1. **Overview**

1.1 The COVID-19 pandemic has triggered an education emergency of unprecedented scale. Even in optimistic scenarios, where economies recover quickly in 2021, education financing is expected to take a hit. With more than half of 1.2 billion children out of school living in developing countries—and facing an already urgent learning crisis—it’s not only a question of when children will return to school but how many won’t return and what might education systems look like in the future. The experience of school closures in the 2014 West African Ebola outbreak tells us it is girls and disadvantaged children who are likely to suffer the most. The pandemic has the potential to set back development gains by decades. And most critically for GPE’s focus, there is the profound risk of growing inequity in education, both between countries and within countries. However, there is also an opportunity to build back better. To reimagine approaches to education and, for example, to consolidate and scale-up some of the innovative distance learning approaches that have been put in place to reach marginalized children.

1.2 GPE moved quickly to help developing countries to mitigate the impact of school closures. First, we worked with UNICEF to mobilize their network of country offices to move new funding support quickly and enable governments to draw up response and recovery plans. And within weeks we designed a COVID-19 Accelerated Funding window, which was approved by an exceptional Board meeting. The Secretariat rapidly adapted to the home-based work environment imposed by the pandemic with the deployment of new technology and ways of collaborating, ensuring that high levels of productivity are maintained. We retooled internal grant appraisal and monitoring processes, and within seven days of receiving the first proposal, were funding partner governments to meet the extraordinary demands of the moment.
The meeting of GPE Developing Country Partner Ministers convened by Minister Sengeh in early May was a highlight amongst many transcontinental virtual meetings I’ve joined over the past ten weeks. Twenty ministers shared their experience of local responses to school closures and their immediate future plans. Highlights and the complete recording are available here, and the event was well covered by media, including here and here. I have also had the pleasure of speaking with several donor ministers and at events hosted by our colleagues from Ireland and Canada as well as a briefing for U.S. Congress and the Conference of Education Ministers of the Islamic World Educational, Scientific and Cultural Organization. Julia also held an event with UK’s Baroness Sugg and UNGEI youth on how COVID-19 is affecting girls’ education around the world. GPE has used every available opportunity to highlight the severe impacts of the pandemic’s disruptions to education to a broader audience. I spoke to the Washington Post about the risk that millions of children may not return to school and to DevEx about the challenges of distance learning. To highlight the importance of putting gender at the center of the pandemic response, I wrote an op-ed with the CEO of Girls Not Brides, Dr. Faith Mwangi-Powell, and signed a joint solidarity letter to the African Union with Girls Not Brides, Rozaria Memorial Trust, Plan International, and FAWE.

I hope that you were able to join or view the webinar on June 3rd discussing the new Independent Summative Evaluation report, which was distributed in late May. It adds to the rich body of evidence produced through our monitoring and evaluation program. Other recent publications include the Country-Level Evaluations Synthesis Report in April and 2020 Results Report in May. These are all critical reference tools as we build the new strategic plan.

In December 2019, the Board made the first set of framing decisions on GPE’s next 5-year strategy. The primary focus of the June Board meeting is to further define key components of the plan. While participation has been challenging for some, it has been refreshing to see the high participation and enthusiasm of Board members and their constituencies in the consultations and discussions that we organized to replace the planned March retreat. Recognizing the demands on the time of ministers to oversee school closures and learning continuity programs, I am particularly grateful to them for the effort to meet and set out their shared views on GPE’s future direction. You will have seen their aide memoire attached to the Board paper on the strategic plan.

2. GPE at Work

Governments responded enthusiastically to the COVID-19 Accelerated Funding window. GPE was praised for a fast and flexible response to the pandemic shock and I particularly want to thank Secretariat colleagues from across all the teams for their diligence and creative
commitment. The Board’s preparedness to meet quickly, take strategic decisions, and delegate grant approvals contributed hugely to the effective response.

2.2 GPE’s response began in March with US$8.8 million in emergency funding provided to UNICEF for countries to draw up response plans for dealing with COVID-19’s impact on education. The funds helped scale up response planning, communication around safe school operations and sharing knowledge and building capacity. Countries like Afghanistan and Eritrea prepared short-term, medium-term, and long-term plans to keep their education systems going during and after the crisis. The ministries in Laos and Tajikistan used the funds to organize discussions with their partners and ensure alignment and coordination of the various actors in their response. In Haiti, Nicaragua, and Togo, the funds helped provide computer equipment to ministry staff to ensure they could work from home efficiently. In the Maldives, the grant was used to prepare teachers in the pedagogy and techniques to teach their students remotely, and identify efficient ways to keep in touch with them. Zimbabwe printed children’s story books. The Democratic Republic of Congo produced exercise books for preschool, primary, and secondary schools.

2.3 The centerpiece of GPE’s response is the COVID-19 Accelerated Funding window, designed to help developing countries mitigate both the immediate and long-term disruptions to education. I commend the Board’s decision last week to scale up funding to US$500 million. In Mozambique, GPE’s grant of US$15 million will help the Ministry of Education set up a crisis management team, provide distance learning programs through radio, television, and online education programs and ensure psychosocial support to children experiencing stress, anxiety, and trauma caused by school closures. In Rwanda, the US$10 million GPE grant will support radio, television, and online learning, as well as a public campaign to prevent gender-based violence and teenage pregnancy. To ensure that countries benefit from shared learning and best practices, particularly on ensuring learning for girls and for children with special needs and disabilities, I also approved a global grant for the development, dissemination, and delivery of global and regional learning approaches. This initiative will be jointly implemented by UNESCO, UNICEF, and the World Bank in support of government response plans.

2.4 As of June 1st, ten grants have been approved for US$125 million and 40 proposals totaling US$410.7 million are under review. Thirteen countries have also expressed their interest to apply for the grant in June for a total of US$45.9 million. Summary highlights of grants and detailed program documentation, including links to the national COVID-19 education response plans are available on the GPE website here.
2.5  In the early months of the year, before the travel restrictions, I had the opportunity to visit several partner countries. In February, I attended the **Organization of Eastern Caribbean States (OECS)** Council of Education Ministers Meeting. This was my first ever trip to the region and I had the opportunity to hear directly from Dr. Didacus Jules, Director General of OECS and GPE Board Member, and the education ministers from GPE partners in Dominica, Grenada, Saint Lucia, and Saint Vincent and the Grenadines. GPE's first ever regional grant supported their regional education sector plan. OECS's regional approach is designed to provide a platform for mutual learning and innovation in the face of common challenges, facilitate mobility and unlock more opportunities for young graduates, and strengthen mutual support and resilience to sudden shocks. GPE is pleased to offer additional technical and financial support to bolster coordination mechanisms in the region.

2.6  In **Ethiopia**, I met with the President, Deputy Prime Minister, Minister of Education, and State Minister of Finance to discuss successes and challenges with their education reforms. I was impressed by the government’s strong commitment to expand access to education and enhance its quality. When Ethiopia joined GPE in 2004, less than 50% of the country’s children were enrolled in primary school, and those in school were not getting a quality education. Today, 85% of Ethiopia’s children are enrolled in primary school. With the World Bank as grant agent, GPE’s support to Ethiopia focuses on interventions that are essential to improving the learning environment—training teachers, providing effective learning materials, and developing relevant curricula. According to a national learning assessment, students’ proficiency in all subjects increased by 57% between 2011 and 2015 (grades 4 and 8). In Addis Ababa, I also met with Commissioner Sarah Agbor of the **African Union** and Vera Songwe, Executive Secretary of the **UN Economic Commission for Africa**, to discuss deepening and formalizing our relationship and identifying areas of advocacy and technical collaboration. Our discussions in March centered on distance learning and digitization to reach vulnerable groups, particularly girls, scaling innovations, innovative approaches to domestic financing, and the preparedness of African education systems to shocks.

3.  **Strengthening Delivery**

3.1  Over the past several years, GPE has adopted several strategies to strengthen delivery and enhance our reach. These include a comprehensive suite of reforms, known as the Financing and Funding Framework, that sought to crowd in additional finance, enhance knowledge sharing and the development of global goods, and promote transparency, accountability, and social mobilization, among other goals. Today, these instruments are in place and working.

3.2  **GPE’s Knowledge and Innovation Exchange (KIX)**, managed by the International Development Research Centre, is connecting the expertise, innovation, and knowledge of GPE
partners. Following a call for proposals in Q4 2019, an Independent Assessment Panel selected 12 projects with a total budget of US$24 million. The projects range from *Adapting and Scaling Teacher Professional Development Approaches in Ghana, Honduras, and Uzbekistan* to *Using Technology to Improve Literacy in the Global South*. GPE’s investment will contribute to closing the global public goods gap in education and ultimately help partner countries build stronger education systems. Through the four regional KIX Hubs established in Q1 2020, partner countries will come together to share information, innovations, challenges, and best practices. Calls for regional KIX grant proposals will be launched in the coming months. Emphasis will be placed on strengthening the gender equality dimensions of regional proposals and on responsiveness to the current COVID-19 pandemic—to be eligible, all applications must specify how they are gender responsive and address gender equality issues. Additionally, the KIX Digital Platform will launch in July and be fully operational in October.

3.3 **Education Out Loud**, managed by Oxfam IBIS, continues to support civil society to be active and influential in shaping education policy to better meet the needs of communities, especially of vulnerable and marginalized populations. Education Out Loud allocated fifty-four grants in Q1 2020, totaling US$13.5 million, to national education coalitions to support their involvement in education planning, policy dialogue, monitoring, and accountability. Programming will be adapted to support national COVID-19 responses that address the disruptions to education systems. A new call for proposals for grants funding social accountability and transparency in the national education sector is ongoing, with concept notes due June 19th, 2020. More information can be found on Education Out Loud’s dedicated website, available [here](#).

3.4 The **GPE Multiplier** continues to help mobilize financing for education from a range of partners. As of June 2020, more than US$200 million had been allocated to 22 partner countries, catalyzing a reported US$781 million in total co-financing from 17 co-financiers—a raw leverage ratio of US$3.90 in new external financing for every US$1 invested from the GPE Multiplier. The allocations are progressing to high-quality grant applications to implement GPE-supported programs. Of the total allocations secured, US$100.6 million across 13 countries has been developed into quality-assured grant applications. The Secretariat anticipates a further expression of interest to access the remaining resources in the coming weeks. If approved, it would raise total allocations from the Multiplier to more than US$225 million.

3.5 GPE continues to strengthen existing partnerships and build new relationships through the **Private Foundations Engagement Strategy**, including with global and regional philanthropy platforms like the International Education Funders Group and OECD’s Network of Foundations for Development. The Secretariat is working closely with existing and prospective foundation partners.
to mobilize additional funding through the GPE Multiplier. We are also collaborating with the Transparency and Accountability Initiative to respond to interest from foundations in co-financing the pool of high-quality proposals submitted in response to the Education Out Loud calls for proposals this year and we have initiated a dialogue with several foundations on advancing gender equality through KIX. GPE is also coordinating with private foundations on our COVID-19 response, including by developing a tool with the International Education Funders Group and Education Cannot Wait that tracks GPE COVID-19 grants and identifies funding gaps and opportunities.

3.6 GPE’s Private Sector Engagement Strategy has strengthened linkages among the business community, development partners, and partner countries. As a follow up to the Education Data Solutions Roundtable, Tableau Foundation is working with The Gambia to clean up 10 years of historical education management information system (EMIS) data and working with Ethiopia, in conjunction with the Center for Global Development, to integrate education administrative data—including platform development, training in data science, and analytics. UNESCO’s Institute for Statistics is leading the development of an EMIS “Buyer’s and User’s” Guide in partnership with GPE and with advice from business community partners on how to improve procurement of EMIS, forecasting future technology change, and questionnaire design. Following the Roundtable, several business community partners expressed interest in working closely with GPE to address challenges in education data systems globally. We have been in touch with legal counsel at the World Bank to identify a means of operationalizing these partnerships (in-kind, expertise-based), but thus far have not been able to identify any feasible solutions. We hope to be able to continue the dialogue with World Bank legal on this.

3.7 The Secretariat puts evidence and knowledge at the center of our operations. Our technical team recently finalized a series of internal thematic studies that examine barriers, challenges, remediating strategies, and GPE interventions in partner countries across six dimensions: Learning Assessment Systems, Gender Equality, Teachers and Teaching, Early Childhood Care and Education, Equity & Inclusion, and Data. These studies, which discuss the alignment of GPE investments with best available evidence and promising approaches, will be available through a series of technical briefs in June.

4. Mainstreaming Gender

4.1 We remain committed to making progress on gender equality, both in GPE’s operations as well as being a top priority subject in our global advocacy efforts. To this end, my Executive Office continues to provide oversight on gender. The Secretariat welcomed a senior thematic lead on gender equality in Q1 2020 and an additional gender specialist is now under recruitment. All Secretariat staff have gender objectives within their results agreements and online professional
training is being rolled out. More broadly, the Secretariat is mainstreaming gender into GPE’s country operations. I have personally made this a priority during my review of the COVID-19 Accelerated Funding window applications and specific attention will be given to funding requests aimed at mitigating risks of early pregnancies and gender-based violence through sensitization amongst communities. The Secretariat is supporting advocacy efforts to ensure gender equality is front and center of the education response to COVID-19, including efforts to mitigate against the heightened risks faced by marginalized groups, including girls, as a result of school closures.

5. **Strengthening the Partnership: Effective Partnership Rollout**

5.1 In 2017, the Board launched the Effective Partnership Review to identify and address issues related to the operational model that prevent the Partnership from functioning optimally and delivering on the current strategic plan. Since, the Board has made further decisions enabling the adoption of key adaptations to relevant guidance documents and country level processes. Looking ahead, Effective Partnership Review actions and recommendations will be embedded into practice and aspects of the new strategic plan and new operational model. Government leadership and capacity will be in focus and there will be a new process for grant agent selection—prior to the consideration of candidates for the grant agent role, the local education group will discuss the most strategic use of GPE funding in a given context and clarify what this means in terms of selection criteria for grant agents.

5.2 The two pilots, on ministry of education/coordinating agency financing and local education group self-assessment, are underway but are expected to be somewhat delayed because of COVID-19. Effective Partnership Review recommendations for the strategic plan are integrated in the strategic planning work, and the four Effective Partnership Review principles adopted by the Board in December 2018 provide overall guidance to strategic plan options.

5.3 While the Effective Partnership Review has clarified roles, responsibilities and accountabilities in the Accountability Matrix and revised terms of reference for key roles, work is ongoing to ensure stakeholders at country level are aware of these. The Secretariat is developing a web-portal with targeted materials for each role, which is expected to be launched in July 2020. In addition, collaboration is being rolled out with different partners on the integration of GPE materials in their staff training and orientation. Development of additional Secretariat staff training materials are also being considered. This recognizes that incentives and accountabilities are most strongly driven by internal organizational directives and guidance.
5.4 In a second phase of the Effective Partnership Review communication and engagement strategy, further messages on elements of the country level model that may shift as a result of the new strategic plan will be sequenced with the emerging strategic planning decisions.

6. Results and Impact

6.1 Designed for measuring progress, learning, and accountability, GPE’s comprehensive Monitoring and Evaluation Strategy was approved in 2016 and included the development of, and annual reporting on, the results framework indicators, an indicators database, grant monitoring, a set of programmatic and country-level evaluations, and thematic reviews. The strategy has been implemented as planned, with minor adjustments, bringing the Independent Summative Evaluation forward to the current year to support GPE’s new strategy development process. For this year, GPE fully delivered the monitoring and evaluation workplan with the 2020 Results Report, the final synthesis report of the Country-Level Evaluation, the Education Sector Plan Development Grant Evaluation, thematic reviews, and the Independent Summative Evaluation. The results collectively provide us with a picture of where GPE as a partnership has made strides toward its goals and where we need to put in more concerted effort. Equally importantly, we have learned that our new strategy should pay much more attention to learning from evidence at the country level—where the action is and where evidence-informed actions will make a difference.

6.2 The 2020 Results Report is the fourth of five reports planned under the current strategy period. It clearly highlights that GPE countries’ trajectory on education access, equity, and learning is going in the right direction, but progress needs to be accelerated considerably. Girls are disadvantaged on average on all the indicators that measure girls’ and boys’ outcomes, and gender gaps are narrowing slowly. GPE is playing an important role in contributing to the advancement of equity, gender equality, and inclusion in education through technical and financial support to sector planning and implementation as well as through a variety of global and regional efforts, especially in countries affected by fragility and conflict. The average quality of joint sector reviews rose substantially in 2019, and the degree of stakeholder participation and inclusion in local education groups also improved.

6.3 The final synthesis report of GPE’s Country-Level Evaluation, based on 28 case studies and completed in March, provides important lessons for how GPE can improve its operations at the country level. Evidence shows that the quality of education sector plans has improved but far more attention is needed on strengthening capacity for plan implementation, monitoring, and learning from evidence. It also points to relatively weak donor alignment and harmonization at the country level. The evaluation highlights the need to sharpen GPE’s country-level operational model.
considerably to better support countries in achieving their education results. The Education Sector Plan Development Grant Evaluation similarly notes GPE’s success at the front end of planning, but the need for focusing on implementation and evidence-based lesson learning for improving policies and programs.

6.4 The **Independent Summative Evaluation** has just been completed under the oversight of an Independent Evaluation Committee and guidance from the Strategy and Impact Committee. Based on an extensive review of information drawn from GPE’s Monitoring and Evaluation Strategy, other review reports, and its own data collection and benchmarking with other global funds, the report provides insights regarding the achievements of GPE’s current strategy as well as the effectiveness of GPE as a partnership and organization. The Independent Summative Evaluation initial findings were shared at a workshop on April 30th and the final findings were discussed at a Board webinar on June 3rd.

7. **GPE’s Finances**

7.1 GPE is on track for a record year of grant approvals in 2020 with well over US$1 billion in approvals expected. We do expect some delays in the submission of Education Sector Program Implementation Grants and disruption to some programs in light of COVID-19. As of June 1, we have approved US$612.6 million of applications, which already exceeds the entire approval value for 2019. Of this, US$125 million of this relates to COVID-19. A further US$624 million worth of applications have also been received, of which US$410.7 million relates to the COVID-19 Accelerated Funding window. The decision of the Board to further increase the funds available for COVID-19 to US$500 million will have a significant impact on our ability to meet this exceptional demand and will also impact overall approval and disbursement levels in 2020.

7.2 GPE came into 2020 with a **stable financial position**, and we have been able to deploy our cash balance to respond to the urgent needs that COVID-19 has presented. The approach taken means we need to place more reliance on new resources that would be raised in the next financing period (2021-2025) to cover the outer years of grant disbursements on approvals we are making in the current financing period. While this approach demonstrates how GPE can respond quickly as a partnership and major global fund for education, which should improve replenishment prospects, it does create additional risks to our financial position. A major strengthening of the US dollar, delays in the contributions or reductions from key donors, or a weak replenishment outcome will place pressure on the levels of funding we can make available for new allocations under the new strategic plan, and may require prioritization criteria to be applied to the portfolio. Strong vigilance is
recommended and the Secretariat, along with the Finance and Risk Committee, will closely monitor our financial position.

7.3 We continue to proactively monitor the stewardship of GPE’s funds and, when misuse does occur, our grant agents work to obtain repayment and learn lessons for the future. As previously reported, in Uganda, the grant agent (World Bank) was investigating a complaint of fraudulent practices relating to school construction. This case has now been closed as the allegations were not substantiated. In Ethiopia, as previously reported, the grant agent (World Bank) is investigating a complaint of fraudulent practices relating to textbook procurement, and this investigation is still ongoing. The Secretariat will continue to regularly monitor these cases and provide updates to the Finance and Risk Committee and Board accordingly.

8. Secretariat Management and Budget

8.1 The Secretariat continues to focus on efficiencies under the leadership of the Deputy CEO. Full details are included in the Secretariat Budget and Work program paper. Among the key areas of efficiency achieved since my last report in December include the establishment of two cross Secretariat Taskforces which have made a noticeable difference in increasing our approvals and addressing bottlenecks in the pipeline. The Approvals and Disbursements Taskforce meets weekly to identify and resolve bottlenecks to faster grant approvals and disbursements, mobilizing the capabilities of the broader partnership to address issues at country level. The COVID-19 Taskforce, stood up in late March, has overseen all aspects of the Secretariat’s programmatic response to the pandemic, including securing Board approval and implementation for the COVID-19 Accelerated Funding window. We have streamlined our internal approval processes and delegated approval authority related to small grant applications—roughly 80 per year—reducing significantly the level of effort and time required to process those applications. In addition, the Board decisions in December and more recently in relation to the COVID-19 grants to delegate greater authority to the Secretariat has been beneficial in improving the speed in which GPE can respond to country needs, reducing transactions costs, and alleviating workload pressures.

8.2 For FY21, the focus on efficiencies will continue with a particular emphasis on ensuring we have efficient and effective procedures and processes to support changes to our operational model that will be required to implement our new strategic plan. We will invest in strengthening our client relationship management systems and will continue to use and refine the technology that has been deployed in response to COVID-19 for efficiency where relevant. The Secretariat is also restructuring to increase our focus on improving and consolidating our support to partner country governments, strengthening the evaluation and learning function, and increasing the efficiency of
our grant operations. Please see Annex A for more details on Secretariat staffing. The Secretariat continues to operate tight budgetary control and FY20 operating expenses are expected to be 90% of the approved budget. The overall request for FY21 represents a modest increase of 2.2% on FY20 levels with no additional regular staff. We will discuss longer term staffing needs when the operational implications of our new strategic plan become clearer.

8.3 The Secretariat’s European Headquarters in Paris continues to grow. Seven staff are now in place, and we expect that to grow to 10-11 in the coming months. While we are on track to have approximately 25 staff in place by FY22, challenges exist in moving staff from Washington, DC due to changes to the World Bank’s compensation and benefits policies and limitations on the use of temporary assignments (50% of original projected staffing numbers). These changes are linked to the Bank’s own decentralization process, which has been ongoing for much of FY20. The costs related to setting up the office are expected to be fully covered by the targeted contribution provided by France, and as HR costs are 15-20% lower in Paris than in Washington, DC, we are seeing savings, but they will not be material until the office is fully staffed up.

9. Conclusion

9.1 GPE is making the most out of its platform to respond to the COVID-19 pandemic. It has been an extraordinary period and we have adapted to it with new ways of working and responsive programs. We deployed our assets and retooled internal processes, while operating in a home-based work environment, to get funds into countries rapidly. We efficiently and effectively scaled up our support to countries urgently responding to school closures. And we continued to advance the strategic plan and preparations for replenishment.

9.2 This is a time of great difficulty and challenge. The impact of the pandemic on education systems will be felt around the world for years to come. We must stay focused, we must remain adaptive, and we must progress the business on all fronts. At stake is the millions of children whose learning is stalled and the millions more who may never enter a classroom again. We have an opportunity to help partner countries build back better—to shape the future for children around the world who may not know the GPE name but need us now more than ever. We can and must rise to the occasion.
ANNEX A

GPE Secretariat Staffing: Past and Future Changes (May 2020)

The Board paper on Budget and Workplan discusses the Secretariat’s staffing and structure in the context of budget and efficiencies. This paper builds on that paper to address requests from Board members for information on staffing and structure changes.

**What changes have been made to staffing numbers and structure since last year?**

GPE’s headcount has not increased in the past year. However, three changes should be noted:

- GPE has increased the use of Extended Term Consultants (ETCs)—funded out of variable budget—to fill staffing needs beyond our allocation of 108 positions.

- A surge budget was authorized in December 2019, also resulting in the addition of ETC positions. Most of these have been filled.

- On a rolling basis, about 7% of GPE’s term positions are vacant due to normal turnover and recruitment cycle time. However, at this time most of GPE’s term positions are filled. This will somewhat constrain our ability going forward to redeploy vacancies against any new/escalating needs, as well as for use in staffing the Paris office.

Structural changes include:

- One position in GPE’s Executive Office—Special Assistant to the CEO—has been converted to a supervisory position called “Chief of Staff, Executive Office.” This new position will ensure greater coordination within the Executive Office as well as across the Secretariat for critical functions.

- The staff moves mandated by the Board in June 2019—moving two staff from Risk and Compliance to Country Support and increasing to two the staff on gender—have been made.

**Do we have plans to add staff in FY21?**

- The budget proposal going to GPE’s Board does not include any staffing increases. This situation may be revisited later in the year when the impact of the GPE2025 strategy is better understood. The Secretariat will provide more information at the December 2020 Board meeting on the staffing implications of the GPE 2025 strategy and the governance review. However, that analysis may not take into account decisions made by the Board about strategy and governance during the December meeting.
What structural changes are expected for FY21?

- As addressed in the Budget and Work Program paper for FY21, the Secretariat is making changes to continue to improve its effectiveness and efficiency and to strengthen and enhance the focus on country facing operations. The new structure will also position the Secretariat to implement the new strategic plan once approved in December 2020.

- Most changes will take effect on July 1, 2020. While planning for these changes is well underway, small adjustments for July 2020 are still under consideration and additional decisions will depend on the outcome of the new strategic plan in the coming year.

- The diagram below illustrates three major shifts that will take effect July 1, 2020:

These shifts can be summarized as follows:

1. Grant operations will be transitioned from the former Country Support Team (CST) to the Finance and Risk Management team to create the new Finance and Grant Operations (FGO) Team. This move covers both grant application and grant implementation operations and focuses on the administrative aspects of the grants. Substantive aspects, such as grant performance against objectives, remains in Country Support. Country Leads will continue to be the primary point of contact with countries, while FGO will have the lead in working with grant agents. The purpose of this move is to relieve the Country Leads and other country support staff from much of the transactional work associated with grants, freeing them up to focus on sector strengthening and policy dialogue with their developing country partners. At the same time, this move will increase efficiency of the grant application review and approval process and strengthen grant...
management. Sven Baeten will move to lead grant operations under FGO in July. Following his move, one GG-level vacancy will be recruited to report to Sven, and later in the year other existing staff will move over.

2. In concert with the move of grants operations, the Quality Assurance (QA) team, which facilitates the review of grant applications and education sector plans, and the staff from CST who administer the grant data systems will also move to the FGO team. This combination of grant operations, grant data, and quality assurance will improve efficiency and strengthen the Secretariat’s ability to adapt.

3. To create greater synergies and alignment with the needs of developing country partners, the Education Policy and Learning (EPL) team—which maintains focus on thematic areas, such as gender and early childhood education and learning assessments—will be combined with the country support function. The teams are already working in close collaboration, and further alignment is expected over time. Sven Baeten’s regional manager role is being filled from existing staff. The new team will be led by GPE’s Chief Technical Officer, Jo Bourne.

As a result of the moves described above, the “Results and Performance” function will become a stand-alone team reporting directly to the DCEO. Nidhi Khattri, who has been leading this function on short-term assignment from IEG, will continue to lead this team, having officially joined GPE as of May 1, and she sits on the Management Team.
ANNEX B

BOD/2018/12-01–Institutional Arrangements:
The Board of Directors:
2. Resolves to:
j. Further instruct the GPE CEO to ensure as a standing item in her report to the Board information on how the World Bank hosting arrangement is working in operation.

1.1 This is the third update to the Board on the implementation of the World Bank - Global Partnership for Education Hosting Memorandum of Understanding (WB-GPE Hosting MOU). I would like to express my continued appreciation for Annette Dixon, Vice President of the Human Development Practice Group at the World Bank and her management team, for the warm working relationship.

1.2 As you will see in the table below, much of the implementation of the WB-GPE MOU provisions are in line with the MOU. There are however two matters that I would like to raise for the Board’s awareness. Both have arisen in connection with how certain provisions of the WB-GPE Hosting Agreement allow for the implementation of key operational decisions taken by the GPE Board. The GPE Secretariat has discussed both issues noted below with the Vice President of the Human Development Practice Group prior to the submission of this report and will seek to continue to progress them with colleagues in the World Bank.

1.3 The first issue concerns the timeframe of operationalizing the GPE Board’s decision taken in June 2019 to open an office in Paris. This decision has proven difficult to implement because of subsequent shifts, and the expectation of shifts, in World Bank Human Resources policy as the World Bank has prepared for its own decentralization. These changes have limited the range of options the GPE Secretariat had expected to be able to employ for moving existing staff to Paris. For example, the use of temporary assignments, projected in June 2019 Board papers to account for half of the Paris office staff, are no longer an available option. In addition, the salary scale in Paris compared to Washington DC is lower than we understood when the Board decided on establishing the new office there. The World Bank’s decision to increase FY21 salary scales in Washington by 2.3% with no increase in salary scales in Paris will further widen the gap. We expect that the net impact is that the Paris office will be staffed largely with new hires when vacancies from the DC office arise and the positions can be shifted to Paris. As a result, after almost a year, only one staff from the GPE
Secretariat DC office has transferred to the Paris office, and two more are expected to move in September. With seven staff currently in place, including four new hires (regular staff and extended term consultants), and two more recruitments underway, the staffing of the Paris office is still on track with initial projections, and will have 11 staff in September. While we are fully committed to the Paris office for business reasons and we will eventually reach the full staffing planned, the increased reliance on vacant positions in a zero-growth staffing environment means the pace will be slower than planned and expected by the Board’s June 2019 decision.

1.4 The second issue concerns the implementation of GPE grants. Together, Sections 6c and 9 discuss the Grant Agency function, noting that the World Bank, acting as Grant Agent for the GPE Fund, is accountable to the GPE Board. Further, section 9 (b) iii details the various ways through which the GPE Secretariat can reasonably hold the World Bank, acting as Grant Agent, accountable for the performance of Grant Agent functions. Amongst others, these ways include the oversight for efficient and effective expenditure and monitoring and evaluating GPE-funded grants. Reflecting the findings from the recent independent evaluation and a previous internal review, the GPE Secretariat remains concerned about the timeliness of its overall grant making process. In order to strengthen its ability to fulfill its obligations under Section 9 (b) iii, the GPE Secretariat is setting up a unit dedicated to grant operations, whose specific mandate will include the actions specified therein. The Secretariat has raised its concerns regarding timeliness and its plans to set up this dedicated unit with the Vice President of the Human Development Practice Group and her team. They have kindly requested that the primary means of reporting on overall grant performance remain the annual performance review process, typically concluded in November each year. They have also agreed to work with the Secretariat to facilitate engagement with the World Bank’s new structure in which responsibility for operations has moved to seven regions departments.

1.5 The below is a table showing the specific provisions of the WB-GPE Hosting MOU and their reference in the MOU by which, per the Board’s instructions, the implementation of the hosting arrangement is reported to the Board.
### Governance

| The World Bank is a facilitator and will not seek to interject itself in any way to the governance structures of GPE. | Art. II (6)(a) | In line with MOU. |
| Host VP ensures the provisions of MoU are executed for smooth operation of GPE Secretariat within the World Bank. | Art. II (4)(c) | In line with MOU. |

### Strategic

| The World Bank will strive to ensure strong strategic alignment on the overarching vision, mandate, objectives, and modalities of the GPE Secretariat. | Art. II (3)c | In line with MOU. |
| Hosting the GPE Secretariat within the HD VPU will allow greater alignment on education sector planning, coordination on Sustainable Development Goal 4 monitoring, ensure harmonization with the education aid architecture, and permit the GPE Secretariat to benefit from the World Bank’s country-level footprint. | Art. II (7)b | Issues of efficient oversight of grant implementation in discussion. |

### GPE Policy Compliance

<p>| HR policy and procedures - including caps on grade levels, calibration of GPE Secretariat staff with all other World Bank staff, defined compensation bands. GPE staffing levels may increase even if Bank staffing levels are constant or reduced. | Art. II (1)c; Art. II (3)b; Art. II (5)c; Art. II (11)(a)(b)(c); | Salary issue for Paris based staff. This remains under discussion. |
| CEO Performance – GEC will use World Bank’s suite of performance evaluation tools to inform GPE Board review of CEO, which will make a performance rating recommendation to HD VPU that is entered into World Bank HR systems. | Art. II (12)a | In line with MOU. |
| Corporate and operational procurement policy – The GPE Secretariat will consult semiannually with World Bank Corporate Procurement on projected procurement needs for GPE over the subsequent six (6) months. | Art. II (1)c; Art. II (3)b; Art. III (2); Art. III (3)(a)(b)(c) | In line with MOU. |
| IT policy - The GPE Secretariat and the World Bank will cooperate to ensure compatibility and security of IT infrastructure. | Art. III (4)(a)(b)(c) | Software solutions to support Secretariat business processes limited and often not well suited. |
| Travel policy – GPE staff will conform to World Bank travel and security policies and practices. | Art. III (5)(a)(b)(c) | In line with MOU. |</p>
<table>
<thead>
<tr>
<th>Management of Secretariat</th>
<th>Reference</th>
<th>Notes</th>
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<tbody>
<tr>
<td>Host VPU review of GPE Secretariat will focus on alignment of staffing plans with available resources, and conformity with the World Bank's HR and resource management policies and procedures.</td>
<td>Art. II (5)b; Art. II (8)a; Art. II (8)b; Art. III (6)</td>
<td>In line with MOU.</td>
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<tr>
<th>Roles of the World Bank</th>
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<tr>
<td>Host – Access to the full suite of the World Bank's administrative support services, including HR, information technology systems, legal, accounting, travel, security, facilities, and internal justice, use of support services and facilities of World Bank offices globally and ability to locate staff there like all other World Bank units.</td>
<td>Art. II 6(a); Art. II (8)a; Art. II (8)b; Art. III (6)</td>
<td>Software solutions to support Secretariat business processes limited and often not well suited.</td>
</tr>
<tr>
<td>Trustee – Services include receipt of contributions, holding and investing of funds, transfer of funds to implementing agencies as well as financial and fiduciary management.</td>
<td>Art. II 6(b); Art. II (3)b; Art. II (9)a; Art. VI (2)</td>
<td>In line with MOU. See above.</td>
</tr>
<tr>
<td>Grant Agent - All Grant Agent staff who serve on a GPE body are required to recuse themselves from decisions that affect the World Bank. The GPE Secretariat can reasonably hold the World Bank acting as Grant Agent accountable.</td>
<td>Art. II (6)c; Art. II (3)b; Art. II (9)(b)(iii)</td>
<td>In line with MOU.</td>
</tr>
<tr>
<td>Board Member - The World Bank representative will provide governance and financial oversight to ensure that the GPE is structured, governed and functioning efficiently, effectively and ethically, and will monitor and assess the overall effectiveness and risks associated with GPE's work and implementing risk mitigation measures.</td>
<td>Art. II (6)d</td>
<td>In line with MOU.</td>
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<th>Other Administrative Issues</th>
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<tr>
<td>Communications - GPE Secretariat's communications staff will maintain regular and ongoing contact with World Bank External and Corporate Relations (ECR) regarding communications and outreach plans for GPE to ensure alignment and close coordination.</td>
<td>Art. III (1)</td>
<td>In line with MOU.</td>
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<tr>
<th>Future Capabilities</th>
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<tbody>
<tr>
<td>The establishment of an expanded fundraising model to facilitate receipt of contributions or in-kind support from non-traditional donors.</td>
<td>Art. IV (2)</td>
<td>Not applicable.</td>
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<tr>
<td>Innovative financing mechanisms.</td>
<td>Art. IV (3)</td>
<td>Not applicable.</td>
</tr>
<tr>
<td>Description</td>
<td>Article No.</td>
<td>Notes</td>
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<td>-----------------------------------------------------------------------------</td>
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<tr>
<td>Currency risk management through hedging.</td>
<td>Art. IV (4)</td>
<td>Alternative mechanism under exploration by Trustee and Treasury.</td>
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<tr>
<td>The provision of funds directly to national governments and other nontraditional entities in grant execution.</td>
<td>Art. IV (5)</td>
<td>Not applicable.</td>
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<td>Hosting of other institutions.</td>
<td>Art. IV (6)</td>
<td>Not applicable.</td>
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<td>Rapid disbursement through fast-track procedures or hosted facilities.</td>
<td>Art. IV (7)</td>
<td>Not applicable.</td>
</tr>
<tr>
<td>Ability to locate GPE Secretariat staff outside of Washington, DC.</td>
<td>Art. II (11)c;</td>
<td>In line with MOU.</td>
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