The Grants and Performance Committee in its delegated authority from the Board and with respect to the application submitted in January 2021:

1. Notes that the requirements for accessing the fixed part of the Multiplier maximum country allocation (MCAM) are deemed met per Board decision BOD/2018/06-08 on the quality assurance process for additional financing applications where an existing ESPIG has been approved less than one year prior to submission of the application. Accordingly, the requirements were not reexamined.

2. Notes compliance with meeting the requirements for accessing the variable part of the MCAM and approves the indicators on Equity, Efficiency, and Learning and their means of verification as described in the application and assessed in GPC/2021/02 DOC 02.

3. Notes compliance with the requirements of co-financing, additionality, and debt sustainability for accessing the MCAM, as
4. Approves an allocation from GPE trust funds for a multiplier grant, as described in the application submitted and summarized in Table 1 in GPC/2021/02-03 4 (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. Secretariat recommendations for funding, including (all amounts in US$):

   Table 1 - Ethiopia

<p>| | |</p>
<table>
<thead>
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<tbody>
<tr>
<td>a.</td>
<td>Multiplier Maximum Country Allocation</td>
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<tr>
<td>b.</td>
<td>Fixed Part</td>
</tr>
<tr>
<td>c.</td>
<td>Variable Part</td>
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<td>d.</td>
<td>Allocation Requested (100%)</td>
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<tr>
<td>e.</td>
<td>Allocation Decision by GPC</td>
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<tr>
<td>f.</td>
<td>Grant Agent</td>
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<tr>
<td>g.</td>
<td>Agency Fee % - Amount</td>
</tr>
<tr>
<td>h.</td>
<td>Period</td>
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<tr>
<td>i.</td>
<td>Expected Start Date</td>
</tr>
<tr>
<td>j.</td>
<td>Variable Part Disbursement Modality</td>
</tr>
<tr>
<td>k.</td>
<td>Funding Source</td>
</tr>
</tbody>
</table>

5. Requests the Secretariat to:

   a. Include in its notification of grant approval to Ethiopia the observation and report-back set out in Annex A.
   b. Include an update on the report back in Annex A in the annual Grant Status Report in accordance with the specified timeline.

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1 Includes US$400,000 for the cost of the grant agent to perform its roles and responsibilities.
Annex A – GPC Observation and Report-Back

<table>
<thead>
<tr>
<th>Ethiopia</th>
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</thead>
<tbody>
<tr>
<td>Observation</td>
<td>The Committee positively recognizes the support to refugees through the proposed program and considers the focus on refugee integration a great milestone towards promoting refugee education in Ethiopia.</td>
</tr>
<tr>
<td>Report-Back</td>
<td>The Committee requests the government and grant agent to provide a report-back on the impact of the current conflict in Tigray and the unfolding humanitarian crisis on the implementation of the proposed program.</td>
</tr>
</tbody>
</table>

Annex B – Secretariat quality assurance review phase III report
QUALITY ASSURANCE REVIEW – PHASE 3

ETHIOPIA

MULTIPLIER ESPIG

Total Program Cost: US$80 million, of which
GPE: US$20 million; GA (IDA): US$55 million; and Danish Ministry of Foreign Affairs: US$5 million.¹

Proposed GPE Grant Amount:
Fixed Part: N/A (100% GPE grant is variable part)
Variable Part: US$20 million, of which US$400,000 for Grant Agent’s Implementation Support Costs²

Implementation period: 4 years
Projected implementation start date: April 01, 2021
Grant Agent: World Bank

1. BACKGROUND AND EDUCATION SECTOR OVERVIEW

1.1. COUNTRY BACKGROUND

Located in the horn of Africa, Ethiopia is a large and diverse country with a population comprising more than 90 ethnic and linguistic groups. With a 2019 population of 112 million, Ethiopia is the second most populous country in Africa. The country is one of the fastest growing economies with a high GDP growth rate averaging 9.9% a year from 2007/08 to 2017/18, compared to a regional average of 5.4%.³ Ethiopia’s high economic growth and pro-poor programs resulted in a reduction in the poverty rate from 44 percent in 2000 to 23.5 percent in 2015. The Government of Ethiopia (GoE) is implementing the second phase of its Growth and Transformation Plan, which aims to continue expanding physical infrastructure through public investments and to transform the country into a manufacturing hub. The country has achieved impressive economic and social development gains in the last two decades; however, it remains a low-income country with a GDP per capita (current US$) of US$858 in 2019.⁴

¹ In this document, the terms “program” or “proposed program” or “additional financing (AF)” are used for the whole $80 million program titled “Additional Financing to GEQIP-E for Refugee Integration- P168411”, while the term “Multiplier ESPIG” or “GPE grant” represents GPE’s contribution of $20 million to the overall $80 million. The term “parent program” is used for GEQIP-E P13050.
² Ethiopia has proposed to consider all of the Multiplier ESPIG as variable part. Out of the US$20 million grant, US$19.6 million is allocated for DLIs, while US$400,000 is allocated to GA implementation support costs.
Ethiopia’s Human Development Index (HDI) ranking was 173 out of 189 countries in 2019 and the HDI value increased from 0.29 to 0.48 between 2000 and 2019.  

Ethiopia aims to reach lower-middle-income status by 2025. The GoE is devoting a high share of the budget to pro-poor programs and the country is one of the major recipients of international aid. The main development challenges for the country are to sustain positive economic growth and accelerate poverty reduction. The country is facing multiple humanitarian challenges and emergencies including conflicts, droughts, floods, locust infestation and disease outbreaks including the COVID-19 pandemic. In recent years, the situation was further exacerbated by large-scale ethnic conflicts and related population displacement. In 2020, there were 1.8 million internally displaced persons (IDPs).  

Ethiopia is the third largest refugee-hosting country in Africa, with 802,821 refugees mainly from neighboring countries of South Sudan, Somalia, Eritrea and Sudan. Currently, the security situation in Tigray Region remains dire and the number of IDPs and refugees are changing rapidly. United Nation’s Office for the Coordination of Humanitarian Affairs’ (OCHA) projected an additional 1.3 million people in need of aid, due to recent conflict. Since the start of the conflict in Tigray in November 2020, the humanitarian situation continues to deteriorate and an estimated 58,000 Ethiopian refugees have arrived in Sudan.  

<table>
<thead>
<tr>
<th>Ethiopia</th>
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<tbody>
<tr>
<td>Population</td>
</tr>
<tr>
<td>Human Development Index Ranking</td>
</tr>
<tr>
<td>Learning-adjusted Years of School</td>
</tr>
</tbody>
</table>

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6 International Organization for Migration, September 2020. Available at: [https://dtm.iom.int/ethiopia](https://dtm.iom.int/ethiopia) IOM reported that, "The biggest causes of displacement were conflict which displaced 1,118,782 IDPs (61%), followed by drought which displaced 309,419 IDPs (17%), flash floods which displaced 206,893 IDPs (11%) and seasonal floods which displaced 117,194 IDPs (6%)."
8 OCHA Ethiopia – Tigray Region Humanitarian Update (14 Jan 2021) reported 950,000 people in need of aid before the conflict, and 1.3 million projected additional people to need aid. Available at [https://reports.unocha.org/en/country/ethiopia/](https://reports.unocha.org/en/country/ethiopia/)
### 1.2. EDUCATION SECTOR OVERVIEW

Education remains a priority sector for the government of Ethiopia, as evidenced by its consistently high investment in education over the last two decades. Ethiopia’s general education system comprises primary school for 8 years (lower primary Grade 1-4 and upper primary Grade 5-8), lower secondary for two years (Grade 9-10) and upper secondary for two years (Grade 11-12). In addition, a significant expansion of pre-primary classes (O-class) has taken place in recent years, with the enrollment now at around 3.2 million children. The Federal Ministry of Education (MoE) along with Regional and woreda level education offices are responsible for general education, while a separate ministry is responsible for higher education.

Although Ethiopia has achieved remarkable progress in expanding access to education, the challenges related to equity, efficiency and learning outcomes remain significant. Moreover, all schools were closed on March 16, 2020, and universities on March 24, 2020, in response to the COVID-19 pandemic. School closures affected over 27 million learners and about 700,000 instructors. Ensuring continued learning remotely during school closures and the safe reopening of schools were key challenges for the GoE. The MoE gradually reopened schools (except in Tigray and a zone in Benishangul Gumuz region) starting from October 19, 2020. Around 12 percent of the schools are still not open. In support of the government’s efforts, GPE initially provided a grant of $140,000 with UNICEF as the grant agent for the preparation of a COVID-19 Response Plan. Based on this plan, GPE provided a COVID-19 Accelerated Funding grant of US$15 million to respond to immediate needs. In addition, a US$5 million Contingency Emergency Response Component (CERC) under GEQIP-E was triggered, while Education Cannot Wait (ECW) provided US$1 million to respond to COVID-19. These and all other activities related to education in emergencies are coordinated and monitored through the education cluster which works in close collaboration with the Education Technical Working Group (ETWG) and the MoE.

#### 1.2.1. Equity:

12 [https://data.worldbank.org/country/ET](https://data.worldbank.org/country/ET)
Ethiopia’s education system has expanded significantly from 7.1 million learners in 2000 to 26.7 million in 2017. Completion rates at all education levels have improved, and recent projections from UNESCO Institute for Statistics (UIS) show that Ethiopia’s “completion rates at the primary school level projected to 2030 are the fastest in the region. It will have gone from only 3 in 10 children completing primary education in 2000 to 8 in 10 completing in 2030.”\(^{14}\) The primary net enrollment rate (NER) was high at 95 percent in 2018/2019.\(^{15}\) Ethiopia’s primary completion rate for Grade 5 was 88.6 percent, while the completion rate for Grade 8 was 62 percent in 2018/19. The gender parity index (GPI) improved from 0.67 in 1999/20 to 0.90 in 2018/19. Within the schooling cycle, gender differences in the dropout rate are the highest at the upper primary level (grades 5–8). While 13 percent of boys drop out at grade 8, it is 17 percent for girls.

The aggregated data for Ethiopia mask significant regional differences. The emerging regions of Afar, Ethiopia Somali, Gambella, and Benishangul-Gumuz are economically less developed, more rural, with higher poverty levels, and frequent occurrence of drought. Girls’ education is less valued, and girls often drop out at an early age to marry and work at home.\(^{16}\) Only 19 percent of 14-year-old girls in the Afar region reach Grade 8 compared to 27 percent of boys and a national average of 51 percent of girls. Similarly, only 21 percent of girls in the Ethiopia Somali region reach grade 8 compared to 26 percent of boys. For Benishangul-Gumuz, while 58 percent of boys reach grade 8, only 43 percent of girls do. Beyond these regions, there are woredas across the country that also lag behind. Inequality of opportunity, as measured by differences in access to upper primary/middle school level, is in part explained by the lack of school infrastructure. These poor conditions contribute to girls dropping out, especially when they reach adolescence and appropriate water, sanitation and hygiene (WASH) facilities become more important. Girls are also disadvantaged in these more rural regions by the longer distances to schools.

Exacerbating these challenges is Ethiopia’s vulnerability to human-made and natural disasters. According to OCHA’s 2019 Humanitarian Needs Overview (HNO), about 2.62 million children are directly or indirectly affected by displacement and are in need of humanitarian support. These children are at a higher risk of dropout, if they can even access educational services in the first place. The HNO notes that among IDP school-aged children, 146,000 (or 13.5 percent) located in 124 IDP sites did not have access to any form of educational services.

Another key issue related to equity is low enrollment of children with special needs. In 2018/2019, only 11 percent of children with special needs were enrolled in primary schools, and 3 percent

\(^{14}\) [https://gemreportunesco.wordpress.com/2019/07/12/ethiopia](https://gemreportunesco.wordpress.com/2019/07/12/ethiopia)


in secondary school. Of these figures, enrollment rates were 9.94 percent for boys and 8.01 percent for girls in 2018. Many children with special needs in Ethiopia are not integrated in the education system. Mainstream schools have inadequate capacity to implement special needs education activities and lack educational resources for children with special needs which limits their access. The GoE, with support from GEQIP-E, is establishing Inclusive Education Resource Centers (IERCs) in mainstream schools to provide educational support for children and teachers alike.

As such, the number of out-of-school children is still high, even though the country undertook targeted interventions in the regions with the highest drop-out rate and reduced the number of out-of-school children from 3.4 million in 2009 to 2.2 million in 2015.

**Refugee education:**

Ethiopia has a long history of hosting refugees and the country maintains an open-door policy for refugee inflows. Ethiopia adopted the Comprehensive Refugee Response Framework (CRRF) in 2016 and made commitments for refugee protection through nine pledges including the education pledge - increase of enrolment in primary, secondary and tertiary education to all qualified refugees without discrimination and within the available resources. In 2019, the Government of Ethiopia enacted the new Proclamation No. 1110/2019, “that provides refugees with access to ECCE and primary education in the same circumstances as nationals. Regarding secondary education, tertiary education, technical and vocational education, as well as adult and non-formal education, the Proclamation aims to meet the standards set out in the 1951 Refugee Convention.”

The Agency for Refugee and Returnee Affairs (ARRA, the GoE’s lead agency for refugees) oversees refugee schools, following the refugee specific policy frameworks including CRRF. Refugee specific strategies were not explicit in the ESDP V, but the MoE has included refugee education in the draft ESDP VI (2021-25). The issue of refugees is addressed in ESDP VI in two ways: through some specific strategies/programs/actions, on enrolment for instance, and by the inclusion of disaggregated indicators in the planning and monitoring. Since 2017, the MoE has been publishing data on refugee education as a separate section in the education statistics annual abstracts, with support from UNICEF and UNHCR.

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19 UIS data accessed at [http://uis.unesco.org/country/ET](http://uis.unesco.org/country/ET). UIS data reported 2.2 million children out of school. Latest figures are not available but the MoE reported during JSR 2019 that only 1.1 million children were out of school.
According to MoE, school-age population (age 3-18) of refugees is estimated to be 48% (389,066) of total refugee population (approximately 800,000) in 2020. In the academic year 2019/20, 53% of refugee children (total 202,195 including 117,707 male and 84,488 female) were enrolled in 165 schools at all levels of General Education, while 47% (186,871) of the school-age children were out of school. Enrollment consists of: ECCE 60,159 (31,235 male and 28,924 female); primary 130,621 (77,647 male and 52,974 female) and secondary 11,415 (8,825 male and 2,590 female). The GER at ECCE level was 57.7% (male 60%; female 55%) with GPI 0.92; the primary GER was 69.6% (male 80.8%; female 58%) with GPI 0.72; and the secondary GER was 13.7% (male 19.2%; female 6.9%) with GPI 0.36 in 2019/20. Most of the refugee schools in camps lack adequate infrastructure, qualified teachers, learning materials, and over 60% of schools do not meet the minimum standards of safe learning environment. All the schools in the refugee camps, except those in Tigray, have recently reopened after the extended closures due to COVID-19.

1.2.2. Learning outcomes:

While Ethiopia has enjoyed rapid expansion of primary education services, various measures of quality education lag behind. An Ethiopian child is expected to complete, on average, 7.8 years of education by age 18. However, when taking into account learning, the learning-adjusted expected years of schooling is only 4.5. Learning poverty in Ethiopia is high with 90 percent of children in Ethiopia at age 10 unable to read and understand a simple age-appropriate story. Using data from the grade 12 national standardized examination of 2014 and 2015, Tesema and Braeken found that “although efforts have been made to address gender equity and minimize obstacles that hinder girls’ school participation, a significant and large gender gap in academic achievement has been found in favor of boys in almost all regions, including those regions with better educational opportunities.”

There are many interrelated factors affecting learning outcomes: teacher preparation, allocation, and motivation; inadequate teaching and learning materials; overcrowding of classrooms and poor infrastructure; school governance; socioeconomic disparities; malnutrition; and so on. Girls’ lower performance also points to the additional obstacles of cultural traditions and values regarding girls’ education (i.e. gender-based violence, early marriage, household work), distances to school, and inadequate facilities. Learning outcomes

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are at increasing risk of further deterioration due to conflict and violence around the country and the outbreak of the COVID-19 pandemic, which disrupted schooling.

Ethiopia utilizes a variety of different learning assessments including its system of national learning assessment (NLA), as well as the Early Grade Reading Assessment (EGRA) and the Measuring Early Learning Quality and Outcomes (MELQO) tool. The NLA is administered nationally every four years on a sample basis at Grades 4, 8, 10 and 12 in key subjects. A separate institution, the National Education Assessment and Examination Agency (NEAEA), is responsible for designing and administering assessments, and for analyzing and using data for evidence-based decision making. The MoE is further expected to document and utilize the assessment results for better intervention. These assessment instruments provide performance data in key learning domains and relevant contextual data at key stages of primary and secondary school education and for relevant levels of the education system. Currently, GEQIP-E Program for Results (PforR) financing is supporting government to conduct EGRA, EGMA and NLA. While planned for 2020, the MoE has rescheduled EGRA for 2021 due to COVID-19. According to the 2018 EGRA, the average percentage of students in grade 2 who can read at the accepted functional fluency level or above in their mother tongue is only 25 percent. The average percent of students in grade 8 who perform at basic proficiency level or above in English and Math are 52 percent and 55 percent respectively, as reported in NLA 2019.

1.2.3. Efficiency:

Ethiopia is among the 10 countries (of 103) with the highest index of delayed progression in early grades which negatively impacts the internal efficiency of the system. Repetition is especially high in the early grades when children attend infrequently, repeat grades, and eventually leave the system with few skills. Thus, Ethiopia has high dropout rates and the grade 1 dropout rate increased to 25% in 2018/19, after decreasing for the previous three years. Only 70 percent of primary schools offer full grades 1-8 education and most schools in the country are failing to provide an adequate learning environment for students. 2019/20 EMIS data indicates that 4,383 schools are operating in tents or under the trees, without basic infrastructure and educational inputs.

Several studies in Ethiopia have shown that attendance in a high-quality preprimary education program is a significant factor for promotion and learning progress, helping to reduce dropout

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25 EGRA, EGMA and NLA data shared by the World Bank (ppt on GEQIP-E progress).
26 Program Paper, p. 10
27 Corresponds to ESDP V aspirations for ensuring that: a national program of regular assessment of student achievement will feed results back to schools in order to monitor the overall performance of the education system (37); developing and implementing high-quality assessment tools (75); and quality assurance (providing oversight of teacher skills through licensing, of the school’s teaching and learning environment through inspection and of overall system performance through regular assessment of student achievement (55).
and repetition rates. Thus, over the last years, through the support of the General Education Quality Improvement Programs (GEQIPs), the country rapidly expanded the preprimary sector, with enrollment now at around 3.2 million children, in an effort to increase the efficiency of the system.

1.2.4. Monitoring of Sector Performance:

The MoE, with support from development partners, leads the monitoring of the education sector. The MoE organizes annual education conferences with participation of stakeholders from all regions of Ethiopia. In 2019, the ministry organized its annual education conference on March 21-22, 2019. A Joint Sector Review (JSR) was held in 2016 and, a second JSR was held on June 17, 2019, after a gap of three years, largely due to the political turmoil in the country. The roadmap 2030 and mid-term report (MTR) of Education Sector Development Program (ESDP V) were shared and discussed during the education conference as well as at the recent JSR.

Education sector coordination works through Ethiopia’s local education group (LEG) – the Education Technical Working Group (ETWG) led by the Federal Ministry of Education with Royal Norwegian Embassy and FCDO supporting in the role of co-chairs. USAID and the Royal Norwegian Embassy are jointly carrying out the role of Coordinating Agency (CA). CSOs participate in ETWG through Basic Education Network–Ethiopia (BEN–Ethiopia). Teachers’ associations are also represented in the ETWG through their umbrella organization, the Ethiopian Teachers Association (ETA).

The education cluster interacts with the ETWG in relation to Education in Emergency (EiE) issues including COVID–19, and the cluster representatives occasionally take part in the ETWG meetings. The education cluster collaborates with education partners and stakeholders to ensure coordination and monitoring of education in emergencies. Multiple donors are supporting Ethiopia’s emergency education response. The MoE, with support from ECW and other donors, developed a multi-year resilience program to address the educational needs of 1.4 million displaced children. Education Cannot Wait (ECW) earmarked about 10 million USD for Multi-Year Resilience Programs and about 1 million for COVID-19 response making the total amount 13.8 million USD for 2020/21. UNICEF and Save the Children are the ECW grant agents.

Refugee education is coordinated through the Education Cluster, among other coordination mechanisms. The refugee education sub-sector is supported by a wide range of partners including ARRA, MoE, UNHCR and UNICEF, in close collaboration and partnership with over 60 national and international organizations in the country. ECW allocated US$2.8 million to

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28 Update to HRP 2020, p. 15.
29 COVID 19 First Emergency Response Phase II. $1.68 million is managed by UNHCR and implemented in partnership with ARRA; the remainder is managed and implemented by the NGOs Save the Children and Plan International.
support distance learning for refugee students during the closure of schools, and the reopening of schools in refugee camps through provision of water, sanitation and hygiene (WASH) and health materials, and support to teachers in COVID-19 prevention and psychosocial support.\textsuperscript{30}

UNICEF as lead implementer of ECW and FCDO funded Building Self-Reliance of Refugee and Vulnerable Host Communities (BSRP), has supported refugee education interventions including EMIS data collection, teacher training, placement examinations and school assessments, capacity building of REB and woreda education officials; arrangement of joint planning workshops bringing ARRA and REBs together at the regional level.\textsuperscript{31}

\section*{2. Fixed Part Requirements}

Ethiopia’s Multiplier ESPIG application is submitted to the Secretariat within a year following approval of the existing ESPIG (The Board approved Ethiopia’s ESPIG in the amount of $125 million on December 4, 2020), therefore a new review of the requirements is not necessary, as per the guidelines.\textsuperscript{32}

\subsection*{2.1 Multiplier Requirement:}

Ethiopia is eligible to a Maximum Country Allocation from the Multiplier (MCAM) of US$25 million. The country has leveraged US$60 million co-financing (a $55 million grant from IDA and a $5 million grant from Danish Ministry of Foreign Affairs) and on this basis submitted an Expression of Interest (EOI) to access US$20 million of the MCAM. The EOI was approved by the Grants and Performance Committee in 2019. There have been substantial changes in the composition of the co-financing between the date of the EOI approval and the date of the application; however, the level of co-financing remains the same. After the approval of the EOI, the World Bank determined that IDA resources would not be available. Following extensive dialogue between the World Bank Task Team and the Secretariat, IDA resources from a subsequent refugee-focused IDA window were identified, as well as a supplemental grant for refugees mobilized by the Danish Ministry of Foreign Affairs. As a result, the country and Grant Agent are able to move forward with the same level of Multiplier financing from GPE. The co-financing used to access the allocation is now entirely on grant terms. In November 2020, GPC received an update on Ethiopia’s Multiplier co-financing, and approved an extension of the validity of the MCAM of Ethiopia (US$20 million) to the final funding round of 2021.

\textsuperscript{30} Program paper, p. 18
\textsuperscript{31} Program paper, p. 18
\textsuperscript{32} According to the GPE Guidelines for Applying for Additional MCA (June 2020), “If the application is submitted to the Secretariat within a year following approval of the existing ESPIG, a new review of the funding model requirements will not be necessary.” (P. 3)
Both the GPE grant of US$20 million and the co-financing of US$60 million will contribute to a single program on refugee integration, totaling US$80 million. The proposed program will be an additional financing to Ethiopia’s General Education Quality Improvement Program for Equity (GEQIP-E), which is a multi-donor pooled funding program under implementation since December 2017. Additional financing to the parent program and, a combined program for refugee integration make the GPE grant and co-financing highly complementary in scope. The proposed program for refugee integration will scale up GEQIP-E to refugee schools in Afar, Benishangul-Gumuz, Gambella, Somali, and Tigray. The program will support GoE’s policy of increasing refugees’ access to quality education. In addition, the program will support the government’s longer-term process of harmonization and integration of refugee education into MoE and, initiate the transition of secondary refugee education entirely to MoE administration. The proposed program is complementary to ECW’s support for refugee education. ECW programs are expected to be completed during the lifetime of the proposed program. There will be no overlap of activities and the common interventions such as teacher training will be coordinated with ECW to avoid any duplication.

The program will maintain the Program for Results (PforR) modality of GEQIP-E, with a component of Investment Project Financing (IPF) to support targeted capacity building and pilot activities. However, aside from a contribution to the GA implementation support costs of $400,000, the Multiplier ESPIG will contribute in full to the PforR part of the program. Ethiopia’s ESPIG (US$125 million) was already approved by the GPE Board in December 2020, hence the country decided to request Multiplier grant through a separate application. The updated Multiplier co-financing data are included as annex 4.

Conclusion: The Secretariat considers that the requirement related to the Multiplier is met.

3. ESPIG

3.1. PAST ESPIG PERFORMANCE

Ethiopia became a member of GPE in 2004. GPE has supported Ethiopia with several ESPIG grants totaling US$492 million, as shown below. In addition, the country has received US$15 million in COVID-19 accelerated funding from GPE in June 2020, and regular accelerated funding in the amount of US$20 million in November 2020.

<table>
<thead>
<tr>
<th>GPE ESPIGs for Ethiopia</th>
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<tbody>
<tr>
<td>Duration and GA</td>
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<tr>
<td>-------------------</td>
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<tr>
<td></td>
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<tr>
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</tr>
<tr>
<td>Year</td>
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<tr>
<td>------------</td>
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<tr>
<td>2008-2013</td>
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<tr>
<td>2021-24</td>
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</table>

The previous ESPIG (US$100 million), approved in 2016, was divided into a US$70 million fixed part which ended on December 31, 2019 and a US$30 million variable part which ended on June 30, 2019, both with the World Bank as grant agent. The ESPIG fixed part was part of a sector pooled fund supporting the General Education Quality Improvement Project II (GEQIP II). GEQIP II was fully aligned with the ESDP V 2015/16-2019/20 and implemented with funding from multiple donors for a total of US$550 million.

GEQIP II was designed around six components, each focused on providing a key element needed to improve learning conditions and strengthen institutional capacity. The program provided teaching and learning materials to Grades 0–12 and supported improvements to curriculum implementation. Institutional development under the program supported improved student assessments and a strengthened schools inspectorate. The other areas supported by the program were teacher development, school improvement plans, management and capacity building, EMIS, improving the quality of learning and teaching through ICT, program coordination, monitoring and evaluation, and communication. The variable part of the past ESPIG was implemented as a stand-alone program titled Ethiopia Education Results Based Financing Project (EERBFP).

The rating was moderately satisfactory for the outcome of both the fixed part and the variable part programs. GPE approved no-cost extensions for both, including extensions from July 2018 to January 2019 and then final extension until June 2019 for the variable part, and to December 2019 for the fixed part. Although EERBFP disbursed US$21.8 million (73 percent of total) out of the US$30 million variable part by the closing date, the GPE funding helped the government succeed in implementing key interventions within a short duration of 2 years. The program succeeded in expanding capacity in ‘O’ class teaching, upgrading school quality in emerging regions, bringing more female leadership into the school system, reducing dropout rates in certain

regions, and increasing support to children with special needs through supplementary grants. Important lessons were learned from the past ESPIG including from the pilot interventions on expanding O-Class, supplementary grants for children with special needs to promote inclusive education, capacity building of teachers and principals, among others.

Ethiopia’s sector pooled fund is now supporting the implementation of the General Education Quality Improvement Program for Equity (GEQIP–E), using the PforR modality, launched in December 2017. Initially, GEQIP–E was launched with IDA financing of US$300 million, financing from other DPs in the amount of US$140 million (DFID $117m, Finland $19m and UNICEF $4m) and government financing of US$1.46 million. The GEQIP–E financing gap was about US$300 million. The original closing date for GEQIP–E was July 7, 2022 but a restructuring/first additional financing of GEQIP–E extends the closing date to July 2024.

Ethiopia’s current ESPIG (US$125 million) was approved in December 2020 and expected to be effective on February 26, 2021. The ESPIG co-finances the GEQIP–E program as an additional financing over three-and-a-half years. The overall objective is to improve internal efficiency, equitable access, and quality in general education. The financing will be split between the PforR modality of GEQIP–E and an IPF component to support targeted capacity building and pilot activities. The ESPIG is divided into 70 percent as fixed part ($87.5 million) and 30 percent as variable part ($37.5 million). Given the PforR modality, the ESPIG is mostly results-based financing with disbursements tied to a series of Disbursement-Linked Results (DLRs). The ESPIG will use country systems, utilizing the existing institutional framework and implementation arrangements of the parent program GEQIP–E, with some modifications to adapt them to the additional focus on school infrastructure.

The experience from past ESPIGs especially lessons learned from results-based financing and, interventions such as school grants and textbook distribution, will inform the proposed program. GPE’s variable part (EERBFP) of the past ESPIG was the first results-based program experience for MoE. Subsequently, MoE is implementing the GEQIP–E through PforR modality, with support from multiple donors including GPE. GEQIP–E is further strengthening capacity of MoE to ensure effective implementation and monitoring of the program. Experiences from both EERBFP and GEQIP–E will be utilized by the proposed program.

3.2 Multiplier ESPIG DESCRIPTION

The Multiplier ESPIG in the amount of US$20 million is proposed to support GEQIP–E, as an additional financing (AF) for refugee integration. The proposed program is a four-year program on refugee integration, with co-financing from IDA (US$55 million grant) and Danish Ministry of Foreign Affairs (US$5 million grant). The overall objective of the proposed program remains the same as the PDO of parent program i.e. to improve internal efficiency, equitable access, and quality in general education (O–Class to Grade 12). The proposed program will
scale up GEQIP-E to refugee schools in the regions serving refugee populations: Afar, Benishangul-Gumuz, Gambella, Somali, and Tigray.

The proposed program will maintain the PforR modality of GEQIP-E, with a component of IPF to support targeted capacity building and pilot activities; US$60 million for the PforR and US$20 million for the IPF component. Of the US$60 million results-based financing, US$19.6 million will be provided from GPE’s Multiplier grant, which is allocated entirely to the GPE’s variable part. Ethiopia will now have two variable parts: one for the main ESPIG ($37.5 million) and the second VP ($19.6 million) for the Multiplier ESPIG. The Multiplier ESPIG will use country systems, utilizing the existing institutional framework and implementation arrangements of the parent program GEQIP-E, with some modifications to add ARRA as one of the implementing agencies.

The GoE adopted the Comprehensive Refugee Response Framework (CRRF) in 2016, with commitments for refugee protection and education, among other pledges. The proposed program supports the government’s policy of increasing access to quality education for refugees and integration of refugee education. The main components of the proposed program are harmonization of services at refugee primary schools, integration of refugee secondary schools, and innovations to address key challenges in refugee education. The program components are briefly described below.

**Component 1: Harmonization of services at refugee primary schools (DLI 10)**

The first component aims to improve equitable access and supports the extension of key services to refugee schools, similar to the support provided by GEQIP-E to public schools administered by REBs. This component will support refugees through three targets/DLRs: (i) timely payment of basic school grants, through MoE, REBs and woreda-level education officials, to refugee primary schools; (ii) in-service training or short courses for upgrading of refugee incentive teachers; and, (iii) timely delivery of textbooks in core subjects to refugee primary schools, by REBs rather than through parallel ARRA systems. GPE Multiplier ESPIG will contribute US$9 million to the total component cost of US$30.

**Component 2: Integration of refugee secondary education (DLI 11)**

The second component supports government in achieving the long-term goal of integrating refugee education, that will serve both refugee and host communities in same schools under the national system of education service delivery. This component will help start the long-term process of transferring refugee schools administered by ARRA to REB administration under MoE oversight. Key target is to transfer 13 refugee secondary schools from ARRA to MoE. In addition, this component supports host community REB schools, where refugee students are enrolled. Schools in areas with large refugee populations will prepare Refugee Integration Plans, as addenda to existing School Improvement Plans, and receive top-up grants as an extension of
the existing Basic School Grants. GPE Multiplier ESPIG will contribute US$5 million to the total component cost of US$14 million.

Component 3: Innovations to address key challenges in refugee education (DLI 12)

The third component attempts to address some of the barriers and challenges faced by girls, that affect their learning and participation. Enrollment of refugee girls are lower than boys in all the five refugee-hosting regions of Ethiopia. Barriers to girls’ participation are complex and vary at regional level. GEQIP-E provides support to improve gender parity through girls’ clubs, gender-sensitive school improvement planning, and development of a life skills manual for upper primary. The proposed program will build on GEQIP-E and support the piloting and rollout of life skills training for girls in all main refugee-hosting areas. Moreover, this component will support the appointment of adult female refugees who are secondary school graduates or above to act as “learner’s guides” in refugee schools, particularly in the schools with severe shortage of female teachers. Another target of this component is to support the piloting and rollout of ICT-based interventions for self-directed learning in the major refugee-hosting regions, to mitigate learning loss due to COVID-19 and other factors. GPE Multiplier ESPIG will contribute US$5.6 million to the total DLI cost of US$15.6 million.

IPF Component

In addition to the above three components (DLIs) under PforR, the program will scale up the existing IPF component of the parent program, with an additional US$20 million from IDA and DANIDA, to support capacity building activities including: establishing National and Regional Refugee Integration Units; enhancing capacity for harmonization and integration; and supporting the reopening of refugee schools following the COVID-19 pandemic through provision of low-cost WASH equipment at all refugee primary and secondary schools.

The proposed program components and cost distribution are shown in below table A:
<table>
<thead>
<tr>
<th>Components</th>
<th>GPE Financing (US$ in millions)</th>
<th>% of total GPE</th>
<th>IDA $55m Financing (US$ in millions)</th>
<th>Total Amount US$</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed Part</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A IPF Component</td>
<td>0</td>
<td>0%</td>
<td>20</td>
<td>20</td>
<td>25%</td>
</tr>
<tr>
<td><strong>Variable Part</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>A Equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Component 1 (DLI 10): Harmonization of education services for refugee primary schools</td>
<td>9</td>
<td>45%</td>
<td>21</td>
<td>30</td>
<td>37.5%</td>
</tr>
<tr>
<td>DLR 10.1 Availability of Basic School Grants in refugee schools</td>
<td>3</td>
<td>15%</td>
<td>7</td>
<td>10</td>
<td>12.5%</td>
</tr>
<tr>
<td>DLR 10.2 Improved in-service training for refugee incentive teachers</td>
<td>3</td>
<td>15%</td>
<td>7</td>
<td>10</td>
<td>12.5%</td>
</tr>
<tr>
<td>DLR 10.3 Provision of textbooks to refugee schools with REB/woresa procurement, distribution and monitoring</td>
<td>3</td>
<td>15%</td>
<td>7</td>
<td>10</td>
<td>12.5%</td>
</tr>
<tr>
<td><strong>B Efficiency</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Component 2 (DLI 11): Integration of secondary education for refugees</td>
<td>5</td>
<td>25%</td>
<td>9</td>
<td>14</td>
<td>17.5%</td>
</tr>
<tr>
<td>DLR 11.1 Transfer of secondary refugee schools to MoE/REB administration</td>
<td>3</td>
<td>15%</td>
<td>7</td>
<td>10</td>
<td>12.5%</td>
</tr>
<tr>
<td>DLR 11.2 Support to host community schools for integration of refugee students</td>
<td>2</td>
<td>10%</td>
<td>2</td>
<td>4</td>
<td>5%</td>
</tr>
<tr>
<td><strong>C Learning</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Component 3 (DLI 12): Innovation to address key challenges in refugee education</td>
<td>5.6</td>
<td>28%</td>
<td>10</td>
<td>15.6</td>
<td>19.5%</td>
</tr>
<tr>
<td>DLR 12.1: Support to girls’ empowerment and learning</td>
<td>2.6</td>
<td>13%</td>
<td>6</td>
<td>8.6</td>
<td>10.8%</td>
</tr>
<tr>
<td>DLR 12.2: Support to self-directed learning for COVID-19 recovery</td>
<td>3</td>
<td>15%</td>
<td>4</td>
<td>7</td>
<td>8.8%</td>
</tr>
<tr>
<td><strong>Sub-total Variable Part</strong></td>
<td>19.6</td>
<td>98%</td>
<td>40</td>
<td>59.6</td>
<td>74.5%</td>
</tr>
<tr>
<td><strong>Grant Agent’s Implementation Support Costs</strong></td>
<td>0.4</td>
<td>2%</td>
<td>0.4</td>
<td>0.4</td>
<td>0.5%</td>
</tr>
<tr>
<td><strong>GRAND TOTAL (with Grant Agent’s Implementation Support Costs)</strong></td>
<td>20</td>
<td>100%</td>
<td>60</td>
<td>80</td>
<td>100%</td>
</tr>
<tr>
<td>Agency Fees**</td>
<td>0.35</td>
<td>1.75%</td>
<td></td>
<td></td>
<td></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

Ethiopia’s EOI for the Multiplier grant was submitted in 2019, however the final application was submitted at the end of December 2020. In line with GPE’s guidelines for additional MCAs and given that this is the second additional financing to GEQIP–E to include GPE ESPIG funding and also given the high quality of the draft program paper, the application went directly to QAR–III. A summary of the program assessment is provided in Annex 2.

Given that the program is aligned with the parent program and the recently approved ESPIG, the Secretariat finds that the assessment of the fixed part program quality standards remains met. The proposed program embraces the ESDP V priorities, which are expected to continue in ESDP VI. Objectives and interventions support GPE’s strategic goals of equity, efficiency and learning outcomes and are well reflected in the program design.

The program will use the implementation arrangements and institutional framework of GEQIP–E, also used by the ESPIG approved in December 2020. The day–to–day management of the program will be carried out by a National Refugee Integration Unit, established within GEQIP–E. The MoE, acting as the implementing agency, will have the overall project coordination and management role, but ARRA will also be added as one of the implementing agencies.

The financial management function will be overseen by the MoF at Federal level, and the Bureau of Finance and Economic Development (BoFEDs) and Woreda Finance and Economic Development Office (WoFEDs) at regional and woreda levels, respectively. Most of the procurement will be carried out by the MoE although certain procurements will be carried out by REBs, CTES and the universities.

Moreover, the program will utilize GEQIP–E’s M&E, fiduciary, budgetary, reporting, auditing, procurement and implementation arrangements, which have been considered adequate, and the program is considered ready to be implemented. The fiduciary risks related to financial management, procurement, and safeguards (environment and social) are clearly described and the range of mitigating measures are appropriate. In addition, given the proposed program’s focus on systemic change, in particular transitioning refugee schools to the MoE, and the program’s continued use of country systems, the sustainability and aid effectiveness standards continue to be met.

34 Program paper, p. 43.
In regard to the *Private Sector Engagement* standard, school grants under the variable part (VP) equity strategy (DLI 10) are only provided at primary level, at which there is no private sector provision of schooling for refugees. The top-up grants for schools with large refugee populations under the VP efficiency strategy (DLI 11) are for national (Government) schools with large refugee populations. No grants of any kind from the proposed program will be given to any private school at any time. The only engagement of the proposed program with NGO managed secondary schools is to support their transition out of NGO management to government/MoE management.

Lastly, the proposed program was developed in consultation with relevant stakeholders including ETWG members. Since the proposed program is an additional financing to GEQIP-E, it is also harmonized with other development partners’ funding for the sector.

### 4. **Variable Part**

#### 4.1. Description of the variable part

Ethiopia proposed US$19.6 million as variable part for the Multiplier ESPIG. The GPE grant contributes to the additional financing to GEQIP-E for refugee integration. The proposed program will introduce innovative strategies and scale up GEQIP-E to refugee schools in the regions serving refugee populations: Afar, Benishangul-Gumuz, Gambella, Somali, and Tigray.

The proposed program will maintain the PforR modality of GEQIP-E, which is a good fit for GPE’s variable part. The VP of US$19.6 million, as part of the overall PforR US$60 million incentivizes the government for harmonization and integration of refugee education. GPE’s VP is proposed to contribute to the disbursements for achievement of targets for all years of the program implementation. The main strategies (DLIs) and targets (DLRs) of the proposed program are summarized below in table B.
### Table B: Program Strategies (DLIs) and Targets (DLRs)\(^{35}\)

<table>
<thead>
<tr>
<th>DLIs and DLRs</th>
<th>Baseline 2017/18</th>
<th>2021/22</th>
<th>2022/23</th>
<th>2023/24</th>
<th>2024/25</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$7 million (of which $3m from GPE)</td>
<td>$16 million (of which $3m from GPE)</td>
<td>$16.8 million (of which $6.8m from GPE)</td>
<td>$19.8 million (of which $6.8m from GPE)</td>
<td></td>
</tr>
</tbody>
</table>

**Equity: DLI 10 Harmonization of education services for refugee primary schools**

<table>
<thead>
<tr>
<th>DLR 10.1</th>
<th>Availability of Basic School Grants in refugee primary schools</th>
<th>0 schools receive grants</th>
<th>Framework and plan approved</th>
<th>60% of schools receive grants</th>
<th>70% of schools receive grants</th>
</tr>
</thead>
<tbody>
<tr>
<td>DLR 10.2</td>
<td>Improved in-service training for refugee incentive teachers</td>
<td>0 refugee incentive teachers trained</td>
<td>Program designed and framework approved</td>
<td>60% of eligible refugee incentive teachers trained</td>
<td>70% of eligible refugee incentive teachers trained</td>
</tr>
<tr>
<td>DLR 10.3</td>
<td>Provision of textbooks to refugee primary schools with REB/woreda procurement, distribution and monitoring</td>
<td>0 schools receive standard package</td>
<td>Framework and plan approved</td>
<td>60% of schools receive standard package</td>
<td>70% of schools receive standard package</td>
</tr>
</tbody>
</table>

**Efficiency: DLI 11 Integration of secondary education for refugees**

<table>
<thead>
<tr>
<th>DLR 11.1</th>
<th>Transfer of secondary refugee schools to MoE/REB administration</th>
<th>0 schools transferred</th>
<th>Framework and plan approved</th>
<th>2 schools transferred</th>
<th>8 schools transferred (cumulative)</th>
<th>13 schools transferred (cumulative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>DLR 11.2</td>
<td>Support to host community schools for integration of refugee students</td>
<td>0 schools receive top-up grants</td>
<td>100% schools trained; top-up grants included in budget</td>
<td>100% eligible schools receive top-up grants</td>
<td>100% eligible schools receive top-up grants</td>
<td></td>
</tr>
</tbody>
</table>

**Learning: DLI 12 Innovation to address key challenges in refugee education**

<table>
<thead>
<tr>
<th>DLR 12.1: Support to girls’ empowerment and learning</th>
<th>0 innovation activities completed</th>
<th>Implement-action plan for girls’ empowerment and learner’s guides approved</th>
<th>Girls’ empowerment and learner’s guides active in 2 main refugee-hosting areas(^{36})</th>
<th>Girls’ empowerment and learner’s guides active in 4 main refugee-hosting areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>DLR 12.2: Support to self-directed learning for COVID-19 recovery</td>
<td>0 innovation activities completed</td>
<td>Implement-action plan for innovations approved</td>
<td>ICT for self-directed learning innovations active in 2 main refugee-hosting areas</td>
<td>ICT for self-directed learning innovations active in 4 main refugee-hosting areas</td>
</tr>
</tbody>
</table>

\(^{35}\) See Program Paper, Table 1 (p. 30) for indicators/targets, and table 2 (p. 31) for a detailed breakdown of DLI/DLR sources of financing.

\(^{36}\) Refugee-hosting areas are Assosa, Dollo Ado, Gambella, Jijiga, Samara and Shire. Program paper, p. 28
4.2. Assessment of the variable part

The proposed strategies and the indicators for the variable part were assessed against the quality assurance standards (Annex 3) leading to the following assessment:

**Sector Alignment**

The selected strategies supporting the dimensions of equity, efficiency and learning outcomes have been developed in consultation with relevant stakeholders, including ETWG members, MoE, ARRA, development partners, and relevant national and international NGOs. The variable part strategies are aligned with the goals of ESDP V, GEQIP-E, and Ethiopia’s strategic vision for integration of refugees and refugee services. The strategies and indicators are aligned to ESDP V as follows:

- **Equity strategy (DLI 10)** aims to harmonize education services for refugee primary schools. The strategy supports the inclusion of refugee schools in the following ESDP V programs: (i) subprogram 2.3 supports schools to develop and implement SIPs; (ii) subprogram 2.1 supports teachers’ training; and (iii) subprogram 2.2 helps improve curriculum development and provides support to teaching and learning.

- **Efficiency strategy (DLI 11)** on integration of secondary education for refugees, supports the implementation of ESDP V subprogram 1.1 distribution of mandates and responsibilities at all levels.

- **Learning outcome strategy (DLI 12)** focuses on innovation to address key challenges in refugee education. The strategy supports ESDP V subprogram 4.2 focused on content development for ICT and enhancing a culture of digital content utilization, to improve educational access and learning outcomes.

**Relevance**

The selected strategies are relevant to the dimensions of equity, efficiency, and learning outcomes.

**Equity:** The equity strategy supports the harmonization of education services for refugee primary schools. This strategy aims to address existing inequities in service provision between refugee and MoE/REB schools, through targeted interventions such as provision of school grants, textbooks and teacher training for refugee primary schools.

**Efficiency:** The efficiency strategy focuses on the integration of refugee secondary education into mainstream MoE/REB education systems, through transfer of existing refugee secondary schools to MoE/REB administration, and support to the integration and inclusion of refugee

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37 See Application Form Annex 2. List of Development and Humanitarian Partners consulted during program design.
students attending existing MoE/REB schools. This strategy will improve efficiency by eliminating duplication of management systems and reducing costs.

Learning Outcomes: The learning strategy supports interventions to address learning losses due to COVID-19, and barriers to learning for children, especially refugee girls. The strategy is relevant to improving learning outcomes (as well as equity) as it includes: support to girls’ empowerment and learning by providing life skills training; provision of ICT-based self-directed learning in both host and refugee schools; and female “learner’s guides” to act as role models and promote girls’ education to address the shortage of female teachers.

Transformative effect

All the strategies and targets have the potential to be transformational, and to lead to improvements in equity, efficiency and learning outcomes. A results chain including the VP strategies, activities and outcomes is provided in the program paper.

Equity: The proposed strategy, its theory of change and interventions are logical and transformational. They seek to create a system-level change by improving and harmonizing the provision of educational services to primary school refugee children and refugee teachers who are disadvantaged, compared to children and teachers in the national/REB schools. The strategy’s focus on the provision of school grants and its attention to the provision of an additional five percent of the grant for refugee schools in emerging regions will improve equity. Further, the strategy’s provision of in-service training for refugee teachers and provision of textbooks have transformational potential.

Efficiency: The efficiency strategy and targets show a transformative reforms agenda which represents a significant step forward for refugee education in Ethiopia, through the integration of refugee education (and refugee teacher payroll) into the mainstream education system under MoE. The strategy’s proposed changes are systemic and transformational given they will lead to reduced duplication, eventual elimination of a parallel system and ideally improved functioning and service delivery in the sub-sector. The strategy’s theory of change, interventions and sequencing are logical.

Learning Outcomes: The proposed strategies and interventions have the potential to be transformative and build on a strong evidence base. The strategy focuses on improving girls’ enrolment and retention in schools through a life skills training program. The program is ambitious as it strives to involve not only girls’ but also boys and adults, to address the issues related to harassment, violence, and early marriage, among other issues. The strategy will also include an intervention that introduces female role models (learner’s guide) in order to further reinforce girls’ retention and learning. The strategies’ theory of change and the proposed

Program paper, figure 3, p. 35
intervention are robust, coherent and based on evidence (e.g., a program implemented by the International Rescue Committee that undertook similar work and yielded positive results). In addition, the program is ambitious in piloting and rolling out this intervention in all the main refugee areas.

The second target of ICT-based self-directed learning in both host and refugee schools has the potential to be transformational given its focus on supporting improved transition to upper primary. ICT tools seem appropriate in the context of COVID-19 and the need for distance-learning for children to mitigate learning loss due to extended school closure.

**Adequacy of indicators and targets**

Variable part strategies and targets are clearly described and are deemed ambitious representing a stretch.39

The Equity strategy on harmonization of education services for refugee primary schools (DLI 10), proposes three targets. All the three targets have a baseline of 0 in 2017/2018, while the annual disbursements will be made on achievement of targets (US$1 million for year 1, and US$3 million for subsequent years, for each DLR).

The first equity target incentivizes timely provision of Basic School Grants to refugee schools (DLR 10.1) and sets out four milestones beginning with the development of a policy/institutional framework in 2021/22, with subsequent provision of school grants to 60%, 70% and 90% of schools in 2022/23, 2023/24 and 2024/25 respectively. The second target (DLR 10.2) supports improvement in the in-service training for refugee incentive teachers. This target aims to design the in-service training and accreditation program for refugee incentive teachers in year 1 and then train 60%, 70% and 90% of eligible refugee incentive teachers in 2022/23, 2023/24 and 2024/25 respectively. The third target incentivizes the provision of textbooks to refugee primary schools (DLR 10.3). In year 1, government will develop an institutional framework and plan for provision of books to refugee primary schools. In year 2, year 3 and year 4, 60%, 70% and 90% of refugee primary schools will be targeted to receive a standard package of textbooks from REB/woreda.

The VP targets of the efficiency strategy are linked to the results chain for DLI 11, focused on integration of refugee secondary education. The first efficiency target incentivizes the refugee integration through transfer of secondary refugee schools to MoE/REB administration (DLR 11.1). Year 1 is focused on the approval of the policy and institutional framework for the integration of secondary refugee education by MoE and ARRA. Subsequent years target transfer of total 13 schools to MoE, with an indicative allocation of US$9 million. The second target supports host community schools for integration of refugee students (DLR 11.2). Year 1 is focused on ensuring

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39 Program paper’s table 1 provides detailed targets while table 2 provides cost of each DLR and share of GPE.
that top-up grants are included in the MoE budget and 100% of schools in areas with large refugee populations receive training on the preparation of Refugee Integration Plans. In the remaining three years, 100% of eligible schools are targeted to receive top-up grants annually, for an annual disbursement of US$1 million.

There are two VP targets of the learning strategy linked to the DLI 12, which focuses on innovations to address key challenges in refugee education. The first target (DLR 12.1) incentivizes innovative programs supporting girls’ empowerment and learning, with an allocation of US$8.6 million. Year 1 focuses on the approval of the design and costed implementation plan for innovative activities for the five main refugee-hosting regions. In the last three years of the program, girls’ empowerment activities and learner’s guides will be active in six main refugee hosting areas. The last target (DLR 12.2) is about ICT-based self-directed learning for COVID-19 recovery in six refugee hosting areas, with a total allocation of US$7 million for four years of the proposed program.

Reliability of means of verification

The means of verification/verification protocol is clearly described. The program will primarily use the same DLR verification arrangements as the original program. The program paper highlighted additional challenges for verifications in refugee schools and noted that a third-party verification agency will be used to verify the achievement of DLRs, however “it is expected (but not required) that the same Independent Verification Agencies selected by Government for the original program will provide verification for the AF DLIs.” All DLIs are measured annually, with achievement reporting possible at any time during the year and disbursement carried out following verification. All targets for 2021/22 can be completed in the following year, while all the targets in 2022/23, 2023/24 and 2024/25 are scalable.

The DLI verification protocol table provides information on specific roles and responsibilities vis-à-vis the activities. The tentative time for validation by LEG (ETWG) is mentioned in the application for each of the results areas.

Clarity and adequacy of disbursement mechanism

An indicative timeline for the achievement of the targets is clearly presented in the program paper. Disbursement mechanisms and the flow of funds are clear. Detailed information regarding how VP financing (reimbursement of payments) will be used will follow the same arrangements as those in the parent program (GEQIP-E).

40 For details see, program paper, verification protocol table, pp. 93-96
41 Program paper, p. 29
42 Program paper, p. 42
43 Program paper, verification protocol table, pp. 93-96
Program funds will be channeled to MoF by the World Bank and will be deposited into an already opened designated account for this program, at the National Bank of Ethiopia. Disbursements to the implementing agencies will be made from this account through an account maintained at the MoF.

FM arrangements will be overseen by the MoF at Federal level, the BoFEDs at regional level, and WoFEDs at woreda level. Most of the procurement will be carried out by the MoE, although certain procurements will be carried out by REBs, CTEs and the universities.

**Conclusion:** The Secretariat deems that all variable part standards of the proposed program are met.

### 5. Recommendations

The Secretariat finds the proposed program to be strong, innovative, and relevant in the country context and well aligned with Ethiopia’s refugee response framework as well as to the government priorities focused on providing equitable access to a quality education for all children. Furthermore, the Variable Part indicators seek to leverage a systemic change by incentivizing refugee education harmonization and integration into the national education system.

The fixed part requirements do not need to be revisited as part of this application, given that it was received less than a year after the approval of the ESPIG on December 4, 2020.

**Based on its assessment, the Secretariat recommends that the GPE Grants and Performance Committee approve Ethiopia’s request for a Multiplier ESPIG in the amount of US$20 million, with the following observation and report-back:**

**Observations:**

As observation to positively recognize the support to refugees through the proposed program and to consider the focus on refugee integration a great milestone towards promoting refugee education in Ethiopia.

**Report-back:**

*For the government and GA*

A report-back on the impact of the current conflict in Tigray and the unfolding humanitarian crisis on the implementation of the proposed program.