

CEO DECISION MEMO

09/25/2024

TO: Laura Frigenti, CEO	
SUBJECT: Approval of a system transformation grant for Cabo Verde	
Country	Cabo Verde
System transformation grant allocation	US\$ 5,000,000
Allocation requested (%)	100%
Allocation recommended by Secretariat	US\$ 5,000,000 including US\$ 250,000 grant agent support costs
Results based financing	No
Grant agent	UNICEF
Agency fee (% and amount)	7% - US\$ 350,000
Period	5 years
Expected start date	October 1, 2024
Closing date	October 1, 2029
Funding source	GPE Fund

Action request

Approve an allocation from GPE trust funds for a system transformation grant, in support of the Priority Education Reform Support Program, as described in the application submitted and summarized in Table above.

The exceptional approval of a five-year grant duration, which goes beyond the standard four-year period, should be noted. The necessity for the flexibility is justified by the highly ambitious transformation agenda, lessons learned, and the unique challenges expected with logistics and implementation. The Secretariat approves of this exception noting the country's request for flexibility and given that the majority of grant is expected to disburse over the first four years.

Grant Summary

In close alignment with its Education Sector Plan 2022–2026, Cabo Verde has identified the improvement of inclusion and quality of learning in pre-primary and the first cycle of basic education as its partnership compact policy priority for system transformation. This is based on the rationale that improving the quality, access, and equity of early childhood education (ECE), alongside strengthening inclusion and quality in lower primary education, would lead to a sustainable transformation of ECE, contribute to improved learning outcomes at primary level, and support broader system transformation.

This system transformation grant (STG) aims to achieve the partnership compact priority through three areas of intervention, which align with the compact's strategic axes: (i) ensuring universal, inclusive, and quality early childhood education (ECE); (ii) improving the quality of learning and inclusion of children with special educational needs in the first cycle of basic

education; and (iii) strengthening the management and governance of the pre-primary and primary education subsystems.

While Cabo Verde has already achieved universal primary education and boasts pre-primary enrolment rates of 80%, the STG brings transformative strategies with strong potential to further advance equity and quality of early learning and meet the needs of the most vulnerable children, including children with special needs. These strategies include the development of a regulatory framework to oversee and harmonize quality standards in ECE; professionalizing the ECE teaching workforce with a focus on initial training; universalizing access to pre-school by targeting out of school and the most vulnerable children; establishing a remedial system in the first cycle of basic education for children with learning difficulties; and the strengthening of initial and in-service primary teacher trainings. In both ECE and primary, interventions include a focus on identification, mapping, training, and data collection related to children with special educational needs and disabilities. Cabo Verde's STG shows a positive and strong commitment to integrating a gender lens in its approach to ECE, primary education, quality improvement and the strengthening of the system's governance. Considering a number of actions on gender are contingent on the development of a gender study, the Secretariat advises to keep gender equality as a core component of grant monitoring to support achieving the ambitions set in the program document.

This program builds on, and is designed around, sector diagnostics as well as lessons learned from previous interventions, including those of the previous US\$2.5 million GPE ESPIG grant. It also adopts a participatory and inclusive approach, which will foster greater ownership and long-term sustainability of the structural and transformative reforms it seeks to implement. Once the program becomes effective, the degree of alignment with national Public Financial Management systems will be formally assessed and subject to a continuous dialogue.

Current Portfolio

Pending: GPE Multiplier US\$ 5 Million - Ceiling (Maximum allocation)

Pending: System Capacity Grant (SCG) US\$ 1 Million - Ceiling (Maximum Allocation)

Closed: ESPIG US\$ 2.5 Million (June 30th, 2024)

Enabling Factors assessment

Cabo Verde has conducted a contextualized analysis of the four enabling factors, in accordance with the GPE 2025 operating model, including the Independent Technical Advisory Panel (ITAP) assessment. While Cabo Verde initially rated domestic financing as high priority in its enabling factors analysis, the ITAP assessed the four enabling factors as medium or low priority, and the country retained the ITAP's ratings in its partnership compact. The allocation for the SCG remains available for the country to address the enabling factors and a grant application is expected after consultations with partners in Cabo Verde.

Significant Opportunities:

There is strong momentum in Early Childhood Education (ECE) that could lead to lasting transformation at this education level and contribute to improved learning outcomes at the primary level, which in turn could support broader system transformation. This STG provides an opportunity to consolidate and improve the quality of the ECE subsystem on a solid foundation and to reach the most vulnerable through diversified education offers enabled by public-private partnerships, framed within a regulatory framework. The process, as well as the inclusive and participatory approach promoted by the program, should be thoroughly documented, and the lessons learned from this effort should be shared with other countries in similar conditions.

Significant Issues and Risks

The Secretariat notes that the program would start on October 1, 2024, and end on October 1, 2029, which is beyond the standard four-year implementation period. This is due to the implementation of structural and transformative reforms and the use of a participatory and an inclusive approach. The aim of this approach is to foster greater ownership and long-term sustainability, but it also entails a longer implementation period. In addition, the country faces logistical challenges related to its insular nature, further compounded by the commitment to reach vulnerable and out-of-school children, including those located in remote islands. While the previous US\$2.5 million ESPIG was implemented over a period of 5.5 years, the country has also drawn lessons from this experience and planned relevant mitigating measures, including the establishment of a dedicated management unit within the Ministry of Education. Most of the STG activities are expected to be completed within 4 years, with the 5th year dedicated to a few recurring activities to sustain the reforms implemented and to consolidate ownership, as well as to thoroughly evaluate and assess the program's outcomes. Only 12 percent of the total grant is allocated to this final year.

Cabo Verde is a politically stable country. However, municipal elections are scheduled for December 2024. Since municipalities play an important role in the ECE sub-sector, this may slow down the start-up of some initial activities of the program.

Recommendation

The Review Meeting (RM) concluded, based on the Secretariat's quality assurance review, that the **RM recommends to the CEO the approval of an allocation of US\$ 5,000,000 for Cabo Verde with UNICEF as Grant Agent.**

RECOMMENDED DECISION

Grant: System Transformation Grant
Country: Cabo Verde

CEO/2024/09-25-2024

The CEO in her delegated authority from the Board of Directors approves the system transformation grant request for Cabo Verde in the amount of US\$ 5,000,000 plus an additional

US\$ 350,000 in agency fees to UNICEF as the grant agent, as described in the application submitted and summarized in Table above, subject to:

a) Availability of funds.

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

Date: September 25, 2024

A handwritten signature in black ink, appearing to read 'Laura Frigenti', written in a cursive style.

Laura Frigenti, CEO

The CEO Decision Memo should not exceed 3 pages.