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 the Federal Government of Somalia, as recommended by the Grants and Performance Committee (GPC) following its discussion of the grant application during its June 26-28, 2018 meeting.

2. **RECOMMENDED DECISION**

2.1. The GPC recommends the Board approve the following decision:

**BOD/2018/08-XX–Approval of Allocation for an Education Sector Program Implementation Grant to the Federal Government of Somalia:** The Board of Directors with respect to the application submitted in the second round of 2018:

1. Notes compliance with the requirements for accessing the maximum country allocation, as described in the application and summarized and assessed in Annex 2 to BOD/2018/07 DOC 01.

2. Approves an allocation from GPE trust funds for an education sector program implementation grant (ESPIG), as described in the application and summarized in Table 1 in BOD/2018/08-XX 2 (c), subject to:
   
   a. Availability of funds.

   b. Board decision BOD/2012/11-04 on commitment of trust funds for ESPIGs in annual installments.

   c. GPC recommendations for funding include (all amounts in US$):
Table 1 Application Summary and GPC Allocation Recommendations for an ESPIG in US$:

<table>
<thead>
<tr>
<th>Federal Government of Somalia</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Maximum Country Allocation</td>
<td>17,900,000</td>
</tr>
<tr>
<td>b. Allocation Requested (100%)</td>
<td>17,900,000</td>
</tr>
<tr>
<td>c. Fixed Part Requested</td>
<td>17,900,000</td>
</tr>
<tr>
<td>d. Variable Part Requested</td>
<td>n/a</td>
</tr>
<tr>
<td>e. Allocation Recommended by GPC</td>
<td>17,900,000</td>
</tr>
<tr>
<td>f. Grant Agent</td>
<td>CARE USA</td>
</tr>
<tr>
<td>g. Agency Fee % - Amount</td>
<td>7% - 1,253,000</td>
</tr>
<tr>
<td>h. Period</td>
<td>3 years</td>
</tr>
<tr>
<td>i. Expected Start Date</td>
<td>September 1, 2018</td>
</tr>
<tr>
<td>j. Variable Part Disbursement Modality</td>
<td>Ex-Ante</td>
</tr>
<tr>
<td>k. Funding Source</td>
<td>GPE Fund</td>
</tr>
</tbody>
</table>

3. Requests the Grant Agent to withhold the transfer of funds to the Federal Government of Somalia until the conditions set out in Annex 1 to BOD/2018/07 DOC 01 have been met.

4. Requests the Secretariat to:
   
   a. Include in its notification to the Federal Government of Somalia, 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 Memorandum of Understanding (MOU) 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/2018/07 DOC 01.
   
   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 the Federal Government of Somalia and discussed whether it met the funding model requirements to access the maximum country allocation (MCA). In accordance with its delegated authority to approve ex-ante approaches for prospective

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1 Includes US$2,864,000 for the cost of the grant agent to perform its roles and responsibilities (formerly supervision fees). Per decision BOD/2015/10-02 supervision fees are funded from the maximum country allocation effective from the second funding round of 2016.
applicants upon request,\textsuperscript{2} the Grants and Performance Committee via non-objection decision in February 2017 approved an ex-ante approach for the Federal Government of Somalia.

3.2 The rationale for approval of the ex-ante approach was based on the government and development partners’ consideration that, although the variable part could boost the implementation of key reforms, given the fragile context including risk of prolonged drought, low availability of funding and the critical educational needs in the short term, the risks related to the variable part were assessed as high relative to the results that could be otherwise achieved through an ex-ante approach. In addition, the Committee noted that the grant program is aligned with the Federal Government of Somalia’s Education Sector Plan, which demonstrates strategies in access, equity and the quality of education, and proposes interventions that will strengthen service delivery and improve sector outcomes. Given the context and the lack of data the efficiency analysis is less strong, however the interventions to support systems building, including through capacity building and putting in place regulatory frameworks, will aid the efficiency of the education system which is being rebuilt.

3.3 Because of the ex-ante approach, the Federal Government of Somalia’s MCA does not include a variable part and the assessment by the GPC was based on whether the country met the fixed part requirements and the quality standards of the proposed program.

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

3.5 The GPC had a substantive discussion regarding the application and found that the Federal Government of Somalia met the requirements with some caveats that need to be addressed by the government prior to the receipt of grant funds from the grant agent.

3.6 The committee acknowledged that the program is well-formulated and that it strikes a good balance between support to service delivery and system strengthening. The committee noted that in line with the ESP objective of expanding the public education system, the program proposes providing extensive support to community schools for their progressive incorporation into the public system. The committee emphasized that rebuilding the public education system is of critical importance, and that apart from the GPE funding, in the context of high level external financing to the sector, progress of rebuilding and strengthening the education system would require improved donor coordination and alignment. From a system building perspective, and in keeping with the GPE agenda of aligning funding with national systems the committee acknowledged the positive progress that has been made to establish a civil servant payment system within the Ministry of Finance. To

\textsuperscript{2} Board decision BOD/2014/05-02 – Operational Framework for Requirements and Incentives
support the further strengthening of the government’s salary payment system, the Committee agreed that salaries linked to the grant should be paid through the Ministry of Finance civil service payment system. Finally, to ensure that GPE’s investment results in higher enrolment and greater equity for out-of-school children, the committee found that the program would benefit from outlining a transparent process and targeting criteria which community education committees (CEC) will use to select school inclusion grants (SIG) recipients.

3.7 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:
- Federal Government of Somalia ESPIG Application Package (GPC/2018/06 DOC 02)
### Federal Government of Somalia

#### Observations

The Committee acknowledges the appropriateness of the proposal for the context and appreciates the alignment of the program to the identified challenges and priorities of the education sector strategic plan (ESSP).

The Committee also appreciates that the program is well designed to enable greater impact towards the achievement of sector results in support of service delivery and further rebuilding of the national education system. The ex-ante program aligns with the GPE funding model aims by sufficiently addressing issues related to equity, learning outcomes and efficiency.

The Committee acknowledges that the establishment of the Feedback and Complaints Response Mechanism (FCRM) is essential for soliciting feedback on program interventions from stakeholders. However, the Committee advises that child protection issues be referred to appropriate child protection specialists.

Recognizing that the private sector can play a critical role in extending public education, the Committee acknowledges the importance of rebuilding and strengthening the regulatory environment for private, community and government schools. It urges the Ministry and partners to undertake an independent process and to apply human rights standards in the development of private school policy.

#### Report-Backs

The Committee appreciates that the Federal Government of Somalia has committed to a growth plan to progressively increase the domestic share of resource allocation to education. The Committee requests an annual report from the Education Sector Committee (ESC) via the coordinating agency (CA) on the level of domestic financing allocated to the sector.

Furthermore, the Committee notes that the feasibility standard of the ESSP has not been met. To aid planning, budgeting and monitoring of the sector, the Committee recommends that the joint sector review annual planning exercise be derived from the ESSP and costed operational plan, while aligned realistically to the annual budget envelope of the Ministry of Education and development partners. The Committee looks forwards to updates on progress through annual joint sector review reports.

The Committee appreciates the high level of external financing to the sector, but is concerned about its fragmentation. The Committee acknowledges the ongoing work to strengthen sector coordination for improved national ownership, alignment, accountability and increased efficiency in support of ESP objectives. In this regard, the Committee also requests an annual report from the joint sector review through the coordinating agency (CA) on the progress made towards improved donor coordination and alignment, and on the progress made collectively toward rebuilding and strengthening the public education system.

#### Conditions

The Committee recognizes that groundwork is required during the first year. Prior to the transfer of grant funds from the grant agent to the government, the Committee requests the following:

1. That the program manual be strengthened by:
(a) providing a detailed roadmap on how activities will be implemented and 
(b) identifying appropriate criteria for the selection of beneficiaries of the 
School Inclusion Grant and articulating appropriate risk mitigation 
measures.

(2) Assurance that the salaries to TTI staff, REOs and QAOs will be paid 
through the Ministry of Finance: The Committee notes the positive steps taken 
to establish a civil service payment system within the Ministry of Finance, and 
emphasizes the importance of aligning the salary payments of the project with 
the ongoing established rates and process of the civil service payment system.

Prior to the disbursement of funds, the grant agent should submit to the 
Secretariat the program manual as well as confirmation that the condition on 
salary payments has been met. The Secretariat will assess the revised program 
manual and confirmation of salary payment mechanism to ensure they are 
satisfactory before authorizing the release of the funds.
ANNEX 2 – SECRETARIAT QUALITY ASSURANCE REVIEW PHASE 3 (FINAL READINESS REVIEW)


Proposed GPE Grant Amount: US$17.9 million
Fixed Part: US$17.9 million, of which US$2.86 million for Grant Agent’s Implementation Support Costs;
Variable Part: None
Implementation period: 3 years
Projected implementation start date: 9/1/2018
Grant Agent: CARE USA

1. BACKGROUND AND EDUCATION SECTOR OVERVIEW

1.1 COUNTRY BACKGROUND

Somalia has made significant progress in recent years towards peace, stability and prosperity. With the February 2017 election of President Mohamed Abdullahi Mohamed, Somalia hopes to consolidate these gains and accelerate progress towards the country’s long-term recovery. The National Development Plan (NDP 2017-2019) articulates that government’s national development priorities. In support of the NDP the New Partnership for Somalia (NPS) sets out how Somalia and the international community will engage with the Government’s leadership to meet national development outcomes through better alignment, coordination and improved transparency of international aid.

Somalia is composed of several administrative regions with varying degrees of autonomy. Somalia is officially divided into eighteen regions. Development across the country has varied due to the fact that the central and southern parts of the country have been affected by intermittent violent conflicts since 1991 while the northern parts have been relatively less impacted. In the northwest, the Republic of Somaliland declared independence in May 1991 and has gradually rebuilt its basic state structures. Puntland was established as a semi-autonomous state in Somalia's northeastern region in August 1998. The state has not sought independence and is still a part of the Federal Government of Somalia (FGS). There are other semi-autonomous regions in the central south such as the Galmudug State, Jubaland State, South-West State, and Hirshabelle State while other regions are in the process of emergence. A federal system is evolving in Somalia, but given the history and post-conflict reconstruction, there is a delicate and at times contested relationship between administrations in Puntland and Somaliland and with Somaliland at the federal level.

Economic development in Somalia, and in particular the FGS, has been slow, and remains fragile due to poor security in the region, poor infrastructure and limited financial resources. Using a poverty index of US$2 per day, the incidence of poverty in Somalia is 82 percent. Approximately half of the FGS population continue to live a form of nomadic/pastoralist or ‘agro-pastoralist’ lifestyle. Displacement remains an additional challenge, with more than 12 percent of the population categorized as IDPs. Nearly 60 percent of Somalia’s population is under the age of 19, owing to which education will play an essential role in continued progress.
1.2 EDUCATION SECTOR OVERVIEW

Progress in restoring the delivery of educational services has differed across regions. In Somaliland and Puntland where there was greater political stability, security, and administrative development, student enrolments have improved substantially over the past two decades. Post-war educational reconstruction has been slow in South Central Somalia and opportunities for public education are limited as most of primary and secondary schools are managed by non-state providers. Education umbrella groups and networks own and operate most of the schools in South Central Somalia. Islamic groups also support community-owned Quranic schools, which are the major source of early childhood development education, offering religious instruction as well as non-formal education at the primary level.

The needs related to education in the FGS are numerous. Challenges confronting the education sector are the direct consequence of protracted emergencies over the past two decades stemming from conflict, drought and flooding. Together the multi-pronged emergencies have had a significant impact on the education systems and on the lives of children and youth. The challenges facing the sector are daunting, including lack of access and widespread inequity. In addition, the education provision is of low quality, mainly due to the high number of unqualified and untrained teachers, multiple curricula, poor education infrastructure and weak capacity for service delivery. Girls and children from poor families face challenges, primarily the affordability of school fees. Children from marginalized groups, including children from nomadic pastoralist communities, internally displaced persons (IDPs), and children affected by armed conflict face additional constraints in accessing education appropriate to their needs.

Notwithstanding the challenging context, there has been tangible progress toward establishing the foundation for state building in the FGS. The FGS government has articulated the National Development Plan (NDP) 2017-2019. Drawing upon a federal model, the central government leads the dialogue with regional states. Progress is also being made in the education sector, and the system is being rebuilt after the loss of most of its infrastructure and human resources. A decentralized education system is currently being operationalized, however, newly formed states, regional and district-level offices have limited technical and financial resources.
Furthermore, improvements in planning is also noteworthy. Through the recently completed ESP, the government has outlined its priorities to increase access to quality education for children and equip youth with the skills and knowledge needed to contribute to the social, political and economic development. Given that the education sector is primarily financed by donor contributions and most of the schools are either community owned or under the management of private-sector umbrellas, the ESP development process was important for building buy-in around a shared agenda for the coming five years (2018-2022).

The context for education is elaborated below in relation to access, equity, learning outcomes and efficiency domains, with the caveat that there is a scarcity of accurate system-level, and trend data and which limits the depth of analysis of sector outcomes.

1.2.1 Learning outcomes:

Recent achievements in support of improved learning outcomes include the development of the first unified curriculum and the implementation of a standardized exam system. Even though a unified national curriculum has been developed, it has not yet been widely adopted, and various curricula and instructional approaches are used by the many privately-owned schools. Minimum standards for learning outcomes for each grade level do not exist yet within the new national curriculum framework. National exams at Grade 8 and Form 4 are conducted, but results are unreliable due to inconsistent participation and application of tests, as well as mismatches between the topics assessed and the curricula applied in schools.

The lack of reliable data on children’s learning outcomes presents a major challenge to assessing the effectiveness of education at primary school level. The ESP seeks to address this gap through the introduction of early grade assessments and low-stakes assessments for monitoring learning outcomes. It also aims to strengthen and unify the examination system across Somalia.

Across Somalia, adapted versions of UWEZO, EGRA and EGMA learning assessments have been conducted by CARE (Puntland, Galmudug and Somaliland), Concern (Banaadir) and Relief International (Banaadir, Galmudug, Puntland and Somaliland). While CARE and Relief International have conducted longitudinal studies with large samples, the results are representative only of the areas targeted by the respective projects and cannot be generalized. Nonetheless, the limited scope of assessments do offer some insights. A small-scale Early Grade Reading Assessment (EGRA) found that 47% of students in Grade 2 were unable to read a single word in Somali in the oral reading sub-test. Assessments in Mogadishu found positive results in the reading levels of children attending Community Education Committees (CEC) run schools. Results reflected significant improvements in scores; students in Grade 2 had a mean score of 42 cwpm in 2015, more than double the 2013 score of 16 cwpm.3 Furthermore, scores grow significantly as students progressed. Grade 4 students’ scores reached a mean of 64 cwpm by 2015, up from 51 cwpm in 2013. Concern attributes these gains to the implementation of foundational literacy teaching methods and materials, rolled out through teacher training and classroom based mentoring.

3 https://www.concern.net/sites/default/files/resource/2017/02/finding_words_.pdf
Assessments and the data they generate on learning outcomes are part of the ESSP’s strategies for strengthening the quality of learning. However, due to the wide variety of curricula, languages of instruction and learning materials, the parameters to assess learning outcomes remain a challenge in the short and medium term.

1.2.2 Equity:

It is estimated that Somalia is home to 3.9M children age 5-14.4 With a gross enrolment rate at primary level estimated at 32 percent, Somalia has one of the lowest enrolment rates in the world. Those who experience the greatest educational inequities in the FGS Central South are nomadic/pastoralist, Internally Displaced Persons (IDPs), females, and those from rural communities and the lower wealth quintiles.

Enrollment rates reflect these inequities, with a GER for nomads/pastoralist at only 3.1 percent for primary education and 0.9 percent for secondary education, compared with 16.6 and 12.0 percent for IDPs, and 32.0 and 15.8 percent on average at national level. It is thus clear that nomads/pastoralist and IDP groups face major challenges related to access. Gender inequality is also an issue, with a GPI of 0.81 at the primary level and a GPI of 0.7 at the secondary level. The ESA notes that out-of-school children and youth are at risk of exploitation, resorting to violence or criminality and recruitment into armed groups like Al-Shabaab.

Using the literacy rate as a proxy for educational attainment, inequities are observed for marginalized groups as well. Urban areas show higher rates at 64.2 percent, while literacy rates are lowest among nomads/pastoralist (12 percent), rural communities (27.5 percent), and IDPs (32 percent). There are also differences across wealth quintiles, with the poorest wealth quintile showing lower rates as compared to the richest wealth quintiles. Within Central South Somalia there are also geographic disparities in educational achievement between states. Several common factors are cited for low survival rates ranging from economic barriers, to participation and difficulty with access to school facilities.

1.2.3 Efficiency:

The internal efficiency analysis is limited as the Ministry has collected data only once across most of the regions, and currently there are no 2-year consecutive data sets. Still, available data show widespread challenges in efficiency, with only 10 percent of the children starting school at the expected age (Education Sector Analysis, 2016), and a survival rate to Grade 5 of only 65 percent in Central South Somalia. Additionally, seasonal absenteeism is extremely high among pastoralists: 48 percent of the girls and 52 percent of the boys miss school during the dry season (SOMGEP Final Evaluation Report, 2017).

Only 21 percent of teachers are qualified in Somalia. Of the qualified teachers, only 38 percent demonstrate appropriate competencies in the classroom. Given the low competencies of teachers it is unsurprising that children at primary level do not acquire basic literacy and numeracy skills. A

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4 UNFPA, Population Estimation Survey, 2014
study conducted in rural areas\textsuperscript{5} indicated that 25 percent of the girls in Grade 3 could not read simple words, while 33 percent could not perform basic addition.\textsuperscript{6}

1.2.4 Monitoring of Sector Performance:

As planned, monitoring and planning of the sector should be undertaken through the Joint Review of the Education Sector (JRES) on an annual basis, however due to security concerns the JRES has not taken place in Mogadishu since 2016. The Ministry is committed to re-establishing the JRES and with the support from partners is planning to hold the JRES in Mogadishu in July 2018.

There are multiple platforms for education sector coordination in the FGS. The main ones are; (i) the NPD Pillar Working Group 7 (PWG) on human development and its related sub-working group on education and youth; (ii) the Education Sector Committee (ESC) and (iii) the Education Cluster which coordinates Education in Emergencies (EiE). Of these, the key coordination mechanism in Somalia is the Education Sector Committee (ESC), which meets regularly in Nairobi, Mogadishu, Somaliland and Puntland. Within each region, the responsibility for coordination lies with the Ministries of Education, supported by one full-time ESC Coordinator for the whole of Somalia.

The ESC in Mogadishu was officially established in November 2012. Many of the most important local stakeholders, including the Education Umbrellas, have been eager to participate in the meetings and to share information on existing and up-coming education initiatives in the region. The Ministry and development partners agree that there is a need to strengthen the ESC. To that end, work is currently underway to assess its functioning and to propose an appropriate institutional structure. In Somalia’s context where there is high and fragmentated development partner support to the sector, this work is particularly critical as it will strengthen the Ministry leadership in coordinating partners through a streamlined mechanism to ensure strengthened sector coordination for improved national ownership, alignment, accountability and increased efficiency in mobilizing capacities for aid coordination in support of ESP objectives.

2. FIXED PART REQUIREMENTS

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

The Federal Government of Somalia’s Ministry of Education, Culture and Higher Education has developed its Education Sector Strategic Plan (2018-2020). The objectives of the ESSP fit well within GPE strategic priorities with respect to access, equity, and learning outcomes. As stipulated by the GPE requirement, the plan was independently appraised in November 2017. The appraisal recommended that the LEG endorse the plan but that some changes be made to improve the overall quality of the Plan and to make its implementation more effective. Following appraisal, the ESP was revised based on partner comments, the Secretariat QAR ESP initial comments and the appraisal

\textsuperscript{5} Covering schools in Puntland, Galmudug and Somaliland.

\textsuperscript{6} Somali Girls Education Promotion Programme – Baseline Study Report (August 2014)
report recommendations. The LEG subsequently reviewed this supplementary work in December 2017 and agreed to endorse the plan on the condition that further work was to be undertaken to develop the multi-year action plan so that it contained detailed costing, activity and output information. The Ministry agreed to elaborate the operational plan, and to submit a revised draft to the LEG and Secretariat based on which the plan was endorsed by partners in April 2018. The Secretariat’s quality standards assessment confirmed that the plan meets six of the seven quality standards. The only standard not met was the feasibility standard as there are challenges with regard to the ambition of the plan relative to the resources available.

Conclusion: The Secretariat deems that Requirement 1 is met.

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

Government financing for education in the FGS was at 4.7 percent of the overall budget (excluding debt service) in 2016 which is significantly lower than the recommended GPE benchmark of 20 percent. However, given the current context in Somalia, it is understandable that the government’s capacity to raise revenue is limited, and that nearly half of the government’s limited resources are allocated to security. Though the funding is low, it is important to note that 49 percent of the resources are budgeted for primary education. It is commendable that the ESSP explicitly outlines its commitment to advocating for more resources to the sector. It is also significant that the Ministry has highlighted the importance of increasing the domestic financing over the next 3 years. The ESP includes a commitment to increasing domestic financing by an additional 3 percentage-points each year from 2018-20, under scenarios 1 and 2 or in case of a short fall by an additional 1.5 percentage-points each year from 2018-20 under scenario 3. The ESP also clearly advocates for the full execution of the budget.

Given the large gap in financing, the education sector will continue to be heavily financed by external resources. External financing will contribute approximately US$ 48.3 million annually in comparison to the Government’s US$ 1.8 million. For this reason, the Ministry has to strengthen its leadership in coordinating partners to ensure that DP funding is used in an efficient manner and with a more direct bearing on the ESSP outcomes. Partners will also need to coordinate more closely with each other so that their combined support balances well with the outcomes of the ESSP.

Conclusion: Given that the FGS has committed to a plan to increase the domestic share of resources to education progressively towards 20 percent, the Secretariat deems that requirement 2 is met.

2.3 Requirement 3: Availability of Data.

The Federal Government of Somalia’s (FGS) Education Sector Analysis (ESA) has been conducted, which can be considered a milestone in such a fragile context. The exercise fills key gaps in data. While the data quality is limited, the analysis can form the basis for decision making in terms of setting the priorities for the ESP. The process has identified several areas of weakness in terms of data for planning, budgeting and monitoring to enable the system to generate data for decision making. For example, the ESA would have been stronger if it had been enriched by trend data of the
various education indicators across at least three years. However, this was not feasible as only Banadir region has data going back three years, while the other regions had data for only the last year when the EMIS was expanded to cover all regions and states.

The current ESSP outlines a strategy to improve EMIS and data collection in the FGS. While there is an existing EMIS, work is underway to strengthen technical capacities of key Ministry staff to improve the current system. While the system is functioning, other considerations including its sustainability need to be considered. With support from the World Bank, the strengthening of the EMIS will enable the collection and reporting of data of the FGS.

A national examination is commissioned by the Ministry each year; however, results are not always available due to weak accountability mechanisms. In the current ESSP, targets were set to research and develop a national examinations policy and framework, based on international standards. Apart from the national examination, the ESP also recognizes the value of monitoring learning outcomes through assessment. In line with the ESP, the proposed program will support the development of minimum learning standards for the national curriculum and pilot and implement a modified version of EGRA/EGMA for a nationally representative assessment of learning outcomes in Somali and mathematics.

Conclusion: The Secretariat deems that Requirement 3 is met given the completion of an Education Sector Analysis, existing strategy to improve the EMIS and data collection in the country, as well as the strategy for learning assessment.

3. ESPIG

3.1 PAST ESPIG PERFORMANCE, IF APPLICABLE

The Global Partnership for Education (GPE) program in FGS was implemented between September 2013 - December 2017. The MCA for FGS was US$8.2 million, of which US$1.2 million was requested by the government and partners as accelerated funding. The accelerated funding included two components: (1) Accelerated teacher training for newly recruited teachers; and (2) Incentive payments for newly recruited teachers. The ESPIG expanded teacher incentives until August 2017 and strengthened institutions at the regional level through construction of Regional Education Offices as well as training of and salary payments to regional education officers. The program included co-financing from DANIDA on the teacher training and incentives components.

The Grant Agent UNICEF encountered several challenges in program implementation. Payments for teacher incentives through local banks were delayed due to a lack of infrastructure to support payments. The rehabilitation of Regional Education Offices was also delayed due to quality and reliability concerns of assessments conducted by the MOECHE. A 12 month no-cost extension from December 2016 to December 2017 was granted due to delays in implementation, so that un-utilized funds could be reprogrammed for other activities. The program also had to deal with frequent shifts in leadership and technical staff at the Ministry of Education as well as attacks on education personnel, both against MOECHE and UNICEF. A further lesson learned was that teacher training needed to be better regulated and standardized with stipulations on the minimum requirements. The
program found that teachers were being trained by different agencies and the length of training/content of training were determined by the agency. Agencies also used different entities like universities, consultants and their own staff to carry out training for teachers.

The proposed program drew lessons from the past implementation experience of the GPE program as well as from other partners programs including the EU and DFID financed operations.

For the present grant application, the Ministry undertook a grant agent selection process, which they sought to align to the GPE guidelines. The selection was endorsed by the ESC with USAID and UNICEF voicing abstentions. Noting that the selection of GAs was based on implementation experience and lower program management costs, the EU, UNICEF, and USAID recommended that the process moves forward with the selected GA.

3.2 ESPIG DESCRIPTION

Component 1: Increased equitable access to quality primary education for out-of-school children (US$4,646,200).

This component will seek to expand equitable access to quality primary education opportunities, which will include both access to fee-charging services and, to a more limited extent, to free education in government schools. This component will address the needs of large numbers of out-of-school children in Somalia, with a focus on children from marginalized groups such as IDPs, urban poor, minority clans and children with disabilities, with a particular emphasis on girls. The program will use existing and emerging evidence to inform the design and management of school inclusion grants to enable schools to enroll out-of-school children. Building on successful work with CECs, the program will expand existing mobilization, training and support packages to communities of schools receiving school inclusion grants. Dialogues between authorities, CECs, elders and religious leaders, at district and local level, will result in actions towards safer schools, boosting enrolment and attendance.

The outcome of this component is to increase equitable access to quality primary education for children in 800 primary schools, which include mixed arrangements in terms of school management by public and private providers. The component consists of three subcomponents: (1) school inclusion grants to create sustainable conditions for the enrolment of 16,000 out-of-school children; (2) mapping and harmonization of Community Education Committees (CECs) training, followed by training to CECs to support children’s enrolment, safety and learning; (3) mobilization of communities and authorities to improve safety and security in schools.

Component 2: Enhanced quality of primary education (US$5,737,520)

The second component focuses on improving learning outcomes by investing in teaching and learning materials for the new curriculum and assessment and laying the foundation for a stronger teacher training system, ensuring the acquisition of foundational skills at the expected level for each grade. The program will purchase and distribute textbooks to all public and community-owned primary schools as part of the roll-out of the new national curriculum. The program will support the development of minimum learning standards for the national curriculum and pilot a modified version of EGRA/EGMA for a nationally representative assessment of learning outcomes in Somali and
The grant will support MoECHE’s efforts to harmonize existing teacher training initiatives in partnership with Member State MoEs, private school networks and development partners. To provide a reliable supply of new primary teachers, the program will establish a two-year national pre-service diploma in primary teaching, including constructing two government teacher training institutes capable of graduating 240 new primary teachers every two years. The component also includes payment of salaries of 14 REOs and 14 QAOs in all three years; and top-up incentives in all three years for 25 staff seconded to the program from the MoECHE and the four Member States.

The sub-components are: (1) monitoring the implementation of the Teacher Education and Management Policy by training providers; (2) establish two national primary teacher training institutes and special education centers to enroll 240 student teachers and 60 children with special needs; (3) distribute 148,584 sets of seven textbooks (total of 1,040,088 copies) and teacher guides aligned with the new National Curriculum; and (4) develop, pilot and implement a modified version of Early Grade Reading Assessment/ Early Grade Maths Assessment (EGRA/EGMA) for nationally-representative assessment of learning outcomes in Somali and mathematics based on new lower primary MLA.

**Component 3: Enhanced capacity at Federal and Member State levels (US$4,150,960)**

The third component of the ESPIG is to strengthen system capacity at the MoECHE and Member State MoEs to regulate, manage and monitor schools, with a focus on: establishing minimum quality standards for service provision; the use of evidence-based approaches; designing simple, user-friendly strategies to increase the adoption of guidelines; building staff capacity to use improved approaches; building synergies with development partners; and support district offices to carry out regular monitoring activities. Efforts under this component will complement existing investments while also addressing strategic gaps. Enhancing government capacity and developing policies to promote and support participatory governance is a key focus area, leveraging the already existing community-led processes to improve system efficiency. In order to ensure the roll-out of school-based interventions, and disseminate and implement new policies, the program will support training for education officials and fund annual school monitoring and support visits, particularly in the most disadvantaged areas. To enable monitoring visits, improve access for poor children and distribute new curriculum resources to non-state schools, the MoECHE, in collaboration with private school representatives and states, will develop and implement a policy for private schools. Education officials will receive targeted professional development in planning, using data, monitoring and financial management, building on existing investments by FGS and development partners. The ESPIG will fund the annual Joint Reviews of the Education Sector (JRES) and a regular forum for knowledge sharing between the GPE-funded programs in FGS, including Somaliland and Puntland. The component includes top-up salary incentives to be paid to 25 key MoECHE and State MoE senior officers from the directorates of Primary Education, Quality Assurance, Teacher Education and Private Schools. Incentives have been budgeted as $250 per month.

The outcome of this component is to enhance capacity at Federal and Member State levels to manage, monitor and regulate the education sector. The component consists of two subcomponents: (1) strengthening of the regulatory environment for private, community and government schools; and (2) improving capacity for planning, budgeting, policy implementation, coordination and progress tracking. Emphasis is placed on policy dissemination, training for effective policy implementation and
regular visits to schools for quality assurance. Cooperation is envisaged between the MoECHE, the Member State MoEs, private school organizations and development partners to harness all key resources and create important synergies. This component will also strengthen linkages between Federal, State-level, regional and district offices and schools, effectively translating policy into practice and contributing to the decentralization process.

**Component 4: Program monitoring, accountability and communication (US$501,320)**

This component includes monitoring, evaluation and learning activities, as well as communication of results. The program will adopt a robust approach to monitoring, evaluation and learning, with a dual approach – internal monitoring, building upon the structure and initial tools available to the Federal and State-level Ministries, and an independent externally-led evaluation process. Emerging trends and results will be compiled, shared through coordination mechanisms such as the Program Steering Committee, Joint Review of the Education Sector (JRES) and Education Sector Committee, and interpreted/ reflected upon at regional and district levels to improve practices and reinforce positive results on the ground.

**Grant modality**

The proposed program will be implemented through a project modality. The central Ministry and Federal Member State Ministries will have a central role in the implementation of most project activities, through sub-grants allocated to the Federal and State-level Ministries. The Grant Agent will provide technical support and fiduciary oversight to the sub-grants, and will engage actively with other development partners to ensure that the resources provided by the ESPIG are utilized through eligible costs; are administered in a sound and effective manner; and complement and maximize other investments.

The Grant Agent’s implementation support costs of US$2.86 million (16%) are considered in line with what GPC has approved for other similar contexts. The implementation support costs proposed for CARE in FGS are lower than those approved for Puntland (20.5%) and Somaliland (21.6%). The costs are justified given the high-risk context of the FGS, and the need for GA to mobilize additional staff in order to supplement and reinforce capacity by providing constant oversight and implementation support.
### Table A: ESPIG Components and Costs

<table>
<thead>
<tr>
<th>Component</th>
<th>Description</th>
<th>GPE Financing</th>
<th>% of total GPE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A</strong></td>
<td>Component A: Increased access to education for out-of-school children</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-Component A: School inclusion grants</td>
<td></td>
<td>3,580,700</td>
<td>20%</td>
</tr>
<tr>
<td>Sub-Component B: CEC strengthening</td>
<td></td>
<td>609,500</td>
<td>3%</td>
</tr>
<tr>
<td>Sub-Component C: Improved community awareness and actions for school safety</td>
<td></td>
<td>456,000</td>
<td>2.5%</td>
</tr>
<tr>
<td><strong>B</strong></td>
<td>Component B: Enhanced quality of primary education to ensure grade appropriate learning outcomes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-Component A: Monitor the Teacher Education and Management Policy</td>
<td></td>
<td>231,400</td>
<td>1%</td>
</tr>
<tr>
<td>Sub-Component B: Teacher training institutes</td>
<td></td>
<td>2,517,800</td>
<td>14%</td>
</tr>
<tr>
<td>Sub-Component C: Distribution of textbooks</td>
<td></td>
<td>2,762,420</td>
<td>15%</td>
</tr>
<tr>
<td>Sub-Component D: Early grade assessment</td>
<td></td>
<td>225,900</td>
<td>1%</td>
</tr>
<tr>
<td><strong>C</strong></td>
<td>Component C: Enhanced capacity at Federal and Member State levels to manage, monitor and regulate the education sector</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-Component A: Strengthened regulatory environment for private, community and government schools</td>
<td></td>
<td>1,758,700</td>
<td>10%</td>
</tr>
<tr>
<td>Sub-Component B: Improved capacity for planning, budgeting, policy implementation, coordination and progress tracking</td>
<td></td>
<td>2,392,260</td>
<td>13%</td>
</tr>
<tr>
<td><strong>D</strong></td>
<td>Component D: Program management, accountability and communication</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-Component A: Evaluation studies</td>
<td></td>
<td>313,520</td>
<td>2%</td>
</tr>
<tr>
<td>Sub-Component B: Monitoring activities</td>
<td></td>
<td>60,000</td>
<td>0.3%</td>
</tr>
<tr>
<td>Sub-Component C: Learning and communication</td>
<td></td>
<td>97,000</td>
<td>1%</td>
</tr>
<tr>
<td>Sub-Component D: Feedback, complaints and Response Mechanisms</td>
<td></td>
<td>30,800</td>
<td>0.2%</td>
</tr>
<tr>
<td><strong>Sub-total of Components</strong></td>
<td></td>
<td>15,036,00</td>
<td>84%</td>
</tr>
<tr>
<td><strong>Grant Agent’s Implementation Support Costs</strong></td>
<td></td>
<td>2,864,000</td>
<td>16%</td>
</tr>
<tr>
<td><strong>GRAND TOTAL (with Grant Agent’s Implementation Support Costs)</strong></td>
<td></td>
<td>17,900,000</td>
<td>100%</td>
</tr>
</tbody>
</table>

* Include Grant Agent's direct costs, such as Program Management, Administrative and other direct implementation costs.
** Agency Fee is not included in the MCA and is calculated as percentage rate (agreed with each GA) from the Total Fixed Part and Total Variable Part.

### 3.3 ASSESSMENT OF THE PROGRAM DOCUMENT
Developed by the Ministry and Grant Agent in consultation with the ESC/LEG, the program is aligned with the priorities and goals of the ESSP. The program design is relevant to the context and
education sector in Somalia as it addresses the ESA identified challenges posed by its fragile and post-conflict context, including by seeking to develop the institutional capacity of both the central and state ministries of education.

Well-formulated, the program strikes a good balance between support to service delivery and system strengthening. It supports GPE’s strategic objectives by addressing challenges related to equitable access for marginalized populations and low learning outcomes due to poor education quality and includes measures to strengthen the weak education system.

The program is conflict sensitive as it recognizes that an expansion of public services without local ownership, particularly in conflict-affected areas, may result in exacerbation of attacks against schools and lack of sustainability, given limited public reach and capacity to support the system. In that regard it is reasonable that the program provides extensive support to community schools for their progressive incorporation into the public system.

The proposed program builds upon lessons learnt from the previous GPE program as well as experiences of various partners implementing programs. Overall it presents a strong and proven theory of change. As stated above the program leverages the investment of communities in education which is a critical factor for its success. The results chain draws evidence from other parts of Somalia which has shown that a combination of community mobilization and grants is highly effective in improving enrolment and retention of out-of-school children.

The program focuses on enhancing enrolment and addressing barriers to access, particularly for marginalized children and girls. To ensure that GPE’s investment results in higher enrolment and greater equity for out-of-school children, the program would benefit from outlining a transparent process and targeting criteria which CEC will use to select school inclusion grants (SIG) receipts.

Education quality improvement is well supported through the program through measures to improve inputs to teacher training, teaching and learning materials, community engagement, and regular monitoring at school level. The use of EGRA and EGMA assessments will provide valuable information on effective strategies for improving literacy and numeracy outcomes as well as factors that impede progress. Regarding the teaching and learning materials, the planned investment is significant and there is need to ensure the quality of materials especially in the context of the tight timeframe.

Another key strength of the program is the development of the policy for private schools as a strategic measure to situate the role of the private school umbrellas in the changing education landscape while the government takes increasing responsibility for the coordination and regulation of education services. Implementation of the policy will also ensure the implementation of the new curriculum—which can yield benefits to promoting cohesiveness in Somalia.

The program budget is evenly balanced between the three strategic objectives of the program (access, quality and efficiency of the system). It is presented in detail at component, sub-component and activity levels for each year of the project. Activities are briefly described with assumptions and unit costs. Four sub-components (school inclusion grants, provision of textbooks, teacher training
institutes and private school policy and monitoring) represent 72% of the program cost, and their unit costs have been benchmarked with other donor interventions.

The results framework is well developed, showing outcomes, outputs and indicators, with baseline values where they are available, and target values with frequency of monitoring. In response to QAR2, the framework was improved to align with the PDO and by focusing on key measurable indicators which measure impact of the program, with disaggregated indicators when possible.

In line with the recommendations from QAR 2, the strategy for M&E has been enhanced by providing a framework that defines data sources and data collection when needed and the quality control processes, along with the human resources available for these tasks. It also gives clear indication of which data sources will be triangulated using mixed methods and details electronic/mobile data collection methods. To complement the Program Steering Committee, Program Management Committee and PMU the program document notes that monitoring will also be supported through the Joint Education Sector Review (JSER) mechanism, an independent evaluation and a mid-term review. The M&E Framework is aligned with the ESP’s M&E Framework, and includes the Feedback and Complaint Response Mechanism for receiving and addressing complaints.

Implementation arrangements are mostly well described and appropriate given the fragile context with weak implementation capacities. With CARE USA as the Grant Agent, implementation of program activities will be undertaken jointly between the central ministry, the states, CARE, and CONCERN as a sub-contractor. The roles and responsibilities are outlined including the governance structure of the project and a Program Manual has been drafted. The GA has been assessed by the Secretariat as having the requisite technical, fiduciary, monitoring, reporting and oversight capacities to effectively fulfill the GA function. However, the Secretariat advises that the GA strengthens the program manual by providing a detailed roadmap on how activities will be implemented.

The project is not fully aligned to country systems. A more aligned modality is not feasible since the public financial system in FGS is currently being established and there is need to mitigate fiduciary risks. The choice of the project modality is therefore justified by the fragility of the Somalia environment and education system. The use of grants to Ministry and States to implement some activities is a positive attempt to move towards Government ownership and use of country systems and capacities. The program rightly recognizes the weaknesses of the current coordination structures and the fundamental role of effective coordination in the future success of the sector. To that end, coordination and harmonization of approaches between development partners is an explicit objective towards improved aid effectiveness.

In terms of implementation readiness, the program plans for significant capacity building, development of guidelines and mapping of needs to be undertaken during the first year of the project. This is justifiable as most sub-components require groundwork prior to implementation in the second year. A detailed implementation plan for all activities is included in the application package, and the sequencing of tasks is assessed by the Secretariat as appropriate. The Secretariat notes the importance of selecting the construction sites of the Teachers Training Institute (TTIs) as an important element which should be done in a transparent manner in consultation with the states and
partners, but also undertaken as early as possible so that construction can commence in a timely manner. Implementation readiness will also be impacted by factoring in the time required to coordinate, including at the local level, with other donor funded interventions and sequencing of key activities including school grants, CEC training, textbooks development, teacher education curriculum, learning assessment and capacity building.

The risks that might affect the program are well described along with appropriate risk mitigation measures. The emphasis is put on various security risks that are still prevalent in Somalia. Risks and mitigation measures associated with the political situation, social and cultural behaviors, availability of data, capacity, coordination with partners and fiduciary mechanisms are also included. Rightfully so, a high risk which is acknowledged is the manipulation of the beneficiary selection process, however an appropriate mitigation measure has not been identified. Related to the equity concern above, the Secretariat recommends that the following be undertaken prior to transferring grants to the schools: relevant stakeholders including the Ministry, Grant Agent and ESC, should work together to identify appropriate criteria for the selection of beneficiaries of the School Inclusion Grant as well as articulate appropriate risk mitigation measures where necessary.

Through this program, GPE support in the FGS will evolve strategically in line with the current political context and landscape. This evolution and clear complementarities with other donor interventions will help the sustainability of program interventions that are conceived from a system perspective in support of building one coherent system. Unlike the past operation, it was agreed with partners that this program should not support teacher salaries, but rather that these would be catered for through the Ministry of Finance human resources country system which has been established and supported through the multi-donor trust fund managed by the World Bank. In terms of the payment of salaries and incentives included in the program, the program lacks clarity on how it will leverage the framework set up by the World Bank and why it proposes that the salaries for TTI staff, REOs and QAOs are paid by the Ministry of Education. The Secretariat recommends that salaries to TTI staff, REOs and QAOs be paid through the Ministry of Finance.

The synchronization of the five program components is expected to result in positive outcomes. It is expected that the program will contribute to creating the next foundational steps for the education system, complementing existing capacity and efforts and bringing together multiple actors into a cohesive and effective program driven by evidence. It is expected that this shift will not only increase equitable access to quality services, but also create positive conditions for marginalized children to acquire the expected skills and transition into upper grades.

The project implementation success will depend on many external factors, including sustained peace and security. However, for the current context the program is relevant and successful implementation is expected given that (i) the selection of components is consistent and based on past experiences of what has worked before in the FGS; (ii) there is strong ownership of the program by the Ministry; and (iii) the Grant Agent has proven implementation experience of executing effective and timely programs of a similar size for the EU and DFID.
4. VARIABLE PART

The GPE Grant and Performance Committee approved the ex-ante approach for the implementation of the Education Sector Program Implementation Grant (ESPIG) for the Federal Government of Somalia (Central South) on February 28, 2018.

The ex-ante program provides analysis on the determinants of access, equity and the quality of education, and proposes interventions that will strengthen service delivery and improve sector outcomes. Given the context and the lack of data the efficiency analysis is less strong, however the interventions to support system building, including through capacity building and putting in place regulatory frameworks will aid the efficiency of the education system which is being developed.

5. RECOMMENDATIONS

The Secretariat recommends the Grants and Performance Committee (GPC) considers the three funding model requirements as met. Given the fragile context and considering that the Federal Government of Somalia (FGS) has committed to a growth plan to increase the domestic share of resources to education progressively towards 20 percent, the Secretariat advises the GPC to request an annual update on the level of domestic resources allocated to the sector.

The GPE Secretariat assesses the application as strong and advises that the Grant and Performance Committee recommends to the GPE Board an approval of the US$ 17.9 million grant, with an ex-ante approach with the following report-back requests and recommendations (i) prior to implementation, the program manual be strengthened by: (a) providing a detailed roadmap on how activities will be implemented and (b) identifying appropriate criteria for the selection of beneficiaries of the School Inclusion Grant together with the Ministry, Grant Agent and ESC as well as articulate an appropriate risk mitigation measures and; (ii) that salaries to TTI staff, REOs and QAOs be paid through the Ministry of Finance.

7 These recommendations were adjusted by the GPC. The final recommendations are found in Board Document BOD/2018/07 DOC 01 Annex 1.
Annex 1: Major Interventions of Development Partners

Note: Annex 1 of the ESPIG Program Document includes more detailed information on complementary interventions.

<table>
<thead>
<tr>
<th>Donor name</th>
<th>Major interventions</th>
<th>Financial scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>DFID</td>
<td>Girls’ Education Challenge Somali Girls’ Education Promotion Programme (SOMGEP)</td>
<td>£13.4 million</td>
</tr>
<tr>
<td>EU</td>
<td>Strengthening Education and Training in Somalia (SETS)</td>
<td>US$18 million</td>
</tr>
<tr>
<td></td>
<td>Somalia Wide Education Synergies (SWES) project focusing on examinations and curriculum.</td>
<td></td>
</tr>
<tr>
<td>ECW</td>
<td>Match funding against education component of Somalia Humanitarian Response Plan</td>
<td>US$15 million</td>
</tr>
<tr>
<td>USAID</td>
<td>Alternative Basic Education for Pastoralists (ABE)</td>
<td>US$10 million</td>
</tr>
<tr>
<td>World Bank</td>
<td>Public Finance Management Reform Project II supporting implementation of the Somalia Financial Management Integrated System and procurement systems</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Recurrent Cost &amp; Reform Financing Program Phase 2 (payroll system, teacher salaries, recurrent non-salaries and system strengthening)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Research project on private school system</td>
<td></td>
</tr>
<tr>
<td></td>
<td>EMIS capacity assessment (standards and design)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total financing for Multi-Partner Fund is US$190 million.</td>
<td></td>
</tr>
</tbody>
</table>