

# Global Partnership for Education

## Thematic and Country-level Evaluation

### Nepal Case Study (2024)

#### Transformation potential of the priority reform, Nepal's position to implement this reform, and GPE support to the reform process up to the compact

#### Introduction and background

This report is a part of the Thematic and Country-Level Evaluation (TCLE) of the Global Partnership for Education (GPE)'s global and country-level support to its partner countries as part of its [Strategic Plan for 2021–2025](#) (GPE 2025). To operationalize this strategy, GPE's operating model seeks to support governments to transform their education systems. Nepal was selected as one of eight country cases for study as part the evaluation,<sup>1</sup> which explores Nepal's potential for transformative reform by closely examining the process of the partnership compact development, selection of its priority reform, and potential for implementation.<sup>2</sup> This case study uses evidence from primary data (interviews with key country-level stakeholders with fieldwork conducted between July 28 and August 2, 2023, in Kathmandu, Nepal) and a secondary document review. A stakeholder map, list of respondents interviewed, and a full list of documents reviewed can be found in annexes 5 and 6.

#### Current education situation in Nepal

As a result of the significant changes promulgated by the 2015 Constitution, Nepal is in a period of transition to a federal system whose goal for the education sector is to improve efficiency, establish institutional legitimacy, improve quality of teaching and learning, address cultural difference and linguistic pluralism, and provide alternatives to the financing gaps at the local level.<sup>3</sup> The key changes to the education sector include granting the responsibility of delivering public education to the 753 local governments, with federal ministries retaining responsibility for policy development, coordination, quality assurance and setting of quality standards and measures.<sup>4</sup> Since 2015, Nepal has introduced several acts which has supported free and compulsory basic education (Grades 1-8) and free secondary education (Grades 9-12)<sup>5</sup> but as of the time of writing of this case study, Nepal has yet to formally approve the Federal Education Bill ("Education Act") which supports the clear delegation of responsibilities amongst the federal, provincial and local governments to manage the education system. Nepal also faces challenges in access to education, with a large portion of the school age population estimated to be out of school and completion rates dropping significantly between primary-level (82%) and upper secondary education (27%).<sup>6</sup> Furthermore, there continues to be inequalities in education; although gender parity has been achieved in basic and secondary school enrolment, girls are disproportionately less likely to access early childhood education and development (ECED), with the ratio of girls to boys averaging around 0.90 over the last 10 years.<sup>7</sup> Further disparities are evident when education outcomes are disaggregated by caste, ethnicity, and geography. Delivery of education has been particularly challenging at the early grade education level.

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<sup>1</sup> The other seven partner countries sampled are Cambodia, Democratic Republic of the Congo, El Salvador, Nepal, Sierra Leone, Tajikistan, and Tanzania – Mainland.

<sup>2</sup> The other seven partner countries sampled include Cambodia, Democratic Republic of the Congo, El Salvador, Sierra Leone, Tajikistan, Tanzania – Mainland, and Uganda.

<sup>3</sup> Kharel, A. B. (2022). Models of Federalism and Nepal's Practices. *Journal of Political Science*, p.40–50. <https://doi.org/10.3126/jps.v22i1.43038>.

<sup>4</sup> GPE (April 2021). *Nepal – Country Analytics (Secretariat Internal Document)*.

<sup>5</sup> Through the Free and Compulsory Act of 2018 and the 2019 National Education Policy.

<sup>6</sup> UNESCO UIS, 2023 ; UNICEF, GPE KIX (2022) ; UNICEF (n.d.). *Nepal Education Fact Sheets*. <https://data.unicef.org/>.

<sup>7</sup> Nepal partnership compact (Strategic Partnership Agreement)

Despite the emphasis by the Government of Nepal on the importance of early grade education to build strong foundational learning skills for future education and the existence of 30,000 early childhood centers across the country, finding and retaining facilitators for these centers remains a persistent challenge.<sup>8</sup>

## GPE partnership in Nepal

Nepal joined GPE in 2009 and has received a total of US\$236.8m over 10 grants. Currently, in Nepal the GPE partnership is supported by the World Bank<sup>9</sup> as the coordinating agency. Nepal receives further support from GPE as part of GPE's Knowledge and Innovation Exchange (KIX), in which Nepal is part of the KIX Europe, Asia and Pacific hub, with three global and five regional research projects operationalized to date. Nepal is also supported by GPE's Education Out Loud (EOL), where an EOL grant has supported the National Campaign for Education Nepal (NCE-Nepal) for the 2020-2023 period. Nepal is part of two further transnational alliances which have received EOL grants.<sup>10</sup>

## Nepal's engagement with GPE 2025

Nepal is part of GPE 2025's pilot cohort. Its engagement in GPE 2025 began in January 2021 and Nepal completed its enabling factors analysis in October 2021. Nepal's enabling factors assessment and Independent Technical Advisory Panel (ITAP) assessment was finalized in January in 2022 and Nepal finalized its partnership compact in June 2022. Subsequently, the GPE Board approved its allocation and strategic parameters of GPE's support to Nepal in July 2022.

As part of GPE 2025, Nepal is eligible for three grants: the system transformation grant (STG), the system capacity grant (SCG) and multiplier grant. The \$20m STG application was approved by the GPE Board in January 2023 and grant disbursement began in June 2023 with the World Bank as the grant agent. Nepal's \$3.4m SCG application was approved, and disbursement began in August 2023, with UNICEF and World Bank as grant agents.

Nepal's selected priority reform envisions achieving system transformation by unlocking the system's capacity to train, deploy, and support teachers to deliver pedagogically-sound, need based, and inclusive education. The priority reform was selected to ensure a smooth transition toward an education system in which a major share of the budget is allocated to local governments. The priority reform intends to achieve three main outcomes:

- **Quality teaching** delivered by qualified and motivated teachers who facilitate teaching and learning processes that lead to age-appropriate learning outcomes, by focusing on ensuring the necessary policies and facilities are in place to provide a “pedagogically-sound, need-based and gender- and socially inclusive enabling learning environment.”
- The provision of **early childhood education (ECE)** builds strong foundational learning skills to prepare students and improve learning outcomes in later stages of education.
- **Gender equality** achieved by building local government capacity to adapt national policy and planning frameworks to local contexts, enabling gender-responsive planning, implementation, and monitoring, and enforcing gender inclusive policies at the school level to ensure that schools are gender-sensitive and free from gender-based violence and harassment.

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<sup>8</sup> SSRP (2009-2015); SSDP (2016-2022); SESP (2022-2032). See also World Bank (n.d.). *Nepal Early Childhood Education Diagnostic*. <https://documents1.worldbank.org/curated/en/360661581062678667/pdf/Nepal-Early-Childhood-Education-Diagnostic.pdf>.

<sup>9</sup> Note that at the time of data collection for the case study, UNICEF was the coordinating agency.

<sup>10</sup> The two transnational alliances, funded under EOL's Operational Component 3, include the South Asian Assessment Alliance led by Street Child and the Tax Education Alliance (TaxEd) led by ActionAid International. Both grants were operational for 2021-2023.

# 1. Did the GPE model help with policy dialogue, identification of system bottlenecks, and solutions to address these bottlenecks for better education outcomes?

## How inclusive is the policy dialogue in Nepal?

Historically, the level of inclusiveness of the policy dialogue at the national (federal) level is considered to be strong, characterized by government leadership and a long-standing, existing coordination mechanism for the local education group supported by use of a Sector Wide Approach (SWAp). We found strong evidence that the GPE operating model further supports this inclusive dialogue at the country level by promoting a compact development process that was government-led and involved all relevant stakeholders, including support from the then coordinating agency and the GPE Secretariat. The compact development process was led by a compact working group, which included representatives across the local education group, including from the Ministry of Education, Science and Technology (MoEST) and representatives from provincial and local governments as well as non-government representatives from the joint financing partners (JFPs), other development partners, and international non-governmental organizations (INGOs) and civil society organizations (CSOs), with specific leadership from the federal government and development partner co-leads and a working group coordinator. This ensured that the priority reform had strong support and buy-in across different actors. All stakeholders interviewed agreed that the planning process of the compact was inclusive, although one CSO respondent suggested that subsequent consultations for joint monitoring during implementation could be strengthened at the local level to ensure meaningful participation from local government authorities. A concern around the limited engagement of civil society and local government representatives across diverse geographies was demonstrated by the online survey conducted during the COVID-19 pandemic when face-to-face consultations were not possible to seek the views of relevant stakeholders. The breakdown of respondents by province suggests that the majority of responses (73%) reside in Bagmati province, 46% of whom come from just one municipality (Lalitpur Metropolitan City) which is known to be an affluent area, popular with UN, donor and INGO staff. In fact, those three groups make up 77% of respondents which suggests there might be a potential bias in the results.

## What enabling factors bottlenecks were identified and what policy actions/interventions were chosen to address the bottlenecks in Nepal?

As part of the enabling factors analysis, bottlenecks and policy actions were identified in the three enabling factors that were rated as medium priority (gender-responsive sector planning, policy and monitoring, sector coordination, and volume, equity, and efficiency of domestic finance). In Nepal, one further enabling factor (data and evidence) was considered a low priority; no enabling factor was rated as high priority.

The partnership compact contains a section that discusses enabling factors in detail and includes some discussion on the proposed policy actions, strategies, and activities to address the identified bottlenecks to the enabling factors. Here, we have additionally reviewed subsequently developed grant documentation for this analysis.

As highlighted in the compact and the recommendations put forward in the ITAP report, the identified bottlenecks across the enabling factors primarily concerned the need to address capacity challenges as the government structure shifts towards devolution. This bottleneck was also in part informed by evidence generated through the Education Sector Analysis (ESA) conducted in 2021 and is aligned with the School Education Sector Plan (SESP). As reported in interviews with JFPs and government stakeholders, the planned adoption of the Federal Education Act, which would outline clear roles and responsibilities of local government delivering education services in the context of federalism, will be key to facilitate capacity for system transformation: “[it] will be an engine to facilitate reform, but it takes time.” However, the importance of this and how the compact and the Education Act will be articulated when they become operationalized is not explicitly referenced in the compact. Proposed policy actions for each of the enabling factors categories focus on supporting the ongoing decentralization through the strengthening of regional and local structures and devolution processes to ensure appropriate resourcing and alignment across all levels of the

education architecture. We explore these, as related to the three medium priority enabling factors, below.

**Gender-responsive sector planning, policy, and monitoring:** While progress has been made towards gender parity at early, basic, and secondary education levels in Nepal, the enabling factors analysis highlighted that the main bottlenecks in this enabling factor are the need for targeted interventions to support the local implementation of gender-responsive sector planning and policy as well as a lack of management capacity at central and school-levels to comply with or enforce policies. The emphasis on the importance of supporting capacity building for local governments to support gender-responsive sector planning, policy and monitoring prompted ITAP to upgrade the priority rating for this enabling factor from low to medium.

Nepal will use its SCG to address these bottlenecks, including to support policy actions addressing the capacitation of local governments to adapt and contextualize SESP in their local education plans and budgets, capacity building for MoEST, Center for Education and Human Resource Development (CEHRD), and provincial and local governments for gender-responsive planning, monitoring and evaluation, and the development of a professional development scheme for female officers and head teachers with the objective to increase gender balance at officer, head teacher and management levels across all government tiers).<sup>11</sup>

Another identified bottleneck to gender-responsive sector planning is the lack of finalized regulations for teacher management in a federal system. Policy actions proposed as part of the STG aim to strengthen support to teachers and ensure minimum enabling conditions in ECED centers.<sup>12</sup> In particular, the fixed part of the grant will support the translation and contextualization of the TEACH classroom observation tool. Concerning teaching quality itself, the enabling factors analysis also highlighted insufficient and low-quality pre-service teacher training and insufficient institutional capacity for in-service training to support the roll out of gender-sensitive teacher training. Policy actions proposed in the partnership compact to address these include ambitions to build the capacity of local governments to adapt policy and planning frameworks to the local context to address both pre-service and in-service teacher training, enabling teachers to better respond to learner needs; and strengthening teacher management, rationalization, and redeployment. Additionally, as part of KIX, Nepal will benefit from three regional projects which examine the impact of gender and inclusive pedagogies on learning achievement, the role of school leaders as agents of change for equity and inclusion, and a multi-modal approach to teacher professional development. These are all related to the gender-related bottlenecks identified in the enabling factor analysis that highlight insufficient teacher training and a lack of management capacity at school level to comply with central level gender-related policy recommendations as key barriers to transformation.

The compact identifies a further bottleneck, related to the need to address disparities in access to and quality of ECED/pre-primary education (PPE) through effective planning and monitoring and the limited use of gender disaggregated education data for evidence-based gender-responsive planning and budgeting at local government and school level. Policy actions are proposed as part of the SCG budget to support wider social inclusion efforts (e.g., embedding of the equity index<sup>13</sup> in the education management information system (EMIS) and strengthening the capacity on enforcing the ECED Minimum Enabling Conditions).<sup>14</sup>

**Sector coordination:** As with gender-responsive planning above, the enabling factors analysis highlighted Nepal's long-standing inclusive and participatory approach to sector coordination (enabled through the SWAp and the pooled budget support modality between government and JFPs). As such, the local education group in Nepal ranked this aspect of sector coordination as low priority. However, ensuring that these functions are adapted to facilitate alignment across different government tiers (federal, provincial, and local) is a key potential bottleneck. This is further supported by stakeholder interviews, which emphasized a coordination gap across the three tiers of government and between

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<sup>11</sup> These activities are covered under Activity Group A: *Gender-responsive sector planning, including operational planning and budgeting* (Annex 1 Nepal SCG Budget August 1 updated).

<sup>12</sup> Through disbursement-linked indicator (DLI) 3 and DLI 1 respectively.

<sup>13</sup> An equity index was launched in 2016 by MoEST to allow assessment and comparison of disparities in education outcomes across Nepal and based on that help develop targeted interventions to reduce disparity. The index was developed with support from GPE funding under previous sector plans.

<sup>14</sup> Application form for System Capacity Grant Nepal draft 1 August updated.

different ministries (such as between MoEST and the Ministry of Federal Affairs and General Administration (MoFAGA), the current communication point for local governments) involved in the education sector. Policy actions proposed in the compact include initiating consultations with provincial and local governments and the wider local education group around how to further align the SWAp to the federal structure. At the time of writing the report, there were still many uncertainties around how the gradual devolution of responsibilities for the management of education services will affect the implementation of the priority reform.

This bottleneck also extends to the coordination and alignment of financial mechanisms across government tiers, which was acknowledged both in the enabling factors analysis (and assessed by the local education group as medium priority) as well as by ITAP, who on the basis of the importance of coordinated financing and funding, also rated this enabling factor as medium priority. The compact proposes policy actions to strengthen mechanisms to facilitate co-financing across different government tiers and the establishment of systems to align funds from non-state actors with the priorities and funding constraints in the education sector plans at the federal, provincial, and local government levels. Further policy actions to build capacity and provide technical assistance to the Government of Nepal in fiduciary oversight would support the alignment of financial mechanisms across government tiers. However, aligning funds from non-state actors with education sector priorities appears to be a gap in the SCG budget and application.<sup>15</sup> In interviews, some development partners expressed reservations about the utility of co-financing, with one respondent suggesting this was not “very practical” given the large number of local governments. One stakeholder emphasized that while they acknowledge that the federal government is in the process of devolving responsibilities to the local level (through the use of conditional grants), budget from the federal government should be provided to the local level in a non-conditional way so that local governments are able to identify their own priorities. This could be facilitated by strengthening local governments’ reporting mechanisms to ensure adequate and transparent resource allocation, a policy action Nepal can consider in order to improve sector coordination.

A final identified bottleneck is the lack of clarity around roles and responsibilities across the three tiers of governments. While this was acknowledged in the compact, government stakeholders interviewed felt that plans or strategies to mitigate this challenge could have been more explicitly set out in the compact. At the time of data collection, a common framework for technical assistance was being developed to ensure needs are identified across the three tiers of governments and that support is made available based on demand.<sup>16</sup>

**Domestic financing:** Geographical disparities and financial management were identified as potential bottlenecks to achieving system transformation. All three aspects of domestic financing (equity, volume, and efficiency) will depend on further dialogue and consensus across the tiers of government on the role of the federal government in this process as mentioned in the compact. This suggests the LEG is aware of the need for further dialogue, but it does not provide explicit policy actions of how it plans to address this. The SCG does not include specific details on promoting consensus in relation to financial management apart from supporting increased ownership and engagement among the broader LEG members and stakeholder representatives in the SESP sector dialogue and joint monitoring of progress.

The enabling factors analysis highlighted the need to strengthen existing mechanisms of financing to address “territorial disparities” in fund allocations and financial management, and to reduce disparities in education outcomes. Policy actions listed in the compact to address gaps in this type of enabling factor included strengthening mechanisms of financing to adapt to the decentralized nature of the sector budget and improve equity and balance in the conditions of schooling through covering the remuneration of all teachers through a conditional grant, based on the number of teachers and the student-teacher ratio across the country. However, beyond the plan to ensure the continuous application of the Consolidated Equity Strategy,<sup>17</sup> we did not find further detail on how Nepal plans to

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<sup>15</sup> Annex 1 Nepal SCG Budget August 1 updated.

<sup>16</sup> Government of Nepal, Ministry of Education, Science and Technology, 2023. Common Framework for Technical Assistance: For the School Education Sector Plan. Draft.

<sup>17</sup> The Consolidated Equity Strategy is intended to address the gap related to gender disaggregated data. It was developed by the government to address intersectional and multiple disparities in education and includes an equity

address issues of equity in the SCG and STG applications apart from strengthening the use of the equity index or if other donors are funding additional aspects (e.g. the teacher rationalization and redeployment plan).

Development partners noted that weaknesses in financial management may pose a challenge for the efficiency of domestic financing and that for local governments, improving technical capacity and monitoring at the local level should remain a key area of focus. The compact included a discussion on the efforts to 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. (i.e., development of a teacher rationalization and redeployment plan to contribute to equity by addressing teacher distribution, based on set criteria). Various activities funded under the SCG and STG aim to address issues of efficiency. This includes supporting fiduciary oversight of the central level under SCG which aims to provide more clarity around how education grants will be allocated at provincial and local levels and under the priority reform theory of change's Results Area 1 (Improved teacher capacity and student learning). Given that more than 75% of the national education budget is allocated to teacher salaries, the activities funded through the STG to improve teacher capacity and effectiveness is expected to indirectly improve the efficiency of domestic financing. As such, improving teaching quality has the potential to significantly impact on the system and improve return on investment.

Another GPE initiative, EOL, supports domestic finance-related reforms through a grant to the Tax Education Alliance, which focuses on ensuring adequate domestic financing for the education sector across three countries (Nepal, Senegal, Zambia). It does so by creating a strong civil society alliance at national, regional, and global levels to advocate for an increase in the domestic financing of public education systems in a sustainable and progressive way.<sup>18</sup> However, it is unclear to what extent the EOL grant focuses on addressing geographical disparities in fund allocations, a bottleneck identified in the EFA. More information on the identified bottlenecks related to domestic financing and proposed policy actions can be found in Section 4.

### **How useful were the enabling factors analysis and ITAP processes?**

Overall, stakeholders involved in the compact development process acknowledged the important role that the enabling factors analysis and ITAP processes had in the validation of and subsequent planning for the priority reform, and consequently, in informing policy dialogue.

The enabling factors analysis exercise helped Nepal to undertake an evidence-based process to identify a range of critical bottlenecks to system transformation in Nepal's education sector. The enabling factors analysis drew on a range of sources included in the initial screening template and was further informed by the education sector analysis and a comprehensive needs assessment exercise, informed by consultations. The enabling factors analysis process further supported Nepal to use an evidence-based process to reflect specifically on the bottlenecks to ongoing decentralization efforts related to each of the four enabling factors (for example – the collection and uptake of data and evidence at local government level). As a result, INGOs, CSOs, development partners, and government stakeholders interviewed confirmed the relevance of the identified bottlenecks, the compact and priority reforms in reflecting the key issues facing the education sector in Nepal.

Members interviewed from the local education group acknowledged and endorsed recommendations that came out of the ITAP assessment and reflected these accordingly in the compact, including adjusting the priority ratings of the gender-responsive sector planning, policy and monitoring and sector coordination, inclusive sector dialogue and coordinated action from low to medium priority following the ITAP's assessment. The ITAP assessment identified additional challenges related to

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index that helps rank local governments on levels of equity, to target those with the highest need for additional support based on their equity ranking. An evaluation found a decrease in retention rates, which speaks to the effectiveness of the strategy in bringing children back to school, but not necessarily in increasing school capacity to retain these students. A major bottleneck to the retention of children at schools remains the shortage of teachers in low-performing local governments and in teachers' deployment across schools which is not always based on educational needs (CAYAMBE, 2021. Process-based and Formative Evaluation of the Education Equity Strategy Nepal, 2nd draft report).

<sup>18</sup> <https://actionaid.org/publications/2022/taxed-alliance#:~:text=The%20TaxEd%20Alliance%20brings%20together.domestic%20financing%20of%20public%20education.>

capacity needs and risks of fragmentation as Nepal adapts centralized systems to the federal system. Furthermore, although Nepal has strong mechanisms in place for inclusive dialogue, financial coordination and alignment, the challenge of translating these to the decentralized level is likely to be substantial. The ITAP report stressed that these challenges would likely require significant additional support to devolve planning practices.

In addition, the overlapping timelines of the SESP and the partnership compact development helped discussions related to both processes to build on each other and better inform policy dialogue around issues facing the education sector.

## **2. Do the priority reforms demonstrate potential for transformation?**

### **What is Nepal's understanding of system transformation and the need for transformation?**

Country-level stakeholders broadly buy into and support the concept of system transformation in the context of Nepal. System transformation was described as a long-term commitment that allows development partners to work on broad areas such as data evidence and human rights in order to transform a sector, in this case the education system. This included agreement on the areas selected as part of the priority reform (namely on teacher development and early childhood education, as well as a focus on gender inequality and wider aspects of exclusion). JFPs, INGOs and CSOs also described system transformation as an inclusive process of “system strengthening” that goes beyond a focus on supporting “incremental changes” in the sector. INGO and CSO respondents understood and agreed with the need for system transformation, particularly in the context of federal transition as educational responsibilities shift to the local government level. Consistent with descriptions in the partnership compact, stakeholders interviewed emphasized that, as Nepal continues to shift to a federal structure, achieving system transformation will require strengthened local government capacity to adapt national policies such as gender-responsive planning frameworks to local contexts. This is demonstrated through the consistent and aligned understandings of the need for and conceptualization of system transformation for Nepal, particularly as the country continues to transition to a federal structure.

However, for one stakeholder engaged during the compact development process, transformation was simply the “new name of the game” rather than a complete “break from the past”, and they observed that Nepal was already working on the issues identified in the partnership compact through a transformative lens, and therefore the concept was not “revolutionary” in their context, but rather a reflection of international donor dynamics.

### **What is Nepal's priority reform?**

Nepal's selected priority reform is a continuation of previous reform efforts focused on teacher development, early childhood education development, and gender equality. It builds on the recently developed SESP (2022-2032), which includes a “transformative phase” to enable “children to complete their education cycle by putting teachers at the center”. The priority reform also builds on evidence on the past constraints of reform, building on the education sector analysis conducted in 2020 and a comprehensive needs assessment exercise.

As the process of compact development overlapped with the development of SESP, there is strong alignment between the two, whereby the compact development process had opportunities to strengthen, validate and harmonize issues covered through the SESP development. Some stakeholders argued that this required some duplication of efforts, repeating analysis for the compact development that had already been recently conducted as part of the education sector analysis. Two development partners suggested that it might have been more beneficial to complete the compact development process at a later stage (for example, two years into the SESP policy cycle) as an opportunity to modify or adapt to findings emerging from the country's education plan implementation. However, overall, most stakeholders believed the alignment of the GPE operating model with Nepal's policy cycle and education plan process was beneficial especially as it allowed the local education group to use pre-existing country capacities (such as expert groups and analysis) to complete the compact, thus avoiding additional cost. Stakeholders further mentioned that the operating model could be further tailored to country context, by contextually considering the most

opportune moment to engage in the compact development process to leverage efficiencies and add value. Overall, the overlap between the compact and SESP development was perceived as positive in a country with strong existing coordination mechanisms at least at the central level.

### Does the priority reform meet the criteria of system transformation?<sup>19</sup>

With regards to the **criteria of speed, scale and inclusion**, Nepal's compact does not include explicit references to speed or scale in the compact but includes implicit references to scale and both implicit and explicit references to inclusion. Nepal's priority reform shows clear intentions to achieve improvements to learning with greater scale (by targeting all 753 local governments established across seven provinces which now have devolved education mandates as opposed to the central government before), which matches the wider SESP and was echoed in stakeholder interviews. However, the compact has placed less emphasis on the need to achieve improvements with speed. The compact only contains a brief mention of setting out plans to better understand the nature of reforms that could "unlock accelerated progress" but does not provide further explanation. Its approach to inclusion builds on previous and ongoing efforts to support equity, although the greater focus of the priority reform on gender specifically is a new feature. INGOs, CSOs and JFP stakeholders emphasized the importance of hardwiring gender equality and wider aspects of exclusion, such as discrimination on the basis of caste or income level, in education reforms efforts. These stakeholders see the focus on gender equality in the priority reforms as being multi-faceted, going beyond gender parity in basic and secondary school enrolment (e.g., the ECED average ratio of girls to boys has been 9:10 for the last ten years according to the compact) to include a consideration of wider social norms that contribute to gender-based violence and language, caste, or socio-economic barriers to school entry.

A detailed results framework (including baseline or endline target values), which could be used to infer further ambitions for speed or scale, is not included in the compact but the compact details indicators that are drawn from the program results framework (PRF) and joint disbursement-linked indicator (DLI) framework as part of SESP. Inclusion remains central to the priority reform. This is reflected as one of the priority reform areas (gender equality) as well as in the proposed indicators (which include national equity score, ratio of female teachers at basic and secondary level). The compact itself does not go into further detail about how figures will be disaggregated, but the EMIS currently contains the capacity for gender-disaggregated data. We found that although inclusion has been covered in previous reform efforts, gender is reflected to a greater extent in the priority reform than in previous related reforms. However, the majority of stakeholders described inclusion in broader terms, including references to exclusion on the basis of income, geography or caste and some respondents expressed that they believed a broader definition of inclusion, which includes a variety of marginalized groups, was more useful than a narrower focus on gender. While the EMIS is recognized as a robust and comprehensive information management system that offers a wide array of indicators, the use of such disaggregated data for evidence-based planning remains limited, in particular as it relates to gender and other forms of marginalization.

In addition, **the compact contains clear references to addressing multiple system constraints** through the use of a multi-faceted approach to change. Firstly, the compact references that the local education group identified multiple (three) barriers to transformational change, which fall under quality teaching, early childhood education, and gender equality. The priority reform has been built with outcomes targeting each of these areas. The compact therefore proposes mechanisms to

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<sup>19</sup> These criteria are set out in our inception report. The criteria include:

- Whether the reform endeavors to achieve improvements to learning with greater speed, scale, and inclusion than past and/or business-as-usual reforms.
- The reform addresses multiple system constraints through a multi-faceted approach to change.
- Whether the reform aligns relevant subsystems, policies as well as practices such as those related to teacher professional development, curriculum, assessment systems, EMIS and more, to achieve the intended outcomes.
- Whether the reform aligns the incentives of actors from all relevant levels and aspects of the education system (e.g., national, regional and district).

One further criterion (whether the reform endeavors to achieve learning improvements through approaches that are evidence-based) is set out in the section below. In addition to these five criteria to define a transformative reform, there are three additional transformative reform criteria which examine the implementation of a transformative reform as well as five criteria which define the process required to design a transformative reform.



“ensure adequate deployment, training and support to ensure sufficient number of teachers that are motivated and skilled to provide pedagogically-sound, need-based and gender and social-inclusive education” as the overarching goal.

Finally, with regards to **alignment of subsystems, as well as the alignment of actor incentives at different sublevels, intentions to support both are explicitly described in the compact**. A major focus of the priority reform is to not only support alignment of subsectors, but to ensure that this alignment is then translated to the provincial and local government levels as part of the decentralization process. For example, the problem analysis described in the compact suggests that in-service training is not aligned with pre-service training, in that in-service training serves to supplement the gaps in teacher competencies left by inadequate preparation, rather than building on experience. The compact also describes a greater need for attention to the role of teacher distribution and deployment. The compact states intentions to address this misalignment, including that as part of the priority reform Nepal will align pre-service training (higher education providers) with institutions supporting in-service training and professional development at provincial, local and school levels. The compact also includes references to the fact that, although there is alignment at the national level, the priority reform will support greater alignment of planning, data systems, and ECED centers at the level of local government. The compact development process included important consultations with actors at various sublevels and addresses multiple constraints faced by actors at the local government level through various capacity building and support efforts. The approach of working towards the phasing out of conditional grants in favor of providing local government-level autonomy over budgets also demonstrates intentions of (and progress towards) aligning the incentives of local government, albeit in a phased approach. However, current controversies over the Education Act, including discontent from teachers’ unions, suggests that there is a need for further alignment of incentives with regards to the plans for the decentralization of teacher management.

### Is the priority reform evidence-based?

There is good evidence that **the selection of approaches builds on evidence of the past constraints to reform**. The evidence-base for both problem diagnosis and the solutions proposed is the education sector analysis conducted in 2020. The education sector analysis involved studies conducted by teams of experts mobilized through a previous program development grant from GPE. The process of compact development was further informed by a comprehensive needs assessment exercise, which involved broad and inclusive consultations with a range of stakeholders. This extensive consultation included local-level stakeholders such as students, teachers, management committees, parents, and others. These processes reflected on previous and ongoing reform efforts. The enabling factors analysis process further supported Nepal to use an evidence-based process to reflect specifically on the bottlenecks to ongoing decentralization efforts related to each of the four enabling factors (for example – the collection and uptake of data and evidence at local government level). More specifically related to the **use of global best practices as part of the priority reform**, Nepal’s priority reform makes some reference to the use of structured pedagogy to support quality teaching, strengthening the competency and curricular-based in-service teacher training and a focus on early childhood education also demonstrate the selection and application of evidence-based approaches, as both have been identified as “smart buys” by the Global Education Evidence Advisory Panel.<sup>20</sup>

### Is there a credible theory of change for the priority reform?

The theory of change and related pathways underpinning the prioritized reform are specific, measurable, achievable, and relevant to Nepal’s context. It is informed by SESP’s objectives of ensuring equitable access and participation in education, improving education governance and management, enhancing the relevance and quality of school education, and expanding opportunities for continuous education and lifelong learning. The key assumptions that underlie the theory of

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<sup>20</sup> Banerjee, Abhijit; Andrab, Tahir; Banerji, Rukmini; Dynarski, Susan; Glennerster, Rachel; Grantham-McGregor, Sally; Muralidharan, Karthik; Piper, Benjamin; Jaime Saavedra Chanduvi; Yoshikawa, Hirokazu; Ruto, Sara; Schmelkes, Sylvia. 2023. *Cost-effective Approaches to Improve Global Learning - What does Recent Evidence Tell Us are “Smart Buys” for Improving Learning in Low- and Middle-income Countries?* (English). Washington, D.C.: World Bank Group. <http://documents.worldbank.org/curated/en/099420106132331608/IDU0977f73d7022b1047770980c0c5a14598eeef8>

change emphasize the fact that change ultimately needs to take place at the local level and that this will require adequate institutional capacity and local level capacity building. This is in line with the SESP which identifies the need to support the implementation and enforcement of existing education policies and strategies through strengthening the capacity of local government to adequately undertake the activities outlined in them. However, the assumptions as laid out in the compact remain broad and do not adequately represent specific challenges of decentralization in Nepal's context.

### **3. What is Nepal's readiness to implement its priority reform?**

#### **To what extent are implementation plans for the priority reform in place and how credible or feasible are the plans?**

Nepal has developed a costed plan for the priority reform; however, at the time of analysis, we did not have sufficient information to assess if this was sufficient to guide the implementation of the priority reform. SESP includes an initial five-year costed plan, with plans for a subsequent costed plan to be developed in the second half of the plan's implementation (2025-2030), but at the time of data collection, we were not able to obtain access to these plans to be able to assess to what extent the plans are credible or feasible. At the time of primary data collection in June 2023, the stakeholders interviewed showed limited awareness about the planned implementation of activities for the priority reform which raises a question about their readiness and could pose a risk to timely implementation.

#### **To what extent are priority reforms costed or resourced?**

While the compact did not concretely discuss how the policy actions to address the bottlenecks will be operationalized (such as how they will be delivered and costed, or relevant interdependencies), SCG documents demonstrated plans to implement specific activities to address identified bottlenecks with clear deliverables, timelines, and costed activities. The key bottlenecks identified in the enabling factors analysis are planned to be addressed through clear (with key deliverables), timed (with a Gantt chart over 2023-2027) and costed activities. Overall, the SCG aims to support mechanisms to allow local governments to assess their institutional capacity (across all four enabling factor areas) and make need-based technical assistance available in a systematic and predictable way. There were no high priority enabling factors identified for Nepal, therefore Nepal does not have a top up portion of the STG to support addressing gaps.

#### **Are stakeholders aligned around the priority reform?**

There is strong evidence that partners and resources were already aligned around the priority reform as a result of the well-established SWAp and joint financing agreement models adopted in Nepal. However, there is less evidence of the specific contribution of the GPE operating model on improved alignment in a context where strong coordination mechanisms already exist.

The compact, enabling factors analysis documents, and stakeholder interviews repeatedly described how the adoption of the SWAp and pooled funding modalities in Nepal enabled partners to effectively align programs and resources behind the priority reform. The SWAp provided a highly functional and collaborative platform to engage in discussions around the priority areas, ensuring there was strong consensus and alignment across the government, donors, and other stakeholders during the selection of the priority reforms. The agreed reforms will be reflected in a joint DLI subscribed to by all JFPs supporting the SESP, linked to the STG focus areas. At the time of writing the report, the DLI framework was being finalized and it was not possible to assess the extent that it would be effectively used. The specific contribution of the GPE operating model to this partner alignment is less evident, since these mechanisms were in place and well-functioning before the roll out of the model. However, the enabling factors analysis and ITAP processes provided an opportunity to reflect on the longer-term effectiveness of these modalities as the country transitions to the federal structure.

## To what extent are monitoring, evaluation, and learning frameworks in place to support the priority reform?

There are strong monitoring, evaluation, and learning (MEL) systems in the sector that Nepal can build upon to develop arrangements for monitoring, evaluating, and learning from the priority reform implementation. As stated in the compact, the monitoring framework for the priority reform is based on both the PRF and the joint DLI framework of the SESP. The compact references “key performance indicators” and “PRF indicators” relating to the priority reform areas, which appear to be broadly relevant to the issues identified in the SESP and in line with the joint SESP DLI framework (as updated in July 2023) which has the aim to harmonize the results-based funding under the pooled budget support modality of the SESP.<sup>21</sup> At the time of the compact development, the indicators had not been finalized but were intended to be used to “measure progress in the partnership priority areas whilst aligning with the government’s plans for monitoring under the SESP.”

Monitoring will also be facilitated by the SWAp modality, where data are consolidated in key reports that have been informed by EMIS data, as well as the annual status report and the periodic National Assessment for Reading and Numeracy and the National Assessment of Student Achievement (NASA) reports. Other mechanisms for joint monitoring purposes include the annual budget review meeting (BRM) that reviews available data and finalizes the annual strategic implementation plan and annual workplan and budget for the upcoming year, as well as the biannual joint review meetings (JRMs) that review progress during the previous fiscal year taking into account existing reviews and analyses such as the education sector analysis.<sup>22</sup> Following these annual meetings (BRMs and JRMs), the government produces status reports on the physical and financial progress in the implementation of the education sector plan to inform any adaptations. There is an opportunity to adapt these existing MEL mechanisms for the implementation of the priority reform as the compact recognizes in its discussion of indicators to measure progress in the compact priority areas.

Given the strong MEL mechanisms already in place in Nepal, GPE support focused in this area is not necessarily required.

## What other factors might affect implementation?

There are two areas we suggest may pose a risk to the implementation of the priority reform. First, an important factor for the success of implementation is the clarity of devolved roles and responsibilities and whether there is adequate capacity built at the local levels, which is in some part to be addressed through the SCG. This is noted in the enabling factors analysis as a cross-cutting bottleneck and throughout the compact, which both flag that there is a need for capacities to be built for local-level monitoring, given that the federal monitoring systems will not be adequate for monitoring at the school level since recruitment and many budgetary issues are dealt with at the local level. The priority reform contains several proposed policy actions to address some of these shortcomings. There are still remaining challenges with the EMIS, which, following decentralization, requires further strengthening in order to improve the use of education data for need-based and evidence-based planning and budgeting at the local government level.

Another issue that has been highlighted by interviewed stakeholders is that more attention is needed to strengthen the inclusiveness of monitoring data at the local level going forward, including to ensure that data is captured in a disaggregated way. One policy action already proposed is the implementation of a pilot system designed to harmonize data fields with the Washington Group Set of Questions, which will enhance data captured on the status of children with disabilities. Additionally, the integration of EMIS with information systems from other sectors such as water, health and sanitation is being considered. The enabling factors analysis also identified that it will be necessary to monitor non-formal and alternative education through EMIS in order to monitor children’s learning in

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<sup>21</sup> The five DLI areas are: DLI 1: Improving enabling environment and learning outcomes; DLI 2: Improved access, participation, and learning; DLI 3: Improved teaching quality; DLI 4: Strengthened assessment, curriculum and learning materials, and DLI 5: Improved governance and strengthened fiduciary management of the school sector (*Annex II – SESP Disbursement Linked Indicators* (July 2023). Internal use).

<sup>22</sup> Nepal partnership compact, p.12.

the event of school closures, due to crises or emergencies, and/or when children switch between formal and non-formal education (especially after COVID-19).<sup>23</sup>

## 4. Domestic financing

### What is the status of domestic financing in Nepal?

In terms of **volume**, despite the commitments made by the government in various national and international forums (of allocating at least 15 to 20% of the national budget and 4 to 6% of GDP to the education sector), sufficient funds have not been allocated to adequately cover costs and address reform efforts in the sector. For example, in 2021, the federal government allocated approximately 11% of its budget to education, as compared to the GPE target of 20% of the national budget.<sup>24</sup> The situation of limited funding for education activities is similar at the provincial and local level, where the education sector receives very limited investment both from local revenues and centrally delivered conditional grants. There is evidence at the local level that demonstrates existing efforts to find additional funding through partnerships (e.g., with private companies or other organizations) as well as through other creative solutions (e.g., scholarships and material support).

In terms of **equity**, the compact highlights geographical disparities in the conditions of schooling across local governments, which could be addressed by strengthening the accountability mechanisms at the local level to ensure authorities maintain federal earmarked funding for specific activities such as scholarships to vulnerable groups and remuneration of all teachers based on the student teacher ratio. This will, however, require further dialogue and consensus across the tiers of government. The compact references a system that the federal government is currently developing to ensure balance in the conditions of schooling given the diversity of the size and capacity of local governments, but no details were provided in stakeholder interviews or elsewhere in the documents, likely due to the initial stages of this initiative.

Finally, in terms of **efficiency**, Nepal argues in its compact that given the majority of the education budget (more than 75%) is allocated to teacher salaries, increasing the effectiveness of teachers and improving their capacity will have a significant impact on the system and lead to a bigger return on investment, in an effort to increase the efficiency of domestic public expenditure. Other efficiency issues relate to execution and controls (e.g., there is not yet full clarity about how education grants will be allocated at provincial and local government levels or to schools).

### Do the domestic financing-related policy actions have the potential to support the enabling conditions for transformation?

Policy actions for domestic financing were identified in the compact, although without much detail on their design or plans for their delivery. These were mainly related to improving the efficiency of domestic financing, in the context of supporting the shift towards federalization. Evidence from STG and SCG documents suggests the proposed activities to address bottlenecks are clear, relevant to the enabling factor areas, and are sufficiently resourced. In line with the compact, the activities funded under the SCG and STG seem to focus on addressing issues of efficiency, with little mention of equity and no mention of volume. The potential of these policy actions to support enabling conditions is contingent on the wider support to the process of federalization, including ensuring that sufficient capacities are in place to take forward policy actions at the local level. There is limited evidence to compare the above policy actions to previous policies or interventions in domestic financing, apart from a point made in the compact about the success of the teacher rationalization and redeployment plan in improving teacher distribution and efficient use of resources under the previous sector plan (SSDP): “this work will be continued to help maintain equitable teacher-student ratios”.<sup>25</sup> This may suggest current efforts to support domestic financing likely build on previous efforts that have proven effective in this respect.

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<sup>23</sup> Nepal partnership compact.

<sup>24</sup> GPE (2021). *Initial Requirement Screening Template: Nepal*. Draft for Pilot Use.

<sup>25</sup> Nepal partnership compact, p.6.

**Volume-related policy actions:** Evidence from the partnership compact and SESP suggest that the government is committed to achieving an annual growth of the education budget during the implementation timeline of the compact. Interviewed stakeholders also suggest that the MoEST has committed to continuing to advocate and prioritize the education sector during the allocation of grants (special grants and equalizing grants) and revenues by the 753 local governments. However, the compact itself does not explicitly mention activities to address the bottlenecks related to volume. We did not find evidence of addressing such issues in the SCG or STG applications either.

**Equity-related policy actions:** We did not find further detail on how Nepal plans to address issues of equity in the SCG and STG applications apart from strengthening the use of the equity index.<sup>26</sup> For example, there is no mention of the teacher rationalization and redeployment plan in the grant documents. This makes it difficult to assess to what extent key bottlenecks related to equity in domestic finance will be addressed.

**Efficiency-related policy actions:** Improvements needed in efficiency have been recognized and measures to improve this have been planned. This is an area that has been highlighted in the compact as requiring ongoing monitoring and support, especially from the GPE Secretariat. Various activities funded under SCG and STG aim to address issues of efficiency. For example, supporting fiduciary oversight of the central level (under SCG) aims to provide more clarity around how education grants will be allocated at provincial and local levels. Under Results Area 1 (Improved teacher capacity and student learning), the STG will indirectly support the efficiency of domestic finance given more than 75% of the national education budget is allocated to teacher salaries as explained in the compact.<sup>27</sup>

## **To what extent did the GPE operating model help Nepal identify and address system bottlenecks in domestic finance?**

Overall, we found that stakeholders in Nepal regarded the enabling factors analysis and ITAP assessment as helpful to support efforts in Nepal to identify bottlenecks (and therefore, develop policy actions) to strengthen the enabling factor of domestic financing. For instance, stakeholders mentioned that the domestic financing matrix was helpful in creating alignment on and support for the analysis conducted on domestic financing. Stakeholders also noted that GPE's technical and financial support for education sector planning was valuable in terms of supporting country-level dialogue and coordination.<sup>28</sup>

The bottlenecks in domestic finance were rated as a medium priority; thus, Nepal was not required to use top-up portions of the STG to incentivize addressing gaps. The SCG includes activities that focus on building the capacity of and providing technical assistance to the Government of Nepal in fiduciary oversight, as well as funds to conduct a study on Public Expenditure Tracking.

The need to strengthen financial management was echoed in interviews, with one JFP respondent highlighting capacity building on financial management across all levels as essential to address corruption and facilitate the sustainability of interventions. Furthermore, the compact referenced the need to establish systems to further align funds from non-state actors to be allocated and utilized in line with education sector plan priorities and in line with funding constraints at the federal, provincial, and local government levels. However, no concrete policy actions are outlined in the compact to address these needs apart from mentioning that consultations are planned with local governments to

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<sup>26</sup> A recent evaluation of the equity index (CAYAMBE (2021). Process-based and Formative Evaluation of the Education Equity Strategy Nepal) presented promising findings of the effectiveness of the strategy in addressing gender equity challenges. It found a reduction in the number of the out-of-school children at the national level and in achieving gender parity at upper basic level with girls overrepresented in lower basic level both at the national level and in the targeted districts. However, the evaluation also found a decrease in retention rates, which speaks to the effectiveness of the strategy in bringing children back to school, but not necessarily in increasing school capacity to retain these students. A major bottleneck to the retention of children at schools remains the shortage of teachers in low-performing local governments and in teachers' deployment across schools which is not always based on educational needs.

<sup>27</sup> The STG has three main objectives: Results Area 1: Improved teacher capacity and student learning; Results Area 2: Improved equity in access to basic and secondary education; and Results Area 3: Strengthened education governance and system resilience.

<sup>28</sup> Global Partnership for Education (November 2018). *GPE's Engagement on Domestic Financing for Education*. [https://www.globalpartnership.org/sites/default/files/2019-02-gpe-domestic-policy-brief\\_web.pdf](https://www.globalpartnership.org/sites/default/files/2019-02-gpe-domestic-policy-brief_web.pdf).

discuss the simplification of funding mechanisms and incentivize monitoring and reporting on activities. The SWAp, the compact states, should also explore mechanisms to align funds from non-state actors alongside public spending at federal, provincial, and local government levels. Similarly, this appears to be a gap in the SCG application. We do not have evidence to confirm if it is being addressed through other non-GPE-funded programs.

Private sector engagement was not considered in the program design of the STG and is not eligible for funding through GPE, therefore non-state providers of core education services are not supported under this grant.<sup>29</sup> One JFP respondent underscored the importance of considering financing needs holistically given private school investment (and household costs on education) will only increase in the years to come.

The other key bottleneck identified in the enabling factors analysis around domestic financing relates to equity and is about the territorial disparities in fund allocation that lead to disparities in education outcomes. Taxes in Nepal are collected at the central level and redistributed to sub-national levels through four types of federal grants: fiscal equalization grants, conditional grants, complementary grants, and special grants. As identified in the ITAP report, there is not yet full clarity about how education grants will be allocated at the provincial and local government levels or to schools, although an equity index has been developed. While the SCG does not seem to address this directly, this is likely to be addressed indirectly through other activities such as the embedding of the equity index in the EMIS which will facilitate more targeted support to geographies in need.

## 5. Gender equality

### What is the status of gender equality in Nepal?

In terms of **access to education**, Nepal has made great strides towards improving gender parity in the education sector. The strategies and frameworks developed under the previous education sector plans have resulted in gender parity in enrolment across most of the country with survival rates for girls being higher than for boys. Despite this progress in gender parity over the last two decades, there are still challenges in terms of gender equality. The majority of respondents highlighted the positive changes Nepal has made in terms of gender equality in and through education and advocated for a wider focus on 'inclusion' that remains a persisting challenge in the Nepali education sector. Language, caste, or socio-economic background intersect with gender and can act as further drivers of exclusion for girls in Nepal.

In terms of progress of **gender within education**, it is estimated that nearly 47.4% of the basic education teachers are female but there the share of female teachers in secondary education is low (21.7% for grades 9 and 10, and 18.7% for grades 11 and 12).<sup>30</sup> However, whilst women enter employment in the education sector, they are less likely to be given leadership, management or planning roles. This lack of representation of female role models can result in educational environments that do not cater to girls' needs. Correct implementation of policies at the local level is essential to see improved gender equality in education, as school environments have the potential to perpetuate gender-based discrimination.

Finally, in terms of progress of **gender through education**, girls in Nepal still display a higher rate of school drop-out, particularly in the upper grades.<sup>31</sup> Moreover, as evidenced by documents and interviews conducted during this study, it was noted that gender disparities could vary by school type; that is, it is observed that girls tend to be sent to public schools and boys to private schools, the latter of which are perceived to provide higher quality education. There is also evidence of a gender gap in achievement particularly in STEM subjects as girls progress through schools. The grade 5 NASA report

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<sup>29</sup> System Transformation Grant Application Form.

<sup>30</sup> Statista (n.d.) *Nepal: female primary education teachers 2020*. <https://www.statista.com/statistics/733550/nepal-female-primary-education-teachers/>; Nepal partnership compact (Strategic Partnership Agreement).

<sup>31</sup> Nepal Institute for International Cooperation and Engagement (2022). *Risk of School Children Dropout in Bangladesh, Bhutan, and Nepal*. <https://niice.org.np/archives/8230>.

(2018)<sup>32</sup> showed a minimal gender gap of two scale scores between boys and girls. However, the grade 10 NASA report (2020)<sup>33</sup> 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 at the national level and the gains made in terms of the participation of women and girls in education has not fully enabled improved learning outcomes.<sup>34</sup> Studies in Nepal have noted that such challenges persist due to deeply embedded gender stereotypes and norms leading to high rates of early marriage and pregnancy, domestic and sexual violence, as well as other stigmas of gender inequality.<sup>35</sup>

### **Do the gender equality-related policy actions have the potential to support the enabling conditions for transformation?**

Bottlenecks to gender equality and policy actions that hardwire gender have been identified across all enabling factors. The analysis of gender equality considerations has been enabled by strong capacity at the central level and available data to conduct diagnostics on gender equality through Nepal's robust EMIS and other education databases which are gender disaggregated.

The bottlenecks and proposed policy actions to support gender-responsive sector planning, policy and monitoring include:

- Insufficient provision and distribution of public ECED/PPE services. The compact proposes to address disparities in access and quality of ECED / PPE between boys and girls through planning and monitoring (i.e., ensure that ECED/PPE centers comply with minimum enabling conditions and standards and upgrade the EMIS to monitor quality and access).<sup>36</sup>
- Insufficient and low-quality pre-service teacher training, insufficient institutional capacity for in-service training following the federal transition, and a lack of finalized regulations for teacher management in a federal system. Policy actions have been proposed to address both pre-service and in-service teacher training to enable teachers to better respond to the needs of learners who are traditionally excluded and/or vulnerable, as well as to strengthen teacher management, rationalization, and redeployment. In Nepal, gender inequality and social exclusion are strongly interlinked, and gender barriers have the biggest impact when girls face others forms of marginalization such as based on language, caste, or socio-economic background.<sup>37</sup>
- Lack of local government capacity to effectively implement gender-responsive planning, budgeting, policy, and monitoring at the local level and a lack of management capacity at central and school levels to comply with high-level policy recommendations. Therefore, in the compact, policy actions are proposed to build the capacity of local governments to adapt policy and planning frameworks to the local context. This includes identifying gender focal persons at the municipal and school level and making resources and guidance available to local governments and schools.

The proposed policy actions appear to be appropriately designed and sufficiently ambitious. Ongoing tracking and monitoring initiatives in schools have been implemented to assess schools' progress in terms of gender by measuring aspects such as gender-related bullying and mistreatment. Several of the policy actions will be supported by the SCG, including support for gender-responsive sector planning, support for social inclusion more broadly, and activities to support the strengthening of data systems (including for improvement to the availability and use of sex-disaggregated data and on children with disabilities). The STG will also be used to support gender equality-related policy actions and activities related to the priority reform outcomes, particularly through activities to provide

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<sup>32</sup> UNESCO (2018), *Integrating the findings from the National Assessment of Student Achievement into the policy process: An experience from Nepal*; Government of Nepal, Ministry of Education, Science and Technology. *NASA 2018 Report* (2018). [https://www.ero.gov.np/post/6\\_60c86a1e2412a](https://www.ero.gov.np/post/6_60c86a1e2412a).

<sup>33</sup> Government of Nepal, Ministry of Education, Science and Technology, Education Review Office (ERO) (2022). *Report on National Assessment of Student Achievement in Mathematics, Science, Nepali and English for Grade 8*

<sup>34</sup> Nepal partnership compact, p.14.

<sup>35</sup> George et al. (2020).

<sup>36</sup> As mentioned in the box on 'Through education' on p.41, girls tend to be sent to public schools and boys to private schools, the latter of which are perceived to provide higher quality education. Improving the quality of public ECED/PPE services will contribute toward better learning outcomes for girls.

<sup>37</sup> Nepal partnership compact, p.7.

strengthened support to teachers (DLI3) and to ensure the minimum enabling conditions in ECED centers (DLI1). In particular, the fixed part of the grant will support the translation and contextualization of the TEACH classroom observation tool (as part of a teacher professional support system for basic education). The tool will not only capture teaching practices but also classroom culture, with attention to gender equality. Specifically, metrics will be used to help understand the extent to which teachers create a supporting learning environment that challenges gender stereotypes and does not exhibit gender bias. The Independent Verification Agency (IVA) will receive training to use the observation tool. As discussed elsewhere, supporting high quality public ECED services will also help support gender equality given the preference of enrolling boys in private schools. Furthermore, evidence suggests that close to 90% of teachers in ECED/PPE centers are women and that high quality services enable women to free up time from childcare to participate in the labor market, both of which will contribute to women's empowerment.

A key technical capacity gap is the limited use of gender disaggregated education data for evidence-based gender-responsive planning and budgeting at local government and school level. Given domestic financing towards education is below target and the majority of the education budget is spent on teachers' salaries, this report finds that the government has very limited capacity to resolve gender-related issues persisting in the education sector.

We found some evidence that the priority reforms hardwire gender equality through corresponding policy actions, therefore supporting the enabling conditions for transformation. This is underpinned by a strong understanding amongst stakeholders of the concept of gender equality, both in and through education, including the importance of intersecting characteristics and vulnerabilities.

The compact puts forward an argument that to unlock transformational change in terms of gender equality, it is necessary to establish mechanisms to ensure there are sufficient number of quality teachers with the skills to provide “pedagogically-sound, need-based, and gender and social-inclusive education.”<sup>38</sup> To achieve this, as part of the distinct outcome on gender equality, the priority reform includes activities and plans to support local government leaders and education planners to “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”. Gender equality is also hardwired across the other two priority reform areas:

- **Quality teaching:** the compact refers to the need for professional development and supervision mechanisms at the local and school levels to support educators and school leaders to be responsive in a gender-sensitive way.
- **ECE:** Nepal has achieved gender parity in basic and secondary school enrolment, but disparities continue to exist based on caste/ethnicity, geography, and rural and urban divide. This requires an understanding of the role of gender stereotypes and social norms and the intersectionality of gender with other dimensions of marginalization.

This approach goes beyond previous efforts to support gender equality in education policy (which included the creation of girls' education networks and communities of practices between staff at the local level and efforts to introduce gender responsive budgeting) by ensuring that the impact of interventions is felt more widely and consistently across regions as well as the need to address a gap in the evidence about the effectiveness of these existing interventions.

There is also evidence that gender equality is hardwired in the policy actions related to the other three enabling factors:

- **Data and evidence:** Efforts to strengthen gender equality and to support stronger data and evidence include the use of gender-disaggregated education data and further use of the equity index to target schools based on equity needs to support evidence-based gender-responsive planning and budgeting will be key policy actions that are likely to be transformative in the long-term.

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<sup>38</sup> Nepal partnership compact, p.4.



- **Sector coordination:** The compact describes ways in which capacities will need to be built across all levels of government and to improve coordination across the tiers, particularly to support local governments with the collection and use of monitoring data as well as for budget tracking.
- **Volume, equity, and efficiency of public expenditure:** A focus on improving the equity of public expenditure to support the development of equity strategy implementation plans (see for instance, references to the Consolidated Equity Strategy).

### To what extent did the GPE operating model help and incentivize Nepal to identify and address challenges in gender equality and hardwire gender equality into its priority reform?

As with the other enabling factors, we found strong evidence that GPE-supported processes such as the enabling factors analysis and the ITAP review led to the identification of relevant and coherent activities and policy actions to address gender equality issues but how efficient or effective they were in helping countries align resources for their implementation remains unclear. Multiple stakeholders (INGOs, CSOs, Government, JFPs) suggested that a negative unintended consequence of the operating model was related to the strong emphasis on gender equality. Stakeholders implied that the focus on gender equality instead of equity more broadly led to destabilized ownership of the issue and misaligned incentives (i.e. meeting gender quotas at the detriment of other dimensions of marginalization), and this may have led to pushback by some country-level stakeholders and resulted in less critical discussion on why gender equality reform efforts should be included compared to the stable consensus and reflective discussion on the critical importance of including the other two priority reform areas (ECE and teacher's quality).<sup>39</sup>

Respondents noted that having gender equality as a focus of one of the enabling factors was not necessarily appropriate in Nepal's context where a wider focus on inclusion and equity would have been preferred due to widespread marginalization of students, according to disability, caste, income, and geography. According to stakeholders, these dimensions of disadvantage are major barriers to the education of many children in the country. If gender equality was not a mandatory priority, stakeholders reported that the local education group would have applied a lens of 'equity' as an intersectional concept as the current priorities leave wider inclusion aspects (e.g., income, geography, caste, disability missing). It should also be noted that while key efforts have been made at the national level in terms of policies related to gender equality, whether these can be operationalized and applied to local contexts is yet to be assessed.

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<sup>39</sup> Gender analysis is mandatory for the enabling factors analysis as part of the compact development process.



# Annex 1. Summary background tables

What is the priority reform that Nepal is planning to undertake? <sup>40</sup>

| Summary description the priority reform in Nepal              |   |
|---|---|
| <b>Focus area and strategic parameters for GPE funding</b>    | Enabling children to complete their education cycle and learn by putting teachers at the center (with sub-areas of quality teaching (especially in-service training), early childhood education (teacher training and minimum enabling conditions), gender equality (school and local level planning and monitoring and teacher training and mentoring for gender sensitive and inclusive schools)  |
| <b>Levels targeted</b>  | Pre-primary   |
| <b>Thematic areas covered</b>                                 | Access, Early Learning, Gender Equality, Quality Teaching, Strong Organizational Capacity   |
| <b>Description</b>  | <p>Nepal's partnership compact envisions achieving system transformation by unlocking the system's capacity to train, deploy, and support teachers to deliver pedagogically sound, need based, and inclusive education. By doing so, <b>children will be enabled to achieve a full cycle of education by putting teachers at the center</b>. The compact identifies three sub-areas to support transformation through the ongoing shift to a federal structure introduced in 2015<sup>41</sup>:</p> <ul style="list-style-type: none"> <li>• <b>Quality teaching</b> delivered by qualified and motivated teachers who facilitate teaching-learning processes that lead to age-appropriate learning outcomes, by focusing on ensuring the necessary policies and facilities are in place provide a "pedagogically sound, need-based and gender- and social inclusive enabling learning environment."<sup>42</sup></li> <li>• <b>Early childhood education (ECE)</b> builds strong foundational learning skills to prepare students and improve learning outcomes in later stages of education.</li> <li>• <b>Gender equality</b> achieved by building local government capacity to adapt national policy and planning frameworks to local contexts, enabling gender responsive planning, implementation, and monitoring, and enforcing gender inclusive policies at the school level to ensure that schools are gender sensitive and free from gender-based violence and harassment.</li> </ul> |
| <b>Priority reform intended outcomes</b>                      | <p>Nepal's theory of change identifies outcome areas against the three priority reform areas:</p> <p><b>Outcome area 1:</b> Schools are gender responsive and safe learning environments with teachers who are trained and mentored to be gender sensitive and socially inclusive. Local governments and school education plans are evidence based and include needs-based and targeted strategies to address drivers of disparities, and to make necessary resources available to finance additional needs.</p> <p><b>Outcome area 2:</b> Improved system capacity to deploy and support in-service teachers to ensure foundational skills in early grades, and proficiency in key subjects beyond that, to enable learners to progress through basic education. School education complies with minimum standards to provide an enabling learning environment, particularly access to adequate numbers of trained, competent, and motivated teachers.</p> <p><b>Outcome area 3:</b> Early childhood education and development (ECED) centers are staffed by trained teachers delivering effective foundational skills training to ensure school readiness of learners entering grade 1. Children enter school education with readiness and foundational development, based on which these learning outcomes can be established.</p>  |
| <b>Priority reform main activities and pathways of change</b> | <p>To achieve outcome area 1, local governments need to have the capacity to effectively plan, implement, monitor, evaluate and adjust policies, plans, and budget for the local context and to identify and address the needs of socially excluded groups. The theory of change identifies two strategies to achieve this:</p> <ul style="list-style-type: none"> <li>• <b>Strategy 1:</b> Capacitate local governments to adapt national level policy and planning frameworks into local level mechanisms that support better and more contextualized planning, implementation, monitoring, and enforcement of gender policies in schools.</li> </ul>   |

<sup>40</sup> The source for this table is the partnership compact.

<sup>41</sup> GPE Board Document Allocation and Strategic Parameters for System Transformation Grant in Nepal

<sup>42</sup> Nepal partnership compact (Strategic Partnership Agreement)

- **Strategy 2:** Capacitate local governments to make better use of data to identify inequalities and promote the perspectives of marginalized groups to formulate solutions and facilitate improvements to challenge harmful practices and gender-based discrimination and violence.

To achieve outcome area 2, the education system needs to attract new teachers, ensure they are trained effectively and have access to a continuous professional development system, and that mechanisms are in place to support and mentor them. Two strategies aim to achieve this:

- **Strategy 3:** Increase institutional capacity at provincial, local, and school levels to provide in-service training and professional development to support teachers to meet learner needs.
- **Strategy 4:** Form links with higher education providers to reform pre-service teacher training to provide new teachers with a good basis of pedagogical understanding.

To achieve outcome area 3, ECED/ pre-primary education (PPE) centers need to be distributed equitably with adequate resources and qualified instructors. Two strategies aim to achieve this:

- **Strategy 5:** Ensure that ECED/PPE centers comply with minimum enabling conditions and standards and upgrade the EMIS to monitor quality and access.
- **Strategy 6:** Address disparities in access and ensure participation for all pre-school learners.

### What GPE support has Nepal received to identify transformative priority reforms and align partners and resources to them?<sup>43</sup>



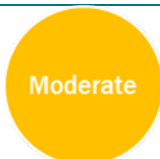
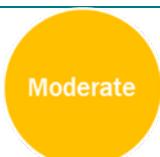
| GPE engagement   |   |              |  |                     |                                  |
|--|---|--------------|--|---------------------|----------------------------------|
| Year joined GPE  | 2009  |              |  |                     |                                  |
| Coordinating Agency  | UNICEF  |              |  |                     |                                  |
| Total grant support  | USD \$236.8m over 10 grants in previous years |              |  |                     |                                  |
| Key GPE 2025 timelines and grants  |   |              |  |                     |                                  |
| Cohort   | Cohort 1 (Pilot)                              |              |  |                     |                                  |
| <p>The timeline chart displays key milestones for Cohort 1 (Pilot) from January 2021 to October 2023. The milestones are: Cohort start date (Jan 2021), Submission of Enabling Factors Analysis (Oct 2021), ITAP assessment finalized (Jan 2022), Compact finalized (Jun 2022), and GPE Board approval of strategic parameters (Jul 2022).</p> |   |              |  |                     |                                  |
| Status of GPE grants to support the priority reform  |   |              |  |                     |                                  |
| GPE grants   | Grant agent                                   | Grant amount | Current status                                       | Expected start date | Duration                         |
| System Transformation Grant  | World Bank                                    | US \$20m     | Approved by GPE Board in January 2023. <sup>44</sup> | June 2023           | 3 years, 2 months<br>2023 - 2026 |
| System Capacity Grant  | UNICEF  | US \$3.4m    | Approved by GPE Secretariat in August 2023           | August 2023         | 4 years<br>2023 - 2027           |
| Multiplier Grant   |   |              | Eligible   |                     |                                  |

<sup>43</sup> The sources for this table are: GPE Secretariat Operating Model Pipeline for key GPE 2025 information and timelines (updated February 2024), the grant databases maintained internally by the GPE Secretariat, and the GPE website on Nepal (see: <https://www.globalpartnership.org/where-we-work/nepal>)

<sup>44</sup> <https://www.globalpartnership.org/content/decision-system-transformation-grant-nepal-january-2023>

| Priority ratings from the enabling factors analysis       |   |        |
|---|---|--------|
| Enabling factor type                                      | Self-analysis   | ITAP   |
| Data and evidence   | Low   | Low    |
| Gender responsive sector planning, policy, and monitoring | Low   | Medium |
| Sector coordination                                       | Low   | Medium |
| Domestic financing  | Medium  | Medium |
| Other GPE programs and support                            |   |        |
| <b>Knowledge and Innovation Exchange (KIX)</b>            | <p>Nepal is part of the KIX Europe, Asia, and Pacific hub. Three global and five regional research projects have been operational in Nepal. The three global KIX projects include: “Data Must Speak about positive deviance approaches to learning;” “Common-scale assessment of early and foundational math learning across the Global South” and “Using data for improving education equity and inclusion – MICS-EAGLE.”</p> <p>The five regional projects look at: the effectiveness and scalability of programs for children who are out of school and at risk of dropping out in Bangladesh, Bhutan, and Nepal; school leaders as agents of change towards equity and inclusion; data-driven school improvement – opportunities, challenges and scalable solutions; the impact of gender and inclusive pedagogies on students’ participation and learning achievement at secondary school during the pandemic and beyond; and a multi-modal approach to teacher professional development in low resource settings.</p> |        |
| <b>Education Out Loud (EOL)</b>                           | <p>An EOL grant supported the National Campaign for Education Nepal (NCE-Nepal) for the 2020-2023 period. Nepal was part of two further transnational alliances which received grants funded under EOL’s Operational Component 3. These were the South Asian Assessment Alliance led by Street Child and the Tax Education Alliance (TaxEd) led by ActionAid International. Both grants were operational for 2021-2023.</p>   |        |

## Annex 2. Strength of evidence ratings for the Nepal case study

| Question  | Rating  | Description of sources of evidence  |
|---|---|---|
| 1. Did the GPE model help with policy dialogue, identification of system bottlenecks, and solutions to address these bottlenecks for better education outcomes? |    | <p>Sources for this section include stakeholder interviews with government, INGOs, CSOs, and development partners.</p> <p>There was also analysis of the key documents from the GPE 2025 operating model, including the enabling factors analysis, the ITAP report, the partnership compact, SCG documents and GPE Board documents on the allocation and strategic parameters for system transformation grant to Nepal, and the document 'Education Issues Validation Survey – Summary of Findings'.</p> <p>Sources for this section were generally complete and from multiple sources; however, there is limited evidence to assess how the enabling factors analysis informed policy dialogue.</p>  |
| 2. Do the priority reforms demonstrate potential for transformation?  |    | <p>This section draws from stakeholder interviews with JFPs, government, INGOs and CSOs.</p> <p>We also analyzed other relevant documents including: the enabling factors analysis, ITAP report, partnership compact, GPE Board documents on the allocation and strategic parameters for system transformation grant to Nepal, as well as an analysis of SESP and the education sector analysis (2021).</p> <p>Evidence for this question is mostly complete and includes multiple, credible sources to answer this sub-question. We were unable to locate a document that outlines the LEG minutes of the meeting during which the selection of policy priorities took place, which the requirements analysis template suggests should accompany the submission of the EFA to GPE. However, there is strong evidence of the process for prioritization from primary interviews.</p>  |
| 3. What is Nepal's readiness to implement its priority reform?  |  | <p>This analysis builds on interviews with government, JFPs, development partners, as well as CSOs, INGOs and expert stakeholders in academia.</p> <p>This section also builds on analysis of the partnership compact, SESP, the ITAP Report, Common Framework for Technical Assistance (draft, March 2023), the terms of reference of the SESP Thematic Committees, the SCG application and budget, and associated documentation on monitoring mechanisms (such as joint SESP DLI framework (Annex II – SESP Disbursement Linked Indicators, 2023).</p> <p>Evidence for this question was generally complete and while there are multiple sources of data for this question, we note that a key limitation is the incompleteness of data. Stakeholders we spoke with (who were selected with support from the coordinating agency on the basis of their involvement in the compact development process) were often less able to speak in detail about questions on implementation for the priority reform given the early stages of the reform process. This may be the result of the early stage of implementation and/or due to unclear roles and responsibilities for implementation.</p> |
| 4. Domestic financing   |  | <p>This section builds on stakeholder interviews with government and JFPs as well as analysis of Nepal's partnership compact, SCG and STG documents.</p> <p>We were unable to schedule interviews with a representative from the Ministry of Finance. However, the quality of other sources of data to generate findings on issues related to domestic finance, including interviews with the coordinating agency and GPE Secretariat country team lead, key government representatives from MoEST, and secondary data, were found to be high.</p>  |

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## 5. Gender equality



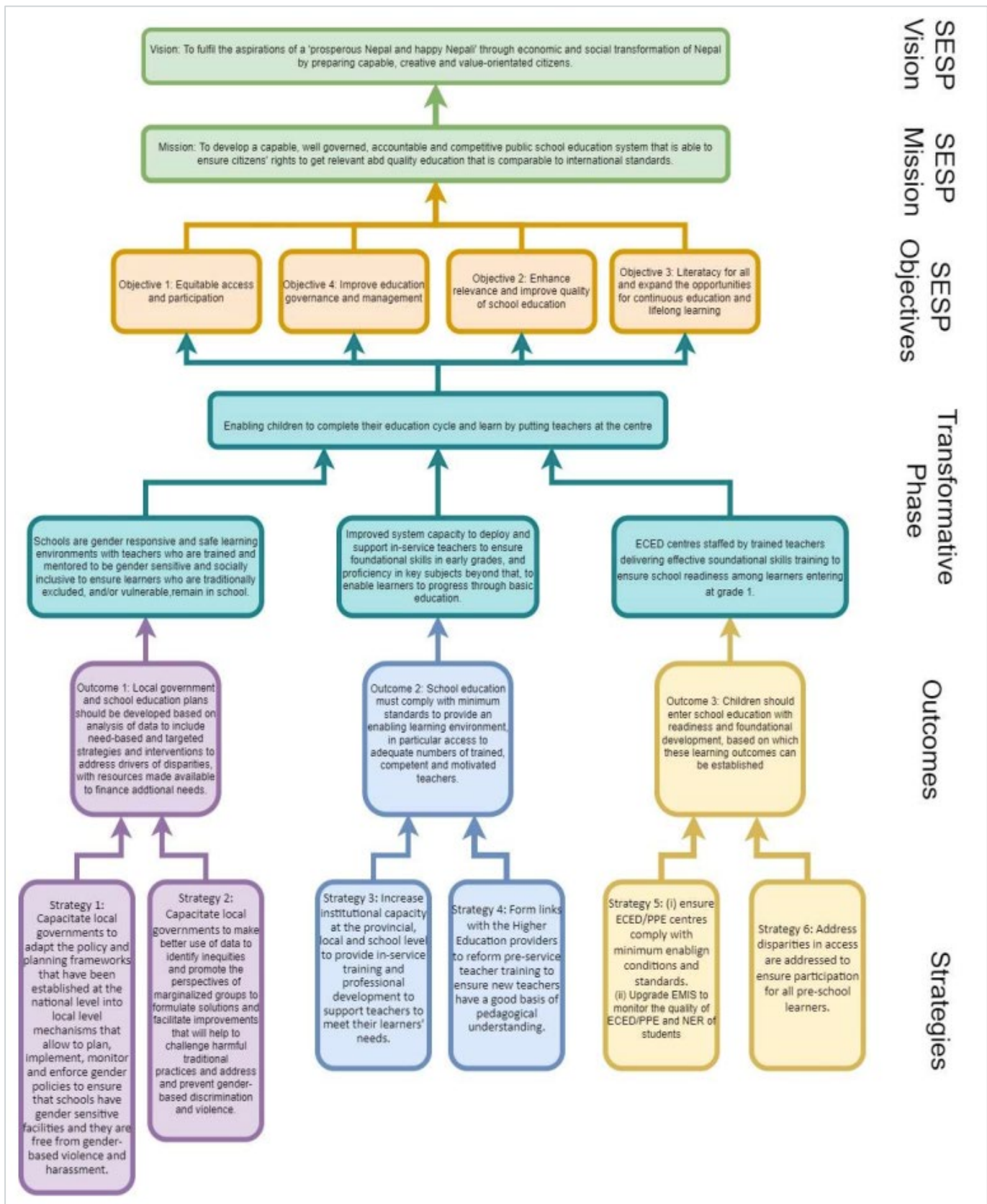
Moderate

This section builds on stakeholder interviews with government and JFPs as well as analysis of Nepal's partnership compact, SCG and STG documents.

We were unable to schedule an interview with the Inclusive Education / Gender focal point person at the Center for Education and Human Resource Development (CEHRD). However, the quality of other sources of data to generate findings on issues related to gender equality, including interviews with the coordinating agency and GPE Secretariat country team lead, key government representatives from MoEST, and secondary data, was found to be high.

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# Annex 3. Depiction of Nepal's priority reform theory of change





## Annex 4. Summary of Nepal's enabling factors

| Enabling Factor   | Priority Level | Identified bottlenecks  | Planned activities to address bottlenecks in the partnership compact   | How the priority reform will address bottlenecks within enabling factors  | Remaining gaps   |
|---|----------------|---|--|---|--|
| <b>Data and evidence</b>  | Low            | Need to strengthen systems, processes, and capacity to support the use of education data for need-based and evidence-based planning and budgeting and to support local governments to track learning outcomes   | <p>Actions focused on adapting existing systems to provide local governments with usable and relevant information to inform planning and monitoring of disparities and building the capacity of relevant officers to use data effectively.</p> <p>Actions to strengthen local government and school capacity to track learning outcomes by adapting EMIS functions to support local, governments and schools to access, use and assess data on children's competencies to plan and design targeted strategies to address low levels of learning.</p> | <p>Policy actions to support the strengthening of systems to inform planning and budgeting at the local government level.</p> <p>Within the framework of SESP, EMIS is continuously being enhanced. This includes the implementation of a pilot system designed to harmonize data fields with the Washington Group Questions, which enhanced the monitoring of children with disabilities. Additionally, the integration of EMIS with information systems from other sectors such as water, health and sanitation is being considered.</p> <p>SCG: Activities tied to key bottlenecks that relate to the need to strengthen systems, processes, and capacity to support the use of education data.</p> <p>KIX: Two global projects and one regional project focus on improving the use of data to improve education equity, inclusion, school environment and approaches to learning.</p> | None   |
| <b>Volume, Equity, and efficiency of domestic public expenditure on education</b> | Medium         | <p>Geographical disparities and financial management as potential bottlenecks to achieving system transformation.</p> <p>Need to strengthen existing mechanisms of financing to address territorial disparities in fund allocations and financial management, and to reduce disparities in education outcomes</p> | Strengthening mechanisms of financing to adapt to the decentralized nature of the sector budget and improve equity and balance in the conditions of schooling through covering the remuneration of all teachers through a conditional grant based on the number of teachers, and the student teacher ratio across the country.   | Various activities funded under SCG and STG aim to address issues of efficiency (e.g. supporting fiduciary oversight of the central level under SCG aims to provide more clarity around how education grants will be allocated at provincial and local levels and under Results Area 1 (Improved teacher capacity and student learning), the STG will indirectly support the efficiency of domestic finance given more than 75% of the national education   | <p>No policy actions related to addressing volume in PC, SCG or STG grants.</p> <p>Government stakeholders agreed that volume and efficiency will depend on further dialogue and consensus across the tiers of government on the role of the federal government in this process.</p> <p>It is unclear to what extent the EOL grant focuses on addressing</p> |

|  |        |  |  |   |  |
|--|--------|--|--|---|--|
|  |        |  | 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 to build management capacity (i.e., development of a teacher rationalization and redeployment plan to contribute to equity by addressing teacher distribution, based on set criteria)   | budget is allocated to teacher salaries as explained in the compact. <sup>45</sup><br><br>EOL: The Tax Education Alliance grant focuses on ensuring adequate domestic financing for the education sector across three countries (Nepal, Senegal, Zambia)<br><br>The medium-term expenditure framework (MTEF) for 2019 to 2021 was realigned with the federal structure and has been adapted to serve as a central, provincial, and local-level MTEF, which is an encouraging sign for the financing of the SESP. <sup>46</sup>  | geographical disparities in fund allocations.<br><br>We did not find further detail on how Nepal plans to address issues of equity in the SCG and STG applications apart from strengthening the use of the equity index (e.g., no mention of the teacher rationalization and redeployment plan)  |
| <b>Sector coordination (coordinated financing and funding)</b> | Medium | Ensuring SWAp functions are adapted to remain aligned with a federal structure is a key potential bottleneck.<br><br>Need to facilitate further alignment of financial mechanisms across different government tiers (federal, provincial, and local) and to align funds from non-state actors. | Actions identified include initiating consultations with provincial and local governments and the wider local education group around how to further align the SWAp to the federal structure; strengthening mechanisms to facilitate co-financing across different government tiers and establishing systems to align funds from non-state actors with the priorities and funding constraints in the education sector plans at the federal, provincial, and local government level. | In the partnership compact, the LEG recognized that while sector coordination has historically been enabled through the SWAp modality and pooled budget support approach, this needs to be adapted to ensure continued alignment with the emerging federal structure.<br><br>Development partners interviewed expressed reservations about the utility of co-financing, with one respondent suggesting it was not practical given the high number of local governments (753)<br><br>SCG: Focus on addressing the bottleneck around ensuring coordination functions are aligned with the federal structure. Facilitating further alignment of financial mechanisms across government tiers is addressed through activities that focus on capacity building and technical assistance to the Government of Nepal in fiduciary oversight. | In the future, domestic finances should be provided to the local level in a non-conditional way so that local governments are able to identify their own priorities. This can be facilitated by strengthening local governments' reporting mechanisms to ensure adequate and transparent resource allocation, a policy action Nepal can consider in order to improve sector coordination.<br><br>The introduction of federalism in the country resulted in a lack of clarity around roles and responsibilities across the three tiers of governments. While this was acknowledged in the |

<sup>45</sup> The STG has three main objectives: Results Area 1: Improved teacher capacity and student learning; Results Area 2: Improved equity in access to basic and secondary education; and Results Area 3: Strengthened education governance and system resilience.

<sup>46</sup> Government of Nepal, National Planning Commission (2018-2023). *Medium Term Expenditure Framework*. [https://npc.gov.np/en/category/medium\\_term\\_expenditure\\_framework](https://npc.gov.np/en/category/medium_term_expenditure_framework).

|  |        |   |   |   |   |
|--|--------|---|---|---|---|
|  |        |   | At the time of data collection, a common framework for technical assistance was being developed to ensure needs are identified across the three tiers of governments and that support is made available based on demand. <sup>47</sup>  | EOL: Two grants supporting civil society advocacy and influencing to promote inclusivity and accountability in Nepal's education sector contribute to addressing sector coordination challenges, in particular the need to align funds from non-state actors, as identified in the EFA.<br><br>STG: focus areas linked to a joint DLI subscribed to by all JPFs supporting the SESP and the implementation of the agreed reforms  | compact, government stakeholders interviewed felt that plans or strategies to mitigate this challenge could have been more explicitly set out in the compact.<br><br>Aligning funds from non-state actors with education sector priorities (as identified in the EFA) also seems to be a gap in the SCG budget and application. <sup>48</sup> GPE private sector engagement has not been considered in the program design of the STG, therefore non-state providers of core education services are not supported under this grant either. <sup>49</sup>                           |
| <b>Gender-responsive sector planning, policy, and monitoring</b> | Medium | <p>Need for targeted interventions to address persisting social, economic, ethnic and language barriers.</p> <p>Insufficient provision and distribution of public ECED/PPE services</p> <p>Lack of local government capacity to effectively implement policies at the local level.</p> <p>Insufficient and low-quality pre-service teacher training.</p> <p>Insufficient institutional capacity for in-service training following the federal transition.</p> | Build the capacity of local governments to adapt policy and planning frameworks to the local context; addressing both pre-service and in-service teacher training, enabling teachers to better respond to learner needs; and strengthening teacher management, rationalization, and redeployment. | <p>Strategies to address gaps in this enabling factor focus on strengthening the implementation of relevant policies at the local level.</p> <p>SCG: Addressing key bottlenecks related to the lack of local government capacity to effectively implement policies at the local level and lack of management capacity at central and school levels to comply with high-level policy recommendations:</p> <p>Capacitating LGs to adapt/contextualize SESP in their local education plans and budgets.</p> <p>Capacity building of MoEST, CEHRD, and provincial and local governments in specific areas related to gender-responsive planning, monitoring, and evaluation.</p> <p>Establishing a Professional Development Scheme for female officers and head teachers with the objective to increase gender balance at officer, head</p> | Specific policy actions related to addressing disparities in access and quality of ECED / PPE are not clearly set out in the compact document. The compact explains that remaining gaps will be addressed based on the appraisal of SESP. A key technical capacity gap is the limited use of gender disaggregated education data for evidence-based gender-responsive planning and budgeting at local government and school level. Given domestic financing towards education is below target and the majority of the education budget is spent on teachers' salaries, this study |

<sup>47</sup> Government of Nepal, Ministry of Education, Science and Technology, 2023. Common Framework for Technical Assistance: For the School Education Sector Plan. Draft.

<sup>48</sup> Annex 1 Nepal SCG Budget August 1 updated.

<sup>49</sup> System Transformation Grant Application Form.

|  |  |   |
|--|--|---|
| <p>Lack of management capacity at central and school levels to comply with high-level policy recommendations.</p> <p>Lack of finalized regulations for teacher management in a federal system.</p> | <p>teacher and management levels across all government tiers).<sup>50</sup></p> <p>STG: Activities to provide strengthened support to teachers (DLI3) and to ensure the minimum enabling conditions in ECED centers (DLI1).</p> <p>The fixed part of the grant will support the translation and contextualization of the TEACH classroom observation tool (as part of a teacher professional support system for basic education). The tool will not only capture teaching practices but also classroom culture, with attention to gender equality.</p> <p>Supporting high quality public ECED services will help support gender equality given the preference of enrolling boys in private schools and by enabling women to free up time from childcare to participate in the labor market.</p> <p>KIX: Three regional projects examine the impact of gender and inclusive pedagogies on learning achievement, the role of school leaders as agents of change for equity and inclusion, and a multi-modal approach to teacher professional development relate to the gender-related bottlenecks identified in the EFA that highlight insufficient teacher training and a lack of management capacity at school level to comply with central level gender-related policy recommendations as key barriers to transformation.</p> | <p>finds that the government has very limited capacity to resolve gender-related issues persisting in the education sector.</p> <p>Targeted interventions will still be needed to address persisting, social, economic, ethnicity, language, etc. barriers, which was not necessarily the focus of the proposed policy actions in the compact but is reflected in the activities supported by the SCG.</p> <p>SCG: It is not fully clear how the above bottleneck, the insufficient and low-quality pre-service teacher training and the lack of finalized regulations for teacher management in a federal system would be addressed by considering gender equality issues; instead, the SCG budget outlines relevant activities to support wider social inclusion efforts (e.g. embedding of the equity index in the EMIS and strengthening the capacity on enforcing the ECED Minimum Enabling Conditions).</p> |
|--|--|---|

<sup>50</sup> These activities are covered under Activity Group A: *Gender-responsive sector planning, including operational planning and budgeting* (Annex 1 Nepal SCG Budget August 1 updated).

## Annex 5. Stakeholder map and list of respondents

**Table 1. Stakeholder map**

| Type/ group of stakeholders | Stakeholder<br>(names, specific titles, and roles)  | Role played in system<br>(including role played in the compact development process, where applicable)  |
|-----------------------------|---|--|
| <b>Government</b>           | Ministry of Education, Science and Technology (MoEST)   | MoEST has an oversight of all education related schemes and implementation in Nepal. It is responsible for formulating education policies and plans and managing and implementing them across the country through the institutions under it. The Central Level Agencies (CLAs) under the Ministry are responsible for formulating and implementing of programs and monitoring. |
|                             | National Centre for Educational Development (NCED)  | Responsible for teacher and administrative staff training.   |
|                             | Non-Formal Education Center (NFEC)  | Responsible for non-formation education programs.  |
|                             | Curriculum Development Center (CDC)   | Responsible for curriculum development.  |
|                             | Higher Secondary Education Board (HSEB)   | Responsible for curriculum development, examinations, standard setting, and monitoring of higher secondary programs.   |
|                             | Office of the Controller of Examinations (OCE)  | Responsible for administration of SLC examinations.  |
|                             | SESP Thematic Working Group Coordinators  | Thematic Committees brought together through the SWAp mechanism facilitate government and non-government actors to collaborate on key priority areas. These “thematic committees” are supposed to build on lessons learned from previous thematic working groups.  |
|                             | Development Assistance Coordination Section (DACS) (under MoEST)  | Responsible for shaping and implementing education sector policy and managing related financing as well as for the implementation of the ESP.  |
|                             | Center for Education and Human Resource Development (CEHRD)   |  |
|                             | Ministry of Finance<br>Financial Controller General's Office (FCGO)   | Responsible for budget allocations to the education sector and for the financial management of pooled government and donor funds.<br><br>The FCGO provides access to its Financial Management Information System (FMIS) to the DOE for the production of financial reports.  |
| Local authorities           | Have the authority over basic education (up to grade VIII) and secondary education (from grade XI to XII) with the introduction of federalism (previously taken on by districts). |  |

| Type/ group of stakeholders                           | Stakeholder<br>(names, specific titles, and roles)   | Role played in system<br>(including role played in the compact development process, where applicable)  |
|---|--|--|
|   | Provincial Education Training Centers  | Established with the introduction of federalism to provide necessary training to teachers.   |
|   | School Management Committees   | Oversees: (a) readiness of the budget plan supported through government awards and school pay, and its endorsement and execution; (b) asset age including pay age exercises; (c) instructor the board including recruiting of instructors; (d) grant dissemination; (e) arranging and execution of scholastic schedule; (f) leading school assessments; and (g) intermittent answering to guardians' get together.<br><br>Responsible for activities such as (i) school improvement planning, maintenance and rehabilitation of school infrastructure and construction of new infrastructure; (ii) addition of higher grades; and (iii) teachers' training.<br><br>Reports to the parents' assembly. |
| <b>Local Education Group</b>                          | Local Education Group  | Led by the Government.<br><br>Includes JFPs (JICA, Norway, UNICEF, ADB, USAID, WB, EU, Finland, GPE), other DPs, Government Representatives, CSOs, representatives of teacher professional organizations, parent/guardian associations and organizations for people with disabilities.<br><br>Responsible for leading, coordinating, and guiding education sector reforms and programs.<br><br>Acts as interface between national, provincial, and local Governments, DPs, and CSOs.   |
| <b>Grant Agent</b>                                    | World Bank   | Key role in ensuring that GPE support is adequately managed and aligned with broader education sector developments.  |
| <b>Coordinating Agency</b>                            | UNICEF   | Key role in facilitating and ensuring harmonized support in the education sector.  |
| <b>Other Development Partners</b><br>(not exhaustive) | Australia<br>WFP<br>UNESCO<br>UNFPA<br>Association of International Non-Governmental Organisations in Nepal (AIN)<br>National Campaign for Education - Nepal | Participate and contribute to LEG meetings.<br><br>Implement GPE-funded or other activities in the education sector, in alignment with ESP priorities.   |

**Table 2. List of respondents**

| #                               | First Name / Last Name    | Role / Division  | Organization                         |
|---------------------------------|---------------------------|--|--------------------------------------|
| <b>Government</b>               |                           |  |                                      |
| 1.                              | Dr. Hari Lamsal           | Joint Secretary  | MoEST                                |
| 2.                              | Jaya Prasad Acharya       | Under Secretary, Development Assistance Coordination Section | MoEST                                |
| 3.                              | Ghana Shyam Aryal         | Under Secretary, Planning and Monitoring Division            | MoEST                                |
| 4.                              | Deepak Sharma             | Joint Secretary, School Education Division                   | MoEST                                |
| 5.                              | Chandra Kanta Bhusal      | Director General, Education Review Office                    | MoEST                                |
| 6.                              | Gopal Narayan Shrestha    | Education Review Office                                      | MoEST                                |
| 7.                              | Sunita Baral              | Education Review Office                                      | MoEST                                |
| 8.                              | Renuka Adhikari           | Education Review Office                                      | MoEST                                |
| 9.                              | Kumar Basnet              | Education Review Office                                      | MoEST                                |
| 10.                             | Posh Ram Tiwari           | Education Review Office                                      | MoEST                                |
| 11.                             | Narayan Prasad Jha        | Education Review Office                                      | MoEST                                |
| 12.                             | Sarala Paudel             | Education Review Office                                      | MoEST                                |
| 13.                             | Shiva Sapkota             | (former) Joint Secretary, Education Review Office            | MoEST                                |
| 14.                             | Tulsi Thapaliya           | (former) Joint Secretary                                     | MoEST                                |
| 15.                             | Girman Thapa              | Director, Training Department                                | CEHRD                                |
| 16.                             | Arjun Dhakal              | Director   | CEHRD                                |
| 17.                             | Chudamani Paudel          | Director General   | CEHRD                                |
| 18.                             | Madhu Prasad Regmi        | Chairperson  | Teacher Service Commission           |
| 19.                             | Nanda Kumari Maharjan     | Staff member   | Teacher Service Commission           |
| 20.                             | Dr. Dilli Ram Rimal       | Staff member   | Teacher Service Commission           |
| 21.                             | Surdarshan Marhatta       | Staff member   | Teacher Service Commission           |
| 22.                             | Dr. Kamal Prasad Pokharel | Staff member   | Teacher Service Commission           |
| 23.                             | Rudra Hari Bhandari       | Training Chief   | Provincial Education Training Center |
| <b>Joint Financing Partners</b> |                           |  |                                      |
| 24.                             | Jimmy Oostrum             | Education Specialist   | UNICEF                               |
| 25.                             | James Russell             | Education Sector Liaison Officer                             | UNICEF                               |

| #                                  | First Name / Last Name | Role / Division  | Organization                               |
|------------------------------------|------------------------|--|--|
| 26.                                | Neven Knezevic         | Chief of Education                                       | UNICEF                                     |
| 27.                                | Vaishali Pradhan       | Education Specialist                                     | UNICEF                                     |
| 28.                                | Raj Kumar Dhungana     | Education Advisor  | Norway                                     |
| 29.                                | Nikita Dhawan          | Second Secretary   | Norway                                     |
| 30.                                | Indra Gurung           | Special Advisor  | Finland                                    |
| 31.                                | Jaya Krishna Upadhyay  | Deputy Director, Education                               | USAID                                      |
| 32.                                | Mohan Prasad Aryal     | Senior Operations Officer                                | World Bank                                 |
| 33.                                | Nisha Pandey           | Development Partner<br>Coordinator                       | World Bank                                 |
| 34.                                | Rajan P Acharya        | Project Analyst  | Asian Development Bank                     |
| 35.                                | Smita Gyawali          | Senior Education Officer                                 | Asian Development Bank                     |
| <b>Development Partners</b>        |                        |  |  |
| 36.                                | Abhiram Roy            | Comprehensive Sexuality<br>Education Project Coordinator | UNFPA                                      |
| 37.                                | Satomi Kamei           | Education Advisor  | JICA                                       |
| 38.                                | Gopini Pandey          | Liaison Officer  | WFP  |
| 39.                                | Laura Ballester-Nieto  | Head of External Relations                               | WFP  |
| <b>CSOs / INGOs / Associations</b> |                        |  |  |
| 40.                                | Sudharshan Sigdel      | General Secretary  | National Campaign for<br>Education - Nepal |
| 41.                                | Ram Gaire              | Program Manager  | National Campaign for<br>Education - Nepal |
| 42.                                | Renu Shrestha          | EWG Coordinator  | AIN  |
| 43.                                | Shika Shrestha         | Head of Programmes for<br>Inclusive Governance           | VSO  |
| 44.                                | Juha Valta             | Country Director   | Finnish Evangelical Lutheran<br>Mission    |
| 45.                                | Helen Sherpa           | Country Director   | World Education                            |
| 46.                                | Kshitiz Basnet         | Programs Manager   | Street Child                               |
| 47.                                | Laxmi Pandey           | Chairperson  | NARMIN                                     |
| <b>Experts / Academics</b>         |                        |  |  |
| 48.                                | Dr. Bal Chandra Luitel | Dean   | Kathmandu University                       |
| 49.                                | Jiban Khadka           | Associate Professor of<br>Education                      | Nepal Open University                      |



## Annex 6. List of references

### GPE 2025 Operating Model Documents

- Country Analytics (GPE Secretariat Internal Document), 2021.
- Engagement Memo Draft (GPE Secretariat Internal Document), 2021.
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