The System Capacity Grant Concept Note has been developed by the Co-Grant Agents (UNICEF and World Bank) as part of the Nepal System Capacity Grant Application. This Concept Note has been presented to the Nepal Local Education Group for endorsement during the 2023 School Education Sector Plan Budget Review Meeting on May 2-4 in Kathmandu, Nepal.

Nepal System Capacity Grant Concept Note

April 2023

Contents

Introductory note

Nepal is one of the five countries to pilot the new partnership modality of the GPE Finance 2025. The Partnership is an agreement on key priority areas for transformational change of the education system. Under this partnership, Nepal has successfully applied for System Transformation Grant (STG), while continuing to leverage additional financing to trigger the multiplier component and has prepared the System Capacity Grant (SCG) application for endorsement of the Local Education Group (LEG) during the 2023 School Education Sector Plan (SESP) Budget Review Meeting (BRM), and subsequently, submission to the GPE Secretariat. The executive summary of the SESP has been attached as Annex 1.

In the case of Nepal, a well-established Sector Wide Approach (SWAp) has been in place in the education sector for the last two decades. It includes a highly functional coordination mechanism to engage the broader LEG[1] in the overall sector planning, budgeting, implementation monitoring, evaluation and learning. Nepal's LEG is led by the Government and consists of joint financing partners of the respective education sector plans implemented through a pooled budget support arrangement for over two decades, along with other development partners, civil society organizations and stakeholder representatives, including teacher professional organizations, parent/guardian associations and organizations for people with disabilities. An overview of the Nepal SWAp mechanism has been attached as Annex 2.

Through this mechanism, Nepal's Strategic Partnership Agreement (GPE-SPA)[2] was developed and approved by the GPE Board in July 2022, following which the GPE STG application for US$ 20 million was approved in September 2022. The STG has been processed as additional financing to the IDA financing (which includes US$ 20 million additional financing from the World Bank towards unlocking the STG Multiplier) towards budget support to the SESP under the Joint Financing Arrangement (JFA). The GPE-SPA identified (i) strengthening gender responsive school environments, (ii) increasing access to quality early childhood education, and (iii) improving quality of teaching as transformative priority areas. To unlock the transformational change envisioned under the Strategic Partnership Agreement, establishing mechanisms to ensure adequate deployment, training and support to ensure sufficient numbers of teachers that are motivated and skilled to provide pedagogically-sound, need-based and gender and social-inclusive education as the overarching area is identified.

As such, the GPE-SPA and STG have remained fully aligned with the SESP[3], for which the costed plan is subscribed through the SESP JFA by seven Joint Financing Partners (JFPs) for the first five years (2022-2027) of its ten-year (2022-2032) period. The required reforms identified under the three priority areas have been reflected in the Disbursement Linked Indicators (DLIs) through which the STG is processed, which are part of the joint SESP DLI framework that is subscribed to by JFPs that support the SESP through a program-based and/or result-based financing (RBF) approach. Technical support is to be mobilized through the SCG under the common framework for technical assistance and based on the assessment of the enabling factors to ensure adequate institutional capacity to achieve the results and reforms envisioned in the GPE-SPA as part of the SESP. The joint SESP DLI framework has been attached as Annex 3.

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[1] The Nepal Local Education Group is led by the government and includes the local education development partners, education academics and civil society organisations. It is the primary decision-making body at the GPE country level.
[2] https://www.globalpartnership.org/content/nepal-partnership-compact-2022
[3] https://www.globalpartnership.org/content/school-education-sector-plan-2022-2032-nepal

Background

Following the ratification of the 2015 Nepal Constitution, a highly decentralized institutional structure has emerged over the years, which provisioned the establishment of federal, provincial, and local tiers of government. This Decentralization presents opportunities in the long-term to enable all levels of Government in responding to specific challenges and contexts of their areas of respective governance. Many of the funds, functions and functionaries that had pre-2015 been managed and directed by central level authorities and channeled through District Education Offices (DEOs) have now been transferred to the LGs. This includes a shift of functions of planning, monitoring and management of basic and secondary schools under the jurisdiction of local governments. As a result, local governments now have the mandate and budget to develop their own education plans and budgets alongside those of the federal government.

The decentralized approach necessitates a long-term strategic education sector plan to convene the disparate actors across Nepal's education sector under a collectively shared vision and roadmap. For this, the 10-year SESP was developed, informed by a comprehensive education sector analysis. In order to implement the SESP in the federal context, a framework is required under which the federal-, provincial- and local governments can adequately execute their exclusive- and concurrent powers. To support the establishment of a robust framework for inter-governmental coordination and collaboration across the three government tiers, strengthening institutional capacity and coordination is a priority under the SESP. In this regard, the plan envisions to enhance good governance in education by clearly articulating the roles and responsibilities of federal, provincial and local governments and to institutionalize mechanisms that strengthen inter-relationships, coordination and collaboration between the three levels of government. Furthermore, the SESP sets out to build capacity of human resources and institutions under the institutional structures and mechanisms of the Nepal school education sector, including personnel at the local level and the strengthening of school management to make it accountable for results.

With the Federal Education Act forthcoming, the 2018 Compulsory and Free Education Act and the 2020 Compulsory and Free Education related rules serve as a legal basis and define the roles of the federal, provincial and local governments. Further, the 2019 National Education Policy provides guidelines for key functions and provision of services across the government tiers and introduces reforms and changes in the education sector. There have been several guidelines and documents developed by the Government to facilitate and support LGs in undertaking their new roles and responsibilities. These include the National Planning Commission (NPC) guidelines and the Ministry of Federal Affairs and General Administration (MOFAGA) local level planning guidelines to guide the local levels in the formulation of development plans and respective sector plans.

The COVID-19 pandemic that caused Nepal from March 2020 to announce nationwide lockdowns and kept schools closed for most of the 2022-21 and 2021-22 academic years caused high levels of disruption in education service delivery, negatively children's access to learning and achievement of key skills (e.g., foundational and transferrable). Furthermore, the secondary factors of the pandemic included an increase in poverty levels, particularly impacting children from lower wealth quintiles and rural areas and potentially reversing progress against key indicators made in the Nepal school education sector in recent years. However, the pandemic also served as a catalyst in establishing cross-governmental coordination and collaboration with the development of COVID-19 response and early recovery frameworks.

GPE System Transformation grant agent selection

The Grant Agent selection was undertaken with the engagement of the wider Nepal LEG. Following the approval of the Nepal GPE-SPA, the Ministry of Education, Science and Technology and the GPE Coordinating Agency[4] developed criteria of the SCG Grant Agent selection and shared these with the wider LEDPG. Following this, the GPE Coordinating Agency launched a call for expressions of interest among the LEDPG, following which it received two expressions of interest from UNICEF and the World Bank. The expressions of intent have been attached as Annex 4a and 4b respectively.

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[4] This role was temporarily handed over by UNICEF to the then Development Partner Co-Focal Point, the Royal Norwegian Embassy, as UNICEF had to recuse themselves in this regard as they were planning to express interest in the role of grant agent

GPE-SPA transformative priority areas

Through the development of the GPE-SPA, the following areas were prioritized in terms of having a transformative effect on the sector in reach out the higher-level goals and objectives on inclusive access to quality education and learning for all. In response to the federal transformation of the education sector, the priorities *focus on institutionalizing the frameworks and plans that are/ need to be put in place at the local level* to ensure that policy is reflected in local level practices. The priority reforms that were identified for the Nepal Partnership are:

1. **Quality teaching:** Qualified and motivated teachers facilitate teaching-learning processes that lead to age-appropriate learning outcomes, specifically:
    a. Attract high performing candidates to the teaching profession (such as through revision of recruitment policies) and strengthen linkage with the pre-service training to ensure adequate and competent new teachers enter the teaching work force.
    b. Strengthen competency and curricular- based in-service teacher training with adequate attention to quality learning, pedagogy for school-based teacher support, coaching and mentoring is established and implemented.
    c. Education training centers, and their extended training facilities, have adequate capacity and are accountable to cater to all teachers by providing the required in-service training.
2. **Early childhood education:** Early childhood education and development/ pre-primary education (CED/PPE) centers/classes are distributed with adequate resources to meet the minimum enabling conditions for all children to have access and obtain the Early Learning Development Standards from fully trained and qualified ECED/PPE teachers.
3. **Gender equality:** Local governments have the capacity to plan, implement, monitor and enforce gender inclusive policies to ensure that schools have gender sensitive facilities, and they are free from gender-based violence and harassment.

The priority reforms have been identified based on a review of the extensive analysis available within the sector and the validation of the issues by the LEG. The rationale for the transformational aspects of these three areas and the detailed GPE-SPA Theory of Change (ToC) has been attached as Annex 5.

Theory of change of the priority reform

The Partnership is built around the SESP's theory of change (ToC). The vision of the SESP is to transform the Nepali public education school system to achieve social and economic development through the creation of capable, creative and value-orientated citizens. Specifically, the SESP sets out to develop a capable, well-governed, accountable and competitive public school education system that is able to ensure citizens' right to acquire relevant and quality education, comparable to international standards.

The ToC for the GPE Strategic Partnership and the SESP are closely interlinked, and both focused on the unlocking of the capacity of the local governments to execute their mandate on the management of school education. For this, it is envisioned that by establishing a mechanism that allows local governments to assess their system/institutional capacity (across the enabling factor areas presented in the next section) and make need-based technical assistance and support available accordingly in

a systematic and predictable way, it allows local governments to (i) contextualize the approach towards achieving envisioned results under the three priority areas and (ii) ensure adequate institutional capacity to plan, implement, monitor, evaluate and adjust their education sector plans and budgets.

The ToC is based on the understanding that the current institutional capacity across the 753 local governments varies, with a number of them requiring intensive support and guidance. During the first year of the SESP implementation period, tools will be made available to local governments to support contextualizing the federal level PRF targets, according to their capacity, context and resources.

Furthermore, an institutional capacity assessment will be undertaken to inform the support and assistance mobilized under the common framework for technical assistance that is being developed to support the SESP implementation. This assessment will further unpack the findings against the enabling factors that are presented in this partnership document as well. Alongside the planned strengthening of the capacity at local level to implement the sector plan activities and reforms, targeted strategies will be initiated as part of the SESP to transform the public education sector as described below.

Based on the rationale presented, the ToC has been presented below accordingly, with the three priority areas being reflected in the three outcomes, linking to the objectives, mission and vision of the SESP.

Figure 1: The GPE Strategic Partnership Theory of Change model
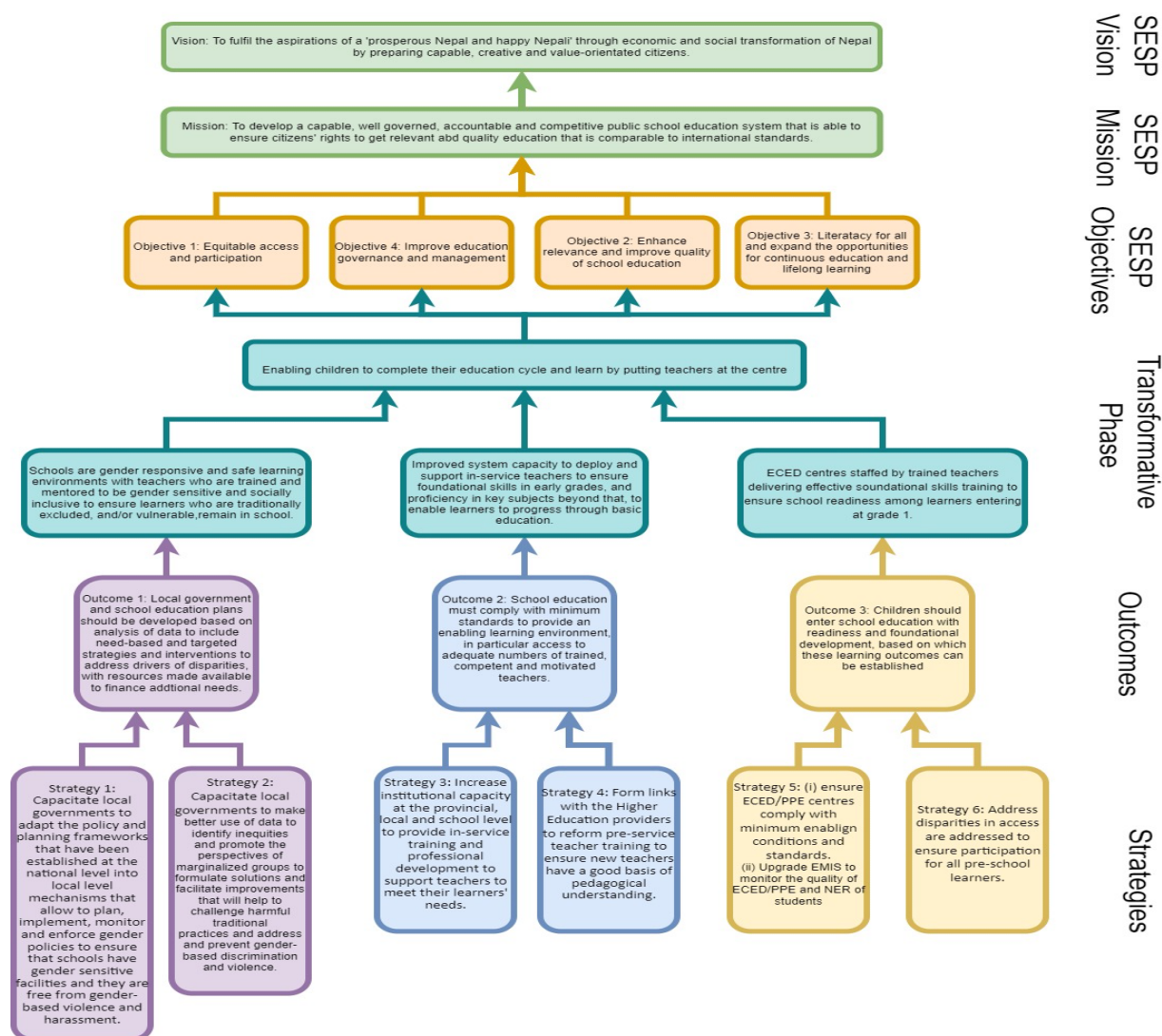
Scope of the proposed utilization of the GPE System Capacity Grant

To ensure mandates and capacities are aligned, sustained institutional strengthening is essential at the federal level to bolster LGs in their creation of education-related policies, strategies, plans and budgets, along with structures to manage and monitor the implementation of these. These measures should be tailored based on context analysis as well as capacity evaluation for appropriate planning progress through monitoring and evaluation processes that utilize data evidence and validating stakeholders' involvement throughout. Additionally, LGs should be supported to adapt the national level strategies and targets, ensuring they are contextually relevant and address local needs. Through collective efforts, the federal and provincial education sector plans need to be calibrated for them to align with the federal- and provincial education sector plans. This will help create a comprehensive framework that would allow the SESP's effective decentralization of resources down to local government level – thereby further enabling its goal-oriented goals across highly diverse contexts within provinces and municipalities.

The Nepal GPE SCG application was developed based on the LEG assessment of the enabling conditions, which is attached as Annex 6, while taking note of the observations and recommendations that were provided by the GPE's Independent Technical Advisory Panel (ITAP), of which an overview has been attached as Annex 7. Based on this, the co-grant agents and the Government identified key activities and areas under the different financing windows and activity groups. The SCG will be mobilized as a part of the overall technical assistance that the JFPs and non-JFPs are planning under the Common TA Framework for the SESP

Enabling education system transformation

This section presents a brief overview of the four enabling factors, based on the review undertaken by the Nepal LEG. GPE have determined that transformation in the selected priority areas is dependent on these enabling factors. Therefore, the country requirements analysis asked the LEG to evaluate the status of these enabling factors in country. Overall, the need to capacitate local governments to enable them to execute their roles and responsibilities, as per their constitutional mandate, is a major focus under the new SESP (see also the GPE-SPA theory of change). To support this, a common framework for technical assistance and implementation arrangements have been developed to ensure systematic need-based support is made available based on the demand and needs identified governments across the three tiers. This will include different modalities and intensity of the technical assistance depending on the assessed institutional capacity (or lack thereof) among governments.

Proposed activities under the System Capacity Grant

The system capacity grant will be used to ensure resources for technical assistance to support the three tiers of government and support the Government's capacity to manage and coordinate the strengthening of the enabling factors at all levels based on identified needs. Furthermore, it will be mobilized to support the federal government to plan and coordinate other major LEDPG technical assistance to support capacity development across all levels, to effectively manage and implement the SESP. Under the System Capacity Grant matched with other technical assistance funds, the following activities have been proposed:

Financing window 1: Gender-responsive planning & policy development for systemwide impact

Nepal has made significant progress towards gender equality over the last two decades and has strong gender equity and social inclusion policy frameworks in place at the federal level. Moving forward, there is a need to address persisting social, economic, ethnic and language barriers. Remaining gaps in gender-responsive planning, budgeting, policy, and monitoring are to be addressed based on the recently completed independent appraisal of the SESP. While current capabilities in this area have served the centralized system well, they are untested as Nepal moves into a federal system. At subnational levels capacity needs will be multiplied and fragmented and may even need to be tailor-made for some local governments. In light of this fact, and strong planning, policy systems and process at the national level, measures are required to devolve practices and frameworks to the local government level.

A - Gender-responsive sector planning, including operational planning and budgeting

- **A1 - Capacitate LGs to adapt/ contextualize SESP in their local education plans and budgets, including an equity/GESI focus (GPE US$ 36,688)**

  This exercise supports the Government in enabling local governments in contextualizing the SESP into their local education sector plans and budgets, reflecting their local needs and priorities and making sure that targets are based on available resources and capacity. The work under this capacity will be based on the good practices and lessons learned of training responsible local government officers and on the support provided to local government for the development of their plans and budgets alongside the development and initiation of the SESP.

  A toolkit will be developed in the first year that will include the guidelines for the formulation of GESI- responsive and disaster and climate-resilient local government periodic plans (DLI 5.1c) by hiring experts that will work with the Thematic Working Group on 'supporting local level planning', which has been established under SESP Thematic Local level planning and budget preparation process (MoFAGA 2020) and include guidance on basic functions, such as planning, budgeting, management, monitoring, evaluation. The Toolkit will also take stock of existing practices in local governments in terms of contextualization of the SESP and include guidance on applying a financial simulation and capacity assessment to allow for evidence-based target setting during the exercise.

  Following the development and approval of the toolkit in FY 2022-23, the Government will be supported in undertaking workshops at national-, provincial- and local level for the dissemination of the toolkit. During these workshops, an intake will be facilitated with local governments where they can have their existing education plans and budgets reviewed by independent experts to understand where there is further room for elaboration and/or improvement in terms of alignment with the SESP, reflecting local needs and priorities and reflecting cross-sectoral priorities including ways to ensure their plan is gender responsive/transformative and climate-resilient. This exercise is to be completed with all 753 local governments in the FY 2023-24, following support for the implementation, review and updating of the local government education plans and budgets will be done the following years on a need-base.

  The SESP calibration toolkit is envisioned to become a common tool that is to be used by development partners and the CSO networks included in the LEDPG when engaging with local governments on their education sector plan and budget development/updating

- **A2 - Capacity building in specific areas related to gender-responsive budgeting, planning, monitoring and evaluation (GPE US$ 0)**

  Following the workshops organized as part of the dissemination of the SESP Calibration Toolkit, as described under activity A1, budget has been reserved to allow for the development of a training package on gender responsive budgeting, planning, monitoring and evaluation based on

identified needs and capacity constraints during the workshops to be provided to selected responsible officers for the following years, also anticipating a relative high turnover of these officers in local levels. Although there is no GPE contribution budgeted for this activity and the support will be mobilized from matching funds, the activity is included as it closely links with the activities on strengthening institutional capacity at all levels in the education sector to implement the SESP.

- **A3 - Professional Development Scheme for female officers and head teachers**
  As per analysis undertaken during the development of the Nepal GPE-SPA, and the feedback received during the November/December 2022 SESP Joint Review Meeting, where the proposed scope of the GPE SCG was presented to the LEG by the co-grant agent, budget has been earmarked to support professional development of female head teachers and responsible officers to increase their participation in the planning, budgeting and monitoring of the local education sector plans and the translation of these into school improvement plans.

- **A4 - Support expansion of the Gender and Inclusive Education Network**
  The Gender and Inclusive Education Network (GIEN) has been established under the leadership of the Government and based on the good practices of the Complaint Response Mechanisms and Gender Focal Points that have been introduced at local government and school level over the past years. Expanding the GIEN will include support to local governments to reflect arrangements in their local plans and budgets, identify gender focal points and establish grievance redressal mechanisms at school and municipal level, aligned with SESP Program Action Plan (PAP) actions on safeguarding and child protection.

B: Supporting policies and plans to identify and address multiple forms of exclusion

Revenue is collected at the federal level and is distributed to the province and local levels as either conditional grants earmarked for specific purposes, or non-earmarked funding through revenue sharing, equalization grants, special grants and complimentary grants. Local governments are also mobilizing local resources and can receive grants from other public or private entities. Developing the management capacity of the staff in charge of education at the local level is a major priority. Efforts will continue to support deployment of education officers to all Local Governments, providing additional support to those that require capacity building or local governments that temporarily do not have key staff in place. In this regard, building effective management capacity in all local governments will be supported by providing local units with sufficient staff who are qualified in planning and management practices. Federal administration and well-performing provincial- and local governments could be mobilized to support the technical and managerial challenges in other local governments, to spread service delivery practices, to promote the quality of services and to improve the expenditure assignments.

Ensuring an equitable flow of public finances to different layers under the new federal system will be important to ensure that poorer households do not end up withdrawing their children from education due to high costs and low levels of learning. Despite the steady progress that the country has made in reducing inefficiencies and inequalities in public spending, there is a need to review

and rationalize the deployment of teachers to increase equity and reduce the high repetition in Grade 1. Furthermore, a continued focus on targeted interventions for the most marginalized as well as on improving the quality of teaching and learning in order to improve survival rates is required, which is why this area has been assessed to be a medium priority.

- **B1 - The equity index is embedded and used for need-based planning and budgeting**
  The embedding of the equity index in EMIS will include the mobilization of technical expertise to support the CEHRD to use the 2022 Census data for updating the access component of the equity index and standardize the grade 8 exam results for the purpose of computing the learning component. Furthermore, the index will be incorporated in the EMIS local government profiles and updated when the new Flash data becomes available in the system. A module will be developed and incorporated in the SESP Calibration toolkit (see activity A1) to guide local governments in unpacking and analyzing their equity index score and using this analysis to inform targeted interventions to reduce disparities in education outcomes and thereby increase their equity score. The technical support will also include support to 150 local governments in ensuring a equity lens is applied when finalizing their local level education sector plans and budgets, based on the good practices and lessons learned in the support to local governments in developing their equity strategy implementation plans under the SSDP. Briefings on the embedding and use of the index will be developed for Development Partners, identified TA (for example the USAID TA on equity and inclusion) and nongovernmental organizations.

- **B2 - Strengthen capacity to establish, strengthen, monitor and enforce ECED Minimum Enabling Conditions**
  Budget will be included in the institutional contract for strengthening EMIS to support the development of additional data reporting field into EMIS and guidance to schools on how to report into these with regard to the two remaining indicators to monitor ECED minimum enabling conditions (seating arrangements and learning corners).

C: Strengthening evidence-based diagnosis of critical implementation bottlenecks and identifying potentially scalable, transformative solutions

The Nepal education SWAp modality facilitates a high level of use of available data and evidence to inform planning and reforms within the school education sector. Whilst Nepal produces comprehensive data on sector performance, ensuring the use of education data for need-based and evidence-based planning remains a priority. This increased when the mandate for management of school education was devolved to Nepal's 753 local governments. For this, EMIS will need to be further strengthened to inform planning and budgeting exercises at the local government level. However, utilization of the data requires adequate staffing and capacity in these offices. Furthermore, local governments and schools will be able to identify which groups of students, and in which schools learning loss has been most severe and, based on this, plan needs-based and targeted support, such as accelerated learning and remedial programs. Further strengthening of links between EMIS and other information management systems and data sets is important to ensure increased use and relevance of data in planning and monitoring of education.

Based on the joint processes enshrined in the JFA, participation in the joint sector reviews is extended beyond the JFPs, to include development partners that provide non-pooled/off-budget support to components of the education sector plan, civil society organizations and stakeholder representatives and networks (including teachers' professional organizations). The engagement of this broader consortium is also captured in the Memorandum of Understanding (MoU) of the Nepal LEG. The ToR of the JFP Lead confirms that this role also encompasses the role and responsibilities of Development Partner Focal Point. There is a joint annual sector planning exercise (the Budget Review Meeting) undertaken by the Local Education Group on an annual basis, where the Government's Annual Strategic Implementation Plan and Annual Work Plan and Budget (ASIP/AWPB) are reviewed and finalized. In addition to this, the development of the education sector plan's program result framework and implementation arrangements is developed by the Government in a highly participatory way with consultation from the local education development partner group, provincial governments, local governments and stakeholder representatives, including Civil Society Organizations.

- **C1 - Learning loss analysis & recovery**
  The technical assistance mobilized under this activity will include a stock taking exercise of the learning loss recovery undertaken in FY 2023-24 against the initial learning loss analysis that informed the activities and targeted interventions in the Recovery and Accelerated Learning (ReAL) plan. Following this, the learning loss analysis will be updated to inform the planning and budgeting of learning loss recovery activities for FY 2024-25.

- **C2 - Supporting joint sector reviews, including the Mid-Term Review**
  Budget will be reserved from the SCG to support the facilitation of the undertaking of the 2023-27 Joint Review Meetings (JRMs) and Budget review Meetings (BRMs), as well as the 2025 Mid-Term Review (MTR), including technical support, logistics and translation and the mobilization of the MTR team and the undertaking of thematic studies to inform the MTR.

- **C3 - Support strategic engagement of LEG members in the school education sector wide approach**
  In order to expand the sector dialogue and further align it with the federal structure, funds have been reserved to engage in partnership with municipal and school management associations and federations, supporting activities that have been agreed with the MoEST in the signing of the MoUs on commitment to joint accountability and monitoring of SESP progress and results. Furthermore, this will include support provided to other non-government members of the SWAp, including the CSO networks and teacher professional organizations, in strengthening their strategic engagement in SWAp processes.

D: Strengthening sector coordination, including local education groups, joint sector reviews and monitoring the effectiveness of the country-level partnership

An institutional capacity assessment will identify needs and inform the development of an institutional capacity plan to improve the capability of all levels of government to undertake their key functions as set out in the SESP. Reforms that improve school readiness, through improved access and quality of

ECED/PPE, ensure teachers have the required skills and competencies, and decrease barriers to learning for girls increase the efficiency of the school sector. Both reforms reduce the cost of children repeating or dropping out due to a lack of foundational skills or of access to quality teaching-learning processes. Simultaneously, the System Capacity Grant (SCG) will be mobilized to support setting up a support system under the MoEST's Technical Support Unit (TSU) to implement the common Framework for Technical Assistance under the SESP and to provide need-based support to strengthen capacity at local levels to implement key functions on school education sector management, implementation and monitoring.

With this strong platform for inclusive education sector dialogue and coordinated action in place, the Government and development partners, including civil society organizations, have initiated consultation with representatives of the provincial- and local governments and other members of the LEG to explore how the Nepal SWAp can be further aligned with the federal structure. Specifically, SWAp can strengthen intergovernmental coordination and collaboration within the school education sector, in line with the devolved mandates and functions at the local government level and, to some extent, at the provincial government level. For this, key references that guide the coordination and technical discussions under the SWAp, such as the LEG MoU, the ToRs of joint sector reviews and thematic working groups, will be reviewed and adapted alongside the development of the JFA for the SESP.

- **D1 - Capacitating the MoEST Technical Support Unit**
  In line with the envisioned set up in the SESP, the SESP Technical Support Facility will be fully embedded in the MoEST and its central level agencies, rather than being established as a separate facility. This will include the deployment of a core team (team leader, technical adviser, administration and finance support staff, program associates/ officers in the Technical Support Unit (TSU) to support the coordination under the SWAp for the implementation of the SESP and as per the JFA requirements and the LEG MoU. It also includes a renumeration for assigned Government officials that have been seconded to be part of the TSU, and/or have been assigned to key tasks in the SESP coordination, additionally to their ToR. Budget has further been included to mobilize international/national experts from a pre-established roster. Finally, funds have been reserved to ensure that support can be provided to ensure hybrid meetings can be run in the various agencies.

- **D2 - Technical assistance for SESP-Thematic Committees**
  The SESP Thematic Committees and Working groups that have been established to ensure the continuous technical level dialogue on the SESP priority areas will be provided with funds to mobilize experts on jointly agreed knowledge gaps or tasks and to organize field trips to validate and inform the discussions held within them and the joint sector reviews.

- **D3 - Strengthening capacity of DACS to coordinate technical assistance**
  The MOEST Development Assistance Coordination Section will be provided with support for digitizing and archiving its records and the development of a specific information management system, based on the internal- and external reporting needs of the section to allow it to remain

the single-entry point for sector coordination under the Nepal education sector wide approach modality.

- **D4 - Strengthened communication for SESP implementation and visibility**
  Technical assistance will be mobilized for the development of the SESP Communication and Visibility Strategy, which will be a key strategy to ensure the strategies and results envisioned to be implemented/achieved under the SESP are fully understood and owned at all levels in the education sector, including at the beneficiary level, and that there is equally a systematic stocktaking of how these priorities align with the ground reality that is fed back upstream to inform the policy and planning processes. Additionally, there will be strategies and activities included to increase the visibility of the progress under the SESP and strengthen the dissemination of this with journalist and news networks. As part of this, a SESP Communication officer will be mobilized to be embedded in the MoEST and workshops and events have been budgeted for at all levels.

E: Strengthening budget processes and ministry of finance engagement to improve the equity and efficiency of education expenditure, including processes toward gender equality

All activities captured within the education sector plan are stated and accounted for in the national budget and in accordance with the government approved budget heads. The education sector pooled budget support is committed against eligible program budget heads that encompass the Nepal school education sector. The pooled budget support subscribes to the costed education sector plan program guided by the JFA. Budget support that is mobilized in addition to the pooled-budget support is reflected in the SESP program projected resource envelope, medium-term expenditure frameworks (MTEFs) and the AWPBs, which allows it to be considered during the annual sector programming and budgeting processes. The annual confirmation of the pooled-budget support increases the ability to plan the utilization of these funds as part of the overall sector budget. Although mechanisms for extensive coordination and consultation are well established and high functioning at the national level, further alignment of financial mechanisms and strengthening of institutional capacity at the local government level is needed. Extending the strong national level planning and sectoral coordination mechanisms to the local governments requires careful planning and time, especially regarding financing systems and capacity building.

- **E1 - Technical Assistance to GoN in the implementation of the fiduciary management section of the SESP Program Action Plan (PAP)**
  The technical assistance will be utilized as part of the continued role of the World Bank as Fiduciary Management lead, which is a role assumed on behalf of the JFPs that have subscribed to the SESP. Under the SCG, the following areas on supporting fiduciary management are proposed to be supported by technical assistance for the following activities to coordinate among DPs and GoN in SWAp fiduciary management:
  - Review the IUFRs, Audit reports (OAG) and provide comments on behalf of the Joint Financing Partners, including calculation of ineligible expenditures, if any.
  - Support to strengthen fiduciary oversight through implementation of actions to strengthen financial monitoring and supervision at all levels

- **E2 - Develop capacities to manage, implement, and monitor fiduciary oversight**
  Technical Assistance is to be made available to the Government for the fiduciary management working group to review the implementation of the fiduciary management related actions in the SESP joint Program Action Plan (PAP).

- **E3 - Conduct a study on Public Expenditure Tracking Study**
  Technical expertise and assistance will be mobilized to support the undertaking of a Public Expenditure Tracking Study (PETS).

F: Cross-sectoral convening

The planning and reporting systems require support to be elaborated in order to enable local Governments to ensure cross-sectoral linkages with health, nutrition, water and sanitation and protection are established during the contextualization of the SESP program result targets into local level education sector plans and budgets.

- **F1 - Support cross-sectoral dialogue with WASH, Health & Nutrition and Protection**
  As is outlines in the SESP's sub chapter on cross-sectoral linkages and priorities. Matching funds have been confirmed to ensure technical assistance to strengthen the linkage of water and sanitation hygiene (WASH) in schools in terms of the establishment of indicators to monitor the quality of these services and enabling the EMIS to monitor these in line with the targets et in the SESP program result framework. Furthermore, technical assistance will be provided to ensure the SESP Calibration toolkit (see activity A1) includes a module on cross0setoral planning and budgeting to ensure linkages with WASH, nutrition, protection and health in the local government education sector plans.

G: Strengthening data systems, including on improving the availability and use of sex-disaggregated data, and data on children with disabilities

Nepal has built strong systems and processes to make use of data and evidence for formulating policies and plans and monitoring their implementation at national level, with the accomplishment of a web-based EMIS. While the process of federalization shows potential to strengthen accountability, an identified lack of capacity at local levels has been a concern and risks exacerbating education inequities. The next education sector plan faces the challenge of sustaining and improving data and evidence systems to inform decentralized decisions and enable timely, localized solutions that lead to real improvements for students. Proposed adjustments to assessment and examination systems aimed at improving use and capacity at local level are therefore crucial to prevent further educational inequities and to translate data and recommendations into feasible, prioritized actions at the level of local governments. The further strengthening of EMIS and improvements planned to address poor learning outcomes provide strong foundations of the SESP. The extent to which local governments will be able to validate and use their data for budgeting, planning and monitoring of education sector activities will be a major prerequisite to them meeting local education needs and contributing to the results envisioned in Nepal's next long-term education sector plan.

- **G1 - Strengthening of reporting, access, quality, timeliness of EMIS data**
  The technical assistance mobilized under this activity includes the support to the CEHRD to undertake the activities agreed in the joint EMIS action plan as agreed in the EMIS strengthening working group. It further has funds reserved to re-assess the institutional capacity of local government to report in a comprehensive and timely matter into the EMIS system and to mobilize additional support to provide additional support to those local governments that are observed not be reporting fully or in time. Finally, there are also allocations included to strengthen the capacity at the provincial level responsible officers and units in terms of the provincial EMIS reports and to support local governments as per need.

- **G2 - Strengthening of coordinated Education response**
  Based on the technical support provided to the provincial clusters that have been established under the Nepal Education Cluster, continued support will be provided to ensure that the education cluster mechanisms is strengthened and fully functional across all three tiers of government, including capacity to plan and monitor response in case of disruptions of education due to disasters or conflicts

H: Training and support for government staff and central and decentralized levels, including on the uptake and use of data and evidence

To enable local level use of data, access protocols and levels will need to be formalized. Local governments need guidance, resources and capacity building to strengthen their ability to validate and use data for planning, alongside intensive support for those local governments who have the lowest performance indicators, score low on the equity index, have lowest available resources and have most gaps in institutional capacity. Although the access to data and evidence is adequate at the federal level with the existing comprehensive EMIS and assessment data analysis, this is not the case at the more recently established local government level. Thus, strengthening the emerging capacity to monitor learning outcomes and use data at the local level for evidence-based planning and budgeting is a focus area.

- **H1 - Strengthening capacity for uptake and use of data and evidence, including EMIS and learning assessment systems**
  Technical assistance will be made available under this activity for the development of training materials and tutorial videos, as well as undertaking training and peer-exchange events for responsible officers in strengthening their capacity in operating EMIS at the different levels. This component will also support further strengthening and institutionalizing data driven planning and budgeting through the positive deviance research that is undertaken under Nepal's Data Must Speak (DMS) initiative will be taken forward, in terms of undertaken qualitative- and quantitative analysis to understand the positive deviant behaviors and practices, and based on this, identifying levers for driving performance and learning outcomes at scale. Moving forward, the outcomes of this research are to be used to inform policy and planning processes to further focus on prioritizing factors within the school that drive performance and learning outcomes.

I: Support for implementation capacity, including sector plan implementation monitoring, including use of evidence in policy process

The extent to which local governments will be able to validate and use their data for budgeting, planning and monitoring of education sector activities will be a major prerequisite to them meeting local education needs and contributing to the results envisioned under the SESP. Local governments need guidance, resources and capacity building to strengthen their ability to validate and use data for planning, alongside intensive support for those local governments who have the lowest performance indicators, score low on the equity index, have lowest available resources and have most gaps in institutional capacity.

- **I1 - Continuous teacher support at the local level**
  - Support CEHRD in coordination with Provinces in the development of guidelines for continuous teacher support (CTS) at LG level, including development of an observation tool for providing continuous support and feedback to teachers
  - Development of local training materials for observation tool
  - Development of contextual TPD training materials (training videos)
  - App/online training platform for teachers and pedagogical leaders developed
  - Dashboard to monitor teaching practices
  - Work closely with MoEST/ CEHRD in coordination with Provinces in the roll-out of the CTS program nationwide in a phased manner, including evaluation and incorporation of lessons learned during implementation to strengthen the implementation

- **I2 - Implementation of learning recovery plan**
  - Support CEHRD in the development of guidelines for structured remedial program
  - Development of training materials, including formative assessments
  - Provide implementation support for Learning Recovery Plan
  - Closely work with CEHRD/ MoEST in coordination with Provinces to support monitoring and data collection.

- **I3 - Design and implement impact evaluation on ECE TEACH**
  Supporting the evaluation on ECE TEACH and incorporate lessons learned and evidence-based scale-up through the ECED Thematic Working Group.

- **I5 - Need-based support to local government for key education functions**
  Under this activity, additional technical support will be mobilized in the form of a team of experts that will follow up with local governments on a need/demand base to train responsible officers on key functions in education planning, budgeting, monitoring, reporting, etc. This support will be made available to 150 local governments during the development and updating of their education sector plans and budgets while using the SEP Calibration toolkit (see activity A1). Furthermore, provisions under this activity include the establishment of a hotline and helpdesk to provide remote assistance to local governments as per need and request.

Proposed System Capacity Grant Budget

The following budget has been proposed based on the Nepal SCG allocation and other technical assistance that is mobilized along with this towards the strengthening of the institutional capacity of the school education sector at all levels to ensure adequate implementation of the SESP:

WINDOW 1: Strengthen gender-responsive planning and policy development for systemwide impact					
A: Gender-responsive sector planning, including operational planning and budgeting					
s.no.	Activity	GPE (UNICEF)	GPE (WB)	Other[5]	Total
A1	Capacitate LGs to adapt/ contextualize SESP in their local education plans and budgets, including an equity/GESI focus	US$ 35,220.50		US$ 266,165.09	US$ 301,385.59
A2	Capacity building in specific areas related to gender-responsive budgeting, planning, monitoring and evaluation			US$ 140,750.00	US$ 140,750.00
A3	Professional Development Scheme for female officers and head teachers	US$ 14,256.00		US$ 161,810.00	US$ 176,066.00
A4	Support institutionalization of the Gender and Inclusive Education Network	US$ 44,928.00		US$ 109,200.00	US$ 154,128.00
	Total	**US$ 94,404.50**		**US$ 677,925.09**	**US$ 772,329.59**
B: Supporting policies and plans to identify and address multiple forms of exclusion					
s.no.	Activity	GPE (GA1)	GPE (GA2)	Other	Total
B1	The equity index is embedded and used for need-based planning and budgeting	US$ 95,904.00		US$ 159,100.00	US$ 255,004.00
B2	Strengthen capacity to establish, strengthen, monitor and enforce ECED Minimum Enabling Conditions	US$ 48,000.00		US$ 150,000.00	US$ 198,000.00
	Total	**US$ 143,904.00**		**US$ 309,100.00**	**US$ 453,004.00**
C: Strengthening evidence-based diagnosis of critical implementation bottlenecks and identifying potentially scalable, transformative solutions					
s.no.	Activity	GPE (GA1)	GPE (GA2)	Other	Total
C1	Learning loss analysis & recovery			US$ 189,000.00	US$ 189,000.00
C2	Supporting joint sector reviews, including the Mid-Term Review	US$ 172,800.00			US$ 172,800.00

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[5] This column reflect the potential/ confirmed technical assistance mobilized by other members of the LEDPG, in particular EU, Finland, ADB, Norway and USAID

s.no.	Activity	GPE (GA1)	GPE (GA2)	Other	Total
C3	Support strategic engagement of LEG members in the school education sector wide approach	US$ 157,440.00			US$ 157,440.00
	Total	**US$ 340,240.00**		**US$ 189,000.00**	**US$ 519,240.00**

WINDOW 2: Mobilize coordinated action and financing to enable transformative change

D: Strengthening sector coordination, including local education groups, joint sector reviews and monitoring the effectiveness of the country-level partnership

s.no.	Activity	GPE (GA1)	GPE (GA2)	Other	Total
D1	Capacitating the MoEST Technical Support Unit (TSU)	US$ 770,000.00			US$ 770,000.00
D2	Technical assistance for SESP-Thematic Committees	US$ 126,320.00		US$ 48,000.00	US$ 174,320.00
D3	Strengthening capacity of DACS to coordinate technical assistance	US$ 36,864.00			US$ 36,864.00
D4	Strengthened communication for SESP implementation and visibility	US$ 21,888.00		US$ 124,800.00	US$ 146,688.00
	Total	**US$ 955,072.00**		**US$ 172,800.00**	**US$ 1,127,872.00**

E: Strengthening budget processes and ministry of finance engagement to improve the equity and efficiency of education expenditure, including processes toward gender equality

s.no.	Activity	GPE (GA1)	GPE (GA2)	Other	Total
E1	Technical Assistance to GoN in the development of Fiduciary Management Action Plan		US$ 100,000.00		US$ 100,000.00
E2	Develop capacities to manage, implement, and monitor fiduciary oversight		US$ 120,000.00		US$ 120,000.00
E3	Conduct a study on Public Expenditure Tracking Study		US$ 100,000.00		US$ 100,000.00
	Total		**US$ 320,000.00**		**US$ 320,000.00**

F: Cross-sectoral convening

s.no.	Activity	GPE (GA1)	GPE (GA2)	Other	Total
F1	Support cross-sectoral dialogue with WASH, Health & Nutrition and Protection			US$ 85,000.00	US$ 85,000.00
	Total			**US$ 85,000.00**	**US$ 85,000.00**

WINDOW 3: Strengthen capacity, adapt and learn, to implement and drive results at scale

G: Strengthening data systems, including on improving the availability and use of sex-disaggregated data, and data on children with disabilities

s.no.	Activity	GPE (GA1)	GPE (GA2)	Other	Total

s.no.	Activity	GPE (GA1)	GPE (GA2)	Other	Total
G1	Strengthening of reporting, access, quality, timeliness of EMIS data			US$ 274,250.00	US$ 274,250.00
G2	Strengthening of education in emergency preparedness and response			US$ 163,000.00	US$ 163,000.00
	Total			**US$ 437,250.00**	**US$ 437,250.00**

H: Training and support for government staff and central and decentralized levels, including on the uptake and use of data and evidence					
s.no.	**Activity**	**GPE (GA1)**	**GPE (GA2)**	**Other**	**Total**
H1	Strengthening capacity for uptake and use of data and evidence, including EMIS and learning assessment systems			US$ 265,000.00	UUS$ 265,000.00
	Total			**US$ 265,000.00**	**US$ 265,000.00**

I: Support for implementation capacity, including sector plan implementation monitoring, gender responsiveness of the sector and evaluation of sector plans and policies/programs in priority areas; assess monitoring, evaluation and learning capacity, including use of evidence in policy process					
s.no.	**Activity**	**GPE (GA1)**	**GPE (GA2)**	**Other**	**Total**
I1	Continuous teacher support at the local level		US$ 600,000.00		US$ 600,000.00
I2	Implementation of learning recovery plan		US$ 600,000.00		US$ 600,000.00
I3	Design and implement impact evaluation on ECE TEACH		US$ 150,000.00		US$ 150,000.00
I4	ECE facilitator training		US$ 80,000.00		US$ 80,000.00
I5	Need-based support to local government for key education functions	US$ 60,000.00		US$ 367,500.00	US$ 427,500.00
	Total	**US$ 60,000.00**	**US$ 1,430,000.00**	**US$ 367,500.00**	**US$ 1,857,500.00**
	Effective management and operations	**US$ 65,984.19**			
	Overall total	**US$ 1,649,604.69**	**US$ 1,750,000.00**	**US$ 2,502,575.09**	**US$ 5,837,195.59**

The detailed GPE budget has been submitted in the GPE excel template.

Proposed modalities to mobilize the System Capacity Grant funding

The SCG funds will be mobilized in full alignment with the other technical assistance deployed for strengthening the institutional capacity and sector coordination to implement the SESP. Moreover, a substantial part of the SCG will be used to capacitate the technical assistance management and coordination mechanisms that is envisioned to be established within the MoEST and its central level agencies and is designed to augment the agreed implementation arrangements (see annex 2 of the common TA framework that has been attached as Annex 5) that have been put in place to ensure effective coordination, collaboration and implementation across the different tiers of government within the education sector.

As such, the SCG is not mobilized as a stand along technical assistance grant but serves to connect and link the other major technical assistance that has been mobilized/ committed by members of the LEDPG to support the implementation of the SESP, such as the complimentary funds that are provided by the EU to strengthen the institutional capacity for implementation of the SESP and the Finnish funds that support the implementation of the UNICEF Country Program Action Plan (CPAP), including the system strengthening and sector engagement components under which the GPE funds will be managed. This allows for example to position a large percentage of the technical assistance by other partners at the provincial, and primarily local level, in line with the observed capacity constraints, as they can rely on the management and coordination mechanisms at the central level that are supported by the SCG, therefore not needing to establish parallel implementation and management units.

The SCG is envisioned to be mobilized through various modalities, including institutional contracts, partnerships, individual experts and on budget and treasury through so called earmarked 'Red book' funding, which allows to send the funds as conditional grants to provincial- and local governments and accompany this by technical assistance to these entities when the planning and utilization of the funds takes place.

Ensuring that the funds are allocated in a way that ensures ability to adapt is another key consideration made while drafting the budget. In the spirit of the SCG, parts of the grant allocated under the TSU and various trainings are to be jointly programmed by the Government and development partners through the various thematic committees and working groups based on identified needs and priorities that have emerged from the joint sector reviews and dialogue, allowing a level of agility that the current context and experience of the last five years demands.

Revisions of the System Capacity Grant

In line with the GPE guidelines on the System Capacity Grant, minor revisions (up to 10% of the total budget) can be agreed based on a no objection from the LEDPG and GoN (to be facilitated by the Coordinating Agency, or to the JFP requested to support for this when the Coordinating Agency and Grant Agent are the same). Major revisions (constituting a 10% or more redistribution of the budget across the priority activities groups (A-I) under the three financing windows will need to be presented to the GPE Secretariat, after having received concurrence from the SESP TA Steering Committee and having been shared with the LEG for no objection.

Statement of endorsement by partners

The GPE System Capacity Grant application for Nepal has been developed in continuous consultation with the broader Local Education Group Consortium. This included the selection of the GPE SCG Co-Grant Agents in the September 2022 and the presentation of the key components under the different financing windows during the November/December Joint Review Meeting and the endorsement of the final application in the April/May 2023 Joint Budget Review Meeting. These endorsements have been recorded in the Aide Memoires of the respective joint sector/budget reviews, which also receive concurrence from the Ministry of Finance. Additionally, endorsement has been received by mail from the sector's joint financing partners, key other development partners, CSO partners and stakeholder representatives, including teacher professional organizations and organizations for people with disabilities among others.

Annex 1: Executive summary of the SESP

This school education sector plan for Nepal fulfils the commitment of the Government to (i) ensure compulsory and free education up to basic level and free education at secondary level, as guaranteed by the Constitution of Nepal, (ii) implement the 2019 National Education Policy (BS 2076) and (iii) achieve the fourth goal of Sustainable Development Goals (SDGs) identified by the global community on ensuring inclusive access to quality education and lifelong learning by 2030. In view of the transformative role that education plays towards the attainment of the long-term social- and economic development goals of Nepal, a credible school education sector plan is paramount to ensuring the country's trajectory towards sustainable development is followed. Furthermore, the changing needs of the federalized governance structure call for institutionalization of the decentralized management of the school education sector at the Local Level and thus provide impetus for the development of school education under the new plan.

The 2016-2021 School Sector Development Plan (SSDP) was initially prepared for seven years (2016-2023), with a costed programme developed for the first five years (2016-2021) and accordingly subscribed to by Joint Financing Partners (JFPs) through a Sector Wide Approach (SWAp) modality. The substantial changes in the sector's institutional set as a result of the federal transition that was initiated based on the promulgation of the 2015 Constitution, deemed it necessary to develop a new education sector plan to succeed the five-year SSDP programme. The FY 2021/22 served as a transition year to complete the SSDP and a foundation for the SESP.

Hence, the SESP was developed to give continuity to the strengthening of equity, quality and efficiency in the sector, to ensure relevance of programmes and reforms, and to integrate new strategies and programmes to respond to the priorities and issues of the emerged context. Simultaneously, it is to introduce reforms in the education sector to embrace the recent developments and changes in the knowledge, science and technology through their increased relevance and to build a strong and resilient system. This system is to be the foundation to foster creative, active, useful citizens who are dedicated to the nation and nationalism and are able to play a meaningful role in the transformation of Nepal into a well-governed, stable, civilised, harmonious, peaceful and prosperous country.

Another major imperative for the SESP is the need to facilitate an inclusive recovery of the education system from the impact of the COVID-19 pandemic, especially on the disruptions caused to children and adolescent's learning, along with ensuring the system has the ability to adapt to shocks and disruptions caused by natural disasters, epidemics and crises in the future and is able to ensure learning continuity. Furthermore, the fact that COVID-19 and other disasters have a highly unequal impact on children and their families depending on their gender, geographical location, socio-economic status, etc. For example, the COVID-19 rapid assessment that unformed the ESA noted that the pandemic disproportionally affected girls in terms not being able to continue learning due to the increased demand on them to care for siblings and engage in domestic work.

- **Progress and Challenges in School Education**

Nepal's formal education system has made significant strides in recent decades. Access to schools has expanded across the nation, including remote areas with small and scattered communities. More than eight million children are studying in 35,674 basic- and secondary schools, including over 1 million children

enrolled in 37,700 pre-primary and early childhood education development classes/centres across the country.

Nepal's education sector has made significant strides in improving access over the past decade, also compared to other countries in the region and of similar development and income status. Early Childhood Education Development (ECED), which until a few decades ago was limited to urban areas, has since been integrated formal basic education and rolled out across the country. According to the Educational Statistics of 2022 (CEHRD 2022), around three quarters of the children enrolled in Grade One (74.85 percent) have experience of ECED of one year or more. At the lower basic level (Grades 1–5), the Net Enrolment Rate (NER) of 96.9 percent shows that education at this level has reached at a stage which is accessible and readily available to almost all children. The NER at the basic education level (Grade 1 to Grade 8) which is defined by the State as compulsory and free has reached 95.11 percent. At the secondary education level (Grades 9–12), the NER has increased to 54.0 percent in recent years. The Gender Parity Index (GPI) score at basic- and secondary education level (0.99 and 1.01 respectively) confirms that Nepal is maintaining gender parity across the school education levels. With regard to Nepal's commitment of making the country fully literate, the literacy rate has reached 78 percent in the age group of 5 years and above and 92 percent in the age group of 15–24 years (CEHRD 2021). These achievements have been made possible by the Government of Nepal's (GoN) unwavering commitment to education, continuous efforts of Federal Government, Provincial Governments, and Local Levels, teachers, parents, school management committees, students, private sectors, non-governmental sector, development partners, and other stakeholders.

Despite this, the education system of Nepal faces a number of challenges, often similar to those encountered by other developing countries. For example, in terms of access and participation, 4.9 percent of children aged 5-12 years remain out of school as they are unable to access basic education. Challenges remain in completion, with 76.6 percent completing basic education.

At the secondary level, the expected increase in the transition rate from grade 10 to 11 is not yet achieved. As a result of school education being made free and various programmes and arrangements being made to promote equity, the indicators of equity have improved. Prior to the academic years 2020-21 and 2021-22, which were severely affected by the impact of the COVID-19 pandemic, there has been significant increase in the enrolment of Dalit children, children with disabilities, marginalized and ethnic groups as a result of the implementation of the Consolidated Equity Strategy for the Nepal School education Sector. Despite this, the enrolment of children with disabilities remains far below the proportion in their respective total populations. Despite the increase in ECED enrolment, about 31 percent of children in the age group of 4 years remain unable to get this level of education. A large proportion of out-of-school and dropout children and those who repeat class is made up of the poorest, most vulnerable children and children with disabilities, concentrated in certain regions of the country.

Indicators of quality and relevance of education are a proxy for the state of efficiency of education systems. The results of assessments of learning achievement conducted at various levels in Nepal in recent years have shown that overall student achievement have stagnated. The impact of the extended school closures due to the COVID-19 pandemic further aggravated this, causing progress observed under the first years of the SSDP to reverse in a number of areas, such as the enrolment of children with disabilities. Physical and educational environments of schools are conducive to learning. The lack of adequate,

competent, and motivated teachers in schools poses a major further challenge in terms of improving the quality of learning. The major disasters and disruptions during the SSDP period showed that despite the commendable commitment of communities to ensure education continue during emergencies, further strengthening of the sector's resilience and contingency mechanisms is required to mitigate the effects of natural disasters, epidemics and crises, frequently occurring in the country.

Past experience has shown that there can be no significant improvement in education without an effective and accountable governance and management system of school education. Some of the problems that have been observed are lack of effective and robust coordination and cooperation mechanisms and accountability systems between the Federal Government, Provincial Governments and Local Levels; lack of adequate human resources and capacity for education planning and implementation at Local Level; lack of strong leadership of the head teacher in school; lack of an effective system of accountability for student learning. Following the federalisation of the country, some new structures have been created and some existing structures have been amended or changed. In order to make the governance and management system effective in accordance with the federal structure, it is necessary to develop the capacity of the structures that have been newly created or whose roles have recently been changed.

As per the constitutional guarantee, the basic responsibility of implementing compulsory and free basic education and free secondary education has been assigned to Local Levels by enshrining education as a fundamental right. For this, it is necessary to properly manage the appropriate organizational structure and skilled human resources at the Local Level to provide educational services.

In this background, this plan has been formulated under the leadership of the GoN's Ministry of Education, Science and Technology (MoEST) for the development of Nepal's school education. In doing this, intensive engagement and consultation on various aspects of the plan was undertaken, with various inter-related ministries of the GoN and National Natural Resources and Fiscal Commission (NNRFC), Non-Governmental Organizations (NGOs), members of Nepal's Local Education Development Partner Group (LEDPG) and the broader Local Education Group (LEG), including those agencies that supported the SSDP as Joint Financing Partners of the GoN, teacher and parent representatives and associations, educational experts, and other stakeholders. Interactions and discussions with Provincial Governments and Local Levels in the course of the development of the provincial- and local plans, along with provinces and selected municipalities being supported in drafting their SESP alongside the federal plan, have helped to ensure the Plan is firmly rooted in the context and local experiences, practices and needs. Apart from this, a comprehensive Education Sector Analysis (ESA) and subsequent thematic studies were undertaken to inform the development of the SESP.

- **Vision and Goal of the Plan**

Vision: To fulfil the aspiration of a 'prosperous Nepal and happy Nepali' through economic and social transformation of Nepal by preparing capable, creative, and value-oriented citizens

Mission: To develop a capable, well-governed, accountable, and competitive public school education system that is able to ensure citizens' right to acquire relevant and quality education comparable to regional and international standards.

Objectives and Key Strategies of the Plan: The objectives and key strategies of the plan are as follows:

Objectives	Key strategies
To ensure equitable access to- and participation in a full school education cycle for all children, including those from social- and economically disadvantaged groups and children with disabilities.	Undertake school mapping of education services against prescribed criteria to inform expansion and rationalization of ECED centres and schools, providing alternative learning programs for children not able to access formal education, such as those living in remote areas, from families seasonally migrate or otherwise excluded.
	Provide free school education for all, strengthening the scholarship system to become increasingly need-based, along with other provisions to ensure meaningful access and participation of children from families with a low socio-economic status and/or with disabilities.
	Implement the Consolidated Equity Strategy for the Nepal School Education Sector to reduce disparities in access, participation and learning outcomes between social groups and regions.
	Implement the Inclusive education roadmap to ensure that children with functional limitations are supported to engage in the most inclusive form of education possible and that schools are strengthened to cater to identified needs of these children.
	Provide basic health and nutrition services and education, including safe water, sanitation, and hygiene, in collaboration with local health and other governmental and non-governmental organizations concerned, and arrange midday meal in school to support the nutritional status and health of basic-level children.
	Improve the physical and educational environments by making schools free from fear, discrimination, and abuse and conducive to diversity so that children can participate in learning activities in a child-friendly (including gender-responsive and disability-friendly) environment.
	Ensure children's right to education by making the school and overall education system resilient to epidemics, natural calamities and other emergency and crisis situations, including COVID–19. Ensure that governments of all tiers and schools are able to develop and implement the Recovery and Accelerated Learning (ReAL) plan, including assessing the impact of COVID-19 on student learning.
	Build resilient physical infrastructure to reduce the risk of natural calamities, including earthquakes.

2. To enhance the quality and relevance of overall school education by ensuring school readiness, foundational learning and quality learning achievements for each child.	Provide basic physical and educational resources and tools required for quality education in each school to create a healthy, safe, inclusive, and diversified learning environment.
	Improve, modify, and revise school-level curricula and textbooks to make them more standardized, relevant, qualitative, inclusive, up-to-date knowledge and skill.
	Emphasize the use of modern and effective methods in the pedagogical process to enhance the quality of learning of all students.
	Properly manage the basic tools/devices of information and communication technology (ICT) and digital learning resources and develop the skills of teachers and students in every school to enhance the use of technology as an integral part of teaching and learning.
	Improve the practice of assessment and evaluation of learning achievement of students to make it objective, regular, reliable, and standardized.
	Update the teacher competencies framework and coordinate with universities for the development and implementation of a teacher preparation and pre-service training programmes.
	Develop and implement a comprehensive teacher professional development system, establish a teacher support system, and streamline the system in order to improve the motivation and accountability of teachers.
3. To strengthen alternative pathways of education and their linkage to formal education or accreditation of skills, ensuring all adolescents leave the system with life skills and able to pursue further education and lifelong learning.	Provide opportunities to all youth and adults to acquire basic and functional literacy skills through various means.
	Expand access to non-formal education and lifelong learning opportunities through the equitable distribution and capacity enhancement of community learning centres to promote income generation, social transformation, and sustainable development of local communities.
	Establish institutional and legal frameworks to implement a system of testing, accrediting, determining equivalence of knowledge and skills acquired from various mediums of learning (informal, non-formal and formal) as per the GoN's National Qualifications Framework.

4. To ensure effectiveness of education service delivery by promoting good governance across the system, strengthening inter-governmental coordination and collaboration, and developing institutional capacities of all institutions and individuals involved in the delivery of school education.	Enhance the effectiveness and strengthen the coordination framework and accountability system between the Federal Government, Provincial Governments, and Local Levels for the implementation of compulsory and free basic education and free secondary education.
	Promote good governance in school education, improve school leadership system and management based on information technology, develop a results-based accountability system, and develop an effective monitoring and evaluation mechanism.
	Strengthen the national assessments of student learning and performance audits of schools and educational institutions and develop a system to improve the quality of school education based on the results of assessments.
	Develop the capacity of the educational institutions of Federal Government, Provincial Governments, and Local Levels to strengthen the system of educational planning, implementation, monitoring, and evaluation.
	Develop evidence-based educational management, planning and evaluation practices by improving the educational information and data system.

- **Key Activities of the Plan**

In order to achieve the vision and goal of the Plan, the following key activities have been identified and formulated:

Access and Participation

Access to and participation of all children from early childhood development centres to secondary level education will be ensured, as enshrined in the constitutional, policy and legal provisions of Nepal and the SDG 4. Strategies that will be applied to achieve this will include school mapping and based on this, rationalisation and adjustment of schools or, where this is not feasible, provision of alternative arrangements. Similarly, the government will continue to provide textbooks to all students free of cost and strengthen the need-based allocation of scholarships, and its distribution and management mechanism. Furthermore, the Government will maintain the provision midday meal in schools from ECED to Grade 8 in areas where enrolment in basic education is lagging, ensuring that these meals are nutritious and healthy. Focus will also be on provision of health care services (including periodic check-ups, availability of first aid kits and deworming) and adequate water, sanitation and hygiene facilities, including hand washing facilities an access to clean drinking water. A plan will be formulated and implemented to compensate for the educational loss caused by COVID-19 by analysing the loss of learning and its distribution across Local Levels and social groups. This plan will include additional resources and program

to ensure students that have dropped out or not returned to school during- or after the prolonged school closures caused by the COVID-19 pandemic, are engaged and receive need-based support to return to school and get (back) up to an age-appropriate learning level.

Equality and Inclusion

The Consolidated Equity Strategy for the Nepal School Education Sector will be updated based on the recommendations of the 2020 evaluation and continue to serve as an overarching guiding framework to ensure a dedicated approach to reduce existing disparities in education outcomes. Alongside this, the child friendly school framework provides an overall framework to ensure inclusive access to an enabling and safe learning environment. Local Levels will be supported to undertake need-based planning and budgeting of the education sector plans, ensuring that they include targeted interventions and allocations to reduce disparities identified by the unpacking of their data and equity index scores and analysing the barriers that children face within their respective municipalities in terms of obtaining access, participation and learning outcomes.

Targeted interventions and support will be scaled up under the SESP to ensure disparities in compliance with the minimum enabling conditions across regions are reduced. This will include separate toilets for male and female students, along with menstrual hygiene management facilities, such as provision of sanitary pads, changing rooms and waste disposal for female students of Grades 6-12.

To ensure that need-based support is context appropriate, specific models and strategies to cater to the needs of children with disabilities will be developed based on the inclusive education approach paper and roadmap. These will initially focus on strengthening existing provisions in terms of special, integrated and inclusive schools, as well as referral services and resource centres, while simultaneously ensuring that children with a disability/ with disabilities are currently in the most inclusive form of education on the available spectrum of services possible. Furthermore, schools will be supported to train their teachers, orient their management and engage their parents on inclusive education, develop individual education plans and adapt curriculum so that it is tailored to the needs of children with disabilities.

Regarding catering to children in the linguistical diverse context of the country, approaches to introduce early grade education in children's mother tongue and resources to facilitate education in the relevant medium of instruction are to be scaled up. In terms of catering to the remote and scattered communities and the mid- and far western part of the country, models to operate small schools (including multi-grade, multi-level teaching) will be rolled out and efforts will be made to increase access to education in these communities, including the provision for children to remain in hostels.

Quality and Relevance

In order to improve the quality of education, basic infrastructure development, improvement of learning environment, management of learning materials, arrangement of suitable classrooms and seating, qualification and capacity development of teachers in line with the prescribed competencies and standards. To ensure the availability of qualified, capable and motivated teachers to improve the quality of school education, modifications will be made in the current teacher preparation mechanisms. This will include expansion and continuity of capacity development opportunities for teachers, and the

establishment of a teacher support system at Local Level. Teacher qualification criteria and staffing criteria will be reviewed, modified, and enforced and teachers will be made available to all schools according to the student-teacher ratio criteria.

Assessment tools will be revised to allow assessment for education, rather than of education and teachers will be made accountable for students' academic achievements through strengthened teacher management arrangements, along with improved teacher incentive and evaluation schemes.

Curriculum, textbooks and learning activities will be improved to enhance relevance and quality. The curriculum and learning materials will be further sensitized and teachers trained accordingly on topics related to local language, culture, geography, history, knowledge and skills, civic skills, climate change, sustainable development, peace education, gender, and Comprehensive Sexuality Education (CSE). Similarly, curriculum and learning activities will integrate contemporary topics, including civic education, ICT, and various soft skills. The form, structure, standards, and curriculum of technical stream of secondary education will be reviewed and modified.

Data centres and digital laboratories will be established to expand the appropriate use of ICT in school administration, monitoring and to facilitate learning. ICT infrastructure and internet connectivity will be extended to all schools during the SESP, with Education Training Centres (ETCs) to be equipped for training teachers and administrative staff on use of ICT in school management and education. Interactive digital resources will be developed for different grades, including adapted interactive digital materials to ensure they are accessible for children with disabilities. Digital copies of curriculum and textbooks will be developed and made publicly available. Basic ICT skills will be integrated in curriculum and competency frameworks and a curriculum of ICT subjects will be developed. The Learning Portal developed to provide learning continuity under the COVID-19 pandemic will be further institutionalized and its access and user-friendliness increased, for example through extending it through mobile applications. Communication and dissemination of information and services will be undertaken using online platforms and social media to ensure broad reach and interaction with responsible officers, stakeholders and beneficiaries of education as part of the SESP Communication strategy.

Non-formal Education and alternative pathways for continued learning

Readiness for lifelong learning for adolescents that come out of the school education system with the engagement of the wide range of service providers active in the field of non-formal education alongside the government is to lead to fulfilling the commitment of making every person in Nepal literate. Alternative pathways to be established, strengthened and aligned alongside the formal school education sector under the SESP are to ensure that young adults enter society with skills that support income generation and improvement of living standards. ICT equipment will be provided to community learning centres and the use of ICT in the learning process will be increased among people of all ages. Similarly, various modules and materials will be developed based and made available through CLCs based on needs and demands and community libraries will be affiliated to foster a enabling environment. Coordination mechanisms will be developed to manage non-formal and lifelong learning at Federal Government, Provincial Governments and Local Levels; institutional development and operational grants will be provided for non-formal adult schools, open schools, schools of traditional nature, etc. Procedures related

to qualification certification and equivalence will be formulated and implemented according to the national qualifications' framework.

Education in Emergency and Crisis Situations

A plan will be developed and implemented to make school education resilient to emergency situations such as disasters, crises, and epidemics. Comprehensive School Safety (CSS) policy and standards will be reviewed and revised and enforced. A plan will be formulated based on vulnerability appraisal at Local Level and standards, guidelines and operational procedures related to education in emergency and crisis situations will be compiled. Similarly, awareness-raising programmes on resilience will be conducted, covering all schools. Teacher and school management committee training will be conducted on school safety and school buildings will be constructed and retrofitted in compliance with safe building codes and standards. Physical infrastructure guidance will be developed to construct green schools. Provision of health teachers/workers and psycho-counselling services will be made available in schools. Disaster risk reduction committees will be established, composed of teachers and students for contingency planning and ensuring learning continuity in the event of an emergency or crisis.

Governance, Management and Coordination

Necessary laws and standards will be developed to make the governance and management of education in line with the federal system of governance; various possible models of governance at the Local Level will be studied and suitable models of governance developed for the Local Levels of different types and nature in Nepal. A revision and implementation committee will be formed and operated under the National Education Council to make the education policy participatory, accountable, results-oriented, and supportive of the work of Provincial Governments and Local; Levels to the extent possible. Similarly, the EDCU at the erstwhile district level will be restructured as a technical support agency schools and local education units. Teacher training centres will be expanded and strengthened; organisation and human resources will be restructured by conducting organisation and management surveys at Federal Government, Provincial Governments and Local Levels; a teacher support system will be established and operated at Local Level; mechanisms related to non-formal education and lifelong learning will be developed at various levels. Reporting and data systems will be improved and strengthened; the leadership capacity of head teachers will be developed, and the appointment system improved to make them accountable for results through performance agreement. A system that makes teachers and all school education systems accountable for their students' learning will be developed and implemented, with arrangements to enforce this at Local Levels will be introduced.

The communication systems will be strengthened to make mutual cooperation and coordination between local, provincial, and Federal Governments effective. The educational information management system will be Improved by integrating and managing it so that all three tiers of government can exchange information in a timely manner. Capacity will be developed to strengthen the monitoring, evaluation and reporting system. A monitoring system will be developed and implemented by the Local Levels and indicators for results-based monitoring system will be prepared and updated. Each level and agency

implementing the programme will monitor the programmes they have implemented, and quarterly, bi-annual and annual review and status reports of programme implementation will be prepared. The student learning achievement tests and school performance audit results will be made regular and used to improve student learning achievement and school management. Social- ad financial audits of schools will be made effective and regular. Study and research will be facilitated on issues emerging form the workforce and monitoring of the performance against the planned activities and targets. Periodic evaluation of various programmes will be carried out.

- **Expected Outcomes**

The following outcomes are expected to be achieved by 2030 through the implementation of this plan:

- All children of age four have received quality early childhood development and education services and are prepared for Grade One.
- Overall developmental indicators of children of early childhood age are improved through increased access to integrated services on education, health, nutrition, water, sanitation, hygiene and child protection
- All 5–12-year-old children are enrolled in school and complete the full cycle of basic level of education.
- Enrolment at the secondary level is increased and the proportion of children completing the cycle of secondary education is significantly improved.
- All school-level students have achieved the expected minimum level of academic achievement and, as a result, there is significant improvement in the students' overall educational achievement.
- All forms of disparities in student enrolment, class participation and learning achievement based on gender, socio-economic status, disability, ethnicity, linguistic background, provincial and regional or any other factor are reduced.
- The need, rationale, and feasibility of technical education in secondary level is assessed, and the capacity to provide qualitative, relevant, labour market and need based technical education is strengthened.
- All youth and adults are functionally literate, and opportunities for non-formal education and lifelong learning are increased.
- All schools are able to provide relevant learning, with necessary soft skills, social and civic competencies, and information technology skills to every student.
- All schools are staffed with adequate teachers who are qualified, trained, competent, motivated and committed to the profession, and accountable to performance.
- All school children have access to safe, joyful, and stimulating learning environment and are able to participate in all school activities and there is considerable improvement in their health and nutritional status, learning and social and emotional skills.
- Schools are able to provide technology-enabled teaching and learning through the improved provision information and communication technologies and will increase the use of technologies both by teachers and students.

- The capacity of the school education sector in terms of educational planning, governance and management and monitoring and evaluation is enhanced through Improved access to and use of IEMIS.
- Schools are able to ensure learning continuity even is emergency and crisis situations, including the pandemics, guaranteeing children's right to receive education at all times.
- Learning loss caused by the COVID-19 pandemic has been recovered Local Levels identifying needs related to this and addressing them accordingly under the ReAL Plan.
- All schools have sufficient physical infrastructure with child friendly, gender friendly, and disabled-, friendly as well as disaster resilient environment.
- All school have quality Water, Sanitation and Hygiene (WASH) facilities, including access to clean water and menstrual hygiene management facilities
- Each student is entitled to study in a school having basic learning conditions.
- Performance of schools is improved significantly
- An accountable system for the learning of children is established by ensuring an appropriate organizational structure and capable human resources for the delivery of education services at all levels
- All levels of governments have improved financial management and are able to increase their investment in education leading to guaranteed public investment in education which is comparable to the international benchmark.

The extent to which the goals proposed by the plan will be achieved will depend on the overall effectiveness of the implementation. Since most of the activities specified in the plan will be implemented at Local Level and in schools, priority will be given to capacity building of the Local Levels. Experiences and lessons learned from past projects and programmes, as well as some of the tools developed while implementing them, will be used with necessary modifications. As many Local Levels have performed in an effective and innovative manner in the past few years, the Local Levels and schools will be encouraged to share their experience and lessons learned in the past. Emphasis will be placed on building the capacity of the Local Levels to enable them to take the lead in school education management and education reform and to effectively implement all educational functions laid down by law, rather than carrying out the programmes of the Federal Government and Provincial Governments.

As a result of these efforts, a competent, well-governed, organised, and accountable public school education system will be developed in the country, which will ensure Nepali children and citizens an education that is comparable with international standards in quality. It is expected that it will help in fulfilling the aspirations of "prosperous Nepal and happy Nepali" through economic and social transformations by preparing capable, creative, and value-oriented citizens.

Annex 2: Overview of the Nepal Sector Wide Approach

The Nepal SWAp has been a model of participation from the broader LEG collective in sector dialogue and coordination. Nepal has a longstanding tradition of implementing its education sector plan through a Sector Wide Approach (SWAP), which includes a pooled-budget support modality and is supported by a Joint Financing Arrangement (JFA). The pooled-budget support is fully aligned with the national sector budget, and ensures its full utilization, while minimizing transaction costs and reporting requirements.

The establishment of a pooled-funding modality in the Nepal education sector has provided a platform for broad- and active sector dialogue over time. This includes systematic engagement of development partners, and other sector stakeholders and representatives, in bi-annual joint sector reviews. This engagement is continued through regular meetings and technical discussions between these bi-annual reviews. This has established several layers within the Nepal Local Education Group (LEG) as shown in figure 3 below:

Figure 2; Composition of the Nepal Local Education Group

JFA signatories (Ministry of Finance, Minsitry of Education and ESP Joint Financing Partners).

LEDPG members (Development partners supporting through aid-on-budget and off budget support that is recorded in the Government's Red Book) and **line ministries and national institutions** (National Planning Commission, Ministry of federal affairs, Provincial and Local Government representatives, etc.)

SWAp consortium; Education sector stakeholders and civil society representatives, including teacher professional organizations

The pooled-budget support functions as the core of the sector consortium, with the dialogue being extended to the LEDPG and the SWAp consortium when needed. This modality allows non-pooled external assistance, mobilized in addition to the pooled funds, to be aligned with the SESP budget support to the extent possible.

The SESP sets out the major priorities for the Nepal education sector. Within these priorities, the three areas that have been identified as the best use of GPE support have been set out in this Partnership Agreement. As such, the priority reforms are reflected in the SESP's theory of change and program result framework which will help determine DLIs within the new SESP DLI framework.[6] To develop this joint DLI framework, the Government and JFPs have extracted suitable priority areas from the program result framework of the draft SESP.

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[6] JFPs will jointly subscribe to the framework, which will be annexed accordingly to the JFA that is currently being drafted to support the SESP

The total committed budget support by the JFPs for the past 10-year period was USD 1,451 million, which represents close to 13 percent of the SSDP budget. 80% of the funding is provided through result-based financing. The multiplicity of pooling DPs has led to an increased predictability of aid and thereby decreased the vulnerability of the reforms to fluctuations in the budget support volume.

Moving forward, the Government and JFPs will continue to collaborate on leveraging increased domestic budget and official development assistance for the education sector (as the projections for the fiscal envelop of the new education sector plan confirm a substantial funding gap), as well as introduce and enforce measures to increase effective utilization of the available resources. Furthermore, budget allocations at provincial and local government levels for education are expected to increase gradually as federal conditional grants will reduce over time in line with the constitutional mandates of local governments to plan, implement and manage school education.

Finally, the 2020 education sector analysis reconfirms that the funding of education from non-state actors remains significant. Therefore, the SWAp should explore mechanisms that allow aligning/blending of investments alongside public spending at federal, provincial and local government levels to maximize impact on the achievement of the goals and objectives of the SESP.

Given the high level of coordination and the inclusive set up of the Nepal education SWAp, the LEG will continue to remain heavily engaged in the finalization and the initiation of the Partnership as part of the overarching joint framework, under which the SESP implementation will be supported. The LEG will continue to play a crucial part during the remaining steps to finalize the Nepal Partnership. This will ensure consensus in the design and focus that will be developed by the grant agents for the system transformation grant and system capacity grant, as well as how the agreement supports the priorities of the SESP's implementation and support arrangements, and the joint SESP DLI framework. This will include reviews of the achievement and verification of results that will be linked to disbursements of the variable tranche of the GPE system transformation grant. The SESP PRF will also determine the general conditions that will be adopted as global covenants by the LEDPG. These will serve as the basis on which the program-based support committed by JFPs to the pooled budget under the JFA is to be released. These results will be shared, discussed and validated during the joint sector reviews that are organized by the Government and JFPs and to which the broader LEG is invited.

In addition to this, there will be engagement with the grant agents of the Education Out Loud (EOL) grants and the initiatives that are supported through the Knowledge, Innovation and Exchange (KIX) to ensure that these initiatives strategically engage and support the priority reforms where linkages are identified. The KIX Steering Committee that has been established under the leadership of the MoEST and is comprised of government and non-government experts in the field of education in Nepal. The committee conducts regular engagement with the KIX initiatives to ensure this is being shared in the joint sector reviews and remains aligned and relevant to the needs and priorities identified in the analysis and review conducted by the LEG in the sector. Additionally, the GPE DCP focal point and the LEDPG/JFP focal- and co-focal point have initiated dialogue with EOL grant agents to strengthen their engagement in the SWAp processes and meetings.

As outlined in the section above related to data and evidence for enabling system transformation, Nepal education's SWAP modality facilitates a high level of data and evidence for monitoring, evaluation and learning. Data is consolidated in key reports, such as the Flash I, Flash II and consolidated Flash reports (informed by EMIS), the annual Status Report and periodic NASA and NARN reports. These, and other monitoring documents are reviewed in twice yearly joint review meetings: The Budget Review Meeting reviews available data and the Annual Strategic Implementation Plan and Annual work Plan and Budget (ASIP- AWPB) for the next fiscal year. The Joint Review Meeting reviews progress during the previous fiscal year, and has considered the sector plan mid-term review, end-term review and the 2020-21 comprehensive education sector analysis.

Between these meetings, the SWAP continues to facilitate monitoring and learning through thematic working groups, where government and non-government actors are brought together to collaborate on key priority areas. Under the SSDP these included groups focused on Early Childhood Education and Development; Teacher Professional Development and Management; Access, Equity and Inclusive Education and Strengthening EMIS. Under the coming SESP, these mechanisms will be enhanced to promote greater collaboration and technical discussion that maximises the potential for learning to support implementation.

The monitoring framework for the GPE Partnership will be based in the program results framework (PRF) and the joint DLI framework (which is a sub-set of the PRF) of the SESP. Table 1 shows the Key Performance Indicators (KPIs), and table 2 shows the PRF indicators, that relate to the Partnership policy priority areas. In addition, table 2 also contains indicators that relate to governance, monitoring, finance and learning, which have been identified as important enabling factors. Whilst not yet finalized, these indicators can be used to measure progress in the Partnership priority areas whilst aligning with the government's plans for monitoring under the SESP

Annex 3: SESP Joint Disbursement Linked Indicator Framework

- **Global Covenants**

	SCHOOL EDUCATION SECTOR PLAN DISBURSEMENT LINKED INDICATOR MATRIX					
Results Areas	**Prior Results**	**Year 1 (FY 2022-23)**	**Year 2 (FY 2023-24)**	**Year 3 (FY 2024-25)**	**Year 4 (FY 2025-26)**	**Year 5 (FY 2026-27)**
Global Covenants	(i) SESP Program approved by GoN and endorsed by DPs (ii) SESP Technical support unit established, program steering committee formed, FM specialist deployed (iii) SESP AWPB and ASIP for 2022/23 approved by program steering committee (v) SESP JFA developed and signed by GoN and JFPs		G.2a Quarterly FMR submitted within 45 days of end date	G.3a Quarterly FMR submitted within 45 days of end date	G.4a Quarterly FMR submitted within 45 days of end date	G.5a Quarterly FMR submitted within 45 days of end date
		G.1a OAG Annual Audit Report for previous fiscal year submitted within nine months after the end of the fiscal year	G.2b OAG Annual Audit Report for previous fiscal year submitted within nine months after the end of the fiscal year	G.3b OAG Annual Audit Report for previous fiscal year submitted within nine months after the end of the fiscal year	G.4b OAG Annual Audit Report for previous fiscal year submitted within nine months after the end of the fiscal year	G.5b OAG Annual Audit Report for previous fiscal year submitted within nine months after the end of the fiscal year
		G.1b Budget allocation for education sector compliant with SESP budget codes and budget allocation consistently increased compared to previous year	G.2c Budget allocation for education sector compliant with SESP budget codes and budget allocation consistently increased compared to previous year	G.3c Budget allocation for education sector compliant with SESP budget codes and budget allocation consistently increased compared to previous year	G.4c Budget allocation for education sector compliant with SESP budget codes and budget allocation consistently increased compared to previous year	G.5c Budget allocation for education sector compliant with SESP budget codes and budget allocation consistently increased compared to previous year

- **DLI 1: Improving Enabling Environment and Learning Outcomes**

Results Areas	Prior Results	Year 1 (FY 2022-23)	Year 2 (FY 2023-24)	Year 3 (FY 2024-25)	Year 4 (FY 2025-26)	Year 5 (FY 2026-27)
DLI-1 Improved enabling environment and learning outcomes Projected amounts in US$/Euro million: 135.79/ 127.18		1.1a.i At least 100 Local Governments (LGs) implement activities to improve foundational proficiency in literacy and numeracy as per the integrated approach of the curriculum basic level 1-3 in at least 80% of the schools (WB US$ 2 million, EU € 2.5 million, ADB US$ 4 million)	1.2a.i At least additional 200 LGs implement activities to improve foundational proficiency in literacy and numeracy as per the integrated approach of the curriculum basic level 1-3 in at least 80% of the schools. (WB US$ 4 million, EU € 3 million, ADB US$ 4 million)	1.3a.i At least additional 200 LGs implement activities to improve foundational proficiency in literacy and numeracy as per the integrated approach of the curriculum basic level 1-3 in at least 80% of the schools (WB US$ 4 million, EU € 2.5 million, ADB US$ 4 million)	1.4a.i At least additional 100 LGs implement activities to improve foundational proficiency in literacy and numeracy as per the integrated approach of the curriculum basic level 1-3 in at least 80% of the schools (WB US$ 2 million, ADB US$ 4 million)	1.5a At least additional 153 Local governments implement activities to improve foundational proficiency in reading and numeracy as per the integrated approach of the curriculum basic level 1–3 in at least 80% of the schools (ADB US$ 4 million)
		1.1a.ii 80 percent of students received integrated curriculum student practice books in 100 local governments (USAID)	1.2a.ii 80 percent of students received integrated curriculum student practice books in 200 local governments (USAID)	1.3a.ii 80 percent of students received integrated curriculum student practice books in 500 local governments (USAID)		
		1.1a.iii 80 percent of schools in 100 local governments have teaching and learning materials (TLMs) and supplementary reading materials (SRMs) in book corners (USAID)	1.2a.iii 80 percent of schools in 100 local governments have teaching and learning materials (TLMs) and supplementary reading materials (SRMs) in book corners (USAID)	1.3a.iii 80 percent of schools in 300 local governments have teaching and learning materials (TLMs) and supplementary reading materials (SRMs) in book corners (USAID)		
		1.1b Proportion of basic schools that have full complement of math, science and English subject teachers in grades 6 & 8 in total number of basic schools increased to	1.2b Proportion of basic schools that have full complement of math, science and English subject teachers in grades 6-8 in total number of basic schools increased to at least 31.0% and proportion of	1.3b Proportion of basic schools that have full complement of math, science and English subject teachers in grades 6-8 in total number of basic schools	1.4b Proportion of basic schools that have full complement of math, science and English subject teachers in grades 6 & 8 in total number of	1.5b Proportion of basic schools that have full complement of math, science and English subject teachers in grades 6-8 in total number of

Results Areas	Prior Results	Year 1 (FY 2022-23)	Year 2 (FY 2023-24)	Year 3 (FY 2024-25)	Year 4 (FY 2025-26)	Year 5 (FY 2026-27)
		at least 28.0% and proportion of secondary schools that have full complement of math, science and English subject teachers in grades 9–10 is 24.0% (ADB US$ 4 million)	secondary schools that have full complement of math, science and English subject teachers in grades 9–10 is increased to at least 27.0% (ADB US$ 4 million)	increased to at least 34.0% and proportion of secondary schools that have full complement of math, science and English subject teachers in grades 9 & 10 is increased at least to 30.0%. (ADB US$ 4 million)	basic schools increased to at least 37.0% and proportion of secondary schools that have full complement of math, science and English subject teachers in grades 9 & 10 is increased at least to 34.0% (WB US$ 9 million, ADB US$ 4 million)	basic schools increased to at least 40.0% and proportion of secondary schools that have full complement of math, science and English subject teachers in grades 9-10 is increased at least to 38.0%. (ADB US$ 4 million)
		1.1c Strategic roadmap for upgrading content for the on-line learning portal 'Sikai Chautari' approved. (ADB US$ 2 million)		1.3c.i E-resource materials developed for the online learning portal 'Sikai Chautari' for grade 9 & 12 Science and Mathematics subjects which are relevant, accessible and quality-assured as per the strategic roadmap (ADB US$ 2 million)	1.4c.i At least 15,000 schools are accessing the online learning portal 'Sikai Chautari's (WB US$ 3.5 million, ADB US$ 3 million)	1.5c.i At least additional 4,000 schools are accessing the online learning portal 'Sikai Chautari'. (ADB US$ 2 million)
				1.3c.ii Training/ orientation to at least two teachers of 7,000 schools for using the online portal completed (ADB US$ 2 million)	1.4c.ii Training/ orientation to at least two teachers of 8,000 schools for using the online portal completed (ADB US$ 3 million)	1.5c.ii Training/ orientation to at least two teachers of 4,000 schools for using the online portal completed (ADB US$ 2 million)

Results Areas	Prior Results	Year 1 (FY 2022-23)	Year 2 (FY 2023-24)	Year 3 (FY 2024-25)	Year 4 (FY 2025-26)	Year 5 (FY 2026-27)
	(i) School Physical Facilities Development and Implementation Guideline' approved and (ii) the needs assessment for development of secondary schools with provision of science in grades 11 & 12 to enhance equitable access in local governments/ districts completed in consultation with local governments and provinces (ADB (i+ii) US$ 4 million, WB (i) US$ 3 million).	1.1d School development plan prepared for at least 50% of secondary schools to upgrade their facilities for improved teaching-learning of science subjects in grades 9–12 as per the needs-assessment (ADB US$ 5 million)	1.2di School development plan prepared for at least 100% of secondary schools to upgrade their facilities for improved teaching-learning of science subjects in grades 9–12 as per the needs-assessment (ADB US$ 5 million) 1.2dii 500 classrooms constructed/ retrofitted in line with the guideline (WB US$ 10.5 million)	1.3d Additional 500 classrooms constructed/ retrofitted in line with the guideline (WB US$ 10.5 million)		1.5d Development of science facilities in the selected schools as per the school development plans prepared for Years 1 and 2, completed. (ADB US$ 6 million)
			1.2e Baseline and reporting arrangements established for MEC for ECED centers (GPE US$ 6.85 million)	1.3e Share of ECED centers meeting at least three minimum enabling conditions increased by 6 percentage point over baseline (GPE US$ 3 million)		

- **DLI 2: Equitable- and inclusive access, participation and learning (recovery)**

Results Areas	Prior Results	Year 1 (FY 2022-23)	Year 2 (FY 2023-24)	Year 3 (FY 2024-25)	Year 4 (FY 2025-26)	Year 5 (FY 2026-27)
DLI 2 Equitable- and inclusive access, participation and learning (recovery) Projected financing in US$/Euro million: 69.36/ 64.96	(i) Recovery and Accelerated Learning Plan (ReAL) approved by MOEST (WB US$ 2 million, ADB 6 US$ million)	2.1a 50 LGs implementing activities as per ReAL plan/framework in at least 80% of the schools (WB US$ 4 million, ADB US$ 4 million, USAID EU € 1 million)	2.2a Additional 100 LGs implementing activities as per the ReAL plan in at least 80% of the schools (provided LGs in Year 1 continue to implement the activities as per the ReAL plan) (WB US$ 7 million, ADB US$ 4 million, EU € 3 million, USAID)	2.3a Additional 100 LGs implementing activities as per the ReAL plan/framework in at least 80% of the schools (provided LGs in Year 1 and year 2 continue to implement activities as per the ReAL plan/framework) (USAID, EU € 3 million)		
		2.1b 2,000 students (grades 6-10) receiving need-based scholarship (USAID)	2.2b.i 4,000 students (grades 6-10) receiving need-based scholarship (USAID) 2.2b.ii Revised Implementation Standards (IS) for pro-poor scholarships at least covering Grades 6-12, approved by MOEST. (WB US$ 2 million, ADB US$ 5 million)	2.3b Nationwide implementation of pro-poor scholarships for Grades 8-12 (provided that nationwide implementation of pro-poor scholarship is continued for grades 9-12) (WB US$ 3 million, ADB US$ 4 million, USAID)	2.4b Nationwide implementation of pro-poor scholarships for Grades 7-12 (provided that nationwide implementation of pro-poor scholarship is continued for grades 9-12) (WB US$ 3.5 million, ADB US$ 4 million)	2.5b Nationwide implementation of pro-poor scholarship in grades 6–12 (provided that nationwide implementation of pro-poor scholarship is continued for grades 9-12) (WB US$ 3.5 million, ADB US$ 4 million)
	2.1ci Embedding of equity index in EMIS and 2021-22 equity index baseline confirmed (EU € 1 million, FI € 0.875 million)		2.2c 80 LGs confirmed to received additional resources bases on their EI score (FI € 1.05 million, EU € 0.5 million)	2.3c 150 targeted LGs has improved EI (FI € 1.075 million, EU € 3 million)	2.4c National EI score has increased to 0.80 (FI € 1 million)	
			2.2e 100 local governments conducting disability screening and referring to medical providers (USAID)	2.3e 300 of local governments conducting disability screening and referring to medical providers (USAID)		
			2.2g 1,200 students provided with assistive devices (as per category a and b in protocol (USAID)	2.3g.i 1,200 students provided with assistive devices (as per category a and b in protocol (USAID)		

Results Areas	Prior Results	Year 1 (FY 2022-23)	Year 2 (FY 2023-24)	Year 3 (FY 2024-25)	Year 4 (FY 2025-26)	Year 5 (FY 2026-27)

- **DLI 3: Improved Teaching Quality**

Results Areas	Prior Results	Year 1 (FY 2022-23)	Year 2 (FY 2023-24)	Year 3 (FY 2024-25)	Year 4 (FY 2025-26)	Year 5 (FY 2026-27)
DLI-3 Improved Teacher Quality Projected financing in US$/Euro million: 71.88/ 67.32		3.1ai (i) Teacher Professional Development framework updated, consulted with all stakeholders, and approved by MOEST (FI € 0.875 million), and (ii) Standard Operating Procedures (for implementation of teacher mentoring system in local government approved by MOEST. (GPE US$ 6.85 million)	3.2a.i 200 LGs implementing a continuous teacher support system in at least 80% of total schools (EU € 3 million, Finland € 1.05 million, USAID) 3.2a.ii 50 LGs implementing the mentoring system at basic education in at least 80% of the schools (WB 3 million, GPE US$ 3 million, ADB US$ 4 million)	3.3ai 300 LGs implementing a continuous teacher support system in at least 80% of total schools (EU € 2.5 million, Finland € 1.075 million, USAID) 3.3a.ii An additional 100 LGs implementing the mentoring system at basic education in at least 80% of the schools (provided LGs in year 2 continue to implement the mentoring system) (WB US$ 6 million, ADB US$ 4 million)	3.4a.i 400 LGs implementing a continuous teacher support system in at least 80% of total schools (Finland € 1 million) 3.4a.ii An additional 100 LGs implementing the mentoring system at basic education in at least 80% of the schools (provided LGs in year 2 & 3 continue to implement the mentoring system) (ADB US$ 4 million)	3.5a.i Evaluation on implementation of mentoring system endorsed and disseminated by MOEST (ADB US$ 4 million) 3.5a.ii Performance gap for average teacher performance on the observation tool reduced by 5 percent for 50 LGs implementing mentoring program in Year 2. (WB US$ 4 million)
		3.1b.i 100 LGs implementing a continuous teacher support system, including a mentoring system at basic education, in at least 80% of the schools (USAID).	3.2b.i Proportion (share) of male and female students enrolled in science in grades 11–12 in total enrollment reaches at least 18% boys and 12% girls (ADB US$ 7 million)	3.3b.i Proportion (share) of students with disabilities in total enrollment in basic education increased from 0.52% to at least 0.71% (WB US$ 3 million)	3.4b.i Proportion (share) of male and female students enrolled in science in grades 11 and 12 in total enrollment reaches at least 20% boys and 14% girls (ADB US$ 7 million)	3.5b.i Proportion (share) of students with disabilities in total enrollment in basic education is at least 1.0% (ADB US$ 6 million)
		3.1b.ii 700 teachers received 10-day TPD certification training under Integrated Curriculum (USAID, EU € 2 million)	3.2b.ii 1,500 teachers received 10-day TPD certification training under Integrated Curriculum (USAID)	3.3b.ii 2,000 teachers received 10-day TPD certification training under Integrated Curriculum (USAID)		

- **DLI 4: Strengthened Assessment, Curriculum and Learning Materials**

Results Areas	Prior Results	Year 1 (FY 2022-23)	Year 2 (FY 2023-24)	Year 3 (FY 2024-25)	Year 4 (FY 2025-26)	Year 5 (FY 2026-27)
DLI-4 Strengthened assessment, curriculum and learning materials. Projected support in US$/Euro million: 35/ 32.78		4.1a NARN framework approved (WB US$ 1 million, ADB US$ 1 million)	4.2a NARN conducted and baseline in reading and numeracy proficiency established with disaggregation by gender, students with disability, disadvantaged group, and Dalits. (ADB US$ 1 million, USAID)	4.3a Three percentage point improvement in students classified as proficient readers (45 words per minute and 80 percent comprehension) (USAID)	4.4a NASA conducted for Grade 8 in line with policy guidelines (WB US$ 2 million)	4.5a.i (i) NARN conducted and three percentage point improvement over Year 2 in literacy and numeracy. (WB US$ 5 million, ADB US$ 3 million) 4.5a.ii NASA conducted for Grade 5 in line with policy guidelines (WB US$ 2 million)
		4.1b National assessment framework for grade 12 approved (ADB US$ 2 million) 4.1c All 753 Local Governments (a) have access to an item bank of standardized test items for BLE, and (b) have staff trained on using standardized test items for BLE. (ADB US$ 3 million)	4.2b SEE implemented at provincial level (WB US$ 2 million) 4.2c At least 20% of Local Governments conducting BLE by using the standardized test items (ADB US$ 3 million)	4.3b Standardization test items developed for grade 12 external public examination using the approved national assessment framework (ADB US$ 2 million)	4.4c At least 60 % of Local Governments conducting BLE by using the standardized test items (ADB US$ 3 million)	4.5b Standardization test items piloted for grade 12 external public examination (ADB 2 million) 4.4c At least 80% of Local Governments conducting BLE by using the standardized test items (ADB US$ 3 million)

- **DLI 5: Improved management and enabling environment of the School Sector**

Results Areas	Prior Results	Year 1 (FY 2022-23)	Year 2 (FY 2023-24)	Year 3 (FY 2024-25)	Year 4 (FY 2025-26)	Year 5 (FY 2026-27)
DLI-5 Improved governance and strengthened fiduciary management of the school sector. Projected support in US$/Euro million: 44.5/ 41.68	(i) Institutional arrangements for SESP formalized for program management, coordination, communication, and reporting. (ADB US$ 4 million)		5.2a Performance grant scheme approved, and baseline established for 753 LGs on performance indicators (WB US$ 4 million)	5.3a 50 LGs receiving performance grants (WB US$ 3.5 million)	5.4a Additional 100 LGs receiving performance grants (WB US$ 5 million)	
		5.1c Guidelines for the formulation of GESI- responsive and disaster and climate-resilient local government periodic education plan approved and disseminated to the Local Governments (ADB US$ 3 million) 5.1d GESI-responsive School report cards from EMIS used in social audits in at least 80% of schools (ADB US$ 3 million)	5.2c 40% of the 753 Local Governments (i.e., 301) approved GESI-responsive and disaster and climate-resilient local education plans approved and uploaded on their website. (ADB US$ 3 million) 5.2d Percentage of recurring audit observations of SESP no more than 5.0% of the total SESP expenditures for FY 2023 (ADB US$ 3 million)	5.3c 75% of the 753 Local Governments (i.e., 565) GESI- responsive and disaster and climate-resilient local education plans approved and uploaded on their website (ADB US$ 5 million)	5.4c All 753 Local Governments have approved GESI responsive, and disaster and climate- resilient local education plans approved and uploaded on their website (ADB US$ 3 million) 5.4d GESI-responsive School report cards from EMIS used in social audits in at least 90% of schools to improve school performance (ADB US$ 3 million)	5.5d Average percentage of recurring audit observations of SESP no more than 5.0% of the total SESP expenditures for FY2024, FY2025 and FY2026 (ADB US$ 5 million)

Application for the role of grant agent for the GPE System Capacity Grant

UNICEF Nepal

Introduction

UNICEF Nepal has expressed interest in the role of Grant Agent (GA) for the GPE System Capacity Grant (GPE-SCG). This interest is based on the firm belief within UNICEF that we are best positioned to manage the grant in full alignment with the principals of Nepal's Sector Wide Approach (SWAp) and that programming and utilization of the grant can be (i) Government-led, (ii) with genuine engagement of the other joint financing partners (JFPs) and members of the Nepal Local Education Development Partner Group (LEDPG) and (iii) through a system-wide, rather than project-based, approach that allows the grant to be utilized in a way that it financing jointly identified needs and complement other technical assistance mobilized to ensure institutional capacity to manage and coordinate the implementation of the new School Education Sector Plan (SESP) across the different tiers of Government.

UNICEF is confident that its mandate, institutional setup and experience provides the comparative advantage among the SESP joint financing partners in taking up this role. In this regard, UNICEF has been successfully managing the previous GPE technical assistance grants (the education sector program development grants) over the last eight years, it also has an institutional setup that allows it to be engaged along the education sector, from the high-level policy dialogue and sector planning and review processes, to province-level field offices and through implementing programs at school level through/alongside government, including the possibility to channel the funds through the SESP pooled budget support and the so-called Red Book, and through direct cash transfers and implementing partners.

Furthermore, UNICEF has taken up a key role within the joint financing partners as the focal point for the LEDPG and the GPE Coordinating Agency in the years that the sector is transitioning from one sector plan to the next (2015-16 & 2016/17 and again 2021-22 & confirmed for 2022-23) to support the government in the development of an evidence-based sector plan that safeguards major interventions on equity, quality and efficiency. UNICEF also is strongly placed to do this in the context of major disruptions/disasters (which unfortunately was the case in both transition periods mentioned above) by making sure its dual role as LEDPG focal point and co-lead of the Nepal Education Cluster (NEC) allows a minimal disruption in the sector coordination as this moves in and out of humanitarian assistance response and early recovery.

Through these roles, UNICEF has gained an in-depth understanding of the key functions of the SWAp, the requirements in terms of establishing. Strengthening and Institutionalizing sector coordination and collaboration mechanisms and the finance instruments and requirements that other JFPs use (including result-based financing) for subscribing to the SESP.

1. **UNICEF's capacity to support sector dialogue in federal context**

Overview of UNICEF's capacity to support joint-sector dialogue to align the GPE-SCG with the GPE System Transformation Grant (GPE-STG) and Multiplier, the SESP and across the three tiers of government.

UNICEF's track record in being LEDPG Focal Point and GPE Coordinating Agency make a strong case for UNICEF having adequate institutional capacity to successfully take on the role of GPE-SCG GA. Specifically, during the implementation of the previous GPE-ESPDG (2018-2021), UNICEF supported

the Government to establish a coordination and Governance structure in supporting provincial and local Governments to draft their respective education sector plans alongside the federal SESP that was being developed and to calibrate these plans with each other across the various drafts. It supported the EPDG to be used for providing grants to local and provincial governments that were channelled through the Red Book and through implementing partners so that provincial and local governments maintained ownership over the process but at the same time has access to technical expertise as and when required. The design of the ESPDG was shared and discussed within the LEDPG and UNICEF provided continuous updates in the monthly LEDPG meetings so that the other development partners remained fully up to date. UNICEF also maintained active communication with other providers of technical assistance in the area of sub-national level system strengthening and supported the Government in the development of the transitional roadmap for the SDP to be adapted and aligned to the emerging federal context.

In terms of capacity to support sector dialogue, UNICEF has played a key role in the establishment and institutionalization of the sector dialogue under the Nepal SWAP, which is regarded as a model SWAP by GPE and others[7]. Within the sector dialogue, UNICEF has continued to support the inclusion of the broader local education group stakeholders (including CSOs and stakeholder representatives, for example through regular engagement with the CSO SWAp partners and supporting Government on how to capacitate these actors to engage strategically and effectively in the SWAp (for example during the joint sector review). Through UNICEF's contributions as JFP and Focal point, as well as strategic partner for the Government in the drafting of key frameworks and documents, the Nepal SWAP provides a platform for broad and active sector dialogue. The establishment of Thematic Working Groups allowed the sector dialogues to be expanded over time and become a continuous platform for dialogue through the regular meetings and technical discussions between the higher-level joint review meetings.

In doing so, UNICEF supported the maintenance of a balance that allowed for a participatory and inclusive approach but kept the pooled-budget support functions as the core of the sector consortium, with the dialogue being extended to the LEDPG and the SWAp consortium when needed. The sector dialogue modality has evolved over time and under the coordination of the planning division of the ministry and the coordination of the development partner focal point to ensure meaningful engagement by having issues devolved or escalated between the technical working level and the decision-making level at appropriate times. The active dialogue between JFPs has allowed for the conceptualization of the dual approach of program-based and result-based support in the current JFA, which includes a joint DLI framework, for which UNICEF has been leading the communication and coordination despite being a program-based JFP, showing the confidence other JFPs have in UNICEF taking a joint rather than agency-specific approach. With regard to the GPE System Capacity Grant, UNICEF envisions the grant to be utilized to support adequate capacity across all government tiers to enable these government to undertake and execute key functions required to fulfil their mandates relating to school education and contribute to the results of the School Education Sector Plan.

2. **Flexibility to work with the Government**

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[7] Please refer to the 2019 prospective GPE country evaluation and the 2018 global DCP pre-board meeting, as well as to several webinars organized on this

Overview of UNICEF's work in a flexible and efficient manner with the government system.
UNICEF has shown over the past years that it has the capacity to provide support with the ability to adapt. A strong example of this is UNICEF's management of the 2018-2021 GPE ESPDG, where the grant was initially requested to support a major revision of the SSDP during the 2019 SSDP Mid-Term Review (MTR) to align the plan with the ongoing federal transition in the country. When it became clear that institutional arrangements were not evolving as much as expected and that there remained many areas where structures were yet to be confirmed/ established, UNICEF undertook a restructuring exercise of the ESPDG in close coordination with the Government and the LEDPG to allow the grant to support the less intensive review and revision of the SSDP during the MTR and instead use the remaining of the grant for the establishment of supporting the Government's the coordination and management structure for the initiation of the undertaking of a comprehensive education sector analysis, and based on this, the development of a new long-term education sector plan, rather than the initial extension of the SSDP for an additional two years beyond the five-year costed program. Throughout the period of 2019-2021, the remaining balance of the ESPDG was twice more restructured to remain fully aligned with the rapidly changing context in which the new SESP was being developed, including adaptations required to address challenges by the emerge of the COVID-19 pandemic in 2020. These revisions were facilitated by UNICEF in close coordination with the GPE Secretariat, Government and LEDPG.

These revisions also allowed UNICEF to 'make space' by repurposing planned funds under the ESPDG when and where other JFPs identified and confirmed technical assistance in areas that were included under the joint SESP roadmap. This ensured that available off-budget support was sued in the most efficient manner and that joint ownership was safeguarded and stimulated. In this way, the ESPDG was successfully utilized as an umbrella, that provided an overall framework and financed areas within this that were not supported through other TA. Through this, the balance of the ESPDG fund after the 2019 MTR of around US$ 90,000 facilitated a process that had over US$ 630,000 in technical assistance committed by other partners. This approach has provided a wealth of relevant expertise that UNCEF intends to apply in the planning and utilization of the GPE-SCG. Finally, UNICEF successfully used its own funds and the ESPDG to support planning processes where different tiers of Government worked together, for example under the development of the local level Equity Strategy Implementation Plans (LG-ESIPs) and the provincial- and local education sector plans that were developed alongside the SESP.

3. **Capacity to manage fiduciary and administrative responsibility**
UNICEF has successfully managed two previous Education Sector Program Development Grants (ESPDGs) of each US$ 500,000. The first grant was managed on behalf of Nepal for providing technical assistance to the Government for the development of the School Sector Development Plan (SSDP) in 2015-16 and the second grant was initially planned to support a major revision of the SSDP during the 2019 MTR, but based on the emerging context, partly repurposed for supporting the government in the undertaking of the 2020-21 Education Sector Analysis and the development of the SESP.

4. **Commitment to continuity of engagement to the school education sector**

UNICEF commits to continue its support to the Government and for the implementation of the new SESP. In this regard, UNICEF has agreed to continue taking on the role of DP focal point for the FY 2021-22 as well and will work closely with the Government, the JFPs and the wider LEDPG to support the adaptation of the SESP into the provincial- and local level education sector plans, the expansion of the SWAp to extent the inclusive sector dialogue along the federal structure, the work under the NEC and support in key areas on modelling scalable practices of inclusive and quality education.

5. Commitment to joint sector dialogue and coordination through Nepal's established SWAp

The alignment of the sector support with national systems and the national budget has expanded the scope and strength of joint sector dialogue in terms of the review of the annual education budget, its annual work plan and budget and the utilization of this budget being presented during the joint sector reviews where the broader SWAp consortium participates. Over the years, the dialogue has further focused on assessment of the budget and systems in place to enable the GoN to meet the envisioned results. The presence of UNICEF as an active focal point also that coordinates regular formal and informal interaction within JFPs and with the GoN allows to detect when and where possible issues or differences might arise and create a safe space to understand these to identify a common way forward acceptable by all parties. This prevents for these differences to be raised at a formal level without a common understanding on the response possible or required which could increase the risk of disputes.

Additionally, the presence of development partner co-leads for the different thematic working groups (UNICEF has supported the development of the SSDPO TWG ToR, has co-lead for out of the nine TWGs and is currently supporting the drafting of the ToR for the SESP Thematic Committees) allows for the development partner group to ensure dedicated space for technical discussion and through remain updated across the key result areas through the updates provided by these co-leads in the monthly LEDPG meetings. The thematic working groups provide a platform for continued dialogue between the annual joint planning meeting and joint review meeting and allow technical level representatives from GoN and DPs to engage in frank and open discussion. As a next step, UNICEF has been engaging with the MoEST and CEHRD on how provincial and local level representation and engagement can be assured within the sector dialogue and would present proposals for the utilization of the GPE-SCG for extending the SWAP and sector dialogue within this to these levels as well.

6. Administrative cost and overhead to manage the grant

To effectively manage the grant, UNICEF requires to include a global overhead/ recovery cost of 7% which is utilized by UNICEF headquarters. In the past, this overhead cost was not included in the GPE grants and charged directly to the GPE. In addition to this, UNICEF budgets 8% of the grant for the effective management in country, which covers staff time, management and reporting on the implementation of the grant. Further to this, UNICEF normally commits to budget up to 15% of grants to be utilized for in-house technical expertise on communication, planning and monitoring and cross-cutting themes, such as climate, local governance, gender and inclusion, etc.

7. Ability to support MoEST to address SESP/GPE-SPA priority areas

UNICEF has been closely involved as a member of the Compact Working Group, as well as by providing embedded technical assistance to the MoEST for strengthening capacity to manage the development of the GPE-SPA. As such, it intends to jointly plan with the Government and the JFPs on the utilization of the GPE-SCG in strengthening the system's institutional capacity to implement the priority reforms identified in the GPE-SPA as follows:

- **_Quality teaching:_** The GPE-SPA noted that teacher professional development and support mechanisms were put in place to support and manage the monitoring and assessment of student's performance and adapt teaching-learning processes according to identified needs. However, it rightly also flagged that structures to implement teacher training were removed during the early stages of the transition to federalism, with just seven provincial-level education training centres (PETCs) remaining. For this, UNICEF will support the STG grant agent to closely work with major actors, such as EU and Finland that are in the process of developing substantial technical assistance programs on teacher professional development (under the so-called TECSES program for example). The intention would be to strengthen the outreach capacity of government training facilities to ensure that quality-related targets under the SESP, including those identified as DLIs) can be met in terms of capacity to train and support teachers. Furthermore, UNICEF will support the Government and JFPs during the development and establishment of the continuous teacher support system, which is to be initiated under the SESP, including supporting an improved linkage between pre- and in-service training.
- **_Early childhood education:_** UNICEF has been the lead partner alongside the Government in the strengthening of access to quality pre-primary education and early childhood education development. UNICEF's cross-sectoral institutional setup will further allow to continue this role in a way that ensures a holistic approach to ECED that is required. Alongside the policy work at the national level, UNICEF has been supporting adapting these policies and frameworks at the provincial- and local level. For example, by supporting provincial governments in the development of provincial ECD strategies and local governments to develop Local Integrated ECD Plans. Further, to support integrated programming and upgrade of infrastructure in pre-primary schools, UNICEF supported the distribution of ECED kits in Nutrition Rehabilitation Homes and Health facilities to promote early stimulation. UNICEF will continue to support the Government and the GPE STG Grant Agent when confirmed in informing the development of a ECED related DLI that focuses on strengthening school readiness for children and reduction of disparities in access and participation across social groups and regions.
- **_Gender equality;_** The potential area for transformation lies in building the capacity of local governments to adapt the policy and planning frameworks that have been established at the national level. These need to be contextualized into local level mechanisms that allow gender-responsive planning, implementation and monitoring, and enforcement of gender policies to ensure that schools have gender-sensitive facilities and that they are free from gender-based violence and harassment. For this, education planners and leaders will need to be supported to make better use of data to identify inequities and promote the perspectives of marginalized groups. Diverse stakeholder views are needed to formulate solutions to social exclusion and facilitate improvements that will challenge harmful traditional practices and address gender-based discrimination and violence. UNICEF will support the Government, STG grant agent and the wider LEDPG in continuing to strengthen and expand the gender education network and to ensure gender, equity and inclusion remain a dedicated part of the SWAp sector dialogue.

UNICEF understand the main focus of the GPE-SCG to be aimed at system strengthening support around the enabling factors as follows:

- **_Data & evidence;_** The Government's Education Management Information System (EMIS) is recognized as a robust and comprehensive information management system that offers a wide array of indicators related to the school education sub-sector including student participation, students' performance indicators, gender parity and internal efficiency of the school education system. However, EMIS will need to be further strengthened to inform planning and budgeting exercises at the local government level. However, utilization of the data requires adequate staffing and capacity in these offices. Reforms include:
  i. enhancing EMIS functions to produce user friendly school and local government profiles
  ii. embedding the equity index to allow local governments to plan and monitor disparities and the effect of targeted interventions to reduce them
  iii. the ability to validate the reported EMIS data at the local government level, and
  iv. contextualized capacity development for responsible officers to use data to inform education planning, budgeting and reviews.

- **_Gender-responsive planning, policy and monitoring;_** As stated earlier, in the case of Nepal, Gender needs to be approached interlinked with other 'drivers of disparities'. With the support of UNICEF and other DPs, the Government responded to this by developing the _Consolidated Equity Strategy of the School Education Sector in Nepal,_ which remains the first of its kind. Based on the independent evaluation of the strategy, a number of recommendations were agreed to to be relevant in taking forward, which include:
  i. Strengthen roll out of an improved school profile as a tool for accountability and advocacy at school level.
  ii. Evolve the Equity Index into a revised targeting mechanism taking into consideration both the school level and the learning dimension,
  iii. Development of an equity resource index and including guidance and templates to undertake equity-based planning and budgeting in the LG-SESP toolkits.

- **_Inclusive sector dialogue and coordinated action;_** UNICEF is committed to undertake a joint exercise with Government and JFPs, validated by the wider LEDPG to identify what support mechanisms are required to further expand the SWAp to ensure meaningful sector dialogue and engagement of actors across the federal structure. This would include:
  i. Provide support to the Government for the coordination of SWAp related activities, including those identified through the joint sector reviews, mid-term review and the SESP thematic committees. This includes the possibility of establishing coordination mechanisms at sub-national level to consult and disseminate on SESP implementation progress and priorities.
  ii. The development of a joint technical assistance framework to guide and align other major technical assistance in support of the SESP, ensuring a harmonized approach towards strengthening the enabling factors for local governments to undertake their mandated education related functions.
  iii. Allocate resources for knowledge management and for the government to mobilize based on jointly identified knowledge gaps under the implementation of the SESP
  iv. Provide technical assistance to areas related to the results included in the joint SESP DLI framework as per need and complementing other ta that has been confirmed from respective JFPs in these areas.

v. Support for the development of a SESP communication strategy to ensure ownership of the SESP and its results across all levels.

- ***Coordinated financing and funding & public education expenditure;*** UNICEF is ready to support in these areas by utilizing the GPE-SCG as required. However, the preference is to capitalize on the comparative advantage of the World Bank for taking on the role as a GPE-SCG co-grant agent for the area of PFM under the SWAp, in line with the WB's role of FM lead over the past two sector plans and in anticipation of the WB becoming the Grant Agent for the GPE-STG and Multiplier.

8. Learning continuity and education in emergencies

Overview of capacity to support the government for the continuation of students' learning in the event of unforeseen emergencies and shocks.

With taking on the respective roles of JFP, DP Focal Point and NEC co-lead, UNICEF has a strong track record of supporting the government to incorporate school safety and resilience in the overall sector planning and implementation and activating contingency measure and mechanisms under the Humanitarian Country Team structure (including elevation of the NEC roles and responsibilities) in the event of a disaster or other major disruption to the sector. This allows to continue the engagement of the 'regular' sector actors, including JFPs, during the response time and to facilitate smooth transitions between humanitarian assistance and sector coordination and collaboration. UNICEF has several key mechanisms in addition to its role as NEC co-lead to ensure that it can respond quickly in the case of a disaster, such as provisions in implementing partnership agreements that funds can be repurposed to support response activities with minimum administrative steps.

Conclusion

UNICEF is confident that by being endorsed as Grant Agent for the GPE-SCG, it will be able to utilize its mandate and institutional setup, along with its experience in being a key convener and system strengthener as elaborated within this proposal. All of the activities and plans stated in this proposal should be seen as a conversation starter as UNICEF will engage the Government and the JFPs from the start in the development of the SCG application and will ensure that jointly identified needs and priorities are adequately reflected.

Annex 4b: Expression of interest for the role of GPE SCG Grant Agent (World Bank)

Proposal
GPE Grant Agent -System Capacity Grant (SCG)
Nepal

Contact details	
Name of organization	World Bank
Address	Nepal Country Office, Yak and Yeti Hotel Complex, Durbar Marg, Kathmandu, Nepal
Contact persons	
Telephone number	
Email address	

The World Bank offers the below institutional capabilities as set against the GPE's selection criteria for Grant Agent for System Capacity Grant. The World Bank would like to request for a total amount of US$1.75 million as detailed in the proposal below to provide Technical Assistance (TA) and implementation support to the priority areas (Teaching quality and Early Childhood Education) and fiduciary oversight on behalf of the Joint Financing Partners (JFPs).

Capacity to support joint-sector dialogue to align the GPE-SPA program, SCG with the SESP across each of the three tiers of government.

The World Bank has been the key Development Partner (DP) in the school sector and can help the Government bring various partners and their supported activities into a harmonized sector approach. Specific reform areas supported by International Development Association (IDA) in the next program would include Early Childhood Education, establishment and implementation of a teacher support system at the local level, as well supporting the cross-cutting area of gender which are aligned to the GPE Strategic Partnership Agreement (SPA). The World Bank can play an important role in pacing and sequencing of reforms in the context of evolving institutional capacity and financial resources in the federal structure.

In Nepal, the Bank is currently preparing the IDA support to the first five years of School Education Sector Program (2023-2027), through School Sector Transformation Program (SSTP). The World Bank has also expressed interest to be the Grant Agent for GPE System Transformation Grant (STG) and multiplier grant. If the WB is also selected as the Grant Agent to STG, it will have the following benefits: (i) opportunity to provide direct technical assistance and implementation support to the priority areas under the STG and multiplier grant; (ii) the Bank's standing financial procedures agreement with GPE eliminates any unnecessary delay in the approval process, placing it in a position to deliver within tight schedules; and (iii) the Bank as a lead financing DP for SESP continues to maintain close coordination and policy dialogue with the Ministry of Education Science and Technology (MoEST), Center for Education and Human Resource Development (CEHRD), Curriculum Development Center (CDC), Education Review Office (ERO) and National Examination Board (NEB), provincial and local governments with up-to-date knowledge and experiences, including global practices on the program implementation; and (v) the World Bank as a lead DP continues to maintain and facilitate close coordination with the local education development partners group (LEDPG). Moreover, the World Bank's existing operations in the school, TVET and higher education sub-sectors place it in a unique position to support the education ministry in undertaking an aligned approach to improving equitable access and learning across the three sub-sectors.

Flexibility to work with the GoN to develop an efficient modality of support

The World Bank's positive experience in the school sector (SWAp) through a Program for Results (PforR) instrument based on Disbursement-linked Indicators (DLIs) will be a value-added engagement as the World Bank has also expressed interest to be the Grant Agent for STG and Multiplier Grant.

We recommend using the Bank-executed modality as the most appropriate program vehicle for GPE's SCG. This modality provides the best and fastest opportunity to provide technical assistance and implementation support to the priority areas identified under STG and multiplier grant. The recently approved GPE SPA identified the following areas for priorities: Teaching Quality, Early Childhood Education and Gender. These are fully consistent with the government priorities identified under SESP and the priority areas supported by the World Bank.

The proposed modality of processing SCG as Bank-executed brings multiple advantages. This includes mainstreaming of technical assistance to areas supported under STG and multiplier grant by strengthening the effectiveness and implementation of capacity building programs under SESP. As detailed below, the WB as a grant agent has an extensive track record of building the relevant technical and operational capacities. Our central role working with the MoEST, CEHRD and with the LEDPG will also allow to harmonize with new Technical Assistance (TA) programs as and when they may be proposed by DPs.

Ability to support MoEST to address SESP/GPE-SPA priority areas

The SPA identifies three priority areas for the GPE grant: **Quality Teaching, Early Childhood Education and Gender**. These are fully consistent with World Bank's priority areas and its expertise and experiences. The Bank's extensive experience in the GPE Grant priority areas in Nepal and globally are summarized below.

Priority Area 1: Quality Teaching

Extensive experience and innovative approaches to teacher development. Teacher development continues to be a critical pillar of all Bank's operations across the countries and recognizes the importance of mainstreaming capacity building. It focuses on empowering governments and communities to lead the design and implementation of development programs. Through mobilizing the Bank's national and international expertise in various areas, the Bank closely works with partnering Government agencies to further enhance their technical capacity and ensure sustainability of results. The Bank will bring technical expertise from its global knowledge hub on (i) EdTech Readiness; (ii) learning poverty measurement and remedial approaches; and (iii) COACH[8] and TEACH[9].

The Bank's current involvement in teacher development across the education sector places it in a strategic position to support the ministry in undertaking a comprehensive approach in teacher training, especially in lower basic and upper basic grades, and impact quality of classroom learning. Similarly, all World Bank operations in the South Asia and other regions include innovative approaches, including face-to-face, blended and online programs, in providing teachers' professional development across the education sector.

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[8] Coach is the World Bank's global initiative focused on helping countries improve in-service teacher professional development (TPD) programs and systems to accelerate learning.
[9] TEACH is a classroom observation tool designed by the World Bank to help low-and middle-income countries track and improve teaching quality.

The Bank has supported teacher management and development under SSRP and SSDP. The percentage of teachers 'fully trained' in line with requirements of the new national Teacher Professional Development (TPD) Program developed for 'need-based' in-service training was 93 percent (against target of 95 percent) of basic education teachers and 82 percent (against target of 86 percent) of secondary teachers. The teacher redeployment imitative support by the World Bank was successfully implemented under SSDP with more than 70% of surplus teachers redeployed. Under SESP, the IDA will support the preparation and implementation of teacher support system at the local level. This is aligned to the SPA. The World Bank has extensive experience globally in strengthening the capacity of training centers in delivering quality and comprehensive in-service training programs. The Bank's engagement in supporting the higher education program also places it uniquely to support the reforms in the pre-service training program, including raising the entry qualification of teachers in the teaching profession and reforming the pre-service training curriculum to include global good practices and evidence. Under SSDP, the Bank supported Time Spent Teaching as an important result. Under SESP, the Bank will support implementation of innovative models of classroom observation and instructional leadership of teachers.

The Government of Nepal (GoN) with the support from World Bank is implementing catch-up programs for COVID-learning loss recovery under the School Sector Development Program (IDA US$235 million). The implementation of these programs is tied to a US$20 million disbursement linked indicator (IDA DLI). As part of this support, the Bank supported the implementation of two pilots in Nepal to fast-track and accelerate learning recovery. The first pilot implemented between January 2021-July 2021 called Low-Tech Intervention for Foundational Education (LIFE) used mobile-phone based tutoring and demonstrated strong learning gains in Nepal. LIFE was implemented both when schools were open (January -March 2021) and when schools closed as a result of second surge of CoVID 19 cases (April -July 2021). It led to about 30 percent gains in foundational numeracy. The Bank also supported Teaching at the Right Level (TARL) pilot in the classrooms between December 2021-March 2022 (ten weeks). The TaRL pilot has shown large learning gains in both foundational literacy and numeracy. In literacy, there is a visible 33 percentage point improvement in the level of readers (paragraph + story levels) between baseline (46%) and endline (79%). Similar results can be observed for math as well, there is a 34 percentage point improvement in the proportion of children who could perform a 2 by 1 division by endline. Both these pilots have been quoted in Global Education Evidence Advisory Panel (GEEAP) and the recently published "Guidance Note on Learning Recovery and Acceleration". Moreover, the Bank's World Development Report 2018 and SAR regional education reports[10] provide insights on the latest innovations and best practices in teachers' development based on the Bank's own operations as well as other experiences.

Under the SCG, the Bank proposes to provide technical assistance in the preparation and implementation of following activities under the priority area "Teaching Quality".

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[10] World Bank. 2018. World Development Report: Learning to Realize Education's Promise. Washington, D.C.: World Bank Group.
World Bank. 2020. Ready to Learn: Before School, In School, and Beyond School in South Asia. South Asia Development Forum. Washington, D.C.: World Bank Group.

Continuous Teacher Support at local level

- Support CEHRD in coordination with Provinces in the development of guidelines for continuous teacher support (CTS) at LG level, including development of an observation tool for providing continuous support and feedback to teachers
- Development of local training materials for observation tool
- Development of contextual TPD training materials (training videos)
- App/online training platform for teachers and pedagogical leaders developed
- Dashboard to monitor teaching practices
- Work closely with MoEST/ CEHRD in coordination with Provinces in the roll-out of the CTS program nationwide in a phased manner, including evaluation and incorporation of lessons learned during implementation to strengthen the implementation.

Implementation of Learning Recovery Plan

Based on successful implementation of Teaching at the Right Level intervention in Nepal

- Support CEHRD in the development of guidelines for structured remedial program, including selection of LGs for implementation
- Development of training materials, including formative assessments
- Provide implementation support for Learning Recovery Plan
- Closely work with CEHRD/ MoEST in coordination with Provinces to support monitoring and data collection.

Priority Area 2: Early Childhood Education

Extensive sector experience in ECE introduction and implementation. In Nepal, the Bank has supported the widespread introduction and expansion of one-year of government provision of ECE. Under the SSRP and SSDP, the Bank supported the expansion of ECED centers to scale up readiness of the preprimary age population to enter primary school. The expansion of quality one-year of ECE service will be continued under the SESP, with the Bank's support to improve access and quality in this area. The World Bank is a global leader in early childhood development through its financing, policy advice, technical support, and partnership activities at the country, regional and global levels[11]. Within South Asia, the Bank is also working with Governments in India, Bangladesh, Pakistan and Sri Lanka on early childhood education interventions, including standards and curriculum development; teacher and child caregiver training; expansion of ECE through public-private partnership (PPP) and non-state providers as well as measurement of child development outcomes.

High-quality, policy-relevant research on ECE to inform new interventions. Aligned with the Government's mandate to provide an additional year of ECE for four-year olds, the Bank team, together with UNICEF, supported study analyzing the investment needs of the ECE sub-sector, This analytical study also provides up-to-date analysis on the key issues and approaches to improve provision of ECE in future operations under SSTP and potential GPE funding. The Bank is also piloting an intervention in Jhapa district to understand the long-term effects of teacher and parental training on early childhood development in Nepal (including for children with disabilities). The teachers training is being undertaken in collaboration with Provincial Education Training Center (PETC).

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[11] For details see: https://www.worldbank.org/en/topic/earlychildhooddevelopment#1

Ability to mobilize local and global expertise. The Bank's education team for Nepal works closely with the World Bank's Global Solutions Group (GSG) for Early Childhood Development, a platform that brings together the Bank's experts from around the world to provide technical expertise and resources in early childhood education. The Nepal education team has already successfully received and delivered outputs with grants from the Early Learning Partnership under the ECD GSG in producing a body of knowledge work on ECE for Nepal. The team would continue to tap into and mobilize technical expertise and resources, as needed, from the GSG platform.

Under the SCG, the Bank proposes to provide technical assistance for the following activities under the priority area "Early Childhood Education":

- Diagnostic of ECE facilitator training
- Support to MoEST/ CEHRD and Provinces to incorporate lessons learned and evidence-based scale-up.

Capacity to manage fiduciary and administrative responsibility

Systematic and comprehensive operational policies and guidelines are in place at the Bank to support project operations. Regarding the financial management, the Bank has well-established procedures and an online disbursement platform to ensure that funds are managed and disbursed properly. In cases of potential fraud or abuse, its Department of Institutional Integrity carries out independent investigations to maintain project integrity. The Bank has also been continuously playing its coordinating role among DPs and with the GoN in the school sector SWAP fiduciary management. Furthermore, the Bank offers designated staff members on financial management, procurement, safeguard issues related to social and environmental concerns, and legal issues to provide support to the various aspects of the project. Importantly, the Bank and the GPE have an existing Financial Management Agreement assuring full transparency and efficient and timely reporting of Interim Unaudited Financial Report (IUFR).

The Bank carries out at least two implementation support missions annually. In Nepal, the missions have been more frequent, as necessitated by the nature of project activities. The Bank announces these missions upfront to the government with an indication of clear objectives, responsibilities and roles of mission members. At the end of each mission, the Bank task team completes an aide memoire with government approval. Moreover, all Bank operations, which include a Grant managed under the operation, undergo two performance reviews within six months of closing. First, the Bank conducts an internal evaluation by reviewer who produces an Implementation Completions Results Report (ICR). Then, it is followed by external review from the Independent Evaluation Group (IEG). Both reports are disclosed publicly. Under the SCG, the Bank proposes to provide technical assistance for the following activities to coordinate among DPs and GoN in SWAp fiduciary management:
- Review the IUFRs, Audit reports (OAG) and provide comments on behalf of the Joint Financing Partners, including calculation of ineligible expenditures, if any.
- Support to strengthen fiduciary oversight through implementation of actions to strengthen financial monitoring and supervision at all levels
- Technical Assistance to GoN in the development of Fiduciary Management Action Plan
- Public Expenditure Tracking Study

Commitment to continuity of engagement and increase of additional support to the school education sector

The World Bank (the Bank) has been a long-standing and trusted partner of the Government of Nepal (GoN) in the development of the education sector. Since FY84, the Government of Nepal has received an amount of US$535.9 million for seven school sector education projects through IDA financing (Annex 1 provides the detailed list of the projects). Currently, the World Bank is the largest contributor to the Government of Nepal's School Sector Development Program (IDA – US$235 million). The provided an additional support of US$50 m for the implementation of SSDP during the FY 2021-22 upon the request of Government of Nepal. The current IDA allocation for the new operation to support SESP is US$100 million. The Bank remains committed to supporting the education sector in Nepal and further contribution from IDA as additional support will be discussed and agreed with Government of Nepal.

Grant Agent for GPE projects: Globally, the Bank is the grant agent of a large portfolio of GPE projects. In South Asia, the Bank is currently the GA in Afghanistan, Bangladesh, Maldives, Nepal and Pakistan Specifically in Nepal, the Bank and Ministry of Education Science and Technology (MoEST) have had successful partnership in the implementation of three GPE investments under the School Sector Reform Program and the ongoing School Sector Development Program (SSDP) of US$179.3 million. The Bank is currently also the GPE Grant Agent for the Education Sector Plan Implementation Grant (ESPIG) of US$23.9 million that continues to support SSDP and the CoVID 19 Accelerated Funds of US$10.85 million. In collaboration with LEG, and as the current grant agent for ESPIG and CoVID-19 Accelerated Funds, the Bank has a comparative advantage in supporting the GoN in the design and implementation of System Transformation Grant, Multiplier Grant and System Capacity Grant through a unified reporting mechanism and fiduciary systems, supporting capacity development and donor harmonization.

Commitment to joint sector dialogue and coordination through Nepal's established SWAp

The Bank recognizes the importance of joint sector dialogue and coordination and has played a lead role in harmonizing the donor coordination efforts. Under the ongoing SSDP, the Bank has actively coordinated and participated in the Local Education Development Partner Group, Joint Financing Partners' meeting, Technical Working Group meetings to maintain donor coordination and cooperation among the Local Education Group. The Bank also served as the DP focal point in the year 2019-20 (3rd round) and plans to do so in the FY2023-24 under the implementation of SESP. The Bank also facilitated strategic dialogue among MOEST, Provinces and Local levels in different provinces in early years of federal structure. The Bank is also working closely with the Ministry to harmonize and coordinate donor support to the TVET sector and move toward a sector-wide approach.

Competitive administrative overhead/transaction costs for delivery of the program under SCG

The activities proposed under SCG will be implemented by the World Bank and will support the priority areas identified under STG. For relevant activities, the World Bank will coordinate with CEHRD. The core World Bank team will comprise of SSTP Task Team Leaders (Karthika Radhakrishnan, Mohan Aryal and Maya Sherpa) supported by Kathmandu and Washington D.C. based consultants. World Bank Human Development Program Leader (Rene Solano), Practice Manager for South Asia Region's Education Global Practice (Cristian Aedo), and Country Director for Maldives, Nepal and Sri Lanka (Faris H. Hadad-Zervos) will provide overall guidance. For several activities, collaborations with local and global experts will be designed. The World Bank will undertake all relevant contracting as per World Bank's procurement rules and other necessary requirement applicable for Bank executed trust funds. The status of implementation of activities will be regularly provided to LEDPG.

Capacity to provide technical support to government for monitoring and evaluation of SESP activities to address GPE-SPA priorities

Dedicated country staff with a combination of local and global expertise. The Bank's has a fully-staffed country office in Nepal with a team of technical experts supporting the various aspects of project operation, including financial management, procurement, information communication technology, environmental and social safeguards, disbursement, and monitoring and evaluation capacities. Technical staff with education expertise and 10+ years of experience working on education programs in Nepal are keenly involved in the country's education portfolio, covering all the sectors. The country education team also includes highly experienced international staff who work closely with the Nepal team on a day-to-day basis on all aspects of project preparation and implementation. The Nepal education team is closely connected with World Bank's global network of technical experts in Education, governance, health, social protection and jobs, ICT, and beyond.

Extensive experience in capacity strengthening. The Bank recognizes the importance of mainstreaming capacity building. It focuses on empowering governments and communities lead the design and implementation of development programs. The Bank has supported the following capacity building activities in Nepal: (i) enhancing project management capacities, including planning, financial management and procurement skills, among project officials, academics as well as community-based management committees; (ii) developing expertise within government and education institutions in environmental and social safeguard aspects of project operations; and (iii) enhancing monitoring and evaluation capacity, specifically strengthening implementation of student learning assessments in school sector and conduction of education sector surveys and evaluations across all subsectors. Through mobilizing the Bank's national and international expertise in various areas, the Bank closely works with central level agencies in efforts to further enhance technical capacity and ensure sustainability of results. The Bank has also been closely involved in policy dialogue in all the subsectors. The Bank will provide technical assistance in the implementation of SPA priorities, including policy dialogue, implementation support, data collection and incorporating lessons learned to improve implementation of the program through support from SCG.

Capacity to support the government for the continuation of students' learning in the event of unforeseen emergencies and shocks

The Bank also has immense experience in preparing and implementing emergency education response projects around the world. In Africa, the Bank has implemented education emergency response projects during the Ebola crisis. In South Asia, the Bank has implemented an emergency response to the Rohingya crisis under the Reaching Out of School Children II project in Bangladesh and is the Grant Agent for GPE CoVID 19 Accelerated Funds in Bangladesh, Nepal and Pakistan. In Nepal, post 2015 earthquakes, the World Bank supported the GoN to conduct two baseline censuses in the earthquake-affected districts: (i) Structural Integrity and Damage Assessment (SIDA) of all educational institutions and (ii) household census to assess the damage. These two studies provided the baseline data based on which response and recovery plans and projects were formulated. Data collection was complimented with an established web-based database system/portal to keep track of progress which has been used by the Central Level Project Implementation Unit (CLPIU) and now has been handed over to Local Governments (LGs). The Bank is also taking broad, fast actions to help developing countries strengthen their COVID-19 pandemic response. The Bank's value added is also in bringing necessary technical assistance, global expertise and learning from the best practices and lessons from interventions in countries across the world in responding to COVID-19 crisis.

An additional financing to School Sector Development Program through the Global Partnership for Education (GPE) Trust Fund in the amount of US$10.85 million was approved on August 21, 2020, which helps to build resilience for continued learning and ensure safe reopening of schools. In addition, an additional financing of US$50 million through IDA was approved on July 8, 2021, which will help reduce dropouts and mitigate learning losses by supporting pro-poor targeted scholarships, pro-science scholarships, and catch-up programs. The Bank supported two pilots in Nepal to fast-track and accelerate learning recovery. The first pilot implemented between January 2021-July 2021 called Low-Tech Intervention for Foundational Education (LIFE) used mobile-phone based tutoring and demonstrated strong learning gains in Nepal. LIFE was implemented both when schools were open (January -March 2021) and when schools closed as a result of second surge of COVID 19 cases (April - July 2021).

In the technical and vocational education and training (TVET) sector, the ongoing Enhanced Vocational Education and Training Project II (EVENT II) was restructured to redirect short-term vocational training to essential and priority sectors and build ICT capacity in TVET institutions. The Government has requested the Bank's support for the TVET sector reform plan which is currently under preparation. The Bank is undertaking studies on Skills Assessment for Green Jobs and on the Educational Technology (EdTech) readiness of the three education sub-sector (school, TVET and higher education). A new higher education operation (Nurturing Excellence in Higher Education Program) approved on June 11, 2021, helps Nepal align its higher education sector with labor market needs, boost collaborative research and entrepreneurship, improve governance, and access to quality higher education, especially for disadvantaged students. The COVID-19 pandemic has created strong incentives to expand online platforms and blended learning, which the program will help scale up across.

Annex 1: School Sector Projects Supported by the World Bank

Fiscal Year	Project ID	Project Name	IDA (US$ m)	GPE Grant (US$ m)	Funding Modality
FY84	P010199	Primary Education	12.78		IPF
FY92	P010395	Basic & Primary Education Project	30.60		IPF
FY99	P040612	Basic & Primary Education Project II	12.50		IPF
FY03	P082646	Community School Support Project	5.00		IPF
FY05	P074633	Education for All Project	110.00		IPF
FY10	P113441	NP: School Sector Reform Program	130.00	120	IPF
FY16				59.3	IPF (with DLI)
FY17	P160748	School Sector Development Program	235.00		PforR
FY19				23.90	PforR
FY21				10.85	IPF (COVID 19)
Total			**535.88**	**214.05**	

Annex 5: SESP Common Framework for Technical Assistance

COMMON FRAMEWORK FOR TECHNICAL ASSISTANCE

For the School Education Sector Plan

Ministry of Education, Science and Technology
Singha, Durbar, Kathmandu, Nepal

Contents

1. Background

The School Education Sector Plan (SESP) was developed as a long-term sector plan (2022-2031) to succeed the School Sector Development Plan (SSDP) and facilitate the attainment of the country's long-term development goals and ambitions within the highly decentralized institutional setup in the sector that emerged over the past years in line with the Constitution of Nepal, 2015. As per the provisions in Nepal's Constitution, a federal system has been introduced that establishes   federal, provincial, and local tiers of government. In the course of establishing a legal basis to facilitate the enactment of exclusive   and shared powers under the mandates of the federal, seven provincial, and 753 Local Governments (LGs), the Compulsory and Free Education Act, 2018 and Compulsory and Free Education related Rules, 2020, have been introduced, with the National Education Policy, 2019 providing guidelines for key functions and provision of services across the government tiers and introducing reforms and changes in the education sector.

The SESP was developed, approved and,   adopted in the Fiscal Year (FY) 2021-22, which served as a transition year in completing results that were envisioned to be achieved under the 2016-2021 SSDP implementation period, but delayed due to the impact of the COVID-19 pandemic on the school education sector, and to ensure readiness for the departure under the new SESP. The SESP builds upon the lessons learned and results achieved over the past years, along with the implementation of COVID-19 learning recovery plan. A Joint Financing Arrangement (JFA) has been developed and is adopted by the Ministry of Finance (MoF) and eight Joint Financing Partners (JFPs)[12] to ensure continuation of the high level of coordination and joint planning and monitoring of the SESP's implementation.

Many of the funds, functions and functionaries that had previously been managed/directed by central level authorities and channelled through District Education Offices (DEOs) have now been transferred to the LGs. This includes a shift of functions of planning, monitoring and management of basic and secondary schools under the jurisdiction of local governments (see annex 1). As a result, local governments now have the mandate and budget to develop their own education plans and budgets alongside those of the federal government.

There have been several guidelines and documents developed by the Government to facilitate the LGs in undertaking their new roles and responsibilities. These include the National Planning Commission (NPC) guidelines to provide the local levels with necessary knowledge, information, technology, and technical support in the formulation of development plans, which have been disseminated through the Ministry of Federal Affairs and General Administration (MOFAGA), the more recent MOFAGA local level planning

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[12] The Asian Development Bank (ADB), the European Union (EU), the Global Partnership for Education (GPE), the Government of Finland, the International Development Association (IDA), the Government of Norway, the United Nations' Children's Fund (UNICEF), the United States' Agency for International Development (USAID)

guidelines and Ministry of Finance International Development Cooperation Policy, 2019. These have been considered in the development of this framework and are fully aligned.

Section 3.7 of the MoF International Development Cooperation Policy, 2019, sets out the purpose and modality of mobilising TA to support enhancing national capacity in alignment with national capacity development plans. As such, TA from Development Partners will be utilized when the technical capacity for project implementation is not available within the government system. The policy stipulates that MoF must give prior approval before the acceptance of TA, and that implementing DPs will be required to report details of TA to the Aid Information Management System (AIMS), managed by MoF.

Since TA is an integral part of collaboration between government and external partners, this TA Framework will be considered an extension of the joint commitment to aide effectiveness and coordination stated in the SESP Joint Financing Arrangement (JFA) and will serve as an integral part of the overall SWAp coordination mechanism. Harmonising TA as part of SWAp coordination will improve coordination mechanisms, build consensus on shared priorities, strengthen policy dialogue, facilitate shared learning, integrate institutional memory and improve aid effectiveness.

The TA framework has been developed based on close collaboration and consultation between the MoEST and all contributing partners and includes operational guidelines to ensure that all provision of TA, whether supported by pooling partners or other partners, is in line with this framework to provide TA support to identified capacity and institutional development priorities. This common framework for TA is linked to a capacity and institutional development plan. The TA framework aims to align the deployment of TA to strengthen programme management, technical expertise and knowledge management.

This TA framework is specifically designed for the School Sector, and it is not meant to guide the TA activities that take place within other sub-sectors of education such as TVET and higher education. However, the Ministry will consider utilizing the lessons and experiences of the School Sector TA framework to develop appropriate structures and mechanisms for the coordination of TA in TVET and HE. The framework along with its principles and operational guidelines can be a guide to ensure that all TA provision, whether supported by pooling partners or other partners, is coherent with the national needs and priorities.

Rationale and Organization of the TA Framework

The primary argument for better TA coordination is that coordinated supply of TA is a means of decreasing fragmentation and improving impact. Effective coordination and harmonization of development assistance was a major theme of the internationally agreed Paris Declaration on Aid Effectiveness (2005) and subsequent international agreements on international development coordination. One lesson to learn from past years of experience both from Nepal and other developing countries is that improved coordination among governments and development partners makes technical assistance (TA) more effective and efficient. When

external partners work in overlapping spheres, each with their own practices and agenda, it does not facilitate the implementation of the planned activities. In the absence of coordination, there is always a risk that many partners are focusing on the same areas of capacity development and may duplicate each other's efforts. The fragmentation of TA observed over the years has increased calls for better coordination. A diffuse, uncoordinated supply of TA can lead to redundancy, policy incoherence, inefficient use of resources and unnecessary burden on the recipient institutions. When multiple small TA activities are implemented by several donors in a uncoordinated manner, there is a risk of loss of scale resulting in conflict, making the activity less cost-effective and undermining of development objectives. Properly coordinated TA can significantly reduce the administrative burden on the MOEC. In this context, the MOEC and external partners alike have expressed support for developing a TA framework to ensure harmonization, coordination and consolidation of TA activities and its proper alignment with the capacity development needs of the education system, more particularly with the SESP.

Second, 'federalization' provides the basis and is the key pillar of Nepal's education governance system. Nepal's Constitution establishes responsibility for different levels and functions of education for the three level of government. For example, the provision of school level education is assigned to be the function of local municipal governments. In accordance with the constitutional provision, the SESP - a jointly agreed national programme of education reform – envisages greater role for local governments in the implementation of planned activities. Historically, central level agencies of MOEC have been the recipients of externally provided technical assistance. In the changed context, TA activities should target all three tiers of government. Not all local and provincial governments are at the same stage of institutional development. The implementation of SESP becomes a complex process especially in the context of a federalized system of governance. Capacity gaps are particularly noted at the local level. The SESP has thus recognized that capacities of local governments should be substantially increased not only to enable them to implement the SESP activities but also to fulfil the roles assigned by the constitution. The success of SESP ultimately depends on the capacity of local governments. A TA framework is needed to clarify mechanisms and processes that will help local governments acquire TA support in a coordinated and unified manner with the main emphasis on developing local institutions and strengthening local capacities. The framework should ensure that TA activities are 'fit for purpose' by connecting them to local education priorities or local goals. In line with this, the SESP envisions need-based and contextualized technical support to LGs to ensure adequate institutional capacity on analysis, planning, budgeting, implementation, monitoring, and evaluation of education services to achieve the following objectives:

I. enhance good governance in education by clearly articulating the roles and responsibilities of federal, provincial and local governments,
II. institutionalizing mechanisms that strengthen inter-relationships, coordination and collaboration between the three levels of government and by developing systems that

make officials working at different levels accountable for performance and answerable towards results,

III. build capacity of human resources and institutions working in all the structures and mechanisms of education, including personnel at the local level, and

IV. strengthen school management to make it accountable for results in terms of student learning.

Third, much of the TA undertaking in the past has been viewed as the delivery of expertise and/or training. The problem with this view is that it sees TA as a 'gap filling activity.' With this approach, there is temptation to undertake poorly designed TA activities with the short-term objective of supporting partners to complete certain tasks. A nationally agreed framework is needed to facilitate the planning, implementation, and monitoring of TA. The framework will set mechanisms and processes for planning, sharing and dissemination, documentation of best practices, reporting and monitoring of TA. In the above context, the establishment of an overarching governance and coordination structure for Technical Assistance (TA) under the School Education Sector Plan (SESP) is key in ensuring that this assistance:

(i) addresses jointly identified needs and knowledge gaps during the SESP implementation,

(ii) enables the Government to adapt and contextualize the SESP and its programs and targets across the 753 local government education sector plans,

(iii) provides an umbrella for all technical assistance to be mobilized and implemented in a sub-sector wide approach, minimizing scattering and duplication, and

(iv) supports the overall implementation to realize the objectives and results of the SESP.

This framework is organized into several sections covering the following areas:

(i) Guiding principles of TA
(ii) Objectives, Scope, priority areas
   - SESP priority areas
   - Enabling conditions/factors
(iii) Types and level of alignment of TA;
(iv) The governance, management and coordination of TA;
   - Institutional arrangements/roles and responsibilities
   - Engagement of provincial and local levels in the identification of TA
   - Engagement of non-state actors
   - Opportunities for engagement with private sector

- Identification and the selection and management of TA, including the provision of rosters for experts and institutions for services
- Monitoring and evaluation

2. Guiding Principles of TA

The TA management framework is guided by the central pillars which underpin international agreements including the Paris Declaration on Aid Effectiveness (2005), the Accra Agenda for Action (2008) and Busan Partnership for Effective Development Co-operation (2012). These guiding principles are articulated below and are required to ensure the sustainability of development projects within the education sector in Nepal.

1. **Ownership**: Through harnessing stronger communication and coordination channels via a TA management framework, wider participation with DPs providing TA can result in policy formation that is ultimately led-by and owned by Nepal.

2. **Alignment**: TA which is aligned with Nepal's existing school education sector development goals as outlined in the SESP can help to strengthen the Government of Nepal's existing efforts to increase quality education for all, whilst avoiding duplication and wasting funds.

3. **Harmonisation**: Whilst the TA management framework recognises that TA will continue to be financed by DPs independently and managed using their own systems, reasonable efforts should be made to ensure harmonisation between DP programmes and Government of Nepal initiatives and goals. The government, along with the DPs, will work out common benchmarks, procedures and systems to ensure harmony.

4. **Collaboration for Results:** DPs and the Government of Nepal agree that TA needs to be focused and programme wide results-oriented with impact that is measurable. As such, the TA management framework seeks to ensure that results and learnings are shared to continuously improve interventions and policy mechanisms.

5. **Transparency:** How funding – whether pooled or non-pooled (including tied and untied aid) – is allocated, and the results that it aims to yield need to be clearly and openly made available by Government of Nepal to DPs, and DPs to the Government of Nepal. A TA management framework should strengthen these mechanisms for greater transparency so that data can be analysed and accounted for.

6. **Mutual Accountability:** A strong TA management framework enables all DPs and Government of Nepal to recognise one another's respective responsibilities, ensuring commitments made by all actors are held to account.

7. **Capacity Development**: TA is short and/or medium term. In order for development to be sustainable, DPs can help to develop the individual and institutional capacity within the education sector so that the Government of Nepal is able to manage its affairs on its own in future.

8. **Areas of TA**: The Government of Nepal and education sector development partners will jointly identify the TA requirements. Within the framework of the above principles, the MOEST will seek TA from development areas in those areas where national expertise is lacking. As a matter of principle and in line with the MoF International Development Cooperation Policy, 2019 (3.8.1), TA will prioritise the mobilisation of Nepali citizens and domestic institutions. In a number of areas where national expertise is not available locally, the development partners will be requested for TA support from the region or any other appropriate country/international institutions.

9. **Modalities of TA delivery:** TA activities can include any of the following such as (a) national and/or international consulting services, (b) research and studies, (c) national and/or international technical advisory services, (d) institutional linkages, (e) overseas or in-country staff development,

(f) publications and (g) any other services designed to facilitate the transfer of knowledge, skills and best practices in the field of education

In addition to the above guiding principles, TA will be conducted in line with the Ministry of Finance *International development Cooperation Policy (2019), with specific reference to section 3.7.*

3. Objectives, Key Priority Areas and Strategies

4.1 Objectives:

The main objective of TA is to support institutional and human resource development within the school education sector at all levels of government (federal, provincial and local) with the ultimate aim of improving quality learning for all. The TA framework has the following specific objectives:

(i) To assist the development and improvement of capacity at all levels of the education system in order to achieve the stated SESP programme goals;

(ii) To strengthen overall programme management capacity;

(iii) To ensure that TA responds to jointly identified issues that will lead to tangible improvements in access, equity, quality and governance across the education system;

(iv) To improve aid effectiveness through strengthened policy dialogue, joint planning, implementation and shared learning.

4.2 Key priority areas

The result/priority areas can be broadly classified under the headings of:

i. SESP key results/priority areas: The priority areas identified by the SESP include the following: Access and Participation; Equality and Inclusion; Quality and Relevance; Non-Formal Education and Alternative Pathways for Continued Learning; Education in Emergencies and Crisis Situations, and, Governance, Management and Coordination. It is expected that TA will align with the SESP priority areas SESP outlines priority areas and/or the sector's enabling factors. In addition to these, there are four enabling factors for effective education[13]:

   A. Data and Evidence (including the collection and analysis of data, plus its utilisation to inform education planning across the tiers of government and at school/community level)

   B. Gender Responsive Sector Planning, Policy and Monitoring (taking a holistic understanding of barriers to inclusion and equity)

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[13] The four enabling factors are identified by the Global Partnership for Education (GPE) in the Finance 2025 strategy. These have been established across the partnership (which included the GoN and JFPs).

    C. Sector Coordination, Inclusive Sector Dialogue and Coordinated Action and Coordinated Financing and Funding

    D. Volume, Equity and Efficiency of Domestic Public Expenditure on Education

ii.   Emerging SESP priority areas as identified in the BRMs and JRMs.

iii.   Support to adapt and contextualize SESP for TES, SDG and other emerging national/international commitments of the government.

iv.   Support to adapt and contextualize SESP into Local Government education sector plans.

v.   SESP program management, including support on monitoring and reporting requirements related to bilateral agreements, DLIs and SESP JFA.

vi.   Application of Sector Wide Approach modality, including sector dialogue.

vii.   Institutional capacity at federal, provincial and local levels to implement SESP.

viii.   Knowledge management (KM): Knowledge is key to education sector development. A system of producing, documenting, retrieving, sharing/disseminating, and using information, it helps enhance the capabilities of human resources and organizations to make improvements. Capacity development and knowledge management should form the key components of the TA and contribute to the effective implementation of the SESP programme.

ix.   Visibility and Communication strategy

4.3 Working Strategies

The TA management framework will achieve the above objectives of TA through working strategies, including:

(i) Ensuring that all foreign aid and technical assistance from development partners in education responds to jointly identified priority areas and/or issues (see priority areas above)

(ii) Harmonizing and mobilizing TA or direct funds through the Technical Support Unit (TSU).

(iii) Establishing a joint coordination mechanism for the planning, management, monitoring and reporting of pooled funding and technical assistance (see the governance and coordination structure below).

(iv) Aligning TA support as well as direct funding from the DPs with the SESP Program and Result Framework.

(v) Keeping in view of the results-based financing structures of SESP[14], TA provided to the school education sector should focus on areas related to programme management with specific targets and outputs. Furthermore, TA activities should be explicit in terms of how the proposed TA will support the achievement, monitoring and/or evaluation of results under the SESP Program Results Framework.

4. Types and level of alignment of Technical Assistance:

Types of funding: The common TA framework will serve as a guiding framework within the SESP SWAp coordination for the different modalities of TA that is used by the DPs to support the implementation of the SESP. In alignment with the MoF International Development Cooperation Policy, 2019, (3.2.1 – 3.2.4) the GoN recognise four modalities for mobilisation of development cooperation, stated in order of preference:

(i)   budget support,
(ii)   SWAp,
(iii)   program-based approach, and
(iv)   project aid.

Since TA is to be considered in addition, and to support effective use of, budget support (from JFPs), this TA framework serves to mobilise development cooperation through the Nepal education SWAp. As such, the DPs are encouraged to support the Government of Nepal in the implementation of the SESP through mobilizing different types of TA, as per the modalities described below:

- Pooled TA: Funds that are mobilised through the DPs budget support but specified for TA and for which the Government of Nepal must comply with procurement requirements as per the bilateral agreements with DPs that support pooled TA and the national regulations.
- Non-pooled TA: Funds that are mobilised through the DPs off-budget support for supporting the implementation of the SESP in line with the common TA framework priority areas. Parallel TA can be further categorized as:
  o Untied TA: Funds that can be utilized based on jointly identified priorities without specific provisions from the respective DP.
  o Tied TA: Funds that can be utilized in adherence to the specific provision including earmarking the support by the participating Partner.

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[14]Circa 75% of all budget support provided by the JFPs is provided through the Government of Nepal obtaining results against the joint DLIs.

Alignment of technical assistance

As stated under the description of types of non-budget support, Direct Funding is considered all funding that is not reflected in the Government's Red Book, including supplies, technical assistance and tied-/untied funds. One of the objectives under the Common TA Framework is to harmonize and align direct funding and technical assistance through confirmation of common procedures for transparent and coordinated planning, implementation, monitoring of and reporting on Direct Funding resources. This is key to ensure Direct Funding is (i) mobilized on a clear and jointly confirmed/validated need, and (ii) applied in the most efficient and aligned way.

Direct TA funding through Pooled funding represents the highest level of aligned mobilization of TA, however, it is recognized that not all DPs have the option in terms of financing tools and modalities that allow for this level of engagement. Still, non-pooled TA is expected to be predictable and respond to the needs jointly identified with the GoN. This should be jointly planned and monitored (Coordinated TA) and will be shared through the appropriate channels (see modality below) to allow for Government to plan and utilize TA in an efficient manner in line with the country's Development Cooperation Policy (Registered TA).

In order to align Direct Funding in the best way possible, the following is envisioned as part of the operationalization of the Common TA Framework:

- Strengthen ability of DACS in its role as SESP TA Secretariat and use 'One-Door-Only' policy to improve coordination, avoid duplication and redundancy.

- Establish the Joint SESP Technical Assistance Steering Committee to monitor alignment with SESP goals and objectives, and pursue synergies with regular activities

- Develop a Standard Operating Procedure (SOP) and operational guidelines for management to ensure transparency, accountability and implementation efficiency

- Develop common results-based monitoring and reporting procedures to facilitate informed decision-making and increase effectiveness

In order to ensure the envisioned alignment, a spectrum of alignment has been identified (see figure below), with LEDPG members committing to a minimum level of coordination in terms of timely sharing upcoming- and planned technical assistance and other Direct Funding in a template that allows DACS to include this in the TA register and providing timely updates on programmatic- and financial progress that are used for the overall quarterly updates to the SESP Steering Committee and the SESP BRM and JRM.

Technical assistance being need-based, relevant and predictable.	Technical assistance being jointly planned, programmed and monitored	Government-led planning and programming of technical assistance
LEDPG members follow the Common TA Framework minimum cooperation principles.	SESP TA Steering Committee has programming role, but is not involved in financial management.	SC is responsible for programming and financial management.
Timely updates on financial- and programmatic progress provided to the SESP TA Secretariat (DACS)	Donor goes beyond MoU; giving the SC a role in the programming of resources; but not in financial management.	SESP TA Steering Committee has the responsibility for both programming and managing resources, including funds.
SESP TA SOP serves as guidance	SESP TA SOP serves as base for joint planning and monitoring of TA	SESP TA SOP serves as base for joint planning and monitoring of TA

Under the guidance of the SESP TA Steering Committee, a Joint Direct Financing Arrangement (JDFA), including a SOP on the mobilization, coordination, communication, management and implementation of Direct Funding related to the overall SESP implementation will be developed and annexed to this Framework. The SESP JDFA will serve as Memorandum of Understanding in terms of being a statement of commitment to align non-pooled resources that are mobilized in support of the SESP and will be superseded by bilateral agreements on these funds.

5. The governance and coordination of Technical Assistance

Overview: The below organogram presents how each unit and section feeds into one another to ensure coordinated communication for effective and efficient delivery of TA. The governance and coordination of TA mainly involves ensuring coordination amongst TA various entities comprising TA providing entities, TA coordinating/managing entities and TA receiving entities.
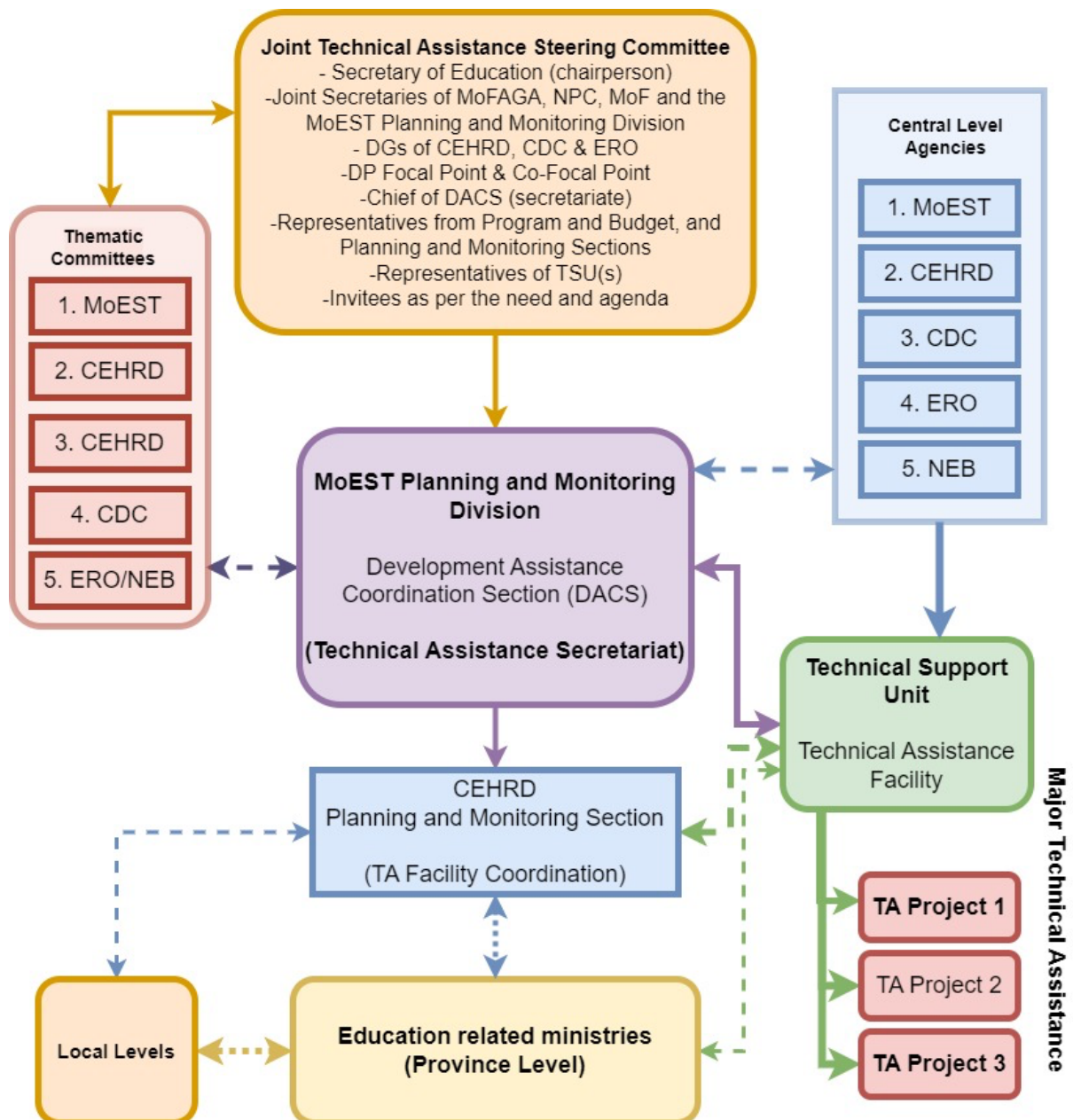
Roles and Responsibilities:

As an apex entity, a **Joint Technical Assistance Steering Committee (TA-SC)** will be established led by the Secretary of Education at the MoEST which will be mainly responsible for overall planning, guidance, coordination and monitoring of TA activities. In addition, the TA-SC will include Joint Secretaries of MoFAGA, NPC and MoF, and the Joint Secretary of Planning and Monitoring, MoEST. The head of the DACS will act as the member secretary, along with members from Program and Budget section, and Monitoring Section. The Director Generals of the federal level departmental agencies will also be members of the committee, as will the Development Partner Focal and Co-Focal Point.[15] Representatives from the Municipality Association of Nepal (MuAN) and the National Association of Rural Municipalities In Nepal (NARMIN) will be invitee members. Joint Secretaries of MoEST and representatives of major technical assistance providers will be invited in the steering committee meetings as per the needs and agenda. Meetings will take place on a quarterly basis with minutes communicated to the LEDPG via the focal point. These will also be shared in the documentation of annual budget review meetings and joint review meetings.

The TA-SC will oversee the overall planning, coordination and monitoring of TA activities to ensure that a joint and coordinated approach is adopted by all the external partners under the SESP Steering Committee and have the final authority to decide TA requirements including: type and level of expertise, duration, number and output of advisors/experts, program management, capacity building and knowledge management. The TA-SC will create a harmonised approach by bringing together government, I/NGOs and DPs and ensure government ownership and sustainability of activities. The TA-SC is mandated to review and amend the TA Framework or any part of it, including annexes which will be updated as needed.

The Development Assistance Coordination Section (DACS) is the entry point for all external financing and technical assistance in the Nepal education, science and technology sectors, and as such is the first point of communication and coordination for the LEDPG. The DACS facilitates coordination of all technical assistance and collaborates within the MoEST for external partnerships, including budgeting, financing, program monitoring and DLI reporting. In addition, the DACS serves as the programme coordination secretariate for the TA-SC. In this role, the DACS will operate the Aid Information Management System (AIMS) and utilise this to compile and archive TA ToRs, reports, and other related documentation. The DACS, with the support of the TSU, will prepare and maintain a roster list of appropriate national expertise for the provision of TA. The DACS will manage the coordination and administration of TA_SC quarterly meetings including preparation of briefing documents and compilation of meeting minutes. In all responsibilities, the DACS will retain the option of utilising the TSU to provide human resource capacity as needed.

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[15] Rotated annually among the Joint Financing Partners

The TSU is an annex to the DACS to provide technical backstopping to ensure necessary technical and program implementation support is provisioned to MoEST and federal level agencies in an aligned and coordinated manner. The TSU arrangements serve effective coordination of TA inputs throughout the SESP period. The Unit is funded by development partners through a joint funding modality and is a mechanism that facilitates the identification of TA needs, the acquisition and coordination of TA made available by the development partners. The LEDPG Focal Point and Co-Focal Point will play an important role to operationalise the TSU in collaboration with the DACS. The TSU supports DACS for the compilation and archiving of TA inception, progress and completion reports and the preparation of the TA-SC briefings prior to the committee meetings. In addition, the TSU will support the DACS in its function of managing resources and coordinating implementation of activities as per the directive of the MoEST, in line with the guidelines and principles in this framework.

The CEHRD is the SESP federal level implementing agency, with responsibility to coordinate with the local levels who implement the SESP[16]. As such **The CEHRD Planning and Monitoring Section** will coordinate within the education sector, primarily with the provincial and local levels on requests for -and implementation of TA to sub-national levels. The section will collaborate with the Central Agencies, TSU and DACS, under the direction of the TA-SC.

The LEDPG supports the SESP program implementation through a Sector Wide Approach (SWAp), which includes the disbursement of pooled funding by JFPs against joint targets under a JFA and joint reviews and consultations between the Government of Nepal and the wider LEDPG. The LEDPG consists of

    (i)   JFPs that provide on-budget support and technical assistance,

    (ii)   Other Development Partners that provide off-budget and technical assistance to support the SESP, and

    (iii)   Implementing agencies and stakeholder representatives that provide technical assistance and in-kind support. Standard Operating Procedures (SOPs) are annexed to this framework providing common guidelines and principles for non-pooled support to the SESP. These will include guidance to LLs to facilitate mobilisation of different types of TA.

As per the provision of the JFA, the Development Partner Focal Point will coordinate with DACS to jointly monitor the implementation of the TA framework and various TA inputs from the LEDPG.

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[16] As set out in Annex VIII of the JFA

SESP Thematic Committees (TCs) have been established to support the MOEST, and its central level agencies[17]. They provide a continuous platform to facilitate technical collaboration and discussion in key result areas. The Committees are chaired by the DG of the associated central level agency, with the exception of TC 1 (supporting MoEST) which is chaired by an appointed Joint Secretary. Additional members of the TC comprise of appointed technical staff from the GoN and DPs. It is the role of the committee to identify technical areas that benefit from collaboration between the GoN and DPs, and to initiate and monitor specialist working groups as required. As such, the TCs, and the working groups they initiate and monitor, are a key mechanism to identify areas of TA, which can be requested via the TSU and/or the DACS. The SESP TCs are facilitated by the DACS who, in turn, share outcomes and learnings with the relevant responsible sections and officers in departments and central level agencies. All formal communications by JFPs and other DPs to the MOEST are therefore managed, recorded and facilitated by DACS. The role, function and modality of the TCs, as well as the working groups, are set out in the SESP Technical Committee ToR.

TA Project Management Committee: Apart from the above structures, wherever necessary, each individual TA project will have a TA Project Management Committee led by the head of the recipient institution with members drawn from relevant organizations and TA providers. The main function of the PMC will be to oversee the day-to-day implementation of the project concerned and ensure coordination with the DACS and CEHRD at the federal level.

6. Reporting and Monitoring of TA Implementation

Monitoring and reporting of TA implementation and its outcomes is a pre-requisite to ensuring effectiveness of TA interventions. It allows for better performance monitoring and correcting deviations, if any. Most importantly, monitoring and evaluation of TA activities creates evidence on what works or does not work and ensures accountability.

- The DACS will be responsible for the day-to-day coordination and communication with LEDPG members relating to the mobilization and requirements of TA.
- The TSU supports the DACS in the development and updating of the education sector technical assistance register on a quarterly basis (see annex 7), specifying type, timeline and volume of planned/committed/ongoing technical assistance by the LEDPG members. The TSU assists the MOEC in creating and maintaining a database of all TA outputs which will be made available to the public. A portal may be created on the Ministry's website for this purpose.
- The LEDPG member who is committing TA support for a jointly agreed activity will develop a Terms of Reference (TOR). The TOR will be reviewed by the DACS/TA-SC along with the institutional entity that is to utilize the TA services. In the case of short-term individual

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[17] There are five TCs, each led (and primarily supporting) one of the central level education institutions. They are: 1. MoEST, 2. CEHRD, 3. CEHRD, 4. CDC, and 5. ERO/NEB

consulting assignments, the TA receiving institution in coordination with DACS will review the TOR.

- The LEDPG members that commit TA support through the DACS will have to develop an project-wide inception report prior to the TA starting date, a mid-term TA progress report and a TA completion report within 1 month of the completion date of the TA within the framework of the TOR. In the case of individual short-term consulting assignments, such reports will have to be submitted to the concerned recipient organizations.

- The TA-SC will meet on a bi-annual basis to review TA requests and endorse committed TA and the main findings from inception/mid-term and completion reports (see above) in the updated TA register, as presented by the DACS in its role of the SESP Steering Committee secretariat.

- The TA-SC will ensure that the consulting services, reports of studies or any other TA outputs meet the quality standards. The TA-SC may formulate teams of experts, relevant MOEC officials, TSU members, technical committees and representatives of TA recipient organizations to assess whether or not the TA outputs, reports of studies or consulting services meet the standards as stated in the ToR. The reports prepared by the teams will be presented to the SC which will discuss any policy implications and/or follow actions needed.

- Based on the TA requests that have been endorsed as sound and in line with the education sector priority and result areas, DACS will make formal requests to relevant members of the LEDPG and inform LEDPG FP/CFP accordingly.

Annex 1 - Education functions across the three government tiers

In the federal context, exclusive powers and concurrent powers have been defined for the education sector in the 2015 constitution. Exclusive powers are those that are assigned to a particular tier or level of government, and these are functions to be undertaken by the concerned level of government. They define the jurisdiction of the government concerned in a given sector. On the other hand, concurrent functions are those for which more than one level/tier of government is simultaneously responsible for a given task often requiring cooperation/collaboration between the different levels of governments. As such, school education is an exclusive power of LG level as it has been decentralized to the LG level. Table 1 below provides an overview of the roles and responsibilities have been defined by the constitution as being under the mandate of the different levels:

TABLE 1; SESP RELATED FUNCTIONS FOR EDUCATION SECTOR AT FEDERAL, PROVINCIAL AND MUNICIPAL LEVEL

School Sector component	Exclusive and concurrent mandates		
	Federal Government	Provincial Government	Local government
Governance & Management of school education (including Early Childhood educational development) and non-formal education	Formulation of national policy, law, regulation and standards	Formulation of provincial policy, law, regulation and standards	Policy, law, standards, planning, implementation and regulation
	Determination of national standards for educational institutions		Coordination and regulation of school education
			Implementation of school education.
			Mapping of schools, permission and regulation of schools, the establishment, merger and/or closure of schools
	Determination of standards relating to scholarships and stipends		Scholarship management and distribution
Teacher Professional Development and Management	Standardization of qualifications, capacity and regulation of school teachers	Standardization of qualifications, capacity and regulation of school teachers at provincial level only	Management of teachers and school employees
		Management of, setting standards for and regulation of secondary level teachers	
Curriculum and textbooks	Preparation and regulation of the National Curriculum, in core subjects Production of sample curricula for local level	Preparation and production of school level curriculum	Distribution and implementation of curriculum

School Sector component	Exclusive and concurrent mandates		
	Federal Government	**Provincial Government**	**Local government**
	Model textbook preparation and regulation	Preparation and production of textbooks	**Textbook distribution - ensuring the timely availability of textbooks**
Institutional Capacity Development	Human resources projection	HR projection at province level.	**Appointment of dedicated education staff**
Disaster Risk Reduction and School Safety	Development of minimum safety standards and building codes		**Construction and management of school infrastructure**
Monitoring, Evaluation and Assessment	Management of education statistics	Collection of provincial statistics and records	**Collection of local statistics and records – timely collection of data and reporting to concerned agencies**
	National research	Research and education at provincial level	
Examination and Accreditation	Management of grade 12 examinations	Management of grade 10 examinations	**Management of grade 8 examinations and other academic assessments**
Health and Nutrition in schools	Determination of WASH in school standards and guidelines		**Provision of mid-day meals – in coordination with other stakeholders, managing the mid-day meal to school children in an effective and efficient manner**
			Construction of WASH facilities in schools

Annex 2 - Overview of SESP Implementation Arrangements

The SESP implementation arrangements have been confirmed as per the figure below.
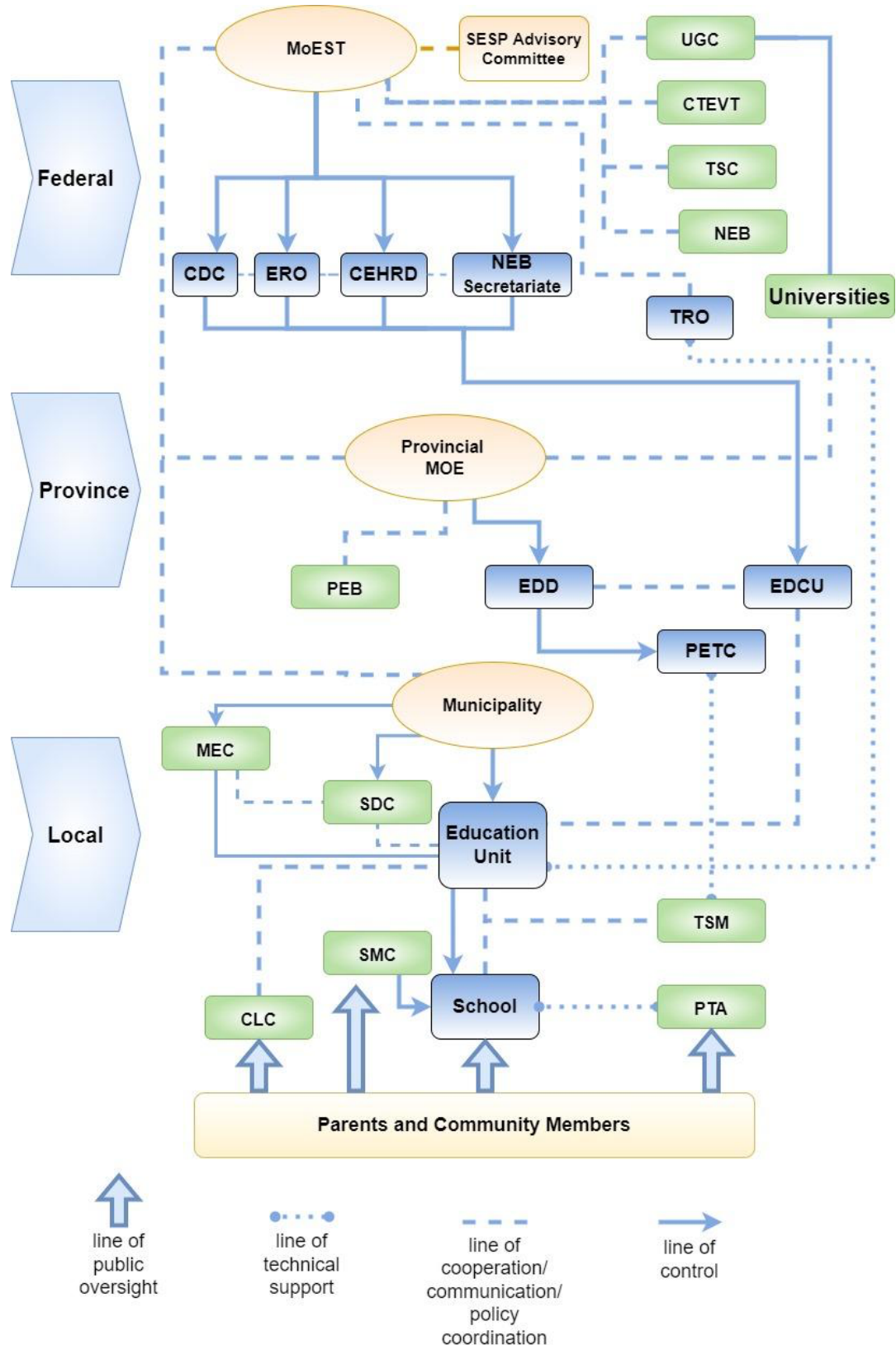
Annex 3 – Proposed Planning and Coordination at LG level

Planning is one of the core functions of local governments. Governments at the local level are expected to formulate a number of plans such as periodic plans, sectoral strategic plans and master plans, project bank, medium-term [expenditure] framework, and annual budget and programs within their areas of jurisdiction as stipulated in the Local Government Operations Act 2074. In doing so, these governments need to consider crosscutting subjects such as good governance, environment, child-friendliness, climate change adaptation, disaster management, gender and social inclusion that conform to the policies, goals, objectives, time frame, and processes of the GoN and provincial governments.

The local-level plans have mutually dependent relationship with federal and provincial plans. Generally, the local-level plans must maintain harmony with the goals and priorities of the macro and meso level plans. The achievements of the provincial and local plans are mutually interdependent. The question of realizing the goals of the national and provincial plans is also dependent upon the performance of the local plan. In terms of timeframe, the plans that local governments are required to formulate are mainly of three types: long term, medium term and short term. Long-term plans are made in the form of a long-term vision, whereas medium-term plans are generally prepared as periodic plans (five-year plans). Medium-term periodic plans span over three to five years. Annual plans or annual budgets and programs are prepared as short-term plans designed mainly to achieve the objectives of the medium and long-term plans. The implementation of periodic plans is ensured by formulating MTEFs as cyclical plans to link the goals, objectives, priorities, and programs of the medium-term periodic plans to annual budgets and programs.

Periodic plans are guiding plans. Such plans also have mutually horizontal relationships with sectoral strategic plans and sectoral master plans. Sectoral strategic plans and sectoral master plans impart sectoral specialization to periodic plans. The implementation of sectoral strategic plans and sectoral master plans depends upon annual plans. Similarly, project banks should be prepared through detailed feasibility studies of the projects included in the periodic plans. MTEFs should be developed based on the periodic plan and project bank. MTEFs link periodic plans to annual plans and ensure resources in accordance with the priority sectors for plan implementation. MTEFs are the bridge that link periodic plans to annual plans. Annual budgets and programs are the means for achieving the specific goals of periodic plans and sectoral strategic plans and master plans.

Annex 4 – Proposed Local level planning and budgeting preparation process

(adapted from the 2017 MoFAGA directive)

Profile to be prepared

A local level profile is to be developed to inform the preparation of a result-oriented annual plan and budget by following a participatory process. This profile should reflect the geographical, socio-cultural, economic and infrastructure context of the education sector within the local government, among other sectors. The structure and composition of the profile can be based on the templates that have been developed by the Ministry of Federal Affairs and General Administration (MoFAGA), which can be adapted by the local government to tailor it to its context. As per the directives by MOFAGA, local governments should update the profile on an annual basis and make this publicly available by uploading it on their respective websites.

1.1 **Annual Program and Budget Preparation;** Each local government shall prepare its annual budget and program for the forthcoming fiscal year on the stipulated date, if stipulated in law, and, if not stipulated in law, before beginning of the fiscal year and get it approved by the assembly. There shall exist committees as shown below for preparation of the budget and program:

1.2 **Revenue Advisory/Guidance Committee;** For estimating the revenue that may be generated in the next fiscal year, a Revenue Advisory Committee shall be formed by remaining within the scope of Nepal's Constitution and prevailing laws, by analyzing, among others, the sources, scope and rate of revenue that can be mobilized by the local level within its jurisdiction. The committee may invite two experts from the revenue, budget and accounts sectors from the local level concerned. The functions, duties and rights of the Revenue Advisory Committee shall be as follows:

a) Guiding formulation, amendment, revision and enforcement of policies and laws on revenue;

b) Estimating the revenue that may be generated in the next fiscal year by analyzing, among others, the sources, scope and rate of revenue;

c) Analyzing and estimating the internal revenue based on, among others, the rate and areas of revenue;

d) Offering advice on the adoption of the type of tax policy that can contribute to the promotion of local industries and business and creation of employment;

e) Fixing and recommending rates of tax and non-tax revenue sources, service fees, tariff, etc;

f) Offering suggestions on any other matters for revenue administration reforms.

1.3 **Source Estimation and Budget Delimitation Committee:** A Source Estimation and Budget Delimitation Committee is to be constituted at local level to forecast the total income that may be received at local level and to determine a modality for its balanced distribution. The functions, duties and rights of the Source Estimation and Budget Delimitation Committee shall be as follows:

a) Forecasting the internal revenue, income from revenue apportionment, fiscal transfers from federal and provincial governments, internal borrowings and other incomes;

b) Laying down a modality for balanced distribution of forecasted sources, considering national and provincial priorities and local needs;

c) Delimiting the total budget ceiling based on the source estimates for the next fiscal year;

d) Delimiting the ceilings of budgets for thematic areas;

e) Laying down criteria for prioritization of budget and programs based on, among others, the guidelines of the federal/provincial government, local financial state and state of internal income;

f) Formulating guidelines on making of budgets by thematic areas;

g) Performing other tasks regarding source estimation and budget ceiling fixing according to the needs and decisions of the local level.

1.4 Budget and Program Formulation Committee: A Source Estimation and Budget Formulation Committee shall be formed for preparing an annual budget and program of the local level in line with the Constitution of Nepal 2015 being based on the forecasting and allocation of income modality. The functions, duties and rights of the Budget and Program Formulation Committee shall be as follows:

a) Preparing a proposal on the policy and programs for the next fiscal year;

b) Prioritizing the budget and programs by remaining within the budgetary ceiling fixed by the Source Estimate Committee;

c) Making arrangements for discussing the proposal on the budget and programs by thematic areas and submit the final proposal to the ward/municipal executive;

d) Making arrangements for avoiding duplication of plans and programs and maintain uniformity and complementarity between plans and programs;

e) Performing other tasks related to the budget and program formulation according to the needs and decisions of the local level.

1.5 Criteria for Formulation and Prioritization of Plan/Project; Prior to preparing a plan/project and budget, the rural municipality/municipality shall lay down criteria and standards for selection and prioritization of plans/projects. While laying down such criteria and standards, separate standards and criteria may be laid down for settlement level, ward level and rural municipality level. Such criteria and standards shall, generally, include the subjects shown below:

1.5.1 Criteria for Plan Formulation:
- Lists of exclusive and concurrent rights of the local level, stated in schedules 8 and 9 of Nepal's Constitution;
- Fundamental rights stated Nepal's in Constitution;
- Policies on State's economic and social development, exploitation of natural resources and environment conservation under Part 4 of Nepal's Constitution; economic rights under Article 59; economic system under Part 19;
- Report on the detailed functions of the federal, provincial and local levels approved by the Government of Nepal;

- The policies and priorities adopted by the periodic plans embraced by the federal and local governments;
- The economic and fiscal policies adopted by the federal government;
- The priorities set by the periodic plan of the local level;
- The commitments articulated by Nepal at international forums;
- The provisions of the Local Governance Operation Act and Regulations;
- The periodic plans, sectoral policies, strategies, plans and study reports;
- Contemporary development issues and interrelated subjects, such as social conservation, sustainable development, climate change and disaster management, food and nutrition security, gender empowerment and inclusive development, child-friendly local governance, environment-friendly local governance, open defecation and total sanitation, energy crisis;
- Programs prioritized in accordance with the Medium-term Expenditure Framework (MTEF) of the local level;
- Other subjects deemed necessary by the local level.

1.5.2 Criteria for Prioritization of Projects/Programs:
- Be able to make direct contributions to economic development and poverty alleviation;
- Are production-oriented and yield quick returns (in case of large projects, those that can be accomplished within 3 years);
- Contribute to revenue mobilization;
- Contribute to service delivery, institutional development and governance;
- Contribute to public participation, being based on local resources;
- Enhance gender equality and social inclusiveness;
- Contribute to sustainable development, environment conservation and disaster management;
- Enhance disaster and climate change-resilience in the community;
- Promote indigenous culture and identity;
- Other subjects deemed necessary by the local level.

1.6 Annual Budget and Program formulation Process: While preparing an annual budget and program of the local level, the steps stated below shall be adopted:
- Obtain the modality of fiscal transfer and budget and program formulation guidelines from the federal and provincial governments.
- After obtaining the modality of fiscal transfer and budget and program formulation guidelines from the federal and provincial governments every year, the local level shall prepare an annual budget and program based on, among others, the said modality, guidelines and local resources.

1.7 Source Estimation and Total Budget Delimitation
- The Revenue Advisory Committee shall estimate the revenue for the next fiscal year by analysing, among others, the sources, scope and rate of revenue.
- The Source Estimation and Budget Delimitation Committee shall determine a total ceiling for the budget, delimit the thematic area-wise budgets, criteria and guidelines for prioritization of budget and programs for the forthcoming year and shall present them to the village/municipal executive for approval.

- While delimiting ceilings for thematic areas, fixed amounts may be earmarked for supplementary fund, target group development, economic, social and infrastructure development, and promotional programs.
- Village/municipal executive shall approve the budget ceilings for thematic areas, guidelines and prioritization criteria, and forward them to ward level.
- The ward committee shall discuss the thematic area ceilings and guidelines that have been received, prepare a modality for selection of plans in the settlements under the ward, fix the date of discussing the plan and inform about it in the settlements.

1.8 Selection of Settlement-level Projects/Programs; While determining a modality of selection of settlement-level projects/programs, the Revenue Advisory/Guidance Committee shall form clusters based on criteria such as geographic location, population, transportation facilities and shall make arrangements for all citizens to participate in settlement-level project/program selection meetings.
- For selection of settlement-level projects/programs, teams should be mobilized under the leadership of ward members.
- While selecting settlement-level projects/programs, arrangements shall be made for meaningful participation of all communities, including children, women, adivasi/janajati, Madheshi, Dalit, differently able, marginalized, and backward groups.
- Local organizations such as civic society organizations, women/mother groups, child clubs, local NGOs, cooperative societies, and private sector organizations shall be actively involved in the selection of settlement-level projects/programs.
- A list of the selected settlement-level projects/programs shall be drawn up and presented to the ward committee.

1.9 Prioritization of Settlement-level Projects/Programs; The ward committee shall prioritize the projects/programs received from the settlement level by segregating them based on the prioritization standards of projects/programs received from the rural municipality and shall forward them, along with recommendation, to the Budget and Program Formulation Committee. Furthermore, the ward committee may include the projects/programs not demanded by the settlement level but considered important at village/town level in the prioritization list, along with justification.

1.10   Budget and Program Formulation; The Budget and Program Formulation Committee shall draw up a list of thematic areas based on, among others, the projects/programs prioritized by the ward committee and considered important for implementation at village/municipality level. While drawing up a list of thematic areas, the thematic areas shall be segregated as follows:
- **Economic Development:** Agriculture, Industry and commerce, Tourism, Cooperatives, Finance sectors
- **Social Development:** Education, Health, Drinking water and sanitation, Culture promotion, Gender equality and social inclusiveness
- **Infrastructure Development:** Roads and bridges (including suspension bridges), Irrigation, Buildings and urban development, Energy, Micro and small hydroelectricity (including alternative energy), Communications
- **Environment and Disaster Management:** Forest and land conservation, Watershed conservation, Environment conservation, Climate change, Waste management, Sanitary

landfill sites, Water-induced disaster control, Disaster management, Firefighting equipment operation

- **Institutional Development and Service Delivery:** Human resource development, institutional capacity building, institutional infrastructure, citizen charter and token system, fixing of service delivery standards, use of electronic information system in service delivery
- **Fiscal Management and Governance:** Record keeping, revenue mobilization, fiscal discipline, financial risk mitigation, public hearing, social audit, internal audit and internal control system, final auditing and arrears settlement, information and communication management,

For discussion of the list of thematic areas of projects/programs, a five-member group, convened by the member in charge of the thematic area and consisting of, among others, at least a woman and Dalit member each and the chiefs the sections/departments overseeing the sector concerned, shall be formed and arrangements shall be made for organizing group discussions. The member secretary of such task force shall be the chief of the section/department overseeing the thematic area concerned nominated by the Budget and Program Formulation Committee. The thematic areas task force shall prioritize projects/programs considering, among others, the following aspects:

- The prioritization standards and criteria of the projects/programs set by the village/municipal executive
- The feasibility, technical capacity and budget ceiling of the projects
- Possible duplication, inter-thematic area complementarity and inter-linkages of projects/programs

The thematic areas task force may invite experts or representatives of the thematic area concerned to the meetings of thematic area. The Budget and Program Formulation Committee shall recommend the projects/programs prioritized by the thematic area task forces after discussion to the village/municipal executive concerned for approval. While recommending projects/programs, the Budget and Program Formulation Committee shall present only those projects/programs for which funding sources are stipulated and that have assured budget.

While presenting budget and programs, the Budget and Program Formulation Committee shall also present the details shown below. The modality in which the details are to prepared shall be as shown in the annexures:

a)   Proposed revenue/tax rates for the next year,

b)   Annual policy and programs of the local level

c)   Actual and revised estimates for the current fiscal year and the details of the estimated income-expenditure for the forthcoming fiscal year,

d)   Annual development programs (details of projects/programs) of the local level

e)   Appropriation Bill

f)   Finance Bill

1.11   Approval of the Budget and Program by Village/municipal executive; The policy and program, annual development program and budget presented by the Budget and Program Formulation Committee shall be discussed and approved by the village/municipal executive. The convener of the Budget and Program Formulation Committee shall present the policy and program, budget and annual development program thus approved at the village/municipal assembly through a speech on Asar 15.

1.12   Approval of the Budget and Program at Ward/Municipal Assembly Meeting; The policy, program and budget presented by the village/municipal executive shall be discussed by the village/municipal assembly item-wise and ratified by the majority. The policy, program and budget thus ratified shall be submitted to the office of the village/municipal assembly for implementation. The office of the village/municipal executive shall prepare an implementation timetable for the policy, program and budget thus received and implement it.

Provisions regarding collaboration with NGOs and Private Sector

The nongovernmental organizations desirous of implementing programs at local level shall get them ratified by the village/municipal assembly before implementing them. NGOs shall present proposals on implementation of programs to the office of the village/municipal executive. The office of the village/municipal executive shall send such proposals to the Budget and Program [Formulation] Committee and make arrangements for discussing them in the thematic area committees concerned. The programs that are to be implemented in collaboration with the private sector organizations shall be implemented only after being ratified by the village/municipal assembly.

Budget and Program Implementation, Monitoring and Evaluation

3.1 Implementation of Budget and Programs; Upon approval by the village/municipal assembly, the office of the rural municipality/municipality shall prepare a program implementation plan. While preparing an implementation plan, the modality of implementation, deadline, agency or office-bearer responsible for implementation, standards of monitoring and evaluation and process, among others, shall be stipulated. Projects/programs shall be implemented under the scope of the prevailing laws, including the Public Procurement Act.

3.2 Monitoring and Evaluation of Budget and Programs; Arrangements shall be made for regular monitoring of the projects by the rural municipality/municipality. Monitoring shall be done by using a monitoring form containing clear-cut output indicators. For progress review of the plan, a local development problem resolution committee chaired by the chief of the municipality or rural municipality shall be constituted. Such committee shall convene its meetings at least three times a year. The rural municipality/municipality may constitute various committees for monitoring, supervision and evaluation of projects/schemes. The village/municipal executive may prepare necessary operational guidelines regarding any other provisions related to monitoring and evaluation.

Miscellaneous

4.1 Use of Revenue and Expenditure Heading; While making annual budget and programs, the local level shall use the headings of revenue and expenditures specified by the GoN.

4.2 Special Provision regarding the Local Level where Elections have not been conducted; In case of the local level where elections have not been conducted, till elected representatives are reinstated, budget may be allocated and implemented for current expenditures of binding obligations (salaries, allowances and overheads) and repair and maintenance and management expenditures of the office rooms and offices of the office-bearers of the village/municipal executive and the projects and programs that are either in implementation or that have been handed over under the multi-year procurement plan.

Timetable of Plan Formulation

S.N.	Description of Activities	Timeline
1	Receive the modality of fiscal transfer and budget and program formulation guidelines from the federal and province	Asar 2
2	Source estimation and total budget ceiling fixing	Baisakh 30
3	Plan selection from settlement level	Jeth 15
4	Ward-level plan prioritization	Jeth 25
5	Preparation of budget and program by Budget and Program Formulation Committee	Asar 15
6	Budget and programs approved by the village/municipal executive and presented to the assembly	Asar 15
	Budget and programs approved by the village/municipal assembly	

Annex 6 – Proposed Standard Operating Procedures for the Mobilisation of Technical Support

Scope and use

These Standard Operating Procedures (SOPs) are designed to inform the processes of Technical Assistance (TA) mobilisation in support of the Ministry of education Science and Technology (MoEST)'s School Education Sector Plan (SESP). In line with Nepal's federalised structure, TA can be identified and mobilised by any tier of government within their jurisdiction for the purposes as set out in the Common Framework for TA for the SESP.

Process for Identification

As a minimum TA should address:

- An issue or capacity gap which is broadly agreed upon as a need by education stakeholders, especially the receiving institution, donor and implementing agency.
- An aspect of the SESP Program Results Framework (PRF), SESP priority area or enabling factors as per the TA framework

Mechanisms for TA Requests

Central level agencies, including the MoEST, Centre for Education and Human Resource Development (CEHRD), Curriculum Development Centre (CDC), Education Review Office (ERO) and National Examination Board can make a request for TA through the TA Secretariate, the DACS, directly or via the Technical Support Unit (TSU). The TSU will align the request with capacity in existing TA or will instigate additional TA under the directive and supervision of the Technical Assistance Steering Committee (TA-SC). Provincial and Local Level agencies should make requests through the CEHRD planning and monitoring division. The division will coordinate with the DACS and TSU to mobilise suitable provision. In addition to TA which is requested by the GoN, the Development Partners (DPs) may propose TA in line with the scope and priority areas of the SESP and in line with the guiding principles of the TA Framework.

Submission of TA requests should be accompanied with a ToR (see annex 8) and completed Technical Assistance Register (see annex 7):

- The proposed title for the TA

- The scope of the TA, including:

    o The priority area of the SESP and/or enabling factor which the TA will support

    o The sub-section(s) of the SESP or reference to the SESP activity which the TA will support

- The supporting donor(s)

- Implementing agency(ies) (if known)

- The volume of resources in terms of funds and resources, both operational and programable

- Timeline of implementation with phased outcomes and results

- The Tier(s) and agency(ies) of govt who will be supported

- The number of partner agencies and units with estimated numbers of beneficiaries (students)

- Estimated cost per child

- A reporting and monitoring framework that provides transparency, review and robust quality assurance

- An exit strategy including a clear plan for sustainable impact through mainstreaming practices

The ToR should be jointly developed with the government counterparts, and it is encouraged that other stakeholders are informed in order that all partners are able to plan and harmonise support and maximise aid effectiveness. The Thematic Committees present an ideal forum for knowledge sharing and co-planning under a working group. DPs and Government agencies are highly encouraged to utilise this forum.

Once developed, requests for the mobilisation of TA will be submitted before the TA-SC, who will have the final decision-making authority. Following approval of the TA-SC, Partner/s that commit TA support through the DACS will develop an inception report at the outset, a mid-term TA progress report and a TA completion report within 1 month of the completion date of the TA within the framework of the TOR.

Mobilisation of Human Resources

The supporting DP/implementing partner will put together a team of qualified Staff, Consultants and Contractors as, in the Partner's judgment, are required to carry out the Technical Assistance. The roster of consultants, prepared by the DACS with support of the TSU, will be referred to during the selection process. The Partner will promptly provide names and Curriculum Vitae (CV) to the Government for their information and confirmation.

The Partner shall remain fully responsible for the performance of the Technical Assistance by its assigned team. The hiring and contracting of any Staff, Consultants or Contractors by the Partner shall be done according to the Partner's established regulations, rules, policies and procedures, and bearing in mind the considerations and requirements of the GoN that are listed below:

Prohibition of Conflicting Activities. The Staff, Consultants or Contractors shall not engage, either directly or indirectly, in any business or professional activities which could conflict with the activities performed under their respective contract.

Disqualification from Related Contracts. In the event of Early Termination of the TA agreement, the Government will disqualify Staff, Consultants and Contractors, and any party affiliated with any of them, from providing (i) goods, works and non-consulting services resulting from, or directly related to consulting services under the TA Agreement, and (ii) consulting services resulting from or directly related to goods, works or non-consulting services under the TA Agreement; and shall not engage or hire them for any assignment that, by its nature, may be in conflict with the TA Agreement.

Roster Selection Criteria

Under the direction of the TA-SC, the DACS, with the support of the TSU, will have the responsibility to prepare and maintain a roster of appropriate national experts with their respective areas of knowledge and expertise. The roster will be updated annually with a call for interest.

The following criteria will be seen as minimum for addition to the roster:

– Advanced degree in education, social science, policy and governance, development, finance and economics or similar field
– Minimum 5 years professional experience
– Strong track record of performance in specialist field
– Demonstrated experience supporting government of national/international organisations
– Strong ability to communicate through written and spoken means in English and/or Nepali as per need
– Professional level of digital literacy
– Impeccable record of conduct in professional and personal life

If no suitable, or available, candidates are included in the roster, then the supporting DP or implementing partner is permitted to recruit beyond the roster, with the understanding that the concerned expert will submit an application at the next available opportunity should they be interested in future assignments.

Standard of Performance.

The Partner will carry out its obligations under the TA agreement with all due diligence, efficiency and economy, in accordance with generally accepted professional techniques and practices, and shall observe sound management practices. TA implementation, progress and formative evaluation will be formally reported (see section below) on a quarterly basis, however, this should not be seen as a replacement for continuous engagement and dialogue with the concerned institutions, divisions, sections and units, as well as with the Thematic Committees and their working groups.

Removal and/or Replacement of Staff, Consultants, Contractors.

If, for any reason beyond the reasonable control of the Partner, it becomes necessary to substitute any member of the team, the Partner shall promptly replace such member with another having the required or better qualifications. For substitution of Consultants or Contractors' personnel, where relevant, the Partner will submit to the Government a copy of the replacement's CV for information and seek no objection to the appointment.

If the Government becomes aware of information that any of the Partner's Staff or Consultants has engaged in a corrupt, fraudulent, collusive or coercive practice or reasonably concludes that the performance of any of the Partner's Staff or Consultants is unsatisfactory, then the Government shall promptly share the sufficiently detailed information with the Partner specifying the grounds therefore. If, after receiving the Government's written request, the Partner investigates the alleged corrupt, fraudulent, collusive or coercive practice or reviews the alleged unsatisfactory performance and concludes that the corrupt, fraudulent, collusive or coercive practice and/or the dissatisfaction with the performance of the Partner's Staff or Consultant justifies his/her replacement, the Partner will proceed with a replacement within the timeframe that is in line with the implementation schedule of this Agreement, subject to the Partner's regulations, rules, policies and procedures.
Coordination, Monitoring and Reporting

The DACS will be responsible for the day-to-day coordination and communication with LEDPG members relating to the mobilization and requirements of TA. The TSU supports the DACS in the development and updating of the education sector technical assistance register on at least a quarterly basis specifying type, timeline and volume of planned/committed/ongoing technical assistance by the LEDPG members (see annex 7). For TA that partners with provincial and local levels, there should be coordination with the CEHRD planning and monitoring division throughout the planning, implementation, monitoring and reporting.

The SESP Thematic Committees are a key platform for engagement between the Government, DPs and other stakeholders. The Committees are mandated to initiate dedicated working groups on priority areas of technical development. Therefore, TA activities should be updated to the appropriate technical committees via the working groups. In turn, the technical committees with report developments to the biannual review meetings- the Budget Review Meeting (BRM) and the Joint Review Meeting (JRM). The TA-SC holds ultimate authority for the monitoring of TA. The TA-SC will meet on a bi-annual basis to review TA requests, endorse committed TA, and review the main findings from inception/mid-term and completion reports in the updated TA register, as presented by the DACS in its role of the SESP Steering Committee secretariat. The TA-SC will ensure that the consulting services, reports of studies or any other TA outputs meet the quality standards.

Annex 7 – Proposed Technical Assistance Register Template

SN	TA Title	Supporting Donor	Implementing Partner	Priority Area (including reference to SESP, BRM/JRM AM or other identification of need)	Expected Outcomes	Timeline	Govt. Institution/s benefiting (including tier/s)	Volume of resources (operational and programable)	Outputs: Estimated number of beneficiaries and benefiting institutions	Cost per child
		GPE	UNICEF/ WB	ECE area– to be confirmed						
		GPE	**JICA**, **USAID**, **WB, UNICEF**	Early grade reading and numeracy, integrated curriculum, teacher guides, customized training						
		USAID, EU/Finland	**USAID**, **UNICEF**-	Enhancing access and retention of CWDs – screening, assistive devices, etc						
		GPE, **WB**-IPF	**UNICEF**	EMIS – strengthening, local training and further development						
		ADB		Standardization of grade 8 and grade 12 board examinations – development, piloting of items and item bank, training/dissemination						
		WB-IPF,		NASA and NARN						

		ADB		Operationalization of the online learning portal and training of teachers							
		WB-GPE, **UNICEF**-EU, **USAID**		ReAL implementation							
		UNICEF-GPE, **USAID**, **WB**-IPF		Scholarships – revision of guidelines and procedures							
		Finland/USAID		Strengthening pre-service and in-service teacher training							
		ADB		Strengthening equitable science provision in secondary schools							
		Finland, USAID, WB-GPE		Teachers Professional Support System (TPSS) and mentoring at LG level							
		WB-GPE		Teacher Placement – Data gathering and program management							
		ADB, WB		School construction (guidelines, dissemination,							

				database management)						
		UNICEF-EU,		Strengthening local government education planning						
		ADB-Norway		Annual fiduciary reviews						
		WB-GPE, **ADB**-Norway		FMAP, FMR and Audit reports						
		UNICEF-EU		Strengthening Local Government - FM						
		ADB, Norway, UNICEF-EU		Strengthening school financial and social audits						
		UNICEF-GPE		Program Coordination and management- federal level						
		UNICEF-EU, **WB**-IPF		Program Coordination and management- Provincial/LG level						

- **Annex 8 – Proposed Technical Assistance Terms of Reference (Template)**

I. **DESCRIPTION OF THE TECHNICAL ASSISTANCE AND WORK PLAN**

Description of the Technical Assistance shall include the following:

I. Objective and Expected Deliverables of the Technical Assistance

*[Insert a description of the main objective of engaging **PARTNER**, explain how the activities will be linked to or will contribute to the development objectives of the SESP, the process of identification of the required TA (including reference to the SESP priority area, BRM/JRM Aide Memoire, Meeting minutes, or similar, and an overview of the modalities to be utilised.*

It is expected that the ToR includes the following:

- *The proposed title for the TA*
- *The scope of the TA, including:*
  - *The priority area of the SESP and/or enabling factor which the TA will support*
  - *The sub-section(s) of the SESP or reference to the SESP activity which the TA will support*

- *The supporting donor(s)*
- *Implementing agency(ies)*
- *The volume of resources in terms of funds and resources, both operational and programable*
- *Timeline of implementation with phased outcomes and results*
- *The Tier(s) and agency(ies) of govt who will be supported*
- *The number of partner agencies and units with estimated numbers of beneficiaries (students)*
- *Estimated cost per child*
- *A reporting and monitoring framework that provides transparency, review and robust quality assurance*
- *An exit strategy including a clear plan for sustainable impact through mainstreaming practices]*

II. **Agreed Activities and Deliverables**

Output 1: [*Insert description*]

Activity1.1 [*Insert description of main activities (or tasks) to be carried out by the **PARTNER**, i.e., content and duration, phasing and interrelations, milestones, and location of work*]

Activity 1.2 …………………………………………………….

Output 2: [*Insert description*]

Activity 2.1 …………………………………………………….

III. Work Plan and Timeline

[Note to Users: Shall be consistent with the technical approach and methodology described above]

N°	Activity	Months					Full Completion
		1	**2**	**3**	**4**	**…..n**	
1	Deliverable 1. Mobilization of the team (Inception Report, if applicable)						
1.1	Activity 1.1 [*include and plan for mobilization phase – especially if PARTNER needs to select outsourced services or contract Consultants*]						
1.2	Activity 1.2						
2	Deliverable 2						
2.1	Activity 2.1						
n	Progress Reports (per Annex III frequency)					Final	
n	Final Financial Statement						Within 3 months after Agreement Completion Date

[*Note to PARTNER User: **PARTNER**'s internal "grant expiry date" is set up 3 months prior to the Completion Date to ensure that **PARTNER** has sufficient time for the financial closure and issue the final financial statement 3 months thereafter.*

IV. PARTNER's Team

(1) Titles, time input and period of engagement:

N°	Name and Functional Title[18]	Area of Expertise	Activity/ Position Assigned	Time input (in the form of a bar chart by month)						Total Input (in months)		
				1	2	3	4	5	6	Home	Field	total

(2) Brief description of each position listed in the table above:

(3) Short bio of PARTNER key personnel listed in Part II table, CVs of Consultants or, as applicable, Contractor's personnel *[or key qualification requirements for those who are not yet selected at the time of signature of this Agreement].*

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[18] For Staff, Consultants or, as applicable, Contractor's personnel whom PARTNER can select only after the Agreement has been signed, position titles, brief summary describing each position and key qualification requirements will be included in this Annex. PARTNER will provide the Government with the names of those Staff, Consultants or, as applicable, Contractor's personnel and seek no objection

IV. TOTAL FUNDING CEILING AND PAYMENT SCHEDULE

I. Total Funding Ceiling (in US$)

Outputs/Activities	Total for Y1 (US$)	Total for Y2 (US$)	Notes
1.Output 1 1.1 Activity… 1.2 Activity… 1.3 Activity…			
2. Output 2 2.1………… 2.2………… 2.3…………			
3. Output 3 3.1………..			
Sub-Total			
Indirect Cost (%)			
Total Funding Ceiling			

Notes:

All lump sum amounts and totals in this table are based on the detailed estimates, including quantities and units of measurement, that are discussed and agreed with the Government prior to the signing of the Agreement.

Under this Agreement, there can be no transfers to Government organizations.

Please indicate if any part of this Agreement is delegated to another organization, third party of an implementing partner(s): "Yes/No" *[If Yes, PARTNER to provide the details.]*

Annex 9 – Proposed Technical Assistance Steering Committee Meeting Minutes Template

School Education Sector Plan Technical Assistance Steering Committee

Ministry of Education, Science and Technology

Singha Durbar, Kathmandu

Date

Participants

- Secretary of Education (Chairperson)
- Joint Secretaries of MoFAGA, NPC, MoF and the MoEST Planning and Monitoring Division
- DGs of CEHRD, CDC & ERO
- DP Focal Point & Co-Focal Point
- Chief of DACS
- Representatives from the MoEST Program and Budget, and Planning and Monitoring Sections
- Representatives of TSU

Agenda

- Review of TA proposals
- Review of TA inception, progress and endline reports
- AOB

Discussion Points

Agreed Actions (with timeline)

Next (biannual) Meeting

- **Annex 10 - Draft Technical Assistance Proposal Form**

Working Title of Technical Assistance		Date of Proposal	
Brief Summary of the TA and Major Activities			
Expected Outputs and Outcomes			
References to SESP *(quoting strategy(ies), chapter(s), activity(ies) and/or target(s)*		Detail any cross-sector engagement	
Technical Area		Identified Need *(including reference to meeting or document that states government/joint identification of need)*	
Target Group(s)		Success Indicators/ Targets	
Level of Implementation *(tick)*	Federal	Number of direct beneficiary agencies *(if 5 or below, include names of agencies)*	
	Provincial		
	Local		
	School		
Funding Agency(ies) *(including name of contact person with telephone and email)*		Implementing partner(s) *(including name of contact person with telephone and email)*	
Government Focal Person *(including name of contact person, Agency, Section, telephone and email)*		Proposed Start Date	
		Proposed End Date	
Indicative Budget		Financing Instrument/ Types of Resources to be Mobilised *(indicate type of support, e.g., financial, human, infrastructure, etc)*	
Estimated Cost per Child		Volume of Resources	Operational	
			Programable	

- **Annex 11 – Draft Reporting Template**

Date		Completed by	
		Designation	
		Organisation	
Title of Technical Assistance			
Brief Summary of the TA *(including expected outcomes and outputs)*			
Headline Achievements during the Reporting Period			
Technical Area		Reporting Period Start Date	
		Reporting Period End Date	
Grant Credit Number		Identified Need *(including reference to meeting or document that states government/joint identification of need)*	
Level of Implementation *(tick)*	Federal	Number of direct beneficiary agencies *(if 5 or below, include names of agencies)*	
	Provincial		
	Local		
	School		
Funding Agency(ies) *(including name of contact person with telephone and email)*		Implementing partner(s) *(including name of contact person with telephone and email)*	
Government Focal Person *(including name of contact person, Agency, Section, telephone and email)*		Financing Instrument/ Types of Resources to be Mobilised *(indicate type of support, e.g., financial, human, infrastructure, etc)*	
Progress to Date			
Success Indicators/ Targets and performance			

Challenges and Barriers to Implementation				
Suggested Amendments to Improve Efficiency and Effectiveness				
Total Intervention Budget		Progress *(tick)*	Making expected progress	
Budget Expenditure to Date			Within 10% of expected progress	
% Financial Progress			Less than 10% of expected progress	

Annex 6: Rationale and theory of change of the GPE-SPA Transformative priority areas

Under the GPE-SPA, the following rationale for the selection of the three transformative priority areas and the theory of change on how unlocking these areas would lead to the achievement of the higher results was developed as follows:

Rationale

Quality teaching

Nepal has made significant progress to improve quality education, including curriculum reforms, a continuous assessment system and the teacher competency framework. However, many local governments are not currently able to introduce, implement and monitor the improvements applied. Mechanisms were put in place to support and manage the monitoring and assessment of student's performance and adapt teaching-learning processes according to identified needs. On the other hand, structures to implement teacher training were removed during the early stages of the transition to federalism, with just seven provincial-level education training centres (PETCs)[19] remaining. Therefore, there is a significant gap in institutional capacity to train and support teachers as they acquire, implement and adapt skills that enable students' learning. This has resulted in fewer teachers being trained, the cost of training increasing, and teachers spending more time away from classrooms to attend courses.

As well as improvements to in-service professional development, there needs to be reform to pre-service teacher preparation as teachers' theoretical understanding does not fully prepare them for the realities of classroom teaching. As a result, in-service support does not strengthen existing skills or build on experience but has to supplement the gaps in teachers' competencies left by inadequate preparation. Furthermore, there is a need to develop a trainer competency framework and support trainer development in line with previous efforts on quality assurance schemes. Professional development needs to facilitate educators and leaders who are responsive to the needs of girls and boys, can assess learning needs, and respond to needs with appropriate subject knowledge and pedagogical approaches. This requires support from professional development and supervision mechanisms at the local and school levels.

Teaching salaries account for the greatest budget utilisation in education, with over 75% of the education budget allocation. Therefore, improving the effectiveness of teaching and the capacity of teachers will have a significant impact on the efficiency of the system with a bigger return on this significant investment. Additionally, a teacher rationalization and redeployment plan has been approved and is being implemented. This plan has contributed to improved teacher distribution and efficient use of resources during SSDP.[20] This work will be continued to help maintain equitable teacher-student ratios as per the legal provisions. Where there is an insufficient number of subject teachers, earmarked funding to the local level through conditional block grants needs to be continued. This will contribute to equitable teacher distribution based on the set criteria.

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[19] The institutional capacity for in-service training has been drastically reduced with the abolition of resource centers and persons at the local level and the reduced number of education training centers from 38 to 7.
[20] Under the SSDP, of the 12,827 teaching posts to be redeployed about 70% have been redeployed either within the LG or across LGs.

Early childhood education

The introduction of the NetW Enrolment Rate (NER) in Early Childhood Educational and Development (ECED) in the program result framework of the School Sector Development Plan (SSDP) enabled the system to monitor the quality of ECED services. There are large disparities in access to ECED based on household wealth which require targeted efforts to reduce disparities in school readiness[21]. While Nepal has achieved gender parity in basic and secondary school enrolment, the ratio of girls to boys in ECED has averaged 0.90 in the last decade. Further disparities exist based on caste/ethnicity, geography, urban-rural, etc[22]. Furthermore, private ECED/PPE accounts for almost half (48%) of all ECED/PPE provision, meaning the ability/willingness to invest household income in ECED impacts significantly on inequality.

Despite significant gains in enrolment, the Government of Nepal and development partners recognise that the anticipated learning outcomes have not been achieved. For this reason, the Government has implemented a big focus on early grade education in order to ensure children have foundational skills which they build on in higher grades. Domestic and development partner funds (including from GPE) have supported the implementation of a systematic approach to early years learning under SSDP. Under SESP, the scope of early grade education will be widened to include pre-primary because the evidence shows that participation in pre-primary learning has a very positive impact in later learning outcomes for a low cost.[23] Children that have ECED/PPE experience have 16-20% higher promotion rates in the early grades (grade 1-3) and score an average of 9% higher in early grade exams. They also show increased cognitive and social skills compared to their peers who did not attend ECED/PPE.

The ECED/PPE NER in Nepal is 67%, which is promising, but continues to lag behind that of basic education (94.7%) and there are significant disparities across regions and social groups[24]. Considering this gap, the impact on education outcomes and the moderate investments required, the sub-sector has strong potential to unlock outcomes in the sector. Investment in ECED/PPE to meet minimum enabling conditions and improve access will improve the internal efficiency of basic, and possibly secondary level education. Increasing efficiency will free up (scarce) resources across the school sector.

Gender equality

Gender inequality and social exclusion are strongly interlinked in Nepal. Gender barriers have the biggest impact when women and girls face an additional driver of exclusion such as those based on language, caste or socio-economic background. To address Intersectional and multiple disparities in education, the Government of Nepal developed the Consolidated Equity Strategy. A central aspect of

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[21] Studies indicate the disparity in access to ECED/PPE to be as big as 18 percent enrolment of children from the poorest quintile, compared to 70 percent of children from the richest quintile.

[22] The enrollment of children from so-called high castes (Brahmin/Chhettri) being 69% versus 45% of children from other castes and the urban/rural divide showing a similar disparity (78% versus 47%) in access.

[23] Providing children with one-year ECED/PPE is estimated to cost the Government around US$ 130

[24] For example, the ECED/PPE NER for the Bagmati and Gandaki provinces is over 83%, compared the NER in the Madhes province only being 28%.

the strategy is the computation of an equity index, which ranks local governments on their levels of equity, and targets those with the highest inequity with additional support. The Government developed the index and implemented the strategy with support from GPE funding under previous sector plans. The strategy provides a foundation for further support to gender-responsive education planning.

EMIS and Education Review Office (ERO) data is used for analysis in terms of correlations between indicators and performance of students, which informs joint reviews and evaluations and analysis status reports. However, the use of gender segregated education data for analysis and evidence-based planning and budgeting at local government and school level remains limited.

Nepal has made significant efforts on gender responsive budgeting and in some respects is a regional leader. However, there has been limited effectiveness at subnational levels to address gaps and achieve widespread adoption. In addition, few budgeting actions related to social inclusion have been taken. There have been attempts to foster girls' education networks and communities of practice between nominated staff at a local level. However, there is not yet clear evidence on the effectiveness of these interventions, nor is there regional consistency. Pedagogy in schools does not consistently demonstrate child-centred, inclusive practices, especially for vulnerable and excluded children. Teachers often lack the tools or guidance to adopt new practices.

Based on this, the LEG agreed that the potential area for transformation lies in building the capacity of local governments to adapt the policy and planning frameworks that have been established at the national level. These need to be contextualised into local level mechanisms that allow gender-responsive planning, implementation and monitoring, and enforcement of gender policies to ensure that schools have gender-sensitive facilities and that they are free from gender-based violence and harassment. For this, education planners and leaders will need to be supported to make better use of data to identify inequities and promote the perspectives of marginalized groups. Diverse stakeholder views are needed to formulate solutions to social exclusion and facilitate improvements that will challenge harmful traditional practices and address gender-based discrimination and violence.

The guidelines for the GPE pilot envision a single priority reform for Partnership. However, it was decided that in the case of Nepal none of the three priority reforms presented earlier would be discarded. This is because all three were identified in the comprehensive education sector analysis, LEG consultation confirmed their relevance, persistence and transformative potential. Moreover, Nepal's established SWAp includes support to the education sector through a DLI framework, with indicators being extracted from the SESP PRF. The three priority reforms being identified for the Partnership will serve as a foundation for the joint DLI framework. Gender equality will be considered under the broad lens of social inclusion. This is because there is ample evidence which indicates that intersectionality between gender and other drivers of marginalisation create the greatest disparities in education outcomes. To unlock the transformational change envisioned under the Strategic Partnership Agreement, establishing mechanisms to ensure adequate deployment, training and support to ensure sufficient numbers of teachers that are motivated and skilled to provide pedagogically-sound, need-based and gender and social-inclusive education as the overarching area is identified.

The priority reforms, identified in this Partnership, will be reflected in the joint DLI framework and supported by the variable tranche of the system transformation grant, which will link them with the other priorities jointly identified by the Government and the Joint Financing Partners for the SESP. At the same time, a joint technical assistance framework will be set up, with the support of the system capacity grant, to guide and align other major technical assistance in support of the SESP. The major aim of this technical assistance framework will be to provide a harmonized approach towards strengthening the enabling factors for local governments to undertake their mandated education related functions.

Theory of change of the priority reform

The Partnership is built around the SESP's theory of change (ToC). The vision of the SESP is to transform the Nepali public education school system to achieve social and economic development through the creation of capable, creative and value-orientated citizens. Specifically, the SESP sets out to develop a capable, well-governed, accountable and competitive public school education system that is able to ensure citizens' right to acquire relevant and quality education, comparable to international standards.

The ToC for the GPE Strategic Partnership and the SESP are closely interlinked, and both focused on the unlocking of the capacity of the local governments to execute their mandate on the management of school education. For this, it is envisioned that by establishing a mechanism that allows local governments to assess their system/institutional capacity (across the enabling factor areas presented in the next section) and make need-based technical assistance and support available accordingly in a systematic and predictable way, it allows local governments to (i) contextualize the approach towards achieving envisioned results under the three priority areas and (ii) ensure adequate institutional capacity to plan, implement, monitor, evaluate and adjust their education sector plans and budgets.

The ToC is based on the understanding that the current institutional capacity across the 753 local governments varies, with a number of them requiring intensive support and guidance. During the first year of the SESP implementation period, tools will be made available to local governments to support contextualizing the federal level PRF targets, according to their capacity, context and resources.

Furthermore, an institutional capacity assessment will be undertaken to inform the support and assistance mobilized under the common framework for technical assistance that is being developed to support the SESP implementation. This assessment will further unpack the findings against the enabling factors that are presented in this partnership document as well. Alongside the planned strengthening of the capacity at local level to implement the sector plan activities and reforms, targeted strategies will be initiated as part of the SESP to transform the public education sector as described below.

The stagnation of the increase in learning outcomes, and the disparity in the distribution of these outcomes across social groups, regions and public and private schools has been identified as the main issue that needs to be overcome during the SESP period. In addition to the local level

capacity and reforms to be undertaken, change ultimately needs to be taking place at the school level. This change needs to start at the entry point of the school education system, addressing the significant disparities in school readiness that have been described earlier. This will be achieved through the provision of quality ECED and ensure compliance with minimum conditions at this level, including trained teachers and children accessing school education at an age-appropriate level. This is envisioned to ensure consistent quality ECED services, which will result in children entering basic education with a level of school readiness that allows them to develop basic literacy and numeracy skills during the early grades (1-3).

Competent and motivated teachers are the second pillar of the ToC to ensure these students are then able to develop foundational learning skills. As teachers are the most important determinant of learning outcomes, and the analysis presented earlier has shown that reforms are to be undertaken by:

   i.   attracting new entrants,
   ii.   providing quality pre-service training,
   iii. developing a continuous teacher professional development system, and
   iv.   institutionalizing mechanisms for support and mentoring of teachers.

This includes further strengthening the capacity of the system to facilitate child-friendly and learner-centred pedagogical processes. The key imperative for learning continuity is that teachers are able to identify and cater to needs of students, both in the classroom or in alternative modalities during school closures. Furthermore, the major programs on early grade learning initiated under the previous education sector program serve as a strong foundation in terms of best practices and lessons learned to be adapted moving forward. Ensuring teachers to provide inclusive education will be key within the professional development schemes deployed under the priority area.

With adequate institutional capacity in place at the local level to run school education; children entering basic education with school readiness through quality ECED experience; and early grade learning outcomes facilitating students to gain further relevant learning outcomes as they progress through the school education system; the final priority area is on this all taking place in a safe learning environment that is gender sensitive and inclusive. \to ensure an enabling learning environment, free from discrimination, fear and harassment, mechanisms to ensure gender responsive and inclusive schools initiated under previous sector plans are to be further rolled out/mainstreamed. This includes

   i.   making resources and guidance available to local governments and schools;
   ii.   strengthening the establishment of gender and inclusion education networks;
   iii. identification of gender focal persons at the municipal and school level.

A gender sensitive and safe learning environment is a constitutional right for students and a key indicator of schools that are sensitive and responsive to needs of students. Furthermore, this is a key prerequisite for ensuring quality education services and in understanding the specific needs for girls and boys while they progress through the system.

Based on the rationale presented, the ToC has been presented below accordingly, with the three priority areas being reflected in the three outcomes, linking to the objectives, mission and vision of the SESP.

Figure 3: The GPE Strategic Partnership Theory of Change model
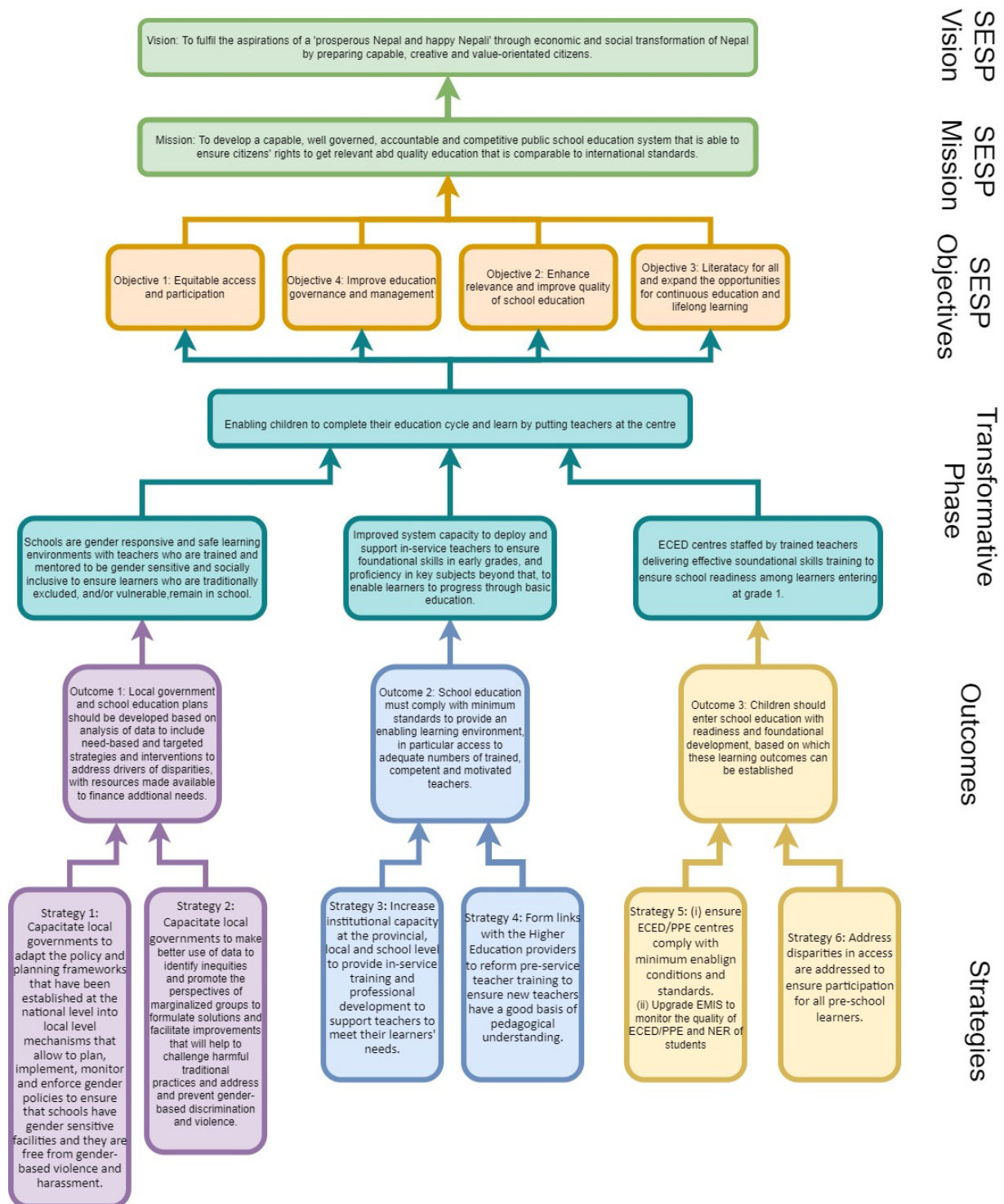
As can be seen in the figure previously presented, the three priority reform areas all feed into the overall transformative area of 'putting teachers at the centre'. In response to this, the envisioned

system transformation is envisioned to be enabled by focusing on putting professional development and support systems in place to ensure that teachers enter the sector with adequate training and competencies and have access to sufficient in-service training and support (including peer support and mentoring schemes) to further strengthen their capacity to provide an pedagogical sound, need-based and gender- and social inclusive enabling learning environment.

Annex 7: Enabling education system transformation

This annex presents a brief overview of the four enabling factors, based on the review undertaken by the Nepal Each enabling factor was rated as a low priority (only small adjustments are necessary), medium (transformation will be impacted without reform) or high (transformation will not be possible until issues are resolved) as per the reflections on the input and feedback received on the Nepal country requirements analysis by the Independent Technical Advisory Panel (ITAP). In the case of Nepal both the LEG and the ITAP concluded that none of the enabling factors were high priority.

Overall, the need to capacitate local governments to enable them to execute their roles and responsibilities, as per their constitutional mandate, is a major focus under the new SESP (see also described under the theory of change section earlier). To support this, a common framework for technical assistance and a governing structure will be established prior to the SESP initiation to ensure systematic need-based support is made available based on the demand and needs identified governments across the three tiers. This will include different modalities and intensity of the technical assistance depending on the assessed institutional capacity (or lack thereof) among governments.

Data and evidence

The Nepal education SWAp modality facilitates a high level of use of available data and evidence to inform planning and reforms within the school education sector. Performance and bottlenecks are jointly reviewed by the LEG in the annual joint sector reviews. During the joint sector reviews the government produces status reports of the physical and financial progress in the implementation of the education sector plan, as well as the education sector plan mid-term reviews and joint evaluations. In addition, there are annual budget review meetings (BRMs) that review data to inform adaptations to the annual strategic implementation plan and annual work plan and budget (ASIP/AWPB) for the upcoming fiscal year. Furthermore, the joint review meetings (JRMs) have reviewed the progress of the previous fiscal year, as well as the mid-term review, the end-term evaluation, and the 2020-21 comprehensive education sector analysis, which informed the development of the SESP.

The Government's Education Management Information System (EMIS) is recognized as a robust and comprehensive information management system that offers a wide array of indicators related to the school education sub-sector including student participation, students' performance indicators, gender parity and internal efficiency of the school education system. Several annual statistical reports are produced based on EMIS data, and these inform planning, budgeting, policy making and monitor progress on intake and output performance indicators across academic years. The Nepal EMIS has been adapted to a web-based system that allows all 30,000+ schools to report through both on-line and off-line modalities on biannual basis.

In addition to this a number or studies measure learning outcomes. The National Achievement of Student Assessments (NASA) are undertaken among a representative sample of students and schools, alternating between grade five, eight and ten on a tri-annual base. The National Assessments of Reading and Numeracy in early grades (NARN) are completed at set times during the span of the education sector plans. The data for the most recent NASA report (2020) includes analysis on the relation between the achievement scores and various influencing factors and was produced using the internationally recognized Item Response Theory (IRT).

Whilst Nepal produces comprehensive data on sector performance, ensuring the use of education data for need-based and evidence-based planning remains a priority. This increased when the

mandate for management of school education was devolved to Nepal's 753 local governments. For this, EMIS will need to be further strengthened to inform planning and budgeting exercises at the local government level. However, utilization of the data requires adequate staffing and capacity in these offices. Reforms include

    v.   enhancing EMIS functions to produce user friendly school and local government profiles

    vi.   embedding the equity index to allow local governments to plan and monitor disparities and the effect of targeted interventions to reduce them

    vii.   the ability to validate the reported EMIS data at the local government level, and

    viii.   contextualized capacity development for responsible officers to use data to inform education planning, budgeting and reviews.

Local governments and schools need to be able to track learning outcomes, however, many are unable to do so. Achieving this requires introducing EMIS functions that will allow learning assessment data and diagnostic test results to be uploaded and reported. This has become even more relevant with the severe COVID disruptions in education and the disruptions to learning over the 2019/20, 2020/21 and 2021/22 academic years. It is believed that a large number of children are no longer at an age-grade appropriate learning level because of disruptions to their learning during the pandemic. Moving forward, schools and education planners require mechanisms that assess children's competency and learning to design and implement remedial interventions for catch-up. This will require

    i.   prioritizing curriculum;

    ii.   providing targeted interventions in the classrooms, including training teachers to implement diagnostic assessment tools and techniques, and (based on results) devise strategies for remedial learning for students; and

    iii.   increasing instruction time/ school calendar.

Local governments and schools will be able to identify which groups of students, and in which schools learning loss has been most severe and, based on this, plan needs-based and targeted support, such as accelerated learning and remedial programs.

Further strengthening of links between EMIS and other information management systems and data sets is important to ensure increased use and relevance of data in planning and monitoring of education. This includes establishing EMIS features to upload examination scores (as has recently been done for the grade eight exams) to allow real-time use of learning assessments to inform education planning. Other planned improvements include links with information systems from other relevant sectors, such as water and sanitation, health and social protection. This will increase local governments' ability to monitor quality of facilities and Sustainable Development Goal (SDG) related indicators. Finally, strengthening is necessary for EMIS to monitor non-formal and alternative education so that children's learning continues to be monitored in the event of school closures, due to crises or emergencies, and/or when children switch between formal and non-formal education.

Level of priority (low)

Nepal has built strong systems and processes to make use of data and evidence for formulating policies and plans and monitoring their implementation at national level, with the accomplishment of a web based EMIS. While the process of federalization shows potential to strengthen accountability, an identified lack of capacity at local levels has been a concern and risks exacerbating education inequities. The next education sector plan faces the challenge of sustaining and improving data and evidence systems to inform decentralized decisions and enable timely, localized solutions that lead to real improvements for students. Proposed adjustments to assessment and examination systems aimed at improving use and capacity at local level are therefore crucial to prevent further educational inequities and to translate data and recommendations into feasible, prioritized actions at the level of local governments. The further strengthening of EMIS and improvements planned to address poor learning outcomes provide strong foundations of the SESP.

The extent to which local governments will be able to validate and use their data for budgeting, planning and monitoring of education sector activities will be a major prerequisite to them meeting local education needs and contributing to the results envisioned in Nepal's next long-term education sector plan. To enable local level use of data, access protocols and levels will need to be formalized. Local governments need guidance, resources and capacity building to strengthen their ability to validate and use data for planning, alongside intensive support for those local governments who have the lowest performance indicators, score low on the equity index, have lowest available resources and have most gaps in institutional capacity.

It is not easy to use assessment data to inform planning and policies at the local level. Local levels require a mechanism to inform planners of learning outcomes to enable them to formulate appropriate strategies. Making decisions based on current levels has become more of a priority for students moving between formal and non-formal education, and those who are no longer at the anticipated age-grade level due to loss of learning caused by Covid-19 related school closures. Therefore, although data and evidence is adequate at the federal level, due to the existing comprehensive EMIS and assessment data analysis, this is not the case at the more recently established local government level. Thus, strengthening the emerging capacity to monitor learning outcomes and use data at the local level for evidence-based planning and budgeting needs to be a focus area.

Gender responsive sector planning, policy and monitoring

Nepal has made significant progress towards gender equality over the last two decades. The strategies and frameworks that were introduced under the previous education sector plans have resulted in gender parity in enrollment across most of the country; survival rates are currently higher for girls than boys; and nearly half (47.4%) of lower basic teachers are female. However, a number of interlinked concerns related to gender equity and social inclusion remain. Firstly, whilst women are entering employment in the education sector, they are yet to reach leadership, management or planning roles in meaningful numbers. Secondly, this absence of representation results in educational environments that do not consider or meet girls' needs as much as they could. Where there is sub-optimal gender inclusion, socio-cultural values, belief and norms go unchallenged which perpetuates school-based discrimination, harassment and gender-based violence which remain persistent issues

for many girls. Thirdly, there is a gender gap that emerges in achievement (particularly in STEM subjects) as girls progress through school. The grade 5 NASA report (2018) showed a minimal gender gap of 2 scale scores between boys and girls. However, the grade 10 NASA report (2020) shows this gap is 18 after five further years of schooling. The reasons for this are unclear, but it can be assumed that the strong gender framework and participation of women and girls in education has not fully enabled improved learning outcomes. Correct implementation of policies at the local level is essential to see improved gender-equality in education.

The recent Covid-19 pandemic was a significant test to the emerging federal education system. The GPE accelerated funding was provisioned to those local governments which had already been identified as experiencing high inequities. This funding has served as a catalyst for many local governments to engage in contingency planning and planning for alternative learning. Many lessons have been learned on ways to mitigate the impacts of shocks and disruptions to schooling. These lessons provide a solid evidence base to improve local plans to be more resilient and recover loss equitably.

Level of priority (medium)

Nepal has strong gender equity and social inclusion policy frameworks in place at the school level. Major strategies include: the development of local governments' equity strategy implementation plans; equity-based financing and planning; and the establishment of the education gender network. However, the implementation and enforcement of these policies and strategies, and especially the capacity of the local governments to adequately undertake this, was identified as an area that needs to be strengthened under the SESP.

Therefore, while gender responsive planning has led to significant progress in achieving gender parity at early, basic, and secondary levels, targeted interventions are still needed to address persisting social, economic, ethnic and language barriers. Remaining gaps in gender-responsive planning, budgeting, policy, and monitoring are to be addressed based on the recently completed independent appraisal of the SESP. While current capabilities in this area have served the centralized system well, they are untested as Nepal moves into a federal system. At subnational levels capacity needs will be multiplied and fragmented and may even need to be tailor-made for some local governments. In light of this fact, and strong planning, policy systems and process at the national level, measures are required to devolve practices and frameworks to the local government level. For this reason, gender responsive sector planning, policy and monitoring is rated as a medium priority.

Inclusive sector dialogue and coordinated action

The SSDP pooled funding modality (2016-2021) was comprised of nine JFPs that provided program-based and/or result-based budget support. The Government allowed for technical assistance and off-budget support. This was committed in addition to on-treasury budget support and reflected in the GoN's Budget Book (Red Book) and referenced in the Source Book (White Book). The long tradition of supporting the sector through a pooled budget support modality has led to a high level of coordination

on financing and funding between the Government and the JFPs. The JFA that is developed at the start of a new education sector plan (and is thus currently being drafted for the SESP) provides common language on major functions relating to the pooled budget support, such as

    i)   roles and responsibilities of GoN and JFPs,

    ii)   contribution and disbursement conditions and procedures,

    iii)   consultation and decision-making process,

    iv)   reporting, review and evaluation, including audit requirements, and

    v)   governance and performance, including dispute settlement.

Based on the joint processes enshrined in the JFA, participation in the joint sector reviews is extended beyond the JFPs, to include development partners that provide non-pooled/off-budget support to components of the education sector plan, civil society organizations and stakeholder representatives and networks (including teachers' professional organizations). The engagement of this broader consortium is also captured in the Memorandum of Understanding (MoU) of the Nepal LEG. The ToR of the JFP Lead confirms that this role also encompasses the role and responsibilities of Development Partner Focal Point.

There is a joint annual sector planning exercise (the Budget Review Meeting) undertaken by the Local Education Group on an annual basis, where the Government's Annual Strategic Implementation Plan and Annual Work Plan and Budget (ASIP/AWPB) are reviewed and finalized. In addition to this, the development of the education sector plan's program result framework and implementation arrangements is developed by the Government in a highly participatory way with consultation from the local education development partner group, provincial governments, local governments and stakeholder representatives, including Civil Society Organizations.

With this strong platform for inclusive education sector dialogue and coordinated action in place, the Government and development partners, including civil society organizations, have initiated consultation with representatives of the provincial- and local governments and other members of the LEG to explore how the Nepal SWAp can be further aligned with the federal structure. Specifically, SWAp can strengthen intergovernmental coordination and collaboration within the school education sector, in line with the devolved mandates and functions at the local government level and, to some extent, at the provincial government level. For this, key references that guide the coordination and technical discussions under the SWAp, such as the LEG MoU, the ToRs of joint sector reviews and thematic working groups, will be reviewed and adapted alongside the development of the JFA for the SESP.

Level of priority (medium)

Nepal has a strong sector wide approach model in places that facilitates an inclusive sector dialogue and engages the broader LEG consortium in coordination and planning processes. Moving forward, it will be a priority to ensure that this model is adapted to remain fully aligned with the emerging federal structure. Sector dialogue needs to take place at the level where the mandates, key functions and management of school education are currently placed. This will require continuous engagement and strengthening of mechanisms at the sub-national level over the GPE Finance 2025 period to allow stakeholders, responsible entities and officers to engage in the SWAp processes in a systematic way. Although inclusive sector dialogue and coordinated

action is strong it is interlinked with coordinated financing and funding (see below). Since this is assessed to be a medium priory area, the ratings have been aligned.

Coordinated financing and funding

All activities captured within the education sector plan are stated and accounted for in the national budget and in accordance with the government approved budget heads. The education sector pooled budget support is committed against eligible program budget heads that encompass the Nepal school education sector. This allows expenditure to be tracked by functional/sectoral categories, and economic codes. Furthermore, activities included in the sector plan are uploaded in the government's Line Ministries Budgetary Information System (LMBIS) for approval from the Ministry of Finance (MoF) and reflected in the sector's AWPB. The LMBIS allows for defining the activities at five levels; first and second level standard activity codes that are aligned across all ministries, third level standard activity codes that are ministry specific and fourth and fifth level sector specific activity codes. Linkage between LMBIS line items (economic codes) and activity codes (operational codes) is established, and both pooled-budget support and aid-on-budget is reflected in the LMBIS against specific budget heads, with the government creating additional budget lines for the latter, which are accordingly reflected in the AWPBs and annual status reports along with expenditure and activity codes within these.

In terms of alignment with treasury, all development partners that support the education sector program through a pooled funding modality disburse into the Foreign Currency Account. This is a holding account of the Single Treasury Account (TSA) and based on a withdrawal application from the GoN, upon confirmation that the requirements for disbursements have been met.

In terms of alignment with national and sector planning, the pooled budget support subscribes to the costed education sector plan program guided by the JFA. Budget support that is mobilised in addition to the pooled-budget support is reflected in the SESP program projected resource envelope, medium-term expenditure frameworks (MTEFs) and the AWPBs, which allows it to be considered during the annual sector programming and budgeting processes. The annual confirmation of the pooled-budget support increases the ability to plan the utilization of these funds as part of the overall sector budget.

Level of priority (medium)

Strengthening financing and funding coordination within the education sector remains one of the main priorities in the years to come. Mechanisms will need to be strengthened to further facilitate co-financing across the different government tiers. Local governments will be required to supplement/match federal budget allocations in the education sector, gradually increasing the extent to which education is financed through their discretionary budgets in line with their constitutional mandate for meeting the funding gap. Furthermore, systems need to be established to further align funds from non-state actors to be allocated and utilized in line with the priorities and funding constraints in the education sector plans at federal, provincial and local government level.

Although mechanisms for extensive coordination and consultation are well established and high functioning at the national level, further alignment of financial mechanisms and strengthening of institutional capacity at the local government level is needed. Extending the strong national level planning and sectoral coordination mechanisms to the local governments requires careful

planning and time, especially regarding financing systems and capacity building. For this reason, this area is assessed to be a medium priority. Consultations are planned with local governments to discuss simplification of funding mechanisms and to incentivize monitoring and reporting on activities in the federal context.

Volume, equity and efficiency of domestic public education expenditure

Revenue is collected at the federal level and is distributed to the province and local levels as either conditional grants earmarked for specific purposes, or non-earmarked funding through revenue sharing, equalization grants, special grants and complimentary grants. Local governments are also mobilizing local resources and can receive grants from other public or private entities. The final expenditure for education results is a combination of earmarked conditional grants fixed by the Federal level and additional resources allocated by a decision of Local Governments from their own, non-earmarked, resources.

Geographical disparities indicate that the current mechanisms of financing need be improved. Moving forward, the sector budget will continue to be gradually decentralized, thereby strengthening the responsibility and accountability of Local Governments to allocate funds from their discretionary funding and maintain federal earmarked funding for specific activities. Due to the wide diversity of the size and capacity of Local Governments, the federal level is developing a system to ensure balance in the conditions of schooling. Equity could be improved by covering the remuneration of all teachers through a conditional grant based on the number of teachers, and the student teacher ratio. This requires further dialogue and consensus across the tiers of government on the role of the federal government in this process and the level of control of some activities such as scholarships for vulnerable groups, while current and equipment expenditures could be covered through non-earmarked resources.

Developing the management capacity of the staff in charge of education at the local level is a major priority. Efforts will continue to support deployment of education officers to all Local Governments, providing additional support to those that require capacity building or local governments that temporarily do not have key staff in place. In this regard, building effective management capacity in all local governments will be supported by providing local units with sufficient staff who are qualified in planning and management practices. Federal administration and well-performing provincial- and local governments could be mobilized to support the technical and managerial challenges in other local governments, to spread service delivery practices, to promote the quality of services and to improve the expenditure assignments.

Level of priority (medium)

The volume of domestic funding as projected in the new education sector plan and pledged at the 2021 GPE summit confirms the Government's commitment towards the global benchmark for funding of education, and as such is not considered a barrier to facilitating progress in this area. However, in terms of equity and efficiency of government budget allocated to the education sector, geographical disparity in fund allocations will need to be addressed through targeted financing, in order to reduce disparities in education outcomes under the SESP. This will ensure disparities in funding do not widen

disparities in access to education and quality of learning outcomes. The equalization grant formulas, based on the Nepal National Resource and Fiscal Commission (NNRFC), partly addresses this issue. However, local governments will need to be facilitated and guided in comprehensive education sector planning and budgeting that allows them to utilize conditional, equalization and special grants, along with their revenue in an aligned manner. Currently, the allocation of these resources is often fragmented, which reduces the efficiency of financing.

Ensuring an equitable flow of public finances to different layers under the new federal system will be important to ensure that poorer households do not end up withdrawing their children from education due to high costs and low levels of learning. Despite the steady progress that the country has made in reducing inefficiencies and inequalities in public spending, there is a need to review and rationalize the deployment of teachers to increase equity and reduce the high repetition in Grade 1. Furthermore, a continued focus on targeted interventions for the most marginalized as well as on improving the quality of teaching and learning in order to improve survival rates is required, which is why this area has been assessed to be a medium priority.

Envisioned strengthening of enabling factors to accelerating results

The country requirements analysis and ITAP review has identified that there are strong mechanisms at the central level, but these are not yet replicated in the new federalized system at provincial and local levels. The LEG is set to follow up with its members and other stakeholders in the education sector to unpack the findings and ratings to identify appropriate strategies to support the federal government to strengthen these areas across the 753 local governments.

The system capacity grant will be used to:

- Ensure resources for technical assistance to support the three tiers of government
- Support the Government's capacity to manage and coordinate the strengthening of the enabling factors at all levels based on identified needs
- Support the federal government to plan and coordinate other major LEDPG technical assistance to support capacity development across all levels, to effectively manage and implement the SESP.
- Support specific technical assistance requirements to achieve the objectives relating to establishment/strengthening of mechanisms and to ensure the deployment of skilled and competent teachers.

An institutional capacity assessment will identify needs and inform the development of an institutional capacity plan to improve the capability of all levels of government to undertake their key functions as set out in the SESP. Reforms that improve school readiness, through improved access and quality of ECED/PPE, ensure teachers have the required skills and competencies, and decrease barriers to learning for girls increase the efficiency of the school sector. Both reforms reduce the cost of children repeating or dropping out due to a lack of foundational skills or of access to quality teaching-learning processes.

The System Transformation Grant (STG) will include a variable tranche between 30 to 100 percent[25]. The STG variable component is linked to indicators included in a joint DLI framework, to harmonize the result-based funding under of the pooled budget support modality of the SESP. The variable component of the STG will be linked to 2-3 of the priority reform areas (early childhood education and development, quality teaching and gender and social inclusion).

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[25] Depending on the agreement between the Government and the STG grant agent

Annex 8: Response to the Nepal Partnership ITAP assessment

Background and Context

- The Partnership agreement was formulated by the Working Group (WORKING GROUP) comprising members of the Nepal Local Education Group (LEG), under the leadership of MoEST.
- The Partnership includes three policy priority areas (ECED, gender and teaching) and rates five 'enabling factors' as low, medium or high priorities. The enabling factors are:
    Data and Evidence
    Gender-Responsive Sector Planning, Policy and Monitoring
    Sector Coordination Inclusive Sector Dialogue and Coordinated Action
    Coordinated Financing and Funding
    Volume, Equity, and Efficiency of Domestic Public Expenditure on Education
- The Independent Technical Advisory Panel (ITAP) have assessed Nepal's ratings of enabling factors and included their feedback in the report

Assessment of enabling factors

The table below shows the rating by the GPE's ITAP versus that of the Nepal Partnership Working Group. As per the Partnership guidelines, the priority ratings are understood as follows:

- **Low priority-** the requirement area could benefit from minor tweaks to help accelerate progress in one or more of the top policy priorities. However, this area will not be a major barrier to system transformation**.**
- **Medium priority-** achieving progress in one or more of the top priorities will be significantly delayed unless issues in the requirement area are addressed. If issues are not addressed, progress would extend beyond the duration of GPE Finance 2025.
- **High priority-** achieving progress in the identified policy priority is deemed impossible or very unlikely unless significant reforms are undertaken in the requirement area. The ministry(ies) of education and/or development partners are either not actively working in this requirement area, or engagement is insufficient to make meaningful improvements. Rating an area as high would usually lead to funding only being made available after there is progress.

Enabling Factor	Working groups Assessment	ITAP Assessment
Data and Evidence	Low Priority	Low Priority
Gender-Responsive Sector Planning, Policy and Monitoring	Low Priority	Medium Priority
Sector Coordination Inclusive Sector Dialogue and Coordinated Action	Low Priority	Medium Priority
Coordinated Financing and Funding	Medium priority	Medium priority
Volume, Equity, and Efficiency of Domestic Public Expenditure on Education	Medium priority	Medium Priority

Overview of feedback received from the ITAP

Data and Evidence (low priority)		
Strengths	*Issues*	*Recommendations*
• Strong systems and processes to make use of data and evidence • Regular use of evidence is clearly extensive • The especially impressive accomplishment of a web-based education management information system (IEMIS). • The strong IEMIS and improvements planned to address poor learning outcomes provide strong foundations to build the next education sector plan	• Lack of capacity at local levels (to utilize data for planning) risks exacerbating education inequities • the numbers of out-of-school children have increased since 2016 and learning outcomes have stagnated since 2012 • The results from the three national assessments (e.g., NASA) have not translated into robust quality improvements • Developing and administering continuous assessment appears to be a struggle for most teachers	• capacity-building, will need to go beyond training and sharing of guidelines to a 'hands-on' mechanism to use data and evidence to plan and implemented effective actions and outcomes. • Learning assessment begins at grade 3, but disparities are pronounced. Interventions (e.g., school readiness assessment) will have more impact in ECED/PPE. • Data provision to proactively prevent drop-out could used to target interventions. • Use EMIS to produce report cards and link EMIS to classroom-based learning assessments
Comments from the LEG: - Data received from schools in IEMIS are disaggregated by provinces and local governments. All provincial and local governments have been provided with user id and password so that they can verify data and use data for planning, budgeting and in making decisions. - The number of out of school children has continued to decline from the 10.6% in the SSDP base year in 2016 to 5.2% of the school-aged population in the academic year 2020-21, as has also been reported in the 2021 Joint Review Meeting and captured in the 2021 Status Report. - The LEG agrees with the recommendations and that these are priorities to be looked at during the initiation of the new School Education Sector Plan (SESP).		

Policy and Monitoring (medium priority)		
Strengths	*Issues*	*Recommendations*
• The ESP is clearly anchored in a human rights framework (derived from the constitution) which guarantees fundamental rights of access to basic education for all citizens… including moves to improve access and retention, and expansion of the use of mother tongues for teaching. • The results framework is comprehensive and ensures that all indicators are aligned with their activities, structure, and content of the plan	• The precise roles, functions, and responsibilities at the three tiers of governance and management remain ambiguous • Capacity-building for local government officers in gender-responsive planning, budgeting, M&E, and reporting will be essential • The SESP has to design an M&E framework that fits into the federal system of governance (including arrangement, roles, responsibilities and results at each tier of government. • the following barriers still exist – gender, socio	• The ITAP believes that private sector and government collaboration may well deserve attention, should the local education group decide to consider it. • It may not be possible to continue with the DLI indicators as many functions that have previously been at the center will have been devolved to the local governments. • develop, in greater detail, the precise monitoring and evaluation, and reporting processes at each level and the linkages between them, prioritizing the utilization of the

	economic status, ethnicity, caste, language, geographical location, and rural/urban differences	• data collected and analyzed through the EMIS • development of an EMIS for each province or, a sufficiently disaggregated national EMIS. • all EMIS data should be gender-disaggregated, and by indicators to allow monitoring of educational attainment of vulnerable groups.

Comments from the LEG:
- The LEG agrees with the issues raised and recommendations from the ITAP. With regard to the first point, the development of a private sector engagement strategy will be explored during the first year of the SESP to ensure ability of the MoEST to monitor that private schools meet standards and enabling learning conditions as prescribed by the Government.
- With regards to the development of DLIs to support the SESP, the JFPs and MoEST will continue to work on identifying a lesser number of joint DLIs and aligned protocols that focus on areas within the control and sphere of influence of the federal government.

Sector Coordination: Inclusive Sector Dialogue and Coordinated Action, Financing and Funding (medium priority)

Strengths	*Issues*	*Recommendations*
• Nepal's long held practice of implementing education-related programs through a consultative, participatory approach. • A broader, wider consultative approach was adopted, with the plan originally developed in Nepali to make it accessible to more stakeholders • Pooled funding (through JFA) is well aligned with the national budgetary system, captured at various stages by the government's information systems and reflected in the AWPB.	• transition to decentralized governance may pose some challenge to smooth inter-sectoral and institutional coordination at devolved levels • Well established mechanisms of sector coordination that have been successful at the central level may need time to be replicated at the local government levels… pending this replication, there is a risk of setbacks to pre-existing challenges.	• further time will probably be required to institute robust mechanisms at the local government level to fully coordinate and align the various available financial resources • It is not clear yet how well central level coordination mechanisms will translate to sub-national levels. Therefore, the ITAP categorised both areas (dialogue and financing) as medium priority.

Comments from the LEG:
- The LEG agrees with the observations and recommendations in the area of sector coordination and is planning to undertake further effort of decentralizing the SWAp mechanisms in the sector in line with the federal structure.

Volume, equity and Efficiency of Domestic Expenditure on Education (medium priority)

Strengths	*Issues*	*Recommendations*
• Around 4% of GDP has been allocated to education for more than a decade which saw rapid GDP growth in the country. • The commitment to increase the share of the national budget to 16.1 percent and the share of spending as a	• Spending has exceeded tax revenues which raises questions about the sustainability of projected increases in the education budget. • There is not yet full clarity about how education grants will be allocated at provincial	• Strengthen the use of EMIS to link the budget with policy priorities to improve execution rates, particularly at local level • The overall high financial burden on households is an area that could be addressed in the ESP 2030

percentage of GDP to 4.7 percent by 2025 and include this as a key performance indicator in the ESP 2030 • The government has been explicitly targeting equity of access for children from marginalized groups and have helped increase access for many. • Achievement of gender parity • The development and use of the equity index for education resource allocation • the progress that Nepal has made since 2012/13 in internal efficiency in basic education with an overall decrease in repetition and dropout rates and an increase in the survival rate	and local government levels or to schools • Children with disabilities have the lowest level of access to, and participation in, education in Nepal and the worst learning outcomes • average learning-adjusted expected years of school (LAYS) only being 7 years even though children have been in school for 12 years. This would seem to indicate a need to address issues of quality as a means of improving efficiency. • improving the quality of teaching and learning is likely to continue to improve survival rates, including for the most marginalized and disadvantaged.	• Teacher redeployment/rationalisation will need to be coupled with (i) ensuring teachers have the right skills when they are redeployed; and, (ii) the provision of new (additional) teachers as the system expands at the higher grades. • further research on the optimum size of school and number of teachers for small rural schools to ensure a focus on equity as well as efficiency

Comments from the LEG:
- MOEST has no control over how local governments will utilize funds they received under fiscal equalization grants towards education. It depends on how people and elected members in local governments prioritize their needs in their constituencies. However, MOEST does track the use of funds from fiscal equalization grant towards education and the experience suggests that around 7 percent of funds received under fiscal equalization grant is allocated towards education.
- The Program Implementation Manual (PIM) is the implementation plan which guides all levels of governments in implementing education activities. The PIM is updated every year and matches with a budget that is earmarked for activities to be implemented in that fiscal year such as textbooks, scholarships, mid-day meals and sanitary pads.
- The identified priorities on teacher professional development and recommendations on further research are agreed to be priority areas for the LEG to support under the SESP

Conclusion

Overall, the LEG endorses the ITAP assessment of the initial requirement analysis that was prepared by the WORKING GROUP on behalf of the wider LEG, on the understanding that some minor observations flagged in the comments above will be addressed accordingly.

Annex 9: Terms of Reference of the SESP Thematic Committees and Working Groups

School Education Sector Plan, Thematic Committees, Terms of Reference

Background

The School Education Sector Plan (SESP) is a long-term strategic plan of the Government of Nepal (GoN). It builds on the successes of previous sector plans[26] and is the first to be developed since the promulgation of the constitution ushered in Nepal's federal system of governance. The plan was developed through a participatory process, led by the Ministry of Education Science and Technology (MoEST), involving representatives from across the three tiers of Nepal's government, non-state actors, stakeholder representatives and academics. The SESP Joint Financing Partners (JFPs) will scribe to the SESP program, that has been developed for the first five years (FY 2022/23 to 2026/27) of the SESP as pooled contributors, with other non-pooled support and collaboration from various non-state actors who are members of the Local Education Development Partner Group (LEDPG). The MoEST is the SESP executive agency. The Centre for Education Human Resource Development (CEHRD) is the federal level implementing agency with further implementation at the provincial level by Provincial Education Training Centres (PETCs) and local level education units, supported by Education Coordination and Development Units (EDCUs). The SESP is to serve as a framework for the 753 education sector plans that are (to be) developed by the Local Levels, who are bestowed with the mandate of managing school education as per the 2015 Constitution.

The SESP is underpinned by the following values and principles of diversity, inclusivity, equity, integrity, student centredness, good governance and innovation.

With these principles in mind, the SESP has the following four objectives:

1. To ensure **equitable access to and participation** of all children, especially those who are socially and economically disadvantaged, children from marginalized groups and children with disabilities.
2. To enhance the **quality and relevance** of overall school education, ensuring minimum learning achievement for each child.
3. To make all citizens **literate with basic functional skills** and expand opportunities for continuing education and lifelong learning.
4. To ensure **effectiveness of education service delivery** by promoting good governance across the system, strengthening intergovernmental coordination and collaboration, and developing institutional capacities of all institutions and individuals involved in the delivery of school education.

The thematic committees, referred to in this document, are advisory in nature and will serve as a mechanism for government led cross-sector collaboration to support progress against the SESP objectives, within the spirit of the values and principles of aid effectiveness. Based on the lessons learned and best practices of the previous Thematic Working Groups (TWGs), the thematic committees will be led by a specific agency, providing support to that agency within thematic areas of education development. They will have the mandate to commission specialist working groups, comprising technical level staff from across the levels of government, DPs and Civil Society, on a

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[26] The Education For All programme (EFA) (2004-2009), the School Sector Reform Plan (SSRP) (2009–2016) and School Sector Development Plan (SSDP) (2016 – 2022)

need-basis. This will allow frequent, targeted and technically orientated collaboration and provide the agility to respond to emerging issues quickly.

Implementation Arrangements

The SESP will be supported by JFPs and other development partners (DPs) through a Sector Wide Approach (SWAp). The SWAp aims to maximise the combined effectiveness of external resources in line with the principles of aid effectiveness and is guided by the provisions that are agreed as part of the Joint Financing Arrangement (JFA).

The SESP is the first plan to be initiated under the federal structure, where education is implemented by the federal, provincial and local levels of government with responsibilities demarcated in line with the Constitution (2072 BS/2015 AD) and Local Government Operation Act (2074 BS/2017 AD). In addition, the local levels are given technical support by 77 district level Education Development Coordination Units (EDCUs). A summary of the responsibilities set out in the SESP is given in table 1 below.

Level of Government	Responsibilities (SESP 6.2.2)
Federal	• Policy-level coordination, inter-government relationships and collaboration between levels of government. • Inter-Ministry and inter-agency coordination. • Manage financial transfers at provincial and local levels by formulating annual federal budgets and programmes • Develop an annual project implementation manual, manage the educational information management system (EMIS) and prepare annual status reports on plan implementation. (CEHRD) • Conduct curriculum and assessment -related programmes respectively in coordination with provincial and local governments. (CDC/ERO) • Manage and coordinate development aid and assistance. • Conduct teacher selection and promotion (Teacher Service Commission) • Coordinate joint annual reviews of programme implementation and manage the formulation of action plans for improvements.
Provincial	• Coordination at the province level • 29 training centres will implement specified programmes. • Prepare integrated annual plans and conduct programmes • Report on the status of implementation through the IEMIS. • Conduct provincial examination for Grade 10.
Local	• Prepare local-level periodic plans for the development of the education sector. • Prepare annual education budgets and programmes • Formulate laws, standards and directives for programme implementation. • Coordinate committees for programme implementation • Monitor and facilitate programme implementation, issue policy guidelines and coordinate the effective implementation of programmes in schools. • Prepare reports on programme implementation and report results through IEMIS. • Utilise data as a basis for planning and to improve implementation

	- Develop and run local teacher assistance systems. - Coordinate school management committees and parent–teacher associations - Facilitate development and implementation school improvement plans.

As such, the SESP Thematic Committees exist as one structure to facilitate and harmonise coordination, collaboration and technical assistance between tiers of government, ministries, MoEST agencies and DPs.

Coordination and management of the TWG

The SESP thematic committees are led by Joint Secretary of the relevant division in the MoEST, the Deputy-Director Generals in the CEHRD, and the Executive Directors and Director Generals of the ERO, CDC and NEB. The lead is supported by a co-lead from the Development Partners. The thematic committees are expected to meet on a quarterly basis and develop joint recommendations and proposals based on the specific objectives in their respective ToRs and additional tasks that may be delegated to them as agreed within the joint reviews and consultations of the SESP implementation, on the understanding that the thematic committees are advisory in nature.

The Development Assistance Coordination Section (DACS) in the MoEST Planning and Monitoring Division will serve as the thematic committee secretariat and will collect summaries on the progress of the committees, which will be reported in the review meetings (BRM and JRM).

Thematic Areas

Based on the experience of the SSDP, the number of Thematic Committees under the SESP will be formed under the leadership of central level agencies, and each will focus on the main priority areas under the SESP. This will ensure the committees can meet regularly and the required leadership and representation of Government is matched with availability of responsible officers. As such, it was decided to form the following five committees with the indicative specific focus under the thematic priority areas:

Thematic Committees	Thematic priority areas					
	Quality and Relevance	Equity and Inclusion	Resilience and School Safety	Teacher Professional Development	Institutional Capacity and Federalism	Fiduciary Management
Thematic Committee 1 – MoEST	ICT in education strategy	Strategic plan for gender and inclusive education network	Establish emergency delivery and coordination mechanism	Revision and implementation of the teacher competency framework	Implementation arrangements and monitoring and reporting mechanism	Fiduciary management committee
	Comparative analysis for quality and SAARC region international standards	Review of the child friendly framework	Revise environment and social management framework	Strengthening links with Higher Education pre-service teacher training providers	Rationalisation of teaching positions and alignment of conditions of service	
		Revision of the equivalency framework	Revise CSS minimum package			
Thematic Committee 2 – Lead; CEHRD	Remedial learning	Pro-poor scholarships	Mainstreaming Comprehensive School Safety	Teacher professional support system	Strengthening local level education unit human resource capacity	
	Digital learning and staff development		Psychosocial counselling	Developing teacher trainers, mentors and coaches		

Thematic Committee 3 – Lead; CEHRD	Minimum enabling conditions for ECED	Equity Strategy implementation	CSS data management including EiE modules in EMIS	Professional development of school leadership (HTs and SMCs)	Comprehensive education sector planning at local level	
		Modelling disability-inclusive education		Strengthening appraisal linked to students' learning outcomes	EMIS strengthening	
		Framework for disability screening				
Thematic Committee 4 – Lead; ERO/NEB	Foundational and accelerated learning	Learning loss analysis		Continuous assessment system	Standardization of examination	
	Formative assessment	Using NARN to improve learning outcomes			Communication strategy and orientation on examination in provincial and local levels	
		Pro-poor scholarship analysis			Digitisation of student records, data management and linkage of EMIS and CTEVT exam data systems	
Thematic Committee 5 – Lead; CDC	Integrated curriculum	Levelled learning resources	Resilience and climate change in curriculum	Teacher guidelines	Grade 8 standardization	
	Supplementary reading materials	Online learning resources				

The committees facilitate technical level dialogue and discussion to overcome issues jointly identified under the broader thematic priority areas and are mandated to establish task teams to address specific knowledge gaps, emerging issues and shared areas of interest. The task teams will report to the thematic committee for as long as they are deemed necessary.

Thematic Committee Objectives

The role of the Thematic Committees is to support the central level agencies' implementation of SESP, with particular focus on the agreed actions of the joint reviews: the Budget Review Meeting (BRM) and the Joint Review Meeting (JRM). They will provide a platform for continuous technical dialogue, strengthen technical collaboration, provide context relevant innovations to accelerate progress and assist government to align donor support to increase aid effectiveness. To achieve this, the thematic committees have the following objectives:

- To support the central agency implementation of the SESP with particular focus on the agreed actions from joint consultative and review meetings that fall within the mandate of the central agency.
- To coordinate and facilitate continuous dialogue and collaboration between experts from GoN, DPs and education stakeholders/Civil Society (CS) representatives within specific SESP result areas.
- To engage Provincial and Local Levels in joint sector discussions
- To discuss strategies and innovations for addressing existing gaps and emerging issues that (are likely to) affect SESP implementation and monitoring, and the achievement of its goals.
- To identify issues and challenges within the thematic areas, commission working groups to undertake targeted collaboration and jointly monitor progress of the groups.
- To facilitate increased alignment of Government, Development Partner and Civil Society Organisations' activities to improve aid effectiveness.
- To report in joint meetings on the progress, issues and challenges within the technical areas
- To provide input to SESP reviews, (mid-term and end-line) evaluations.

Specific Activities and Reporting

The specific activities that will be undertaken include the following:

- The thematic committees will aim to meet quarterly, or more frequent if required.
- The thematic committees will collaborate to support the implementation of the SESP and timely completion of the agreed actions of the review meetings (BRM and JRM) that fall under the mandate of the leading central agency.
- The thematic committees will review the sections of the Annual Strategic Work Plan and Budget (ASIP/AWPB) that are relevant to the central agency under the thematic areas and coordinate technical support as required.
- The thematic committees will commission working groups to undertake specific tasks, or coordinate, collaborate and monitor the technical areas which fall within the committee's scope of work. Working groups will comprise of a technical lead from the government side, and a co-lead from the development partners. Other members will be approved by the committee based on interest and/or invitation. Working groups will report back to the committee at quarterly

meetings and will seek feedback and direction from the committee. The committee will monitor groups' progress and include this in minutes and biannual summaries of activities.

- The thematic committee will undertake relevant activities and commission appropriate working groups to engage the provincial and local levels in policy discussions and planning.

- The thematic committees are mandated to undertake joint seminars and workshops to enrich knowledge sharing and jointly address crucial areas of concern (including emerging issues) with a strong evidence base and create shared understanding for joint responses.

- The thematic committee will undertake an annual joint field visit to monitor SESP implementation with a focus on the committee's technical area. The coordination of joint monitoring visits will be undertaken by the DACS with support from the DP Focal Point and committee members. Participants in the joint monitoring visit will contribute to a visit report with key findings and recommendations. This will be made available to the members of the thematic committee will be shared during the next joint review (BRM or JRM).

- The thematic committees will compile minutes of the meetings and make decisions on information sharing with other institutions.

- Minutes from each thematic committee will be shared amongst the other members of the thematic committee for review. The minutes to include next meeting dates/venue and items required raising with SESP-SC.

- Twice a year, each thematic committee will summarise their actions and activities for an overall briefing to the Local Education Group (LEG) during the joint reviews (BRM and JRM).

Annex 1: Thematic Committee & Working Group Membership

The thematic committees will consist of a core group. Each thematic committee will have a lead from the side of the GoN and a co-lead from the side of the DPs. The committee leads are nominated by the Ministry of Education, Science and Technology, and in turn, the lead is responsible to nominate other members from the GoN based on their designation and professional activities. The DPs are responsible to nominate members based on their relevant expertise and professional interest. Besides the core group, each Thematic Committee can invite attendees, as per the need, from the GoN and wider LEG.

Thematic Committee 1 (MoEST) Working Groups:

TC1.1- Fiduciary management
TC1.2- Governance and Management

Thematic Committee 2 (CEHRD) Working Groups:

TC2.1- Teacher professional support and mentoring
TC2.2- Quality ECED and school readiness
TC2.3- Comprehensive school safety, Climate Change and green schools
TC2.4- EMIS strengthening
TC2.5- Supporting Local Level Planning, Implementation and Monitoring in the Federal Context

Thematic Committee 3 (CEHRD) Working Groups:

TC3.1- Learning recovery/ accelerated learning
TC3.2- Inclusive education
TC3.3- Equity Strategy and student support schemes
TC3.4- Cross-sectoral linkages
TC3.5- ICT in education
TC3.6- Non-formal, Lifelong and Alternative Education Pathways

Thematic Committee 4 (ERO) Working Groups:

TC4.1- Formative assessment and analysis of learning outcomes
TC4.2- Standardization of examination

Thematic Committee 5 (CDC) Working Groups:

TC5.1- Integrated curriculum and foundational learning
TC5.2- Supplementary and levelled learning materials and teacher guidance
TC5.3- Online and alternative learning materials and teacher guidance
TC5.4- Resilience and climate change curriculum