

School Education Sector Plan
2024 Budget Review Meeting

Aide Memoire
29 April – 3 May 2024

Ministry of Education, Science, and Technology
and
Joint Financing Partners to
the School Education Sector Plan

List of Abbreviations

AIN	Association of INGOs in Nepal	LMBIS	Line Ministry Budget Information System
ASIP	Annual Strategic Implementation Plan	MoEST	Ministry of Education, Science and Technology
AWPB	Annual Work Plan and Budget	MoF	Ministry of Finance
BLE	Basic Level Examination	MoFAGA	Ministry of Federal Affairs and General Administration
BRM	Budget Review Meeting	MuAN	Municipal Association of Nepal
CDC	Curriculum Development Centre	NARMIN	National Association of Rural Municipalities in Nepal
CEHRD	Centre for Education and Human Resource Development	NARN	National Assessment of Reading and Numeracy
DLI	Disbursement Linked Indicator	NASA	National Assessment of Student Achievement
DP	Development Partner	NCE-N	National Campaign for Education Nepal
DRR	Disaster Risk Reduction	NEB	National Examination Board
CSO	Civil Society Organization	NGO	Non-Governmental Organization
EI	Equity Index	PAP	Program Action Plan
EMIS	Education Management information System	PETC	Provincial Educational Training Center
ERO	Education Review Office	PFM	Public Financial Management
FCGO	Financial Comptroller General Office	PG	Provincial Government
FMR	Financial Management Report	PIM	Program Implementation Manual
FY	Fiscal Year	PLGSP	Provincial and Local Governance Support Project
GESI	Gender Equality and Social Inclusion	PTSS	Pro-Poor Targeted Scholarship
GIEN	Gender and Inclusive Education Network	ReAL	Recovery and Accelerated Learning
GoN	Government of Nepal	SAS	School Accounting System
GPE	Global Partnership for Education	SCG	System Capacity Grant
INGO	International Non-Governmental Organization		
JFA	Joint Financing Arrangement		
JFP	Joint Financing Partner		
JRM	Joint Review Meeting		
KPI	Key Performance Indicator		
LEDPG	Local Education Development Partner Group		
LG	Local Government		

SEE	Secondary Education Examination	SuTRA	Sub-National Treasury and Revenue Application
SESP	School Education Sector Plan	TC	Thematic Committee
SME	Science, Math and English	TLM	Teaching Learning Material
SOP	Standard Operating Procedure	ToR	Terms of Reference
SRM	Supplementary Reading Material	TPD	Teacher Professional Development
SSDP	School Sector Development Program	TSU	Technical Support Unit
SWAp	Sector Wide Approach		

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I. Background and Proceedings

1. The 10-year School Education Sector Plan (SESP) 2022-2032 is a long-term strategic plan of the Government of Nepal (GoN). The SESP is implemented by the Ministry of Education, Science and Technology (MoEST) as the executing agency and the Centre for Education and Human Resource Development (CEHRD) as the central level implementing agency through a Sector Wide Approach (SWAp). The SWAp is supported by eight Joint Financing Partners (JFPs)¹ who contribute funding to the SESP through the Joint Financing Arrangement (JFA). The JFP support includes both programme-based financing and result-based financing through disbursement-linked indicators (DLIs). In addition, the SESP is supported by other Development Partners (DPs) and international non-governmental organizations (INGO) as the Local Education Development Partner Group (LEDPG) through various financing modalities. The total cost of the 10-year SESP is estimated to be US\$8.36 billion, of which the first 5 years is US\$3.58 billion. About 75 percent of the Programme for the first 5-year will be financed by the government, while the JFPs have committed to finance US\$410.7 million (11.5 percent). The estimated financing gap is US\$478 million (13.5 percent), the majority of which is expected to be financed with contributions from Provincial Governments (PGs) and Local Governments (LGs).

2. The SESP, along with its five-year costed programme (2022-2027), was approved in 2022 with the following four objectives:

- i. To ensure equitable access to- and participation of all children in a full school education cycle, including those from social- and economically disadvantaged groups and children with disabilities;
- ii. To enhance the quality and relevance of overall school education by ensuring school readiness, foundational learning, and quality learning achievements for each child;
- iii. 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; and
- iv. 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 involved in the delivery of school education.

¹ The eight JFPs consist of the Asian Development Bank (ADB), the Embassy of Finland (Finland), the European Union Delegation to Nepal (EU), the Global Partnership for Education (GPE), the Royal Norwegian Embassy in Nepal (Norway), the United Nations' Children's Fund (UNICEF), the United States Agency for International Development (USAID), and the World Bank (WB).

3. As outlined in the JFA, the MoEST and JFPs jointly conduct two review meetings annually—the Budget Review Meeting (BRM) and the Joint Review Meeting (JRM)—to collaboratively assess the progress of SESP implementation (see Annex 1 for the Terms of Reference (ToR) for the 2024 BRM and Annex 2 for a list of participants). More specifically, the 2024 BRM aims:

- i. To review the SESP draft plan and budget (ASIP-AWPB) for FY 2024-25;
- ii. To assess overall program performance and implementation including confirmation on the achievement of Year 2 Global Covenants, and review the implementation of the Program Action Plan (PAP), and adjust and/or update the PAP as necessary, including review of the FY2022-23 audit report; and
- iii. To assess and confirm the status of disbursement-linked indicators (DLI) achievements against the DLI protocol and establish a joint timeline for actions to support achievement and verification of outstanding first (FY22/23) and second year (FY23/24) DLIs.

4. Ahead of the 2024 BRM, DPs reviewed the documentation prepared by the MoEST and CEHRD (see Annexes). The documentation included Flash I Report 2080 (FY 2023-24) (Annex 3), the draft ASIP/AWPB FY 2024-25 (Annex 4), Progress Report on 2023 JRM Agreed Actions (Annex 5a), the first and second year DLIs (Annex 5b), Progress Report on SESP PAP (Annex 6a), and draft Audit Report FY 2022-23 (Annex 6b). In addition, the government and DPs conducted joint field visits on 22-24 April 2024 to observe the SESP implementation on the ground (see Annexes 11a, 11b, 11c, 11d for field visit reports). On 25 April 2024, the Thematic Committees presented key findings from the technical level discussions on progress against agreed actions from their respective Thematic Working Groups (Annex 7).

5. The 2024 BRM was opened on 29 April 2024, chaired by Mr. Biswababu Pudasaini, Secretary of MoEST and co-chaired by Ms. Lada Strelkova, Operations Manager for Maldives, Nepal and Sri Lanka of the World Bank/JFP Focal Point. Mr. Imanarayan Shrestha, Joint Secretary for Planning and Monitoring Division of the MoEST and Mr. Deepak Sharma, Director General of CEHRD chaired sessions on Days 1 and 2, respectively. Mr. Basanta Koirala, Deputy Director General of CEHRD led the Aide Memoire discussion on Day 3 onwards. Based on the review of documents and government's further presentations and discussions during the BRM, the MoEST and JFPs/non-JFPs agreed on specific actions to be taken in the six months to ensure effective implementation of SESP. The BRM closed on 3 May 2024, with closing remarks by Mr. Biswababu Pudasaini, MoEST Secretary and Ms. Karen Welch, the United States Agency for International Development (USAID), Acting Mission Director/JFP Co-Focal Point.

Subsequently, the BRM concluded at the wrap-up meeting, chaired by Mr. Ritesh Shakya, Joint Secretary of Budget and Programme Division, Ministry of Finance.

6. As customary, and to ensure effective coordination, invitations to the BRM were extended to Local Education Development Partner Group (LEDPG) members supporting the SESP outside the JFA framework, encouraging their participation in the review process and general sessions discussing overall progress and key issues. The Meeting employed a hybrid format with simultaneous translation, including sign language, facilitating participation for government and stakeholder representatives at provincial and local levels, as well as those with hearing impairments.

7. The remainder of this Aide Memoire highlights major achievements and challenges, key issues, and agreed-upon actions with specific timelines.

II. BRM Findings

8. Overall, the Meeting observed that ASIP and AWPB were of a good quality, demonstrating significant steps taken in strengthening and institutionalizing coordination and collaboration across the different tiers of government in the school education sector and highlighting priority areas.

Progress and Status of the SESP

9. **Strengthening school readiness through improved early childhood education:** Strengthening school readiness through improved minimum enabling conditions (MEC) for effective early childhood (ECE) is a priority for the SESP. As part of this effort, CEHRD has established a MEC baseline which shows that 63 percent of ECE centers currently meet three out of the five prioritized MEC. The Meeting agreed to undertake a costing for meeting the FY 2024/25 target against the baseline, along with mapping government and non-government supports to ECED/PPE to meet MECs. Furthermore, the Meeting appreciated the efforts of CDC in reviewing and approving ECED learning materials prepared by private sector providers and noted the need for reiterating the government standards and minimum conditions with regard to the government provision of one-year ECED/PPE as part of basic education.

10. **Recovery and Accelerated Learning (ReAL):** As part of the initial roll out of the Recovery and Accelerated Learning (ReAL) plan in 2022-23, 46 local governments implemented the ReAL activities in at least 80% of their schools in collaboration and support from I/NGOs. For FY 2023-24, NPR 390 million was allocated for ReAL plan

implementation across all LGs, with additional support for 150 LGs. The ReAL activities have been specified in the Programme Implementation Manual (PIM) and are aligned with the ReAL Plan standard operating procedure (SOP). Furthermore, a separate module has been developed in the Education Management Information System (EMIS) to facilitate monitoring and reporting on the ReAL Plan implementation. For FY 2024/25, the CEHRD has allocated NPR 387 million to continue ReAL Plan implementation across all LGs. Based on implementation experience and feedback from schools and LGs, the 18 sets of diagnostic tools and guidance of classes 3-8 will be updated. The meeting noted the appreciation of the ReAL Plan by Local Governments and school representatives. Data entry in EMIS is ongoing and impact on learning will be analyzed and shared accordingly. The Meeting agreed to look at a systematic analysis of the impact in a number of LGs to inform further guidance on how to scale up what works and transition from learning recovery to learning acceleration. The Education Review Office shared the preliminary findings of the NASA Grade 5, 2022 and Learning Loss analysis.

11. **Teacher Management and Development:** The BRM noted several activities related to teacher management and development. Firstly, CEHRD plans to develop a handbook for LGs and schools to implement teacher community of practices, peer observations, and self-evaluations under the GESI-responsive Teacher Professional Development (TPD) Framework. Secondly, the Provincial Education Training Centers (PETCs) are offering a wide range of training programmes. Thirdly, CEHRD is working to strengthen job induction training for newly recruited teachers. With TA support, CEHRD is going to review and revise the Teacher Competency Framework, which may require to update the Teachers Professional Development, as well as develop a Teacher Trainer Competency Framework.

12. The Meeting also noted about the needs for consolidating the training curriculum on certification teacher training 1st phase and 2nd phase into a 1-month long programme, in line with the TPD Framework; increasing the amount of pedagogy in customized training (to complement subject focus); and publishing training resource materials online for use by implementing stakeholders and partners (LG, PETC and NGO).

13. **Ensuring learning continuity in the 2023 earthquake affected areas:** The Meeting noted the update on the response in the education sector undertaken by the government following the earthquakes that occurred on 3 November 2023 in Jajarkot and Rukum-west. The damage, risk and vulnerability assessment shows the need for the construction of the remaining 870 TLCs.

14. The Meeting was informed that in addition to the excellent work the Cluster has done in close collaboration with Government, the following has happened: (i) the

government made a formal request for emergency support, allowing government to request for emergency credit facilities, (ii) the government expanded the working districts; (iii) several partners, including Finland, USAID, UNICEF and others have provided financial support both for emergency and construction of TLC type II, (iv) JICA and ADB have extended school reconstruction projects to finance reconstruction of secondary schools, and (v) potential financing is available through WB CDF and GPE emergency grant. To fulfill some of the financing gap, the MoEST is proposing to reallocate unused funds of NPR 240 million for which draft guideline has been prepared but will need to be submitted to the MoF for approval by as soon as possible. Given the urgency and the GON fiscal year which ends in mid-July, the meeting recognized the need to expedite the process of transfer of budget to schools within this fiscal year. The Meeting agreed that a mapping of the available budget is required. With regard to the reconstruction, the need was raised to look at models that accommodate small numbers of students in each class, such as multi-grade/ multi-level models. It was agreed to have a joint meeting on 8 May 2024 with CLPIU, MoEST, education cluster and relevant DPs, in which CLPIU will present a draft action plan for timely completion of the Type II TLCs, indicating the possible implementation modalities for financing and constructing, and the steps required to realize these modalities.

15. **Enhancing skills development:** The BRM took note of the concerns raised regarding technical education and vocational training (TEVT) programs and their linkage with the secondary education's technical stream implemented under the SESP. In the federal structure, it is crucial for stakeholders at federal and local levels, along with the private sector, to reassess and enhance existing TVET programs to better meet the demands of both local and external labor market.

16. **Cross-cutting themes (Mid-day Meals Programme):** The meeting noted the ASIP-AWPB includes provision to expand Mid-day Meal Programme to Grade 6. In addition, the meeting noted the importance of enhancing the quality of midday meals, focusing on local home-grown school meals. The Meeting further noted that there is an interest to pilot the concept of "mega-kitchens" with WFP to support LGs to scale-up the distribution and improve cost-efficiency of midday meals. It was agreed that WFP and UNICEF would work closely with Government and relevant key partners to contextualize this model and reflect it accordingly in the mid-day meal strategies and targets in the SESP, linked to the Multiplier funds that were unlocked through their additional financing.

17. **Cross-cutting themes (climate change):** On climate change, the Meeting noted the joint initiative of Climate Change Resilient and Green Schools, through which the Government is looking to engage communities through schools for climate change adaptation and mitigation, also linking to clean energy and food security. The BRM noted

that at implementation level, the local governments are instructed to use the 2023 approved School Physical Facilities Development and Implementation Guidelines for their construction activities, which among other includes guidance on resilient, green, and inclusive (namely, child, gender and disable friendly) designs.

18. **Provincial and Local Government Capacity Building:** The Meeting noted the ongoing work on updating the local level planning guidelines to ensure they have adequate focus on Gender Equality and Social Inclusion (GESI) and Climate Change adaptation and the development of the SESP Calibration Toolkit to offer local governments a systematic approach of adapting and costing the SESP targets and strategies into their local level education plans and budgets to effectively promote quality learning and access to education for marginalized groups. The Meeting further took note of the mapping of technical assistance mobilized to support SESP implementation for FY 2024/25. It was suggested to have one full set of guidelines for all LGs, covering all the areas of needed capacity building.

19. **Governance:** The governance arrangements for the program are now in place and started to function as per the agreed implementation arrangements. The Steering Committee and the Advisory Committee are established and have met. The Technical Committees (TCs) and Working Groups (WGs) are established and are meeting. The TA framework is approved, and the TSU is onboard, who can support efficient and effective functioning of the TCs and WGs, with a focus on achieving results. The Memorandum of Understanding (MOUs) between the MoEST and NARMIN and MUAN have been signed, however, the Meeting agreed that as a next step MoEST and the JFPs will proactively reach out to key stakeholders for ensuring that support to especially Local Governments is maximized and coordinated at the working level, especially in cross-cutting areas like PFM and Safeguards. MoEST will formally approach MoFAGA/PLGSP and MoF/PFM Trust Fund to facilitate PFM and Safeguard related activities.

20. The Meeting discussed that SuTRA is capturing the LGs' expenditure details which facilitates trimester wise and annual financial monitoring reports. However, there has been a challenge to prepare the physical progress/monitoring report by MoEST/CEHRD in the absence of reporting of the same by LGs.

21. While the Meeting was informed that the Education Act is under consideration of the Parliament, MoEST is issuing different Directives, Standards, guidelines, manuals, handbooks and circulars for facilitating the implementation of SESP. These documents are publicly available on the MoEST/CEHRD websites; however, they are scattered and not easily located by users trying to access them. Such a situation occurs even to the auditors. It was agreed that MoEST/CEHRD will prepare a compiled version of currently

applicable legal documents and upload it on CEHRD website.

Compliance of Global Covenants

22. **Global Covenants:** The meeting confirmed that all the Global Covenants were complied with. The MoEST’s indicative SESP proposed budget for FY 2024/25 is NPR 150.6 billion (US\$1,159 million), consisting of NPR 2,330 million (1.5 percent) allocated to the federal level, NPR 1.0 million (0.7 percent) to provincial governments (PGs), and NPR 147.3 billion (97.8 percent) to local governments (LGs). In terms of the other two Global Covenants, the second Quarterly Financial Management Report (FMR) for FY 2023-24 was submitted on time and the Audited Financial Statement for FY 2022-23 was submitted on 28 April 2024.

Progress against Disbursement-Linked Indicators

23. MoEST/CEHRD presented the progress against Years 1 and 2 DLIs as shown in the table below.

Table 1: Status and Progress of SESP DLIs

DLIs	Year 1 (FY 2022-23) and Year 2 (FY 2023-24) Progress
DLI 1 – Improving enabling environment and learning outcomes	
1.1a.i. and 1.2a.i. At least 100 LGs in year 1 and additional 200 LGs in year 2 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.	LGs were selected and budget was allocated for implementing activities to improve foundational proficiency in literacy and numeracy. CDC has arranged printing and distribution of teaching and learning materials through the private sector using competitive bidding. Teacher guides have been uploaded to the CEHRD website. A five-day customized training is being implemented at the district level. The achievement report will be shared to JFPs by 15 August 2024.
1.1c. Strategic roadmap for upgrading content for the online learning portal “Sikai Chautari”.	The government has updated the strategic roadmap based on the consultations and feedback. Based on the Minister’s guidance, the government is revising the content and enrichment of the document. The achievement report is expected to be submitted by 30 June 2024.
1.1d. School development plan	All 117 selected schools (100%) will prepare their SDPs by the end of June 2024, after which the achievement report

DLIs	Year 1 (FY 2022-23) and Year 2 (FY 2023-24) Progress
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	will be prepared by 15 August 2024. Schools will start implementation from FY2025.
DLI 2 – Improved Access, Participation and Learning	
2.1a. and 2.2a. 50 LGs in year 1 and additional 100 LGs in year 2 implementing activities as per the ReAL Plan in at least 80% of the schools.	<p>The first year target was implementing the ReAL plan in at least 80 percent of schools from 50 LGs. The achievement report stated that 46 LGs have implemented the ReAL plan in at least 80 percent of schools, representing 92 percent of the achievement for Year 1.</p> <p>The second year target (FY 2023/24) is an additional 100 LGs implementing the ReAL plan in at least 80 percent schools. Required orientations and training for LGs and schools were completed in January 2024. The implementation at the school level is going well. The achievement report will be shared by 15 June 2024.</p>
2.1b 2,000 students (grades 6-10) receiving need-based scholarship	The DLI has been achieved and the achievement report has been shared with JFPs.
2.1c. Embedding equity index in EMIS and establish a baseline for all 753 LGs (2021-22).	This DLI has been achieved and the achievement report was submitted to JFPs in December 2023 and confirmed by the desk review shortly afterward. Finland disbursed its DLI commitment at the end of December 2023. The EU will disburse in August/ September 2024.
2.1b. 1,200 students provided with assistive devices (as per category A and B in the protocol)	Budget is allocated in FY 2024/25 for students identified to receive assistive devices. The achievement report will be shared by September 2024.
2.2c. 80 LGs confirmed to have received additional resources based on their EI scores.	<p>The target for Year two (FY 2023-24) has been achieved and the achievement report will be prepared by May 2024.</p> <p>The 80 LGs with the lowest composite index scores have been allocated additional resources based on the prevalence (number of out of school children) and severity</p>

DLIs	Year 1 (FY 2022-23) and Year 2 (FY 2023-24) Progress
	<p>(equity index score) of their disparities in education outcomes. This is accordingly included in the Annual Strategic Implementation Plan and Annual Work Plan and Budget (ASIP/AWPB). Section 3.5.3 of the ASIP (p103) specifies the interventions for FY 2023-24, including #4 'Provision of additional resources for local levels with highest disparities in education outcomes. Similarly, the AWPB shows the budget allocation for interventions, and section 1.7 specifies those to be implemented by the local level. Under budget code 2.7.13.11, there is allocation of NPR 44,676,000 for 'Grants for enrolment, retention and of OOSC and implementation of Equity strategy' (p223). This is reiterated in Annex 2 of the ASIP-AWPB which specifies the allocation per DLI (p.234). The CEHRD has compiled a breakdown of allocation by local level, which includes both the common budget and top up allocation (which takes into account prevalence). The allocations of all budgets to the local level are accompanied by guidelines set out in the Programme Implementation Manual (PIM). In section 6.8 (p.34 Annex 4) of the PIM, local levels are given instructions for the utilization of the allocated budget to conduct a needs survey, develop an equity implementation plan and execution of the plan, as per the need.</p>
<p>2.2e. 100 LGs providing disability screenings and referring to medical providers</p>	<p>Budget was allocated in FY 2023/24 for conducting disability screening and referring to medical providers. Local governments are implementing activities to identify children with disabilities. The achievement report will be shared by 15 September 2024.</p>
<p>DLI 3 – Improved Teaching Quality</p>	
<p>3.1b. ii. 700 teachers received 10-day TPD certification training under Integrated Curriculum</p>	<p>877 teachers were trained across 7 provinces using the TPD training course (10 days face to face & 5 days School based) to strengthen their capacity for effective implementation of integrated curriculum. This training included aspects such as the concept of integrated curriculum, teaching methodology, evaluation methodology and the use of developed materials. The training was conducted for teachers teaching in basic level classes 1-3. It is necessary to bring the concept of the new curriculum to the teachers and the demand of teachers for</p>

DLIs	Year 1 (FY 2022-23) and Year 2 (FY 2023-24) Progress
	training on this subject is also high, so the training was conducted by arranging additional programs and budgets from the provincial level. The achievement report has been submitted to the EU for disbursement accordingly.
3.2a.i. 200 LGs implementing a continuous teacher support system (TPD) in at least 80% of total schools	Data collection for the 200 LGs implementing the TPD framework is underway. The CEHRD proposed for a discussion with DLI 3 partners for clarity on the required data. The meeting shall be scheduled immediately after BRM by 7 June 2024. The achievement will be prepared by 15 July 2024. Finland’s disbursement has to be done within December 2024.
DLI 4 – Strengthened Assessment, Curriculum and Learning Materials	
4.1c. All 753 LGs have (a) access to an item bank of standardised test items for BLE and (b) staff trained on using the standardised test items	<p>There is a delay in the implementation of this DLI. NEB is currently analyzing the test items that were pilot tested in March 2024. The selection of 150 local government to roll out standardized test is ongoing. NEB further needs to work on how local governments will be able to access the standardized test items that have been banked online. Some additional reflection on this DLI in the TC was agreed, as there are concerns about test items (and answers) being made available to the public.</p> <p>It was agreed to have additional discussions on this DLI, as there are concerns about test items (and answers) being made available to the public.</p>
DLI 5 – Improved Governance and Strengthened Fiduciary Management of the School Sector	
5.1c. Guidelines for the formulation of GESI-responsive and disaster and climate resilient LG periodic education plan approved and disseminated to the LGs.	The guideline for formulation of GESI-responsive disaster and climate resilient LG periodic education plan has been prepared by CEHRD and is in an approval process. It is expected to be approved by 25 June 2024.
5.1d. GESI-responsive school report cards from EMIS used in school audit in at least 80% of schools	The proposed change in EMIS to facilitate generating the GESI-responsive school report cards is yet to be approved and implemented. The Mission was informed that the EMIS will be revised by 15 July 2024. MoEST/CEHRD has revised the social audit guidelines instructing schools to use the

DLIs	Year 1 (FY 2022-23) and Year 2 (FY 2023-24) Progress
	report cards in schools' social audits. DLI achievement is expected by JRM 2024.
5.2a. Performance grant scheme approved, and baseline established for 753 LGs on performance indicators	Indicators are being developed by the CEHRD aligned with LISA. However, discussions are required between the government and the World Bank (JFP for this DLI) to agree on the indicators and details on the grant scheme.

Anticipated Achievement of YEAR 1 & YEAR 2 DLIs

33. The table below outlines the anticipated submission dates for achievement reports for each DLI.

DLI 1: Improving Enabling Environment and Learning Outcomes

DLI TARGETS	ANTICIPATED SUBMISSION DATE FOR ACHIEVEMENT REPORT
<p>Year 1 (2022/23) 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)</p>	<p>Report submitted in Dec. 2023; additional information requested by ADB/WB will be submitted by 15 Aug. 2024</p>
<p>Year 2 (2023/24) 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)</p>	<p>15 Aug. 2024</p>
<p>Year 1 (2022/23) 1.1a.ii 80 percent of students received integrated curriculum student practice books in 100 local governments (USAID US\$0.2 million)</p>	<p>20 Jun. 2024</p>
<p>Year 2 (2023/24) 1.2a.ii 80 percent of students received integrated curriculum</p>	

DLI TARGETS	ANTICIPATED SUBMISSION DATE FOR ACHIEVEMENT REPORT
student practice books in 200 local governments (USAID US\$0.4 million)	
<u>Year 1 (2022/23)</u> 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 US\$1 million)	Aug. 2024
<u>Year 2 (2023/24)</u> 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 US\$1 million)	
<u>Year 1 (2022/23)</u> 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 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)	Completed (up to third year)
<u>Year 2 (2023/24)</u> 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 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)	
<u>Year 1 (2022/23)</u> 1.1c Strategic roadmap for upgrading content for the on-line learning portal 'Sikai Chautari' approved. (ADB US\$ 2 million)	30 June 2024
<u>Year 1 (2022/23)</u> 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)	15 Aug. 2024
<u>Year 2 (2023/24)</u> 1.2di School development plan prepared for at least 100% of secondary schools to upgrade their facilities for improved teaching-	Nov. 2024

DLI TARGETS	ANTICIPATED SUBMISSION DATE FOR ACHIEVEMENT REPORT
learning of science subjects in grades 9–12 as per the needs-assessment (ADB US\$5 million)	
<u>Year 2 (2023/24)</u> 1.2dii 500 number of classrooms constructed/ retrofitted in line with the guideline (WB US\$10.5 million)	Aug. 2024
<u>Year 2 (2023/24)</u> 1.2e Baseline and reporting arrangements established for MEC for ECED centers (GPE US\$6.85 million)	Done

DLI 2: Improved Access, Participation and Learning (Including ReAL)

DLI TARGETS	ANTICIPATED SUBMISSION DATE FOR ACHIEVEMENT REPORT
<u>Year 1 (2022/23)</u> 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 US\$0.2 million EU €1 million)	Report was submitted in Mar. 2024; additional information requested by ADB/USAID/WB will be provided by 15 Jun. 2024
<u>Year 2 (2023/24)</u> 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 US\$0.4 million)	15 Jun. 2024
<u>Year 1 (2022/23)</u> 2.1b 2,000 students (grades 6-10) receiving need-based scholarship (USAID US\$0.02 million)	In Independent Verification (IV) Process
<u>Year 2 (2023/24)</u> 2.1b.i 4,000 students (grades 6-10) receiving need-based	Aug. 2024

DLI TARGETS	ANTICIPATED SUBMISSION DATE FOR ACHIEVEMENT REPORT
scholarship (USAID US\$0.02 million)	
<u>Year 2 (2023/24)</u> 2.2b.ii Revised Implementation Standards (IS) for pro-poor scholarship at least covering Grades 6-12, approved by MoEST. (WB US\$2 million, ADB US\$5 million)	In IV process
<u>Year 1 (2022/23)</u> 2.1ci Embedding of equity index in EMIS and establish baseline for all 753 LGs (2021-22) (EU €1 million, FI €0.875 million)	In disbursement process
<u>Year 2 (2023/24)</u> 2.2c 80 LGs confirmed to receive additional resources bases on their EI score (FI €1.05 million, EU €0.5 million)	31 May 2024 (completed)
<u>Year 2 (2023/24)</u> 2.2e 100 local governments conducting disability screening and referring to medical providers (USAID US\$3.86 million)	15 Sept. 2024
<u>Year 2 (2023/24)</u> 2.2g 1,200 students provided with assistive devices (as per category a and b in protocol (USAID US\$0.06 million)	Sept. 2024

DLI 3: Improved Teaching Quality

DLI TARGETS	ANTICIPATED SUBMISSION DATE FOR ACHIEVEMENT REPORT
<u>Year 1 (2022/23)</u> 3.1a (i) Teacher Professional Development framework updated, consulted with all stakeholders, and approved by MoEST, and (ii) Standard Operating Procedures (for implementation of teacher mentoring system in local government approved by MoEST. (GPE (ii) US\$6.85 million, FI (i) €0.875 million; ADB (i) + (ii) US\$4 million)	Disbursement in progress

DLI TARGETS	ANTICIPATED SUBMISSION DATE FOR ACHIEVEMENT REPORT
<p><u>Year 2 (2023/24)</u> 3.2a.i 200 LGs implementing a continuous teacher support system (TPD) in at least 80% of total schools (EU €3 million, Finland €1.05 million, USAID US\$0.02 million)</p>	15 July 2024
<p><u>Year 2 (2023/24)</u> 3.2a.ii 50 LGs implementing the mentoring system at basic education in at least 80% of the schools (WB US\$3 million, GPE US\$3 million, ADB US\$4 million)</p>	15 July 2024
<p><u>Year 1 (2022/23)</u> 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 US\$0.01 million)</p>	15 July 2024
<p><u>Year 1 (2022/23)</u> 3.1b.ii 700 teachers received 10-day TPD certification training under Integrated Curriculum (USAID US\$0.1 million, EU €2 million)</p>	Achievement report submitted
<p><u>Year 2 (2023/24)</u> 3.1b.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)</p>	In IV process
<p><u>Year 2 (2023/24)</u> 3.2b.ii 1,500 teachers received 10-day TPD certification training under Integrated Curriculum (USAID US\$0.3 million)</p>	Aug. 2024

DLI 4: Strengthened Assessment, Curriculum and Learning Materials

DLI TARGETS	ANTICIPATED SUBMISSION DATE FOR ACHIEVEMENT REPORT
<p><u>Year 1 (2022/23)</u> 4.1a NARN framework approved (WB US\$1 million, ADB US\$1 million)</p>	Disbursement completed
<p><u>Year 2 (2023/24)</u> 4.2a NARN conducted and baseline in reading and numeracy</p>	Nov. 2024

DLI TARGETS	ANTICIPATED SUBMISSION DATE FOR ACHIEVEMENT REPORT
proficiency established with disaggregation by gender, students with disability, disadvantaged group, and Dalits. (ADB US\$1 million, USAID US\$0.1 million)	
<u>Year 1 (2022/23)</u> 4.1b National assessment framework for grade 12 approved (ADB US\$2 million)	Disbursement completed
<u>Year 2 (2023/24)</u> 4.2b SEE implemented at provincial level (WB US\$2 million)	Need to be discussed
<u>Year 1 (2022/23)</u> 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)	Need to be discussed
<u>Year 2 (2023/24)</u> 4.2c At least 20% of Local Governments conducting BLE by using the standardized test items (ADB US\$3 million)	Need to be discussed

DLI 5: Improved Governance and Strengthened Fiduciary Management of the School Sector

DLI TARGETS	ANTICIPATED SUBMISSION DATE FOR ACHIEVEMENT REPORT
<u>Year 2 (2023/24)</u> 5.2a Performance grant scheme approved, and baseline established for 753 LGs on performance indicators (WB US\$4 million)	Need to be discussed
<u>Year 1 (2022/23)</u> 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)	25 June 2024 (Guideline has been developed and is in an approval process)

DLI TARGETS	ANTICIPATED SUBMISSION DATE FOR ACHIEVEMENT REPORT
<p><u>Year 2 (2023/24)</u> 5.2c 40% of the 753 Local Governments (i.e., 301) have approved GESI-responsive and disaster and climate-resilient local education plans and uploaded on their website (ADB US\$3 million)</p>	Sept. 2024
<p><u>Year 1 (2022/23)</u> 5.1d GESI-responsive School report cards from EMIS used in social audits in at least 80% of schools (ADB US\$3 million)</p>	Nov. 2024
<p><u>Year 2 (2023/24)</u> 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)</p>	Audited financial statement and Auditor General's management letter has been shared to the DPs

Expected Disbursement in FY2023-24 and Commitment for FY 2024-25

24. The JFPs shared the amount disbursed, expected to be disbursed during FY 2023/24 and the committed allocation for FY 2024-25, which are presented in table 2. The expected disbursement needs to be proposed as per the disbursement schedule mentioned in the bilateral agreement.

Table 2: Expected disbursement from JFPs in FY 2023-24 and FY 2024-25

JFP	Type	FY 2023/24	FY 2024/25
ADB	DLI	US\$15,000,000 (disbursed)	US\$69,000,000
European Union	Fixed/DLI	EUR 3,000,000 / 9,500,000	EUR 3,000,000 / 11,000,000
Finland	Fixed/DLI	EUR 1,750,000 / 1,750,000 (disbursed)	EUR 2,100,000 / 2,100,000
GPE	DLI Fixed/DLI *	US\$6,850,000 (under process)	US\$9,850,000

Norway	Fixed	NOK 45,000,000 (disbursed)	NOK 45,000,000
UNICEF	Fixed	US\$500,000	US\$500,000
USAID	DLI	US\$1,600,000	US\$6,100,000
World Bank	DLI	US\$4,940,000 (disbursed) US\$1,000,000 (under process) US\$2,000,000 (expected within this FY)	US\$28,500,000

*The GPE Multiplier fund of US\$ 28.2 million will be made available next FY once the revised expression of interest and program application of the GPE Multiplier is approved by the GPE Board. Upon approval, US\$28.2 million will be managed by two GAs, the World Bank and UNICEF.

Updates against the Program Action Plan

25. The progress of the PAP was updated during the BRM based on the discussion held in Thematic Committees and Working Group meetings (Annex 6). It was agreed that continuous discussion in thematic committees and thematic working groups meet regularly for PAP actions progress. BRM also noted that certain PAP actions require coordination among other federal agencies for their progress. It was agreed that MoEST will proactively reach out to these federal agencies to strengthen coordination and start collaborating at technical level. The next sections present updates against five focus of the PAP, namely, Technical, Financial Management, Safeguards, and Monitoring and Evaluation/EMIS, and Gender Equality and Social Inclusion.

A. Technical Actions

26. The Meeting observed that adequate budget for program activities is provided in ASIP/AWPB FY 2024/25. A separate budget code for the World Bank IPF component has been established for FY 2024/25. Piloting of standardized test items for BLE (Grade 8) needs to be discussed.

B. Financial Management Actions

27. MoEST informed the Meeting that adequate budget provision for Program activities, including DLIs and PAP have been made in the ASIP/AWPB for FY 2024-25. The Meeting noted that education budget increased compared to last year and provided suggestions for additional budget to specific program areas, including ECE MEC, where additional funds are needed to achieve program results. The Meeting was informed that

the PFM TA has begun working together with the CEHRD finance team. Funds are available for additional TA to support PFM. A TOR is currently being prepared. Furthermore, the SESP Audit Report for FY 22/23 has been submitted and is currently being reviewed by the JFPs.

28. The Meeting discussed coordination strategies with relevant ministries/agencies to ensure all local levels conduct school-level audit effectively to address the areas for improvement in school financial fiduciary management (refer to para 19). The Meeting discussed that MoEST and MoFAGA could jointly evaluate the effectiveness of the MoFAGA guidelines on financial management, internal controls and fiduciary risk management at the school level compared to previous years.

29. Resolving long standing fiduciary issues. The Meeting discussed the need to be reviewing and assessing fiduciary related issues. The Meeting agreed to take stock of actions that have already taken place and identify further steps to resolve these issues. In addition, the Meeting also explored the possibility of incorporating aspects of fiduciary risk management guidelines into the Program Implementation Manual (PIM) for better oversight and management of SESP budget at the sub-national levels. The proposal to consolidate all guidelines in one book might be a suitable method to share the PFM guidelines (refer to para 21).

C. Safeguards (Environmental and Social Risk) Management Actions

30. As agreed in the ESCP, CEHRD needs to establish an Environment and Social (E&S) Unit within the organizational structure with qualified staff to carry out E&S actions and oversee the implementation of E&S management.

31. The Meeting was informed that environmental and social specialists have been mobilized through a TA to support the CEHRD with consolidating the existing EMF and SMF and prepare a harmonized ESMF that reflects safeguard requirements for the SESP. The consultants have submitted the inception report for comments and will submit the draft report by 30 June 2024.

32. The Meeting agreed that MoEST will formally reach out to MoFAGA, NARMIN and MUAN to discuss on how federal ministries will support LGs in strengthening E&S monitoring, including the E&S committees at the local level, and strengthening the GRM mechanism. CEHRD focal points needs to be sufficiently resourced to support this process.

33. The Meeting reminded MoEST/CEHRD to submit the final safeguards monitoring

report in line with the updated format. MoEST/CEHRD committed to submit the report by 15 July 2024.

D. Monitoring and Evaluation Actions

34. The Meeting noted progress with regard to strengthening EMIS and M&E, as the M&E officers from 415 LGs have been trained (either in person or virtual) and have been accordingly providing training to schools. EMIS was also updated to incorporate the MECs for ECED and work is ongoing to update the data fields to enable monitoring basic/advanced WASH in school facilities, as per the SESP targets. The current level of disaggregation in IEMIS was reviewed by the Thematic Working Group to confirm that this allows GESI-responsive report cards to be produced that are to be used in social audits. The Meeting agreed that this data disaggregation will be included in IEMIS by June 2024. The Meeting further agreed for the EMIS thematic working group to prepare a TOR for EMIS verification study before JRM 2024, for which an initial meeting will be convened by 15 August 2024.

E. Gender Equality and Social Inclusion Actions

35. An analysis of the status of Out Of School Children (OOSC) against the 2016 exercise² confirms that Nepal made solid progress on increasing access for children, especially in the early grades. Gender and disability friendly designs have been incorporated in the School Physical Facilities Development and Implementation Guidelines 2080 (2023), while Girls and Inclusive Education Network (GIEN) strategies and standards have been approved and uploaded to the CEHRD website. LGs have developed a Gender Equality and Social Inclusion (GESI)-sensitive periodic education sector plan. The training of teachers in disability-inclusive teaching is ongoing. The pro-poor targeted scholarship guidelines have been approved. However, more effort is needed to prevent children from dropping out before completing a full education cycle. The Meeting also took note of the increase in repetition rates in the early grade and the decline of the net enrolment rate as presented in the Flash data. The Meeting noted the planned updating of the 2014 Consolidated Equity Strategy for the Nepal school education sector, the roll out of the GIEN, and the dissemination of the disability screening template to schools as major interventions.

² UNICEF, 2016. [Global Initiative on Out of School Children – Nepal Country Study](#).

III. Others

Implementation arrangements and Technical Assistance under the SESP

36. **Common Framework for Technical Assistance and TSU establishment (Annex 8):** The Meeting noted the initial overview presented on non-pooled support compiled by the TSU TA. It was agreed to extend the deadline for LEDPG members to report their support through the link provided by DACS to 15 May 2024. Following this, DACS would consolidate and share an overview of the support, segregating technical assistance, programmatic support and on-budget/off-treasury support, as well as convene an initial coordination meeting of focal points of major support for further coordination and alignment.

Field trip observations

37. Prior to BRM main mission, joint field monitoring visits were conducted in three provinces: Gandaki Province, Koshi Province and Bagmati Province. The teams consisted of representative from MoEST and its Central Level Agencies, JFPs and DPs. During these field trips, discussions were held on local-level planning and budgeting, and progress and challenges of SESP implementation were observed. The focus areas included: (i) Equity and Inclusion (enrollment campaigns, support for marginalized/disadvantaged groups and for children with disabilities); (ii) Climate change and resilience; (iii) Demographic changes' impact on schools. Field visit reports and presentations are detailed in Annexes 11a, 11b, 11c, and 11d.

Voices of sub-national-level stakeholders

38. Presentations from two local governments and two provincial training centers echoed the observations from the field trips. The LGs highlighted that their municipal education plans were tailored to address specific local needs and enhance teaching and learning. They emphasized investments of local resources in education, including innovative practices such as promoting inclusion of girls and marginalized children, establishing math labs, and fostering parental engagement. However, they also stressed challenges such as uneven teacher distribution, insufficiently trained staff, and rigid budget constraints. Addressing local educational needs, retaining talent, engaging stakeholders, and conducting student achievement analyses were identified as critical at the local level (Annexes 12a, 12b, and 12c).

Civil Society Organization engagement in SESP

39. The Meeting was informed by presentations made by the Association of International Non-Governmental Organizations (INGOs) in Nepal (AIN) and the National Campaign for Education for Nepal (NCE-Nepal). NCE-Nepal highlighted the budget allocation for 2023/2024. AIN gave an overview of the main support of Civil Society Organisations (CSOs) for the implementation of the SESP, highlighting the support on development of local education policies and budgeting process, awareness raising among local education stakeholders about education rights and rights of marginalized and school enrolment campaign. AIN members' direct investment through the implementing partner NGOs and technical assistance have also contributed to achieving DLIs related to SESP. In 2023, AIN supported the education sector in all seven provinces, 368 LGs, and 8,697 schools benefiting 957,052 students through an investment of US\$ 16.7 million. AIN members supported ReAL program implementation in 126 LGs and 4,201 schools. The presentation by the AIN is included as Annex 13a and the presentation by the NCE is included as Annex 13b.

GPE Engagement

40. **GPE Multiplier:** Under the GPE Multiplier, Nepal is eligible to access a maximum country allocation for US\$40 million, for which expression of Interest (Eol) was submitted last year to unlock an initial US\$28.2 million. The World Bank, as the coordinating agency for the GPE, updated the status of the Multiplier application and proposed changes to the original Eol to accommodate on-budget on-treasury program-based funding, including school meals and earthquake response related activities. The change in the funding modality also necessitated to appoint another Grant Agent (GA). The Meeting endorsed the proposed changes to the funding modalities and to appoint UNICEF as a co-GA for US\$17.2 million of the total Multiplier amount. The LEDPG endorsed the revised Multiplier EOI on 29 April 2024, which was submitted to GPE for approval on 30 April 2024.

41. **Other GPE engagement:** The GPE Country Lead for Nepal presented an overview of available GPE programs (see Annex 9). Besides the ongoing System Transformation Grant and System Capacity Grant, 10 projects have received funding from Knowledge and Information Exchange Support (KIX) global and regional grants for Nepal. Other initiatives that Nepal is taking part are funding for the Climate Smart Education System and Safe to Learn initiatives. The meeting noted the importance of KIX initiatives to take note of knowledge gaps and research needs identified through the joint sector reviews and thematic working groups and for Government to be engaged from the conceptualization phase, rather than notified after these have been approved.

Remarks by the Minister

42. Representatives of JFPs met with the Minister and received guidance on her reform priorities, including: (i) With limited resources, we could deliver integrated ECED services through a multi-sectoral and innovative approach; (ii) It is critical to build the capacity of LGs, particularly those with marginalized communities, to effectively deliver basic education services, considering their priorities. An increased amount of unconditional grants can be utilized effectively to address local context; (iii) Linking EMIS with National ID can enable the federal and local governments to track students, identify out-of-school and at-risk children, and better target those in need of financial and other support; (iv) The government, in partnership with the private sector, needs to improve the quality and relevance of TVET, including enhancement of career counseling and information on the labor market demand.

43. These priority issues aligned with the key topics discussed during the BRM and agreed actions summarized in the next section.

Remarks by the Ministry of Finance

44. During the wrap-up meeting chaired by Mr. Ritesh Shakya, Joint Secretary of Budget and Programme Division, Ministry of Finance (MoF), the MoEST team, led by Mr. Imanarayan Shrestha, Joint Secretary of Planning and Monitoring Division, along with representatives from JFPs, briefed MoF on key financing matters. The key responses from MoF were as follows: (i) Immediate finalization of discussions on resolving ineligible expenditures under SSRP with MoEST. (ii) Due to resource constraints, prioritizing more efficient and maximal utilization of the available education budget, including funding from development partners, before considering increments. (iii) Allocation of substantial grants for earthquake recovery from the 2023 earthquake in Jajarkot. (iv) Clarification that since teachers are government employees, their salaries are based on the government salary framework and cannot easily be increased. However, they receive other incentives such as training and social security. (v) Gradual transition towards alternative forms of grant transfers to local governments as opposed to conditional grants.

III. Key Issues and Agreed Actions

Key Issues

41. During the discussions held, the following key issues were jointly identified:

- **There is an urgent need to prioritize improving learning outcomes and effectively measuring them.** Despite significant progress in access to basic education, the impact of development programs on learning outcomes needs to be further analyzed.
- With the SESP about to enter its third year of implementation, key issues around teacher management and deployment and local accountability for results remain a challenge. In the meantime, the Meeting acknowledged that SESP programs have filled the legislative gap, for instance, through empowering local-level governments in formulating education policies, advocating for increased budgets at both federal and sub-national levels, efficiently implementing plans, monitoring and analyzing progress in learning outcomes and teachers and schools' performances, and facilitating evidence-based planning and scaling of interventions. Nationwide expansion and successful execution of these initiatives require capacity building among local governments, school administrators and school management committees.
- **There is a need** to address existing disparities in resource distribution, including student-teacher ratios that remain high in certain areas. The current conditionalities of grants restrict to an extent to respond to LGs based on their needs. The meeting agreed that it is necessary to gradually shift towards more block grants and fewer conditional grants to empower local decision-making according to their priorities, while enhancing the effective utilization of available resources at planning, data management, monitoring and measurement of outcomes levels. The meeting also noted that while the budget allocation to the education sector is increasing, more public financing, from all three tiers of government, will be needed, to provide quality education to all, including the hard-to-reach, and to provide quality higher secondary and TVET.
- **It is essential to address teacher shortages and inequitable deployment.** The BRM agreed on the need to increase teacher quotas to alleviate absolute shortages, especially in critical subjects like Science, Math, and English. At the same time, it is essential to enhance teacher accountability to maximize the effectiveness of the existing teaching workforce. The BRM stressed the importance of continuous teacher professional development and enhancement of teacher accountability.
- Despite the benefits of using mother tongues and Nepali language as the medium of instruction substantiated by empirical evidence, especially in the early stages of learning, it was observed that many community schools feel pressured to switch to

English as the medium of instruction due to parental preferences, or parents opt to choose to enroll their children in private schools for this reason. The **language policy** is intricate and requires a delicate balance. The BRM agreed to initiate discussions regarding this emerging issue.

- The Meeting agreed to settle the refund and resolution of the outstanding **ineligible expenditure issue** from the previous SWAP operations, particularly SSRP (School Sector Reform Plan) which has been pending since 2016. The BRM noted that the issue has not been settled despite having this as an agreed action during 2023 JRM and 2022 BRM as well as continuous follow-up bilateral meetings between relevant DPs and the government) and official communications between MoEST and MoF. After continued collaboration with MoEST and CEHRD, MoF agreed during the wrap-up meeting to conclude discussions with MoEST and promptly resolve the issue. Actions for the settlement of outstanding ineligible expenditures from the SSDP (School Sector Development Plan) were agreed.

Agreed Actions

34. The table below summarizes Agreed Actions, including those that had been agreed during the 2023 JRM but yet to be completed and those agreed during the 2024 BRM.

No.	Action	Revised Deadline	Responsibility
1	Complete SSRP ineligible expenditure refund process for Norway	30 Jun. 2024	MoF/ MoEST/ CEHRD
2	Complete SSRP ineligible expenditure refund process for JICA	1 Sept. 2024	MoF/ MoEST/ CEHRD
3	Develop a PAP action plan to settle the SSDP ineligible expenditure refund process to the relevant JFPs	16 Jul. 2024	CEHRD
4	Convene a meeting with MoFAGA and MUAN/NARMIN (LG representatives) to discuss progress and or approach on LG strengthening in FM and Safeguards	Commence technical discussions by 15 Jun. 2024	MoEST
5	Joint meeting with the CEHRD/MoEST and JFPs to fill the gap in enhancing the government's PFM capacity	15 Jun. 2024	MoEST/CEHRD/DP Focal Point/ADB/ WB
6	MoEST will send a formal request MoF and MoFAGA to accommodate technical level collaboration on PFM and Safeguards	10 Jun. 2024	MoEST
7	Complete the TOR for the Annual Fiduciary Review	1 Jul. 2024	MoEST/CEHRD/JFPs
8	MoEST/CEHRD share audit observations resolution update (based on the monitoring sheet)	15 Jun. 2024	MoEST/CEHRD
9	MoEST to frequently update JFPs on the communication between CEHRD/MoEST and MoF concerning SSRP and SSDP ineligible expenditures and settle the matter.	15 Jul. 2024	MoEST/CEHRD/MoF
10	MoEST to confirm the costing to improve ECE MEC.	30 Jun. 2024	MoEST/CEHRD
11	MoEST to organize a joint meeting with relevant stakeholders in which CLPIU will present a draft action	14 May 2024	MoEST, CLPIU,

No.	Action	Revised Deadline	Responsibility
	plan for financing (reallocation of MoEST's FY 2023-24 unspent budget, GPE, loans, Emergency Credits, other grants) and implementation modality for construction of Type II TLC's before the rainy season.	(completed)	Education Cluster, DP's
1 2	MoEST to organize a brainstorm meeting with relevant stakeholders to discuss a way forward to provide high quality, efficient, and relevant TVET education in the Nepal Education system, in line with the SESP and TVET Sector Strategic Plan.	30 Jun. 2024	MoEST, CEHRD, CTEVT, Industry Skills Councils, MOLESS, DPs
1 3	ERO to discuss possible quantitative/qualitative studies to follow up on NASA and Flash results for deeper understanding on institutional schools	30 Jun. 2024	ERO
1 4	IEMIS will include data disaggregation to enable production of GESI-responsive report cards	15 Jul. 2024	CEHRD
1 5	Prepare a TOR for EMIS verification study to lead up to the Mid-Term Review	15 Aug. 2024	CEHRD
1 6	Prepare a possible pilot approach for more flexible conditional grants to selected LGs	31 Aug. 2024	MoEST
1 7	Explore an approach for possible consolidation of all different guidelines to support local governments and the audit	31 Aug. 2024	MoEST
1 8	Mapping of non-pooled support to SESP to be completed through the DACS survey	15 May 2024 (completed)	DPs
1 9	A Guideline for formulation of a GESI-responsive and disaster and climate resilient LG periodic education plan to be finalized.	25 Jun. 2024	CEHRD
2 0	Update the Guidelines / Framework for quality implementation of the Midday Meals (MDM) programme to include National Home-Grown School Feeding	31 Dec. 2024	CEHRD
2 1	Conduct a meeting with concerned Partners on the operationalisation of MDM using the HGSF approach	20 Jun. 2024	CEHRD
2	Discuss possible revisions to DLIs 4.2b, 4.1c and 4.2c	15 Jun.	CEHRD /

No.	Action	Revised Deadline	Responsibility
2	(relating to SEE for possible revision of the DLI)	2024	ADB / WB/NEB
2 3	Discuss a possible revision to DLI 5.2a (Performance grant scheme approved, and baseline established for 753 LGs on performance indicators)	15 Jun. 2024	CEHRD / WB

IV. List of Annexes

Annex 1	Terms of Reference for the 2024 BRM
Annex 2	List of participants of the 2024 BRM
Annex 3	Presentation on the 2023-24 Flash I Report
Annex 4	Presentation on the ASIP/AWPB for FY 2024-25
Annex 5a	Progress Report on 2023 JRM Agreed Actions
Annex 5b	Progress Report on Years 1 and 2 DLIs
Annex 6a	Progress Report on the SESP PAP
Annex 6b	Draft Audit Report FY 2022-2023
Annex 7	Presentation on the outputs of the SESP Thematic Committees and Working Groups
Annex 8	Presentation on the establishment of the TSU within MoEST
Annex 9	Presentation on the various GPE grants
Annex 11a	Koshi Field Visit report
Annex 11b	Bagmati Field visit report
Annex 11c	Gandaki Field visit report
Annex 11d	Field Visit Presentations
Annex 12a	Presentations by Suryodaya Municipality
Annex 12b	Presentations by Rishing Rural Municipality
Annex 12c	Presentations by Provincial educational training center
Annex 13a	Presentation made on the engagement in the SESP by AIN
Annex 13b	Presentations made on the engagement in the SESP by NCE

The annexes can be accessed through the following link:

<https://drive.google.com/drive/folders/1Qt5zdiJcRhaHnN7z4zjkGVpFBEmJUaGa?usp=sharing>