UIS) published the sector data for Chad for the 2009–2011 period. Primary education data have been published for the 2012–2014 period, whereas the 2014–2015 data have been sent in, but not yet published. The UIS has published the 2012–2013 data on eight of the twelve basic indicators monitored by GPE, and the 2013–2014 data on nine of the indicators. Even though this is an improvement, the GPE's minimum threshold for meeting this sub-indicator is ten of the twelve indicators, or else the country must have implemented a strategy to strengthen the Education Monitoring and Information System, including improvements to data collection, processing and publication. Chad's Interim Education Plan includes measures to improve the performance of the Education Monitoring and Information System, but Chad should

be encouraged to refine this strategy, as is it currently described in the Plan. More specifically, processing of the data on secondary education and sector financing should also be improved. The program proposed for the GPE grant also includes measures to strengthen the Education Monitoring and Information System and promote its decentralization.

The costed Three-Year Action Plan calls for the GPE grant to cover deployment of a learning outcome monitoring system in 2018 to 2020. Chad participated in the 2004, 2009 and 2014 PASEC surveys. A new survey is planned for 2019, funded by GPE.

Conclusion: The Local Education Group deems that Requirement 3 is met within the context of a Transitional Education Plan developed during a severe financial crisis. The Secretariat adheres to the findings of the GPE at the country level.

3. ESPIG

3.1 PAST ESPIG PERFORMANCE, IF APPLICABLE

Chad received a GPE grant of US\$47.2 million in November 2012. Two grant agents, UNICEF and UNESCO were designated to manage the grant as part of the Revitalizing Basic Education in Chad Project (PREBAT). The program aimed to (i) strengthen primary education supply and demand by building classrooms and providing school meals in remote areas; (ii) improve the quality of primary education by providing teaching materials and strengthening preliminary teacher training and continuing training; (iii) improve non-formal teaching programs and adult literacy training; and (iv) improve education management through activities to strengthen capacities at the central and local levels with a view to education system management, and by developing a new ten-year education sector plan. The results of the program that ended in June 2017 include the construction of 1,210 classrooms, training for professional credentials for 8,771 community teachers, literacy training for 32,751 adults, including 27,763 women.

The original plan was for the program to be implemented over 36 months, but two applications for extensions were made. The first extension application was for twelve months and the second was for six months. The actual end date was June 30, 2017, 54 months after the original start date. The main factors for the extension were (i) an approximately five-month delay in renegotiating the funds transfer agreements with the two grant agents; (ii) delays with the program launch and the community-based construction program; (iii) delays in organizing adult literacy activities. The Secretariat also found some shortcomings in the coordination of the annual reports submitted to it, and in the information on the activities funded by the program presented in the Government's annual reports on implementation of the transitional education plan. During the last year of implementation, the Secretariat found a management problem in the preparation of an extension application. The Secretariat provided support for the grant agents while seeking an appropriate solution. As a general rule, the Secretariat recommended that the Local Education Group discuss the lessons learned and incorporate them into the preparations for the next phase of support from the GPE in Chad.

In addition to this program, Chad received an accelerated grant equivalent to 20 percent of the new grant announced in 2015. This grant came to US\$6.955 million and UNICEF was the grant agent. The grant was used for the Emergency Project for Basic Education in Chad (PUEBT) with the objective of helping people in the Lake Chad area affected by crises in neighboring countries and an inflow of refugees, returnees and displaced persons. This project was approved in February 2016 with a twelve-month implementation period. An application for an extension of slightly less than five months was made. The main lesson learned from this experience is how important it is for the grant agent to differentiate between activities that can start immediately and activities that require preliminary work at the time the application is submitted.

3.2 ESPIG DESCRIPTION

The Project to Strengthen Education in Chad (PREAT) is an emanation of Chad's Interim Education Plan that contributes to the Government's efforts to preserve and broaden access to primary education, improve completion rates and increase literacy rates. This Project aims to strengthen basic education in Chad in the context of fragility that requires preservation of the education supply and support for strengthening the quality of education and management of the system. As was the case for the previous program, UNICEF and UNESCO were chosen to be the GPE grant agents after a transparent and inclusive selection process.

Component 1 aims to improve access to primary education by improving primary school infrastructure. Chad has some 40,000 classrooms, of which 23,247 (58 percent) have been built with non-durable materials (mud, straw, or open-air classrooms). Consequently, there is a huge need to improve and expand primary school infrastructure. The project will contribute to the construction of 180 classrooms in areas with the worst school infrastructure, equip 30 schools with water supplies, latrines, whiteboards, slates and teacher chairs in order to promote a more equitable distribution of resources, mitigate regional disparities and cope with climate risks and disasters more effectively. In addition, this component also has the objective of providing primary school teachers with employment contracts and subsidy payments in order to improve teachers' credentials, relieve parents and communities of the excessive burden of funding education, and rationalize teacher management with a contractual and regulatory approach.

Component 2 aims to improve supervision and teaching conditions by providing reading, math and science textbooks, slates and teacher's guides for primary education. The Project grant will be prioritized for purchasing textbooks for each grade in turn. Grades 1 and 2 will receive two textbooks (reading and math) and Grades 3 to 6 will receive three textbooks (reading, math and science). Component 2 also seeks to improve continuing education for teachers and supervisors in the primary education sector through a continuing education plan, and improve the learning outcome assessment system by introducing a national learning outcome assessment system for the formal and non-formal education sectors.

The objective of Component 3 is to improve the availability and quality of non-formal literacy training and basic education by increasing access for adults aged 15 or older to literacy programs, developing quality education and empowerment and facilitating the social, educational and occupational reintegration of out-of-school children aged 9 to 14.

Component 4 aims to improve system management capacities by strengthening oversight and management capacities. This will be achieved by designing and implementing a training plan for key players at the Ministry of Education and by supporting the Interim Education Plan management and oversight structure and supporting the strategic departments involved in implementing the Project. This Component also has the objective of drafting and institutionalizing the school-zone map for basic education and for conceiving and implementing the school-zone map, modernizing and strengthening the Education Monitoring and Information System and experimenting with its decentralization in ten regions.

Table A: ESPIG Components and Costs⁵

* Include Grant Agent's direct costs, such as Program Management, Administrative and other direct implementation costs.

		Fixed part		Variable part		Total	
Total MCA: US\$27,844,830							
Program Component		Amount	%	Amount	%	Amount	%
1	Improved access to primary education	8,564,749		3,132,711		11,697,459	
1.1	Improved primary school infrastructure	2,570,760	13.2%	3,132,711	37.5%	5,703,470	20.5%
1.2	Contracts and subsidy payments for primary school teachers	5,993,989	30.8%	-	0.0%	5,993,989	21.5%
2	Improved supervision and teaching conditions	5,818,518		2,743,577		8,562,095	
2.1	Provision of primary school textbooks	4,070,761	20.9%	2,507,314	30.0%	6,578,075	23.6%
2.2	Improved continuing education for teachers and supervisors	656,005	3.4%	223,526	2.7%	879,531	3.2%
2.3	Improved learning outcome assessment system	1,091,752	5.6%	12,738	0.2%	1,104,490	4.0%
3	Improved availability and quality of literacy training and non-formal basic education	2,311,823		1,345,010		3,656,833	
3.1	Improved availability and quality of literacy training and non-formal basic education	1,506,794	7.7%	928,845	11.1%	2,435,639	8.7%

⁵ The budget presented here is for an amount that is smaller than the amount in the application form. The discrepancy is US\$70 and is probably due to rounding differences. The appropriation announced in May 2015 came to US\$37,800,000, whereas the PUEBT grant (accelerated funding for emergency and early recovery) came to US\$6,955,170, and the remainder came to US\$27,844,830, which is US\$70 less than the detailed budget submitted.

3.2	Improved availability and quality of non-formal basic education	805,029	4.1%	416,165	5.0%	1,221,194	4.4%
4	Improved system management capacity	1,403,520		1,132,702		2,536,222	
4.1	Strengthened oversight and management capacity	567,044	2.9%	441,663	5.3%	1,008,707	3.6%
4.2	Improved and strengthened information system	836,477	4.3%	691,039	8.3%	1,527,515	5.5%
Grant Agent's Implementation Support Costs*		1,392,219		-	0.0%	1,392,219	
	of which UNICEF	961,774	4.9%		0.0%	961,774	3.5%
	of which UNESCO	430,445	2.2%		0.0%	430,445	1.5%
	TOTAL	19,490,830	100.0%	8,354,000	100.0%	27,844,830	100.0%
Agency Fees**		1,424,094		610,351		2,034,445	
	of which UNICEF	994,219		442,155		1,436,375	
	of which UNESCO	429,875		168,196		598,070	

** Agency Fee is not included in the Maximum Country Allocation and is calculated as a percentage rate (agreed with each Grant Agent) from the Total Fixed Part and Total Variable Part.

Disbursement of the Variable Part depends on achieving the targets set for the three dimensions of the GPE funding model. The distribution is shown in the table below:

Variable Part by Dimension		
A	Equity	3,342,000 40%
B	Efficiency	2,506,000 30%
C	Learning outcomes	2,506,000 30%
	Total	8,354,000 100%

The program budget channels all of the fixed and variable funding into implementation of the activities under the different components and sub-components. If some of the variable part targets are not achieved, the program will have to be revised. In the event of a partial disbursement, two types of measures could be considered: (i) cancellation, and (ii) reduction of the projected quantities. Generally speaking such a reduction corresponds to the last year of implementation. In the first case, the three surveys planned to support institutional reforms under Sub-Component 4.1. would be cancelled. In the second case, the activities in the last year of the program would be cancelled or cut back. The Program Document specifies that construction of a total of 100 classrooms, 200 latrines and 7 water standpipes would be cancelled. Other items that would be

cut back or cancelled in the last year of the program include (i) textbooks, (ii) continuing education for teachers and supervisors, (iii) literacy training and non-formal basic education, (iv) capacity strengthening for Ministry of Education staff, (v) support for the Education Monitoring and Information System and the school-zone map.

3.3 ASSESSMENT OF THE PROGRAM DOCUMENT

The Project to Strengthen Education in Chad (PREAT) was designed to help a school system that is in a very precarious state, where the risk of total collapse cannot be ruled out. This project, even though it proposes capacity-strengthening measures for both teachers and administrators, aims to work in concert with other partners to make the education system more resilient so that it can continue to operate to some degree through the current crisis. The Project also contributes to implementation of some precursors to the development of the ten-year plan for the period from 2021 to 2030.

The main recommendations made by the Secretariat during the first and second phases of the Quality Assurance Review of the Fixed Part were to (i) ensure better alignment of the national sector monitoring system, ensuring in particular that the project implementation reports are properly coordinated with the Government's annual report on the implementation of the Education Sector Plan, (ii) discuss the opportunities arising during implementation of the PREAT to lay the groundwork for improved alignment with national systems as part of the ten-year plan, which is supposed to come after implementation of Chad's Interim Education Plan, (iii) provide more information in the program document about consultations on preparations for the program, (iv) submit a detailed program budget, and (v) specify the role of the two Grant Agents more explicitly.

The final version of the program document addresses most of the Secretariat's recommendations. The detailed budget also includes the program management costs, broken down by category of expenditure. The Secretariat found that inconsistencies between the Government's report on implementation of the Education Sector Plan and the documentation produced by the project were not addressed in the documentation submitted.

The Secretariat's evaluation of the proposed program highlighted the following points vis-à-vis the Quality Standards used:

Program Design: The program aims to remedy the challenges identified in the Education Sector Plan and in the Education Country Status Report (CSR). Each of PREAT's components and activities addresses Chad's most urgent needs by aiming both to ensure basic education and to meet the need to strengthen monitoring and evaluation capacities at every level. Furthermore, the project implementation arrangements are based on experience with previous ESPIGs in order to improve the quality of interventions. The program also has a logical and evidence-based results chain between interventions, outputs and outcomes. The activities under Component 1 improve the learning environment, success and equity in primary education. The same is true of the activities under Components 2, 3 and 4, which will improve the quality of education and learning outcomes (Component 2), reintegration of out-of-school children into the education system (Component 3) and improve monitoring and management of activities (Component 4). Finally, the GPE's strategic goals and objectives are adequately reflected since Components 1 and 3 address

equity, and Components 1 and 2 address learning outcomes. Even though the Project Development Objective does not explicitly mention efficiency as a goal, it is addressed by the activities aimed at improving access and learning outcomes, which will have a considerable impact on repetition and dropout rates.

Program Budget: The program budget is justified and the program document includes a detailed annual budget broken down by component, sub-component and activity. Furthermore, an annual budget for the fixed and variable parts and for the Grant Agents' costs has also been provided. The detailed budget also provides information about the annual execution timetable.

Monitoring and Evaluation: The program incorporates a monitoring and evaluation framework. However, the Program Document states that a more comprehensive monitoring framework with monitoring indicators and identification of the authorities accountable will be developed later in the procedural manual. The proposed monitoring and evaluation measures are aligned with the monitoring of Chad's Interim Education Plan. They include education sector reviews and independent audits. The key program monitoring and evaluation measures include a technical coordination unit established by the Ministry of Education that is fully dedicated to monitoring and evaluating Chad's Interim Education Plan, joint responsibility of UNICEF and the Ministry for monitoring the program as a whole and joint responsibility of the Ministry and UNESCO for executing and monitoring the activities. The Results Framework is robust and covers all interventions. The program provides a Results Framework with intermediate outputs and outcome indicators.

Implementation Arrangements and Readiness: The selection process for the Grant Agent for the new program in Chad started at the end of 2015, before the current GPE process was published. The Local Education Group followed the recommended process of the time and adapted it as far as possible to incorporate the new steps set out in the more detailed process published in February 2016. The Secretariat deems that the process was transparent, inclusive and properly coordinated. The Development Partner Group proposed appointing two Grant Agents (UNICEF and UNESCO) in May 2016, and the Government confirmed this decision in September 2016. The Secretariat expressed reservations about the need to have two Grant Agents, in view of the "Delivering As One" commitment made by United Nations agencies. After the Government decided to stop work on a ten-year education plan in 2016 and focus instead on a Transitional Education Plan, in view of Chad's worsening financial situation, the Secretariat recommended that the Local Education Group should discuss its choice of Grant Agents to confirm that it was in keeping with the new direction taken by sector planning. This process was completed in May 2017 and the previous designation of the two Grant Agents was upheld. The Secretariat also noted that UNESCO has strengthened its program support system at its Chad office following discussions about management problems with the previous program.

The implementation arrangements for the new program have been set out in detail with regard to accountability at the highest level. However, the same degree of detail has not been provided for each of the program activities. The Program Document states that this information will be provided later, in the Interim Education Plan procedural manual. The program is ready for implementation and the Technical Coordination Unit's priority should be to draft the procedural manual in order to

start the activities as soon as possible. The manual will be the guide for each phase of the program.

Risk Identification and Mitigation Measures: The Program Document provides a detailed and comprehensive analysis of the risks and identifies mitigation strategies. The risks are divided into two categories: External risks related to social, economic and sector issues and risks linked to implementation of the program. The main mitigation measures are: greater involvement of all players at all levels, strengthening of the Education Monitoring and Information System, following best practices and arrangements from the previous ESPIG and using the Grant Agents' fiduciary arrangements when necessary.

Sustainability: The program has been designed for sustainability: it is aligned with Chad's Interim Education Plan and ensures continuity with the previous ESPIG, while still addressing the system's current priorities (infrastructures, teacher's compensation), and the determination to instill a monitoring and evaluation culture in the education system. Furthermore, the Program Document is designed to increase sustainability by reducing costs. It achieves this by building on the lessons learned from the previous ESPIG.

Aid Effectiveness: The aid effectiveness standard has been met and the management arrangements for the program are considered appropriate to Chad's fragile situation. The program meets the main criteria of aid effectiveness. It is aligned with Chad's Interim Education Plan and its costed Three-Year Action Plans. The program incorporates expanded consultation with and support from the Local Education Group. The Ministry of Education's weak fiduciary capacities mean that the domestic procedures for cash management, procurement, auditing and accounting are not used (Section IV.9 of the ESPIG application). The two Grant Agents will support and build the Ministry's capacities at every level of implementation of the Project to Strengthen Education in Chad. The new Technical Coordination Unit (CTC) will help make the Ministry more self-sufficient for monitoring and evaluation.

4. VARIABLE PART

4.1 Description of the Variable Part

The Grant Application specifies that Variable Part disbursements triggered by achieving the targets will be used to fund the activities of the various program components, especially those in the third year of implementation.

The application presents the following indicators for the three Variable Part dimensions:

- **Equity:** Reducing the disparity indicator relating to the distribution of trained and paid teachers between urban and rural areas
- **Efficiency:** Improving the survival rate in the final grade of primary education
- **Learning Outcomes:** Establishment and start-up of a national learning outcome assessment system and conducting the first assessment

The Equity indicator is calculated using published data from the Education Monitoring and Information System. It is the average of two different disparity indicators; the first is based on compensation and the second on training. In the current education system, the percentage of urban teachers paid by the Government is three times greater than it is for teachers in rural areas. The percentage of urban teachers with the minimum teacher training required is nearly twice as large as the percentage of “trained” rural teachers. The average of these two indicators stood at 271 percent in 2016 and the target for 2019 is 230 percent. The main measures under the Interim Education Plan that will affect this indicator are (i) the subsidy payments for community teachers, who are currently paid solely by parents; (ii) employment contracts for community teachers, instead of hiring civil servants; and (iii) in-service training for under-qualified teachers, particularly in rural areas.

The efficiency indicator target is to bring the sixth-year survival rate up from 28.4 percent in 2015 to 31 percent in 2018. The Program Document notes four strategies under the Interim Education Plan that contribute to achieving this target. They are (i) reducing repetition rates by eliminating repetitions within the three sub-cycles of the primary cycle, (ii) improving learning conditions with the provision of textbooks and a reduction of the student-teacher ratio, (iii) reducing reliance on community funding of the school system by having the Government gradually start covering the payroll, and (iv) reducing the proportion of schools that do not offer the full primary cycle.

The proposed learning outcome indicator has two targets; the first is to establish the government body that will be responsible for learning outcome assessments in 2019 and the second is for this body to conduct the first assessment in 2020. The Program Document states that the 2014 PASEC survey found that fewer than 20 percent of the pupils in the primary cycle had attained “sufficient skills” in mathematics and reading at the end of the cycle, whereas the average for the ten participating French-speaking African countries was higher than 40 percent in both subjects.

4.2 Assessment of the Variable Part

The indicators chosen for the Variable Part are sector aligned and national in scope. The means of verification for two of the indicators are based in part on data from the Education Monitoring and Information System. However, it should be noted that the three indicators are not included in the Results Framework for the Interim Education Plan. This problem arose because the Results Framework for the Interim Education Plan were incorporated in the draft sector plan after the external appraisal and the potential shortcomings were not noted in the comments from the Grant Agents and/or independent appraisers. This Results Framework is very sparse, with only two quantifiable indicators for primary education, for example. It cannot be used to identify indicators that could meet the recommended criteria for the Variable Part. Specific information about alignment with the Transitional Education Plan is addressed in the discussion of each indicator that follows.

EQUITY: The proposed indicator tracks the strategies set out in the Interim Education Plan to improve the distribution of trained and paid teachers throughout the country. None of the indicators in the Results Framework for this Plan could meet the basic criteria for an equity indicator. The targets could realistically be achieved, if the measures in the Interim Education Plan are actually implemented. The Government’s choice under the previous transitional plan in

opting for more costly solutions to hire a smaller number of teachers made a major contribution to the measure taken one year later to suspend subsidy payments for community teachers, which was followed by a massive wave of rural school closures. Under the Interim Education Plan, such a change would halt the disbursement of a large amount of the Variable Part. This is a testing ground for the GPE funding model. Some of the aims could be achieved by providing employment contracts for teachers that are jointly financed by the partners, but the distribution of trained teachers between urban and rural schools will be much more difficult to improve without rigorous application of the planned measures. The Secretariat finds that the indicator is indeed transformational and relevant. During the Secretariat's Quality Assurance Review, Chad was encouraged to add a means of independent verification and this recommendation has been addressed in the final draft of the Program Document.

EFFICIENCY: The proposed indicator is the survival rate. This is similar to the primary completion rate chosen as an indicator for the Interim Education Plan. The latter indicator was not chosen for a number of reasons, but the main one was that it depends on demographic data for the denominator, which could give rise to problems with accuracy and/or validity. The Interim Education Plan also includes a repetition rate for lower secondary education, but the recent closure of more than two thousand schools has led to a circumstantial drop in the repetition rate that does not reflect improved internal efficiency in the medium term. However, the survival rate uses data from the Education Monitoring and Information System for the denominator. This means that when closed schools reopen, there should be less of a circumstantial fluctuation in the medium term.

The Secretariat deems that the indicator is relevant and transformational. However, notwithstanding the sector alignment analysis below, disruption caused by the financial crisis cannot be completely ruled out insofar as it is impossible at this point to foresee major exogenous events that could have an impact on the education system. More specifically, there is still a risk of a "lost school year." These circumstantial factors mean that achieving even "modest" aims is by no means guaranteed.

LEARNING OUTCOMES: The Results Framework does not include an indicator on the quality of learning outcomes. This justifies the choice of an indicator that is not in the Results Framework. The two proposed indicators track the processes leading to a situation where the learning outcome assessment by the new body created under the Interim Education Plan will make data available to inform decision making. However, given the three-year implementation period, the time needed to (i) establish this body and strengthen the capacities to make it operational, and (ii) to have this body conduct its first assessment, makes it impossible to have a result indicator at this point.

The documents submitted give an idea of the transformational nature of the measures under consideration, since the learning outcome issues, causes and potential solutions are not clearly understood. For example, we can identify, as in the case of the Interim Education Plan, shortcomings relating to the quality of inputs (textbooks, teacher training, teaching equipment, etc.), but if the sector oversight bodies do not have sufficiently clear information about the relationship between the measures taken and impacts/effects on learning outcomes, it is very

difficult to ensure that limited resources are directed to the measures that have the most impact. The inclusion of the first assessment and the publication of its findings is a concrete expression of the transformational nature of a transitional education plan.

More information about the analysis of the Variable Part indicators relating to six criteria can be found in Annex 3.

5. RECOMMENDATIONS⁶

The Secretariat recommends the Grants and Performance Committee to consider that the three funding model requirements are met. However, given Chad's unstable financial situation, the Secretariat recommends that the Local Education Group should be asked to produce an annual report on education expenditure, including primary education expenditure. This report could be done at the time of the Joint Sector Review.

The Secretariat finds the proposed program to be relevant in the country context and well aligned to Chad's transitional plan. **However, the Secretariat recommends** that the Grant Agents should undertake to provide the information required by the sector technical team that produces the annual report on implementation of the sector plan and that this information should be provided in a timely manner and in the requested format.

The Secretariat deems that the arrangements made by UNESCO to strengthen management capacity in Chad are sufficient and that, given the nature of the proposed activities, the proposed new program should be able to meet the implementation schedule presented.

The Variable Part indicators aimed at improving the distribution of teachers, increasing the primary survival rate and implementing a learning outcome assessment system constitute a considerable advance for the sector and their transformational nature is clear. However, the Secretariat has a reservation about meeting the Variable Part targets for efficiency insofar as disruptions in the education sector have resulted in complex fluctuations in sector data. Risk management measures for the indicators for the other two dimensions, (Equity, Learning Outcomes) seem to be fairly well thought out, even in a context of fragility. The calculation of the Equity indicator relies primarily on information from the Education Monitoring and Information System. In view of the complexity of the calculations, **the Secretariat recommends** that the Grant Agent should be encouraged to conduct an independent verification of the baseline and the methodology for calculating the indicator in the first year of the program and then monitor changes annually.

In conclusion, the Secretariat recommends that the program be approved.

⁶ These recommendations were adjusted by the GPC. The final recommendations are found in Board Document BOD/2018/04 DOC 04 Annex 1.

Attachment 1: Major Interventions of Development Partners

Donor name	Major interventions	Amount in US\$
AFD	Agence Française du Développement supports Chad's basic education and vocational training with a focus on access, equity, quality, relevance of learning outcomes, governance and performance through such activities as support for upgrading school infrastructure, learning outcome assessment, rehabilitation/renovation and equipping vocational training centers and continuing education for teachers.	11,809,090
Saudi Arabia	Saudi Arabia has undertaken to improve access and equity in teaching and vocational training with the construction of two vocational training centers and the construction and equipping of two technical and vocational training schools.	10,363,636
AfDB	The African Development Bank supports access and equity in adult literacy training and non-formal basic education as well as higher education through the construction and upgrading of public higher education institutions' facilities and infrastructures.	8,752,727
BADEA	The Arab Bank for Economic Development in Africa supports access and equity in higher education through the construction and upgrading of public higher education institutions' facilities and infrastructures.	12,350,909
IsDB	The Islamic Development Bank focuses on bilingualism and carries out activities such as implementation of the project to support bilingualism and promote English in higher education, as well as the drafting and dissemination of the National Strategy Document on Implementing Bilingualism.	54,420,000
WB	The World Bank supports the quality and relevance of learning outcomes in basic education by providing employment contracts for qualified teachers and by identifying and subsidizing payment of community teachers.	50,420,000
DDC/FORMI	DDC/FORMI works on vocational education and training in Chad with support for the quality and relevance of learning outcomes and by strengthening the teaching capacities of teachers and specialized trainers.	4,385,454
DDC/ProQEB	DDC/ProQAB supports the quality and relevance of learning outcomes in basic education by supporting Primary Education and Adult Literacy Training/Non-Formal Basic Education.	9,396,363
WFP	The World Food Program focuses on access and equity in basic education with a priority on school feeding programs in its interventions to support school meals.	60,227,272
UNESCO	UNESCO is active in many areas in Chad. It supports the quality and relevance of learning outcomes in basic education by producing an implementation guide for the new curricula. It supports access and equity in education	1,541,818

	and vocational training through measures to benefit the handicapped. It also supports the quality and relevance of such training with curriculum reviews, dissemination of programs and guides, capacity strengthening for career counselors, teaching advisors and inspectors, and provision of EdTech equipment for schools. UNESCO's interventions for adult literacy and non-formal basic education aim to improve access and equity, including the development of the policy on publishing in national languages, as well as improving quality and relevance through the development of teaching materials for adult literacy training and non-formal education. UNESCO supports the quality and relevance of higher education with the implementation of a Quality Assurance approach. UNESCO also provides support for governance and performance through an expenditure and service delivery tracking system.	
UNICEF/ECW	UNICEF and Education Cannot Wait focus on preventing risks, conflicts and disasters by developing a frame of reference for a prevention and resilience policy for coping with conflicts and/or natural disasters.	13,090,909
World Vision	World Vision supports access and equity in basic education by building, rehabilitating and purchasing facilities and equipment. It also supports the quality and relevance of learning outcomes in basic education through capacity strengthening and the purchase of textbooks. World Vision also works on adult literacy training and non-formal basic education by supporting publishing in national languages.	4,754,545