CEO Report

Board of Directors Meeting
BOD/2015/12 – DOC O7
December 9-10, 2015
Dakar, Senegal
CEO Report

- Update to the Board
  - Building capacity to deliver
  - Ongoing core work
  - Finance and budget
- Priorities over the next 6-12 months
- Stewardship
Building Capacity

- Investing and overseeing funds
- Technical, analytical and review capabilities
- Reporting results
- Leveraging the partnership
- Engaging staff
Strategic Plan clarifies role of grants as a key GPE lever
- Links between 5 different types of grants

Operational Model changes agreed in October and to be actioned in June
- Minimum standards
- Quality assurance
- Conflict resolution mechanism
- Monitoring and evaluation
- Mutual accountability
Investing and Overseeing Funds: 
*Enhanced grant management*

- Dedicated Secretariat cross team function with additional specialized staff

- Strengthened program oversight framework:
  - Operational Risk Framework
  - Review meetings with Grant Agents
  - Standards developed and applied
    - Internal operating procedures for review of progress and audit reports
    - Methodology for tracking progress in disbursement, implementation and results; standard reporting format under development
    - Methodology for tracking progress and verifying payment on variable part indicators
Investing and Overseeing Funds: Results-based funding model

• Grant guidelines, planning & appraisal guidelines and quality assurance process updated.

• Initial lessons learned:
  – Longer program preparation lead time required
  – Clarifications on requirements needed, particularly on sector financing and transitional plans
  – Clearer guidance on indicators needed, balancing flexibility with clarity
  – Need to build common understanding of the catalytic value of the GPE Funding Model
  – Requirements have ‘teeth’ but size of grant affects ability to leverage
  – Choice of variable indicators leveraged results-oriented policy dialogue

• In 2016, applications from 6 countries are expected in round 1; up to 18 in round 2
The effective delivery and efficient use of GPE grants is central to GPE’s Theory of Change.

The Strategic Plan includes a new Strategic Objective # 3 to highlight the impact of GPE grants.

The Results Framework includes new indicators for grant level outputs linked to the strategic goals and objectives.

As part of the Strategic Plan, we will monitor and report on contributions by GPE grants to equity and learning.

In 2016, the Secretariat will adopt a Grant Monitoring Framework and Standard Reporting Template aligned with OECD – DAC.
Building Capacity:  
*Technical, analytical and review capabilities*

- Improved **organizational effectiveness**
  - Strategy and Policy
  - Evaluation and Results
  - Quality Assurance
  - Technical Anchor

- Methodologies, guides and tools **establish and monitor** program **quality**
  - ESP minimum standards
  - Joint Sector Review minimum standards
  - Domestic financing monitoring
  - Country learning assessment systems and countries’ data strategies

- Increased **capacity and consistency** in GPE support to DCPs and cluster thematic experience
Building Capacity: Reporting Results

- December 2015
  - Interim results report
  - Partnership-wide Results Framework Framework approved

- June 2016
  - Report on implementation roadmap
  - Fully costed M&E strategy – FY 17 budget

- December 2016
  - First results report based on new RF
  - Update on implementation plan
Building Capacity: 
*Leveraging the Partnership*

- **DCP engagement is strong**
  - Strategic Plan consultations
  - Pre-Board DCP meetings
  - Funding proposal before the Board

- **CSO engagement is growing**
  - Local engagement in **policy dialogue**
  - Global engagement in advocacy
  - CSEF approved by CGPC in October.

- **Global advocacy**
  - Increased **profile** through Oslo, Addis, UNGA, Financing Commission.
  - Expectation that GPE will **step up** and has a **critical role** to play.

- **Media and Communications**
  - **Award winning website** with country pages and results.
  - Significantly **greater reach** in mainstream and digital media.
Building Capacity: Strengthening staff engagement

• Staff training and advancement
  – FY15 invested $50,221 in staff training. 1 staff promoted.
  – FY16 budget includes $70,000 for staff training and development. 2 staff promoted

• Staff Survey and Follow-up
  – Semi-annual “pulse survey” to gauge staff sentiment and solicit feedback
  – Survey results are presented to staff as a whole as well as team-level results
  – Career development cited as an area for improvement

• Internal team called IMPROV provides a voice of the staff
  – Work-life balance (implemented last month)
  – Empowerment, authority, and delegation (recommendations forthcoming)

• Staff Retreat
  – Two-day staff retreat held annually: Jan 12-13, 2016
  – Reflect on past accomplishments, align around upcoming objectives, and build our organization
Ongoing Core Work:
*GPE manages 88 grants totaling $2,413m*

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<thead>
<tr>
<th>Type</th>
<th>Number</th>
<th>Details</th>
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<tbody>
<tr>
<td>56 ESPIGs</td>
<td>54 active, 2 pending</td>
<td>Allocation value $2,358m, 51 countries</td>
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<tr>
<td>12 ESPDGs</td>
<td></td>
<td>Approved amount $3.53m, 11 countries plus OECS (4 countries)</td>
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<tr>
<td>3 PDGs</td>
<td></td>
<td>Approved amount $0.96m, 2 countries plus OECS (4 countries)</td>
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<tr>
<td>2 CSEF grants</td>
<td></td>
<td>$19.5m, 1 grant agent (UNESCO)</td>
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<tr>
<td>15 GRAs</td>
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<td>$31.1m, 4 grant agents (AFD, UNESCO, UNICEF, World Bank)</td>
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Ongoing Core Work: Portfolio Review 2015 highlights

• Progress towards existing SG’s
  – Investment remains oriented towards access, particularly in fragile states
  – Recent ESPIGS invest in systems

• Grant performance (53 active ESPIGs end FY15)
  – 22.6% delayed in either disbursement or implementation due to procurement issues, capacity gaps, conflict or crisis
  – Six ESPIG revisions and one extension

• In FY15 GPE support contributed to financing
  – 5713 classrooms
  – 12.8 million textbooks and learning materials
  – 146,819 training teachers
Ongoing Core Work: 
*Portfolio Review 2015 highlights*

- GPE provides flexibility to address challenges and optimize program results in fragile and conflict affected states
  - Yemen (UNICEF)
    - 3 million children affected by the conflict. 1.8 million children lost access to education.
    - GPE grant restructured
      - Curriculum development and psychosocial support for children.
  - CAR (UNICEF)
    - 65% schools functioning. 33% attacked, looted or damaged.
    - GPE accelerated funding to support restart of educational activities.
      - Rehabilitation, materials, school feeding and catch-up courses
Ongoing Core Work: Portfolio Review 2015 highlights

• GRAs and CSEF
  – Civil Society Education Fund (CSEF)
    • 54 national coalitions engaged as of December 2014. Grants disbursed to 48 coalitions
  – Global and Regional Activities (GRA)
    • Total expenditures have reached US$11,390,596
    – Improved information on outputs and better linkages to country level grants and processes

• Gender Thematic work
  – Stocktaking study reviewed sector plans of 42 countries
  – Development of guidance document for gender responsive ESPs
Ongoing Core Work: Approvals and Disbursements

- FY15 approvals lower than FY14 ($775.8m vs. $502.6m)
- 12 ESPIG’s expected for FY16. On track.
- 2015 disbursements on track

<table>
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<tr>
<th>2015 Annual Target</th>
<th>US$500m</th>
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<tr>
<td>Year to Date Target (October 2015)</td>
<td>US$417m (US$500m)</td>
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<tr>
<td>Actual Disbursements as of October 2015</td>
<td>US$389m</td>
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<tr>
<td>% of Total Annual Target Achieved</td>
<td>78% (US$ 389m/ US$500m)</td>
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<tr>
<td>Disbursement Rate Year To Date</td>
<td>93% (US$389/US$417)</td>
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<tr>
<td>Disbursement Status as of October 2015</td>
<td>On Track</td>
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Ongoing Core Work:

**ESP analysis, planning, monitoring**

**Analyze**
- **Education Sector Analysis (ESA)**
  - **FY15 Actuals:** Support to 6 ESAs*
  - **FY16 Targets:** Support to 22 ESAs
  - **FY16 Q1 Actuals:** Support to 15 ESAs

* January -end June 2015

**Plan**
- **Education Sector Plans (ESP)**
- **Education Sector Plan Development Grant (ESPDG)**
  - **FY15 Actuals:** 26 ESPs* under preparation with GPE support
  - **FY16 Targets:** Support preparation of 39 ESPs
  - **FY16 Q1 Actuals:** Support preparation of 31 ESPs

- **Education Sector Plan Implementation Grant (ESPIG)**
  - **FY15 Actuals:** 10 ESPIGs approved
  - **FY16 Targets:** Deliver 23 ESPDGs
  - **FY16 Q1 Actuals:** Approved 2 ESPDGs

**Finance**
- **Program Development Grant (PDG)**
  - **FY15 Actuals:** 6 PDG approved
  - **FY16 Targets:** Deliver 12 ESPIGs
  - **FY16 Q1 Actuals:** Approved 0 PDGs

**Monitor**
- **Joint Sector Review (JSR)**
  - **FY15 Actuals:** Secretariat participated in 19 JSRs*
  - **FY16 Goal:** Secretariat participates in 47 JSRs (90% of JSRs in 52 countries organizing reviews)
  - **FY16 Q1 Actuals:** Secretariat participated in 6 JSRs
Finances and Budget:
Matching supply with demand

• Prudent Financial Management requires matching supply with demand

• Since replenishment, tough decisions required to reduce demand to match supply
  – Adverse foreign exchange movements
  – Challenging environment for raising funds

• $563m in prioritization decisions
  – Further $263m proposed

• Limited progress to increase supply

• Risks have not decreased
  – Further adverse FX movements; no viable hedging approaches
  – Impact of the ongoing refugee crisis on the timing and amounts of donor contributions
Finances and Budget: Secretariat budget and headcount

• FY16 budget $20.9m
  – 22% expenditures rate (end Q1)

• 78 full time positions; 73 filled
  – All functional areas now staffed
  – 4 cross-team technical teams established
    • Education in conflict and crisis
    • Equity and inclusion (including gender equity)
    • Teaching and learning
    • Planning, system and finance

• Work plan reviewed monthly by Secretariat management and largely on track
Looking Ahead: 
**Priorities over the next 6 -12 months**

- Complete Operating Model changes and enhanced grant management
- Continue to refine GPE Funding Model roll-out
- Implement the Strategic Plan (i.e. the implementation roadmap)
- Operationalize Results Framework and M&E
  - *December 2015:* Finalize GPE’s Strategic Plan, Theory of Change, and Results Framework 2016-2020
  - *June 2016:* Develop comprehensive and costed M&E strategy
  - *December 2016:* Report on the GPE Results Framework 2016-2020
- Strengthen and diversify finance base
  - Need to revise and update resource mobilization model
  - Explore **opportunities** to secure support from emerging donors, foundations and private sector.
Stewardship: 
*Misuse of Funds*

**Liberia**
- Reported case of misuse of funds of $34,810 involving alleged falsification of deposit slips.
- Investigations launched by Liberian Government and World Bank INT.

**Benin**
- Reported fraudulent activities associated with the school feeding program.
- Amount in question, $51,800, returned to Government.

**Madagascar**
- Investigation related to UNICEF audit findings on 2012 payment of teachers’ salaries.
- $8 million investigated, $37,623 considered ineligible, $1,832,698 passed for further investigation by UNICEF OIAI, $61,818 found to be ineligible.