

Eastern and Southern Africa Higher Education Centers of Excellence Project (ACE II)

The Project Operational Manual

Summary

IUCEA 2016.
The Inter-University Council for East Africa (IUCEA)/
Regional Facilitation Unit (Unit),
Kampala, Uganda.

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ACRONYMS

| | |
|----------------|--|
| ACE | - African Center of Excellence |
| ACE I | - Western and Central Africa Higher Education Centers of Excellence |
| ACE II | - Eastern and Southern Africa Higher Education Centers of Excellence |
| DAAD | - German Academic Exchange Service |
| DLI | - Disbursement-Linked Indicator |
| DLR | - Disbursement-Linked Result |
| EAC | - East African Community |
| EEP | - Eligible Expenditure Program |
| FM | - Financial Management |
| IBRD | - International Bank for Reconstruction and Development |
| IDA | - International Development Agency |
| IEC | - Independent Evaluation Committee |
| IFP | - Investment Project Financing |
| IPF | - Investment Project Financing |
| IUCEA | - Inter-University Council for East Africa |
| M&E | - Monitoring and Evaluation |
| MoF | - Ministry of Finance |
| MOU | - Memorandum of Understanding |
| MSc | - Master of Science |
| NSC | - National Steering Committee |
| PASET | - Partnership of Applied Sciences, Engineering and Technology |
| PAD | - Project Appraisal Document |
| PDO | - Project Development Objective |
| PhD | - Doctor of Philosophy |
| PI | - Partner Institution |
| POM | - Project Operational Manual |
| PPA | - Project Preparation Advance |
| RFU | - Regional Facilitation Unit |
| RUFORUM | - Regional Universities Forum for Capacity Building in Agriculture |
| SOE | - Statement of Expenditure |
| RSC | - Regional Steering Committee |
| SADC | - Southern African Development Community |
| SDG | - Sustainable Development Goals |
| SDR | - Special Drawing Rights |
| STEM | - Science, Technology, Engineering and Mathematics |
| STI | - Science, Technology and Innovation |
| TA | - Technical Assistance |
| TTL | - Task Team Leader |
| USAID | - United States Agency for International Development |
| WB | - World Bank |

1. INTRODUCTION

The Project Operational Manual (POM) has been developed by IUCEA and the World Bank to make it a coherent tool to understand the project and its implementation for stakeholders i.e. ACEs, project staff, ACE results verifiers, RSC members, RFU, National Steering Committee (NSC), government officials, the World bank and higher education stakeholders. Major sections of the POM include: a) purpose and scope; b) project description; c) Implementation i.e. institutional and implementation arrangements; d) communication strategy; e) monitoring and evaluation arrangements; f) project financing; g) environmental and social safeguards and h) financial management and disbursement.

2. PURPOSE AND SCOPE

The Project Operational Manual (POM) of the Eastern and Southern Africa Higher Education Centres of Excellence (ACE II) Project is expected to serve as a comprehensive guide and reference for the ACE II selected centres of excellence (ACEs), Project staff, ACE results verifiers, Regional Steering Committee (RSC) members, Regional Facilitation Unit (RFU), National Steering Committee (NSC), government officials, the World bank and higher education stakeholders in understanding ACE II Project and its implementation. The POM, besides the Project Appraisal Document (PAD) provides more detailed operational guidance and reference. It contains all essential information for the user to make informed decision in the implementation of the ACE II Project.

3. PROJECT DEVELOPMENT OBJECTIVE

The Project Development Objective (PDO) for the ACE II is to strengthen selected Eastern and Southern African higher education institutions to deliver quality post-graduate education and build collaborative research capacity in the regional priority areas.

3.1. Project Beneficiaries

The ACE II Project credit beneficiaries are:

- (a) Students in participating universities, and their partner institutions across Eastern and Southern Africa who will benefit from high quality education and training in regional priority areas;
- (b) Employers in targeted sectors/industries who will have greater access to high quality/skilled personnel, results of applied research, and scientific knowledge for productivity improvement; as well as knowledge partners (including companies, governmental or non-governmental organizations) will use research produced by the ACEs;
- (c) Communities in which the ACEs reside who will benefit from improved educational and research outreach of the ACEs, particularly primary and secondary schools and students;
- (d) Faculty and staff in the ACEs will benefit from improved teaching and research conditions and professional development opportunities;
- (e) Regional institutions within East African Community (EAC) and Southern Africa Development Community (SADC) who will benefit from improved educational and research capacity of the ACEs;
- (f) Faculty and students in Science, Technology, Engineering and Mathematics (STEM) and other priority-sector disciplines will benefit from exchange visits, collaborative teaching and research, and other knowledge-sharing activities across the ACEs organized by RFU; and
- (g) ACEs hosting universities who will benefit from the strengthened capacity of their ACEs, and quality improvement measures e.g. benchmarking with other institutions initiated under the project.

3.2. Level Results Indicators

The following indicators will be used to measure progress towards achieving the PDO:

- (a) Regional students enrolled by the ACEs in Master's and PhD programs (number);
- (b) Students (national and regional) enrolled by the ACEs in Master's and PhD programs (number);
- (c) Memorandum of Understandings (MoUs) on partnerships for collaboration in applied research and training entered into by the ACEs (number); and
- (d) Accredited education programs offered by the ACEs (number) and
- (e) Direct Project Beneficiaries (number), of which female (%)

4. PROJECT DESCRIPTION

The ACE II supports the governments of eight participating countries – Ethiopia, Kenya, Malawi, Mozambique, Rwanda, Tanzania, Uganda and Zambia – to collectively address a set of key development challenges facing the Eastern and Southern Africa region through interventions in developing critically-needed science and technology capacity.

4.1. Project Components

In view of achieving its vision and objective, the ACE II operation will implement three sets of initiatives: (i) strengthening 24 higher education institutions into regional ACEs in Eastern and Southern Africa in a set of defined regional priority areas (US\$ 140 million); (ii) providing capacity building support to these ACEs through regional scholarships (US\$3 million); and (iii) supporting coordination and management of the implementation of components (i) and (ii) (US\$5 million).

Component 1: Strengthening the Centers of Excellence in Regional Priority Areas (US\$ 140 million): Under this component, the IDA Credit finances the strengthening of 24 ACEs in five clusters of regional priorities – Industry, Agriculture, Health, Education and Applied Statistics. Each of the 24 specialized regional centers are expected to receive a grant of up to US\$ 6 million for implementing its proposal in a specific regional priority area.

Component 2: Capacity Building Support to ACEs through Regional Scholarships (US\$ 3 million): This includes competitive scholarships to award top future talents and encourage regional student mobility. Under the ACE Scholarship Program, regional students are expected to be financed for two years to attain a Master's degree in any of the ACEs. The project Scholarship program acquires the prestige of a Rhodes type scholarship program, identifying and cultivating future leaders for the region. Some elements of this component could be implemented by specialized TA firm(s) overseen by the RFU.

Component 3: Facilitation, Coordination and Administration of the Project Implementation (US\$ 5 million million): The IDA Grant finances the RFU is to support coordination and administration of project implementation as the sheer number of countries and participating institutions make the project implementation complex and requires a designated team to manage the project. The main role of the RFU is to deliver capacity development activities under Component 2. The RFU is expected to explore networks of regional institutions and industries within and outside of the Eastern and Southern Africa (ESA) region and manage the required firm(s), to ensure effective project preparation and implementation, and to oversee, administer, and coordinate monitoring and evaluation (M&E) activities across the ACEs. This is expected to ensure the achievement of the agreed upon disbursement linked indicators and results (DLIs/DLRs).

4.2. Project Financing

The basis for disbursement of funds: Disbursement of funds for the IDA Credit and Grant that finances the ACE II project activities is based on the achievement of agreed upon DLIs/DLRs for Component 1, and on statements of expenditures (SOEs) for Components 2 and 3.

For Component 1: The IDA Credit disbursements will reimburse the participating governments for selected budget lines based on the performance of their ACE(s) and according to the funding agreements between the government and selected institution(s).

For Components 2 and 3: The IDA Grant disbursement will employ the traditional method- based on SOEs.

Table 1: Project Cost and Financing for Component 1 (in US\$ million)

| <i>Project Component</i> | <i>Total IDA</i> | <i>National IDA</i> | <i>Regional IDA</i> |
|---|------------------|---------------------|---------------------|
| Component 1: Strengthening ACEs in Regional Priority Areas | | | |
| Ethiopia (4 ACEs) | 24 | 12 | 12 |
| Kenya (3 ACEs) | 18 | 9 | 9 |
| Malawi (2 ACEs) | 12 | 6 | 6 |
| Mozambique (1 ACE) | 6 | 3 | 3 |
| Rwanda (4 ACEs) | 20 | 11 | 9 |
| Tanzania (4 ACEs) | 24 | 12 | 12 |
| Uganda (4 ACEs) | 24 | 12 | 12 |
| Zambia (2 ACEs) | 12 | 6 | 6 |
| Total | 140 | 71 | 69 |

Table 2: Project Cost and Financing (in US\$ million)

| <i>Project Components</i> | <i>Project Cost</i> | <i>IDA Financing</i> | <i>% Financing</i> |
|--|---------------------|----------------------|--------------------|
| Component 1: Strengthening Africa Centres of Excellence (ACEs) in Regional Priority Areas | 140 | 140 | 100 |
| Component 2: Capacity Building Support to ACEs through Regional Scholarships | 3 | 3 | 100 |
| Component 3: Facilitation, Coordination, and Administration of Project Implementation | 5 | 5 | 100 |
| Total | 148 | 148 | 100 |

5. PROJECT IMPLEMENTATION

5.1. Institutional and implementation arrangements

The implementation of ACE II follows a tiered structure with clear roles and responsibilities for key partners and stakeholders. The core implementing teams are the ACEs themselves with support from the host university, the RFU, the RSC, the NSC and partners from both public and private institutions. **Each selected ACE is expected to implement its own approved proposal and implementation plan.** A recognized academic or researcher with leadership and managerial capacity has been chosen as the leader of the ACE. The leader from the primary discipline of the ACE is expected to be supported by faculty from all relevant departments, and is expected to receive support and guidance from the leadership of the ACE hosting university. Project implementation draws heavily on a large number of international, regional, and national partners to achieve academic and development objectives.

5.1.1. The Regional Steering Committee

The RSC members provide overall guidance and oversight for the project. The RSC is the decision making body of the project and has been involved in ACE II from the preparation stage. It comprises of representatives from participating countries, academics, and representatives from regional bodies and the private sector. During the implementation phase, the main task of the RSC is to provide oversight and guidance to the project, to ensure that the ACEs are working towards achieving the PDO, and to help unblock any obstacles during implementation process.

5.1.2. The IUCEA/[RFU]

The IUCEA/[RFU] provides overall coordination, facilitation and administration to the project implementation under the oversight of RSC. It also oversees the implementation of Component 2. IUCEA/[RFU] is responsible for organizing and coordinating all RSC meetings. A technical firm (TA) will implement the scholarship activity under Component 2. The IUCEA/[RFU] is expected to provide/facilitate timely independent verification of the DLIs/DLRs achieved by each ACE for timely disbursement of funds. The IUCEA/[RFU] will verify results for DLIs/DLRs 1.1-1.2 submitted by NSC to the World Bank; DLI 2-4/DLR 2.1-4.2 will be verified by independent verifiers, potentially a TA firm(s) hired and overseen by IUCEA. In addition, IUCEA will provide overall project support and organize knowledge sharing events.

5.1.3. Performance and Funding Agreements

Performance and funding agreements (PFA) are expected to be signed between the Ministry of Finance and the Ministry/Agency in charge of Higher Education on behalf of the government and the University, where the University will be represented by the Head of Institution (Rector/Vice-Chancellor) on behalf of Centre Leader.

5.1.4. National Steering Committee

A National Steering Committee will be established through the ministry responsible for higher education. The NSC will review the semi-annual performance, implementation planning and support, with no day-to-day implementation or approvals. The composition of the NSC will be defined by each country, which could include representatives from the ministry responsible for higher education, the Ministry of Finance, relevant line ministries related to the focus area of the ACEs, the Vice Chancellors from the ACE hosting universities, and the private sector.

5.2. Disbursement procedures

Disbursement of funds to the ACEs will be guided by the following processes, and fulfilment of project activities as agreed upon:

- i) Implementation and achievement of agreed upon DLIs/DLRs
- ii) The ACE will submit information and/or supporting data to the NSC regarding the achievement of the preparation and qualification results (DLI 1 – Year 0). Furthermore, the ACE is expected to certify that it has the required background information in its archives to document the achievements of the results.
- iii) The Government, through the NSC, will review and submit information to the IUCEA/[RFU] which closely works with World Bank team to guide further implementation process, regarding the achievement of the preparation and qualification results (DLI 1 – Year 0). This information will be supplemented with expenditures in the Eligible Expenditure Program (primarily salaries). This first disbursement is planned to amount to 18% of the agreed ACE support.
- iv) The World Bank will disburse funds for Year 0 results upon effectiveness for each ACE. This will happen after the signing of the legal instrument between the government of the hosting country and the World Bank, as well as after the signing of the funding and performance agreement between the ministry in charge of higher education and the ACEs, and the establishment of NSC.
- v) Ministry of Finance will transfer the funds using the regular budget and disbursement process to the ACE account at the university level according to the regulatory framework of each country.
- vi) If additional funds are necessary for implementation, the government can request an advance from the second disbursement of up to an additional 10% of the support to each ACE. This will be an advance, and if results and eligible expenditures are not subsequently submitted to the World Bank, this advance will have to be refunded to the World Bank.

For each subsequent yearly disbursement, the following procedures will be utilized:

- (a) The ACE will compile the achieved results and certify that it has the required background information in its archives to document the achievements of the results. The archives will be kept for a period of twenty years.
- (b) The ACE and the Ministry in charge of higher education through the NSC will review the results and submit information regarding the achievement of the results for that year (Year 1-4). The results to submit consists of: (i) ACE results in the form of the DLIs, and (ii) Expenditures in the eligible expenditure program (EEP).
- (c) IUCEA/[RFU] with the World Bank Team will verify achievements, and the WB will disburse the agreed funds for that year's results to the project account through the Ministry of Finance.
- (d) Ministry of Finance will transfer the funds to the ACE account at the university level.

5.3. Results Monitoring and Evaluation

The following are important information on monitoring and evaluation (M&E):

5.3.1. Strong Monitoring and evaluation (M&E) is critical to the success of the project

The emphasis on M&E is key to the success of implementing a DLI model. To measure the progress of the ACEs and the overall project, a Results Framework and a list of DLIs/DLRs have been prepared. The M&E functions will be undertaken by each of the ACEs through their existing administrative arrangements, and when needed, through consultancies. At the ACE level, the tools for M&E includes:

- a) reports on institutional progress, internal quality, and efficiency audit;
- b) reports on results that are verified by an external independent verifier for disbursements and performance audits; and
- c) direct stakeholder feedback. Each ACE is required to report its M&E capacity in its implementation plan.

5.3.2. Results verification

Results achieved by the ACEs will be verified independently for disbursement. Independent verifier(s) hired by IUCEA/[RFU] is expected to verify the results achievement of the agreed DLIs/DLRs for all the ACEs in every six months during the project implementation. During the mid-term review of the project implementation, the DLIs/DLRs and their allocation amounts as well as any issues related to undisbursed funds will be re-examined.

5.3.3. Monitoring and aggregating data

The IUCEA/[RFU] is responsible for monitoring and aggregating the data and results at the regional level. The IUCEA/[RFU] is expected to specifically oversee data collection and analysis for the overall ACE II operation as part of its responsibilities, as well as ensure that a robust M&E system is institutionalized, and that all data is transparent and publicly available online. Comprehensive project progress reports are expected to be provided to the Bank semi-annually.

5.4. Sustainability

Important aspects of the project sustainability are a) institutional sustainability and b) financial sustainability:

5.4.1. Institutional sustainability

ACE II aims to strengthen institutions through a strong focus on building collaborations and networks among the participating ACEs and their host institutions, as well as partnerships with other public institutions and the private sector. ACE II is also cognizant of the necessity for the university as a whole to support the ACE. To encourage the ACE hosting universities to provide a supportive quality improvement environment for the ACEs, the project has included a DLI which will reward universities to participate in regional benchmarking initiatives.

5.4.2. Financial sustainability

Financing will be the most challenging aspect of sustainability for the project. Though national governments have shown strong commitment and ownership towards the selected ACEs, prior experience has highlighted the necessity for the ACEs themselves to develop fundraising capacity and learn innovative ways to generate revenues to sustainably finance their development. The project also requires the ACEs to develop action plans for additional funds generation at the midterm review. To build financial sustainability, the IUCEA/[RFU] will facilitate forums where ACEs are given opportunities to interact and network with public institutions, development partners (DPs) and private firms to seek potential funding avenues. The project has taken this into consideration by designing a DLI that will match revenue generated externally by the ACEs, thus providing the ACEs with incentives to generate additional funds. The project will match US\$1 for every US\$1 raised from national sources, and US\$2 for every US\$1 raised from regional and international sources. The project also includes an indicator in the Results Framework, *externally generated revenue*, to monitor progress of fundraising made by the ACEs under the project.

6. COMMUNICATION STRATEGY

Communication structure is sub-divided into a) **internal communication** and b) **external communication**:

6.1. Internal communication

This refers to communications and interactions between members involved in the implementation of the project, and include hosting institutions and ACE Leaders both national and regional, RSC, World Bank Task Team Leaders (TTLs) and the IUCEA/[RFU]. The project internal communication structure takes into consideration all stakeholders: 1) Eight participating countries, each with the ACE (s) Centre Leader (s) and NSC members; 2) The RSC; 3) the IUCEA/[RFU] and 4) the WB Group Core Team. The channels of communication include e-mails, letters, video conferences, Skype and WebEx calls. Generally, e-mail response time is expected to be at least three days after receiving an email communication. The following are major structures of communication:

- (a) For all project communication from ACEs, communications are expected to be sent to the IUCEA/[RFU] with copy to relevant World Bank (WB) Core Team and TTL.
- (b) The IUCEA/[RFU] is expected to communicate to the WB Core team with copy to Regional TTL.
- (c) For all communication to the Centre Leaders, the IUCEA/[RFU], WB Country Education Team, WB Core Team should be copied.
- (d) For communication related to the project from an ACE to other ACEs, a copy should be made to the IUCEA/[RFU] and WB Country Education Team.
- (e) For all communication from ACEs to Financial Manager or Procurement Specialist, copy should be made to the WB Core Team, WB Country Education Team and IUCEA/[RFU].
- (f) All sector specific questions to be shared with colleagues in a related field i.e. Health/Agriculture/STEM/Statistics/Education, with copy to WB Country Education Team, WB Core Team and IUCEA/[RFU].
- (g) For observations and information sharing, one may log onto the Forum section of the project website (<http://www.ace2.iucea.org/>) to share any relevant information, observations and comments.

6.2. External communication

External information is described as the exchange of information between people working on the project and the different external audiences that include industry, the media, academic partner institutions, students, development partners and the general public.

It is important that communication with external audiences is managed in a coordinated way via appointed spokespersons. In the interest of the reputation of the project and stakeholder confidence, information issued externally by all stakeholders is expected to be accurate and consistent and should be guided by rules and regulations of relevant institutions. ACEs and the hosting institutions will identify an appropriate person as the official spokesperson for the project where applicable. For all official communications, headed letter with logos and flags of ACE II project partners will be used. ACE institutional logos are expected to be inserted at the top of the page.

6.3. Information Dissemination

Information dissemination will be executed through:

- (a) Meetings, workshops, seminars, training, symposia, conferences and launches.
- (b) Organizational media: publications (newsletters, factsheets) video messages, website, and social media.
- (c) News media such as newspapers, magazines, radio, TV, press conferences and advertising.
- (d) Scientific publications.

All ACEs are expected to commit a dedicated budget to communication for activities such as production of videos, brochures/factsheets, banners, advertising and press/media events.

6.4. Other dissemination activities

The following are the other dissemination activities that are expected to be undertaken by ACEs:

- (a) Sharing regular success stories and photographs with the IUCEA/[RFU].
- (b) Regular production and sharing on social media and on website of short videos (3-5 min).
- (c) Write press releases.
- (d) Posting of relevant project stories on the host institution's website.
- (e) Registering on the project website: <http://www.ace2.iucea.org/>) for login credentials to participate in discussions, post questions or comments on that platform with other ACEs and partners.
- (f) Carrying a square advert (~300X250 pixels) of the project website (<http://www.ace2.iucea.org/>) on the homepage of the ACE's hosting institution's website and on the homepage of a website of one leading newspaper in the country. The costs of the advert will be shared by the selected ACEs in the country as part of their operating costs. The digital advert will be provided by the IUCEA/[RFU].
- (g) ACEs are expected to be active on social media platforms including Facebook, Twitter and YouTube. The information should be accompanied as much as possible by clear photographs or infographics. The project Facebook account is Africa Centers of Excellence II, Twitter is [@Ace2Africa](https://twitter.com/Ace2Africa). Use the Hashtag #Ace2 is expected whenever ACEs tweet so that everybody follows the conversation.

7. ENVIRONMENTAL AND SOCIAL SAFEGUARDS

7.1. Social safeguards

The project takes into account the issue of gender inclusion. Its results framework offers disaggregated indicators on gender (number of female vs. number of male students, number of female faculty exchanges). As part of continuous social risk and impact assessment for the project, the ACEs will need to assess other emerging risks including issues related to social inclusion during project implementation. The ACEs institutions in general may have less capacity to continuously assess social risks and impacts, as well as implement and track performance. Given the project complexity and its regional nature (eight ACEs hosting countries with different environmental and social regulatory frameworks), the project will support and train an environment and social team at the IUCEA/[RFU] level that will work on social and environmental aspects of the project implementation in each ACE. Training on environment and social safeguards at the ACEs is expected to ensure a good understanding of the social concerns including safeguards policies.

7.2. Environment safeguards

Environmental impacts are expected to be from low to moderate. The environmental assessment category is expected to be partial assessment. Some of the ACEs are expected to undertake some rehabilitation and extensions of the selected institutions. However, it is expected that there is no new land acquisition for the ACEs i.e. ACEs are expected to be based within existing institutions. In general, the project will focus on quality enhancements of the ACEs, which primarily requires “softer items” i.e. faculty and curriculum development, and learning resources, while construction is expected to be at a maximum 25% of the funding.

8. MONITORING AND EVALUATION ARRANGEMENTS

8.1. Purpose and objective

The ACE II Project emphasizes results-based management which focuses on tracking results and how these feed into achievement of project goals. Additionally, financing of the programme is also linked to performance on agreed indicators. Under the Project, the focus will be on assessing the extent to which implementation at all levels (RFU, ACEs and their partner institutions) is consistent with agreed timelines and outcomes as set out in the project appraisal document (PAD) and ACEs implementation plans, as well as with the PFA signed by participating institutions. The data will not only serve as a tool for results-based planning of results, indicators, related activities and budgets, but also will help to show progress and achievements made under the project. Data will support decisions on project implementation and improvement; demonstrate compliance with agreed procedures and plans; contribute to organizational learning and knowledge sharing through reporting and subsequent discussion and reflection on achievements and challenges; and provide information for stakeholders.

8.2. Scope of Monitoring and Evaluation

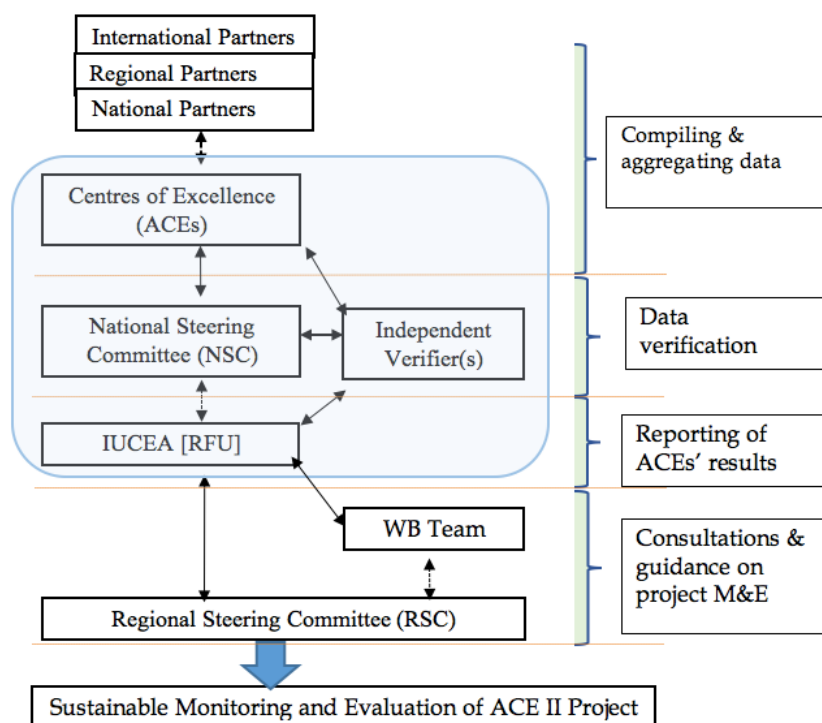
In line with the project objectives, the M&E will cover three aspects: Performance; Compliance; and Impact monitoring is illustrated in figure 1. Performance monitoring will determine whether activities and processes are being executed as per agreed schedules and data gathered will help identify implementation challenges and improve project management. Compliance is expected to be assessed based on whether grant conditions and project implementation guidelines including procurement and fiduciary conditions are being followed. Impact is expected to be measured based on the extent to which the Project contributes to the achievement of the project development goals.

Monitoring and evaluation is expected to be carried out at all levels of the Project implementation, which cascades one into the other. There are basically three cascading levels relevant for planning, managing and measuring the Project’s progress:

- a) The all-encompassing project level involves compiling and aggregating all data provided by each ACE, and planning, managing and reporting of ACE-overarching results - which is under the responsibility of IUCEA/[RFU];
- b) The project level for each of the separate ACEs - which is under the responsibility of each ACE (which will also report to the IUCES/[RFU]), including the data provided to them by their Partner Institutions;
- c) The ACEs’ Partner Institution Level, which is planning, managing and measuring relevant data for the ACE-level Results Frameworks (RFs) – which is under the responsibility of each Partner Institution (PI), providing the data to their respective ACEs. The data consolidated by ACEs shall be verified by the

verification agency/firm which will discuss its findings with the ACEs before submission of the report to RFU.

Figure 1: Flow chart of M&E process



8.3. Preparations for Monitoring and Evaluation

The POM delineates details of preparations for M&E and include the following summary:

8.3.1. Development of the Results Framework

An overall Results Framework (RF) has been developed to quantify results indicators, unit of measure, baselines and cumulative targets for each of the 5 years of the programme, the frequency of measurement of the indicators, data source/methodology, responsibility for the collection of data, and tracking of each indicator, and guidelines on M&E systems to be set up (<http://www.ace2.iucea.org/>).

8.3.2. Determination of the Scope of M&E

Based on the Results Framework, individual ACEs and the IUCEA/[RFU] are expected to determine what M&E activities will be necessary, and assess their institutional capacities for undertaking them. To facilitate the M&E process, ACEs are expected to draw up results frameworks, and M&E plans to help plan and manage M&E activities over the 5 years. The M&E Plan should detail what is being monitored (the type of information or data to be collected), how (the data collection methods to be employed), when (the frequency of data collection and reporting), by whom (the persons responsible for monitoring and evaluation, their specific capacities and assigned tasks) and for what reason (how the information gathered will support monitoring and project management).

8.4. Key performance indicators and targets

Based on the objectives of the Project, a number of indicators have been established to keep track of the performance of the project as a whole. The indicators are related to regional needs, training and research quality, research quantity, outreach, and administrative/governance quality. Each indicator in the results framework is linked to the project PDO and related baselines and target values. A baseline value represents the value of the indicator at the outset of, or prior to, implementation of the Project. Target values provide a basis for monitoring, evaluating and reporting performance over time through the collection of trend data. Targets should be reviewed periodically and revised where necessary to ensure they are realistic, given current project conditions. The IUCEA/[RFU] will collect, analyse and submit status reports to the World Bank on the performance. Individual ACEs are therefore expected to collect and submit accurate data on the performance on each indicator in the agreed Results Framework to facilitate the RFU's task. On a regular basis, data submitted by individual ACEs will be subjected to a strict verification process by the IUCEA/[RFU] through an independent consultant to confirm their validity.

8.5. Roles and responsibilities

8.5.1. ACE Level

At the ACE level, the Center Leader shall be responsible for overall management of M&E activities. The Center Leader will be supported by other project staff designated to track and collect data on specific indicators, the services including supervision and management of the project, team training, liaison with IUCEA/[RFU] and other parties, and ensuring quality control of services.

8.5.2. ACE Partner Institution Level

At the Partner Institutions level, Project Leaders will be responsible for M&E and will be required to submit relevant reports according to schedules agreed with their respective ACEs. The Project Leader will also be expected to assign the tracking and data collection of each indicator, to particular staff.

8.5.3. The Regional Steering Committee

The RSC is expected to provide policy guidance on the overall project at regional level, advocating for regional collaboration and making decisions on priorities of the project. The NSC receives and reviews the reports, operation plans and budgets of the ACEs at national level.

8.5.4. IUCEA/[RFU] Level

At the IUCEA/[RFU] level, the Project Coordinator will have primary responsibility for compiling and reporting M&E reports. The Coordinator will be supported by Monitoring and Evaluation Officer and other IUCEA/[RFU] staff designated to track specific indicators. The IUCEA/[RFU] is expected to hire an independent verification firm who, twice a year, will analyse ACEs reports and validate the level of attainment of DLIs/DLRs, which will provide insights on the amount to be disbursed to each ACE.

8.6. Reporting

ACE Partner Institution Level: With regard to reporting, ACE Partner Institutions (PIs) will be expected to collect data using the results frameworks developed by the ACEs. The principal investigators (PIs) are expected to submit this information to the ACEs regularly, based on schedules already agreed between them and their ACEs.

ACE Level: Based on the information submitted by Principal investigators (PIs) and data collected on site, individual ACEs are expected to report on the performance bi-annually to the IUCEA/[RFU]. The primary M&E reporting tool is the Results Framework in Annex 4.

IUCEA/[RFU] Level: The IUCEA/[RFU] is directly responsible for reporting on the project to the World Bank, and is expected to submit biannual reports on December 15th and June 30th each year. For the first year, only one report will be submitted by ACEs on June 30th 2016 since for most of the ACEs the effectiveness of the project may happen late in 2016. The IUCEA/[RFU] will collect and compile data received from the ACEs, and forward to the independent verification consultant for on-site verification, with copy to the WB by November 30th and June 15th. The independent verifier will send the preliminary report to IUCEA/[RFU] on January 15th and July 15th each year. IUCEA/[RFU] will submit the preliminary reports to ACEs Leaders seven days after receipt for inputs. ACEs will be requested to submit their comments to the consultant latest by January 30th and July 30th each year from 2. The IUCEA/[RFU] will compile and analyse the ACEs comments and submit them to the independent verification firm by February 15th and August 15th. The independent verification firm will submit the final report by end of February and end of August each year to IUCEA/[RFU]. The WB Country Office will carry out a fiduciary assessment of the ACEs and submit the report to IUCEA/[RFU] latest by end of February and end August.

Government Level: The IUCEA/[RFU] is expected to compile the ACE technical report, the independent verification firm report and the fiduciary report by country, and submit them to the respective NSC of each participating country by March 15th and September 15th for endorsement and submission to the Minister in charge of higher education for approval. The disbursement of funds is expected to be effected by March 30th and September 30th. A technical report will be submitted to NSC by ACEs. The reporting calendar as well as meetings of the NSC are as negotiated by each of the participating countries in the Table 3.

| No | COUNTRY | EACH YEAR ANNUAL WORK TO BE SUBMITTED NO LATER THAN:¹ | NATIONAL STEERING COMMITTEE MEETINGS |
|-----------|----------------|---|--|
| 1 | Ethiopia | March 31 | Semi-annual |
| 2 | Kenya | March 31 | Semi-annual; Also possibility to hold extraordinary meetings |
| 3 | Malawi | March 31 | Semi- annual |
| 4 | Mozambique | November 30 | Semi-annual |
| 5 | Rwanda | March 31 | Semi-annual |
| 6 | Tanzania | November 30 | Semi-annual |
| 7 | Uganda | March 31 | Quarterly meetings |
| 8 | Zambia | November 30 | Semi-annual |

¹ Prior to the Work Plan being sent to the World Bank, the NSC should review the document

9. PROJECT FINANCING

9.1. Overview

This Financing chapter describes the financing of the project activities. Component 1 of the ACE II project is designed as a government program to which the WB contributes funding. The ACE II project uses government and institutional budgets, following agreed rules and emphasizes the strengthening of governmental and institutional oversight for its implementation. The program consists of funding to the universities' academic, technical, and administrative staff, other operational costs, and investments into goods, training, services and limited civil works. The WB finances an agreed amount of this program if the results are achieved and the agreed fiduciary and safeguards rules and standards are followed. The financing contribution of the governments and institutions will be the value of the estimated salaries and operational costs for the implementation of the ACEs. The amount of credit disbursements will be contingent on the satisfactory achievement of agreed, pre-specified program implementation progress and performance results, referred to as DLIs/DLRs (Annex). These selected expenditures are referred to as Eligible Expenditure Programs (EEPs). The remaining of this chapter details the above project financing summary in the following sections:

- (a) Financing per country and financing source
- (b) The financing modality of the ACEs (Component 1)
- (c) Disbursement and financing available to each ACE
- (d) The eligible expenditure program for each ACE

9.2. Financing per country and financing source

IDA allocations will follow the practice for regional projects with up to half of the IDA amount of the project from the regional pool of IDA and half from the national allocation. Table -2 above presents the project costs by country with the regional and national IDA breakdown.

9.3. Financing Modality

Financing to the ACEs (component 1) will be results-based, while financing to the IUCEA, (component 2 & 3) will be based upon statement of expenditures. The remaining of this section will present the motivation and elements of the financing modality for Component 1.

9.4. The motivation for a results-based approach for the ACEs

All focus and implementation efforts go towards generating the agreed results, not just disbursements. In many projects that are financed based upon costs, there is a highly unfortunate tendency to focus on raising disbursements, because this is easily measurable and comparable across projects, while the true results of the project are not focused upon. A results-based financing explicitly links disbursements to results, and therefore disbursements will not take place without the agreed results.

Results-based financing increases efficiency and value, because it is no longer possible to invest the funding without producing the results.

For most participating countries, the funding modality would introduce a new funding tool that enhances accountability for results, increase administrative autonomy of the institution to generate the desired results, and align the goals of the institutions with that of the government.

The funding modality strengthens the country's own fiduciary program and procedures. Often efforts are lost in training, applying and monitoring adherences to project WB specific fiduciary procedures. These rules are different from those of the regular government and country funding. The new WB set of rules can therefore create confusion and, most importantly, the project does not necessarily foster improved fiduciary capacity and monitoring, even though such capacity is critical for institutional development. Using the results-based funding modality, the project will use acceptable country fiduciary rules, and work to strengthen capacity and oversight in a sustainable manner.

A results-based financing modality must provide adequate institutional autonomy to invest the financing as required to achieve the results. Institutions therefore gain autonomy and build administrative capacity to produce the results.

9.5. The Financing modality elements

The ACE II project is a government program to which the World Bank contributes funding. The project uses government and institutional budgets, government-agreed rules and oversight for its implementation. The project consists of funding to the ACE's teaching, researching, technical, and administrative staff, other operational costs for the ACE, and investments into goods, training, services and limited civil works. The World Bank finances an agreed amount of this program if the results are achieved and the agreed fiduciary and safeguards rules are adequately followed. In order to ensure that actual and reasonable expenditures are financed, the WB will primarily or exclusively finance the salary or other non-procurable operational costs of the program. The government or the institution will commit themselves, and prove during implementation, that it invests the agreed amounts in the project, notably in the limited civil works ($\leq 25\%$ of the total grant), learning equipment, faculty training, etc. as per the agreed ACE implementation plan for each ACE.

This financing modality is a cautious step towards a financing modality exclusively based upon results. The WB would like to raise the focus on results and the number of projects that achieve its results, while reducing the number of procurement transactions that it takes part in. Therefore, it is moving towards purely results-based financing. Furthermore, there has to be a gradual learning process of pricing and monitoring results correctly. Therefore, WB plans to finance the project through investment project financing where the disbursements are linked to indicators. The primary factor for disbursements is results, but the WB still ensure that it finances actual, necessary, and verifiable costs for the program. The Bank will reimburse program costs that are fiduciary low-transaction costs, such as new staff salaries. The investment expenditures for goods, services and limited civil works, which occasionally entail many transactions and substantial fiduciary risks, are assumed by the government and the institution. The WB is expected to facilitate and monitor that (i) the agreed investment amounts are available on a timely basis to the government and the institution and (ii) acceptable government and institutional fiduciary and safeguards guidelines are followed. Further, the WB will support fiduciary capacity building (but it will not take part in the fiduciary transactions except in special cases where it has been agreed that the expenditure for the procurable item will be part of the EEP).

9.6. Disbursements and Financing per ACE

The amount of credit disbursements will be contingent on achievement of results as measured by DLIs. This model has been adjusted to each ACE as a function of the amount allocated to each ACE and the applicable exchange rate on the date of negotiation of the Financing Agreement. There are four DLIs. Each DLI is allocated an amount which is the ceiling for disbursement under that DLI. The share of financing allocated to each DLI is as follows: DLI 1: 18%; DLI 2: 72%; DLI 3: 5%; and DLI 4: 5%.

Exchange rate. The currency of the IDA credits is SDR. The above amounts in USD are the equivalent USD amount of the SDR amounts in the Financing Agreement using the exchange at the time of negotiation with each country. Expressing the credits in the SDR currency reduces currency fluctuations and therefore provides more stable financing over the 5-year period.

Annex: Results Framework and Monitoring and Evaluation

Annex: Results Framework and Monitoring and Evaluation Eastern and Southern Africa Higher Education Centers of Excellence Project

Project Development Objective (PDO): To strengthen selected Eastern and Southern African higher education institutions to deliver quality post-graduate education and build collaborative research capacity in the regional priority areas.

| PDO Level Results Indicators* | Core | Unit of Measure | Baseline ² | Cumulative Target Values** | | | | | Frequency | Data Source/ Methodology | Responsibility for Data Collection | Definition |
|---|--------------------------|-----------------|-----------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-----------|--------------------------|------------------------------------|--|
| | | | | YR 1 ³ | YR 2 | YR3 | YR 4 | YR5 | | | | |
| 1. Regional students enrolled in ACEs: (i) Masters [<i>no. of which are female</i>] and (ii) PhD programs [<i>no. of which are females</i> ⁴] | <input type="checkbox"/> | No | 68 (18) 20 (7) | 186 (56) 54 (19) | 350 (113) 118 (45) | 482 (153) 174 (63) | 610 (204) 227 (81) | 692 (242) 263 (83) | Annual | ACE Progress Reports | ACE and RFU | This indicator measures the number of African students (excluding those from the ACE-hosting country) who are enrolled in (i) Masters who have successfully completed at least one semester and (ii) PhDs at the ACEs. |
| 2. Students (national and regional) enrolled in ACEs: (i) Master's [<i>no. of which are female</i>] and (ii) PhD programs [<i>no. of which are females</i>] | <input type="checkbox"/> | No | 642 (178) 137 (36) | 991 (300) 248 (74) | 1,495 (515) 414 (134) | 1,857 (617) 586 (215) | 2,506 (798) 709 (265) | 2,903 (937) 773 (273) | Annual | ACE Progress Reports | ACE and RFU | This indicator measures the total number of students (national and regional) enrolled in (i) Masters, who have successfully completed at least one semester and (ii) PhD programs at ACEs |
| 3. MOUs on partnerships for collaboration in applied research and training entered into by the ACEs | <input type="checkbox"/> | No | 66 | 153 | 200 | 245 | 284 | 306 | Annual | ACE Progress Reports | ACE and RFU | This indicator measures the number of partnerships for collaboration in applied research and training as measured by signed MoUs and signed proposals that outline at least a two year partnership work program |
| 4. Accredited education | <input type="checkbox"/> | | 59 | 79 | 103 | 129 | 143 | 170 | Annual | ACE Progress Reports | ACE and RFU | This indicator measures the quality of Masters and PhD |

** All values are the cumulative baseline and target values for the 24 ACEs.

² Baselines should reflect the status of the stated indicator in 2015.

³ Some of the indicators may require a target of zero or N/A for year one. If so, the rationale will be explained in the comments column, and milestones clearly set and defined.

⁴ Target numbers with respect to females might vary depending on the engaged sectors (e.g., extractive industries vis-à-vis health).

Project Development Objective (PDO): To strengthen selected Eastern and Southern African higher education institutions to deliver quality post-graduate education and build collaborative research capacity in the regional priority areas.

| PDO Level Results Indicators* | Core | Unit of Measure | Baseline ² | Cumulative Target Values** | | | | | Frequency | Data Source/ Methodology | Responsibility for Data Collection | Definition |
|---|-------------------------------------|-----------------|-----------------------|----------------------------|------------|------------|------------|------------|-----------|--------------------------|------------------------------------|--|
| | | | | YR 1 ³ | YR 2 | YR3 | YR 4 | YR5 | | | | |
| programs offered by the ACEs | | | | | | | | | | | | programs and counts the number of programs accredited nationally, regionally and internationally by a body satisfactory to IUCEA and the World Bank. |
| 5. Direct Project Beneficiaries (of which female) | <input checked="" type="checkbox"/> | No. (%) | 779 (40) | 1,238 (30) | 1,909 (34) | 2,443 (34) | 3,215 (33) | 3,676 (33) | Annual | ACE Progress Reports | ACE and RFU | This indicator measures the direct project beneficiaries (and proportion of female project beneficiaries). |
| INTERMEDIATE RESULTS | | | | | | | | | | | | |
| Intermediate Result (Component One): | | | | | | | | | | | | |
| 1. Faculty and PhD students exchanges to promote research and teaching [no. of which are females] | <input type="checkbox"/> | No | 64 (16) | 142 (34) | 321 (74) | 470 (111) | 625 (159) | 762 (198) | Annual | ACE Progress Reports | ACE and RFU | This indicator measures number of faculty and PhDs who are hosted by ACEs from other institutions or when ACEs sends their faculty/PhD students to other institutions; locally, in the region or internationally for a “period” of minimum two weeks (for teaching or research collaboration). |
| 2. Amount of externally generated revenue by the ACEs ⁵ | <input type="checkbox"/> | USD (million) | 6.1 | 7.8 | 11.4 | 14.9 | 21.2 | 29.7 | Annual | ACE Progress Report | ACE and RFU | This amount includes externally generated revenue deposited into the ACE’s account from tuition fees, other student fees, joint research, sale of consultancies, fund raising and donations, or other external sources: |

⁵ The externally generated revenue would need to be certified as part of the financial audit.

Project Development Objective (PDO): To strengthen selected Eastern and Southern African higher education institutions to deliver quality post-graduate education and build collaborative research capacity in the regional priority areas.

| PDO Level Results Indicators* | Core | Unit of Measure | Baseline ² | Cumulative Target Values** | | | | | Frequency | Data Source/ Methodology | Responsibility for Data Collection | Definition |
|--|--------------------------|-----------------|-----------------------|----------------------------|----------|-----------|-------------|-------------|-----------|--|------------------------------------|--|
| | | | | YR 1 ³ | YR 2 | YR3 | YR 4 | YR5 | | | | |
| 3. Internationally recognized research publications in disciplines supported by the ACE Program and with regional coauthors [No co-authored with regional collaborators] | <input type="checkbox"/> | No | 194 (15) | 290 (37) | 465 (78) | 748 (164) | 1,097 (244) | 1,454 (316) | Annual | Data source is International bibliometric databases, such as ISI Thomson Reuters and/or Scopus | RFU | This indicator records the number of internationally recognized research publications produced by the ACEs in total and with regional coauthors. |
| 4. No. of institutions hosting ACEs participating in the PASET benchmarking exercise | <input type="checkbox"/> | No | 0 | 5 | 10 | 15 | 20 | 24 | Annual | ACE Progress Reports | ACE and RFU | This indicator measures the number of ACE hosting universities that agree to participate in the PASET benchmarking exercises. |
| Intermediate Result (Component 2): | | | | | | | | | | | | |
| 5. Events that foster partnerships between ACEs and private sector/industry | <input type="checkbox"/> | No | 0 | 1 | 2 | 3 | 4 | 5 | Annual | RFU Progress Reports | RFU | This indicator measures the number of events organized by IUCEA or contracted firm to build partnerships with private sector/industry |
| Intermediate Indicator (Component 3) | | | | | | | | | | | | |
| 1. Knowledge sharing events with ACEs, partner institutions, | <input type="checkbox"/> | No | 0 | 2 | 4 | 6 | 8 | 10 | Annual | RFU Progress Report | RFU | This indicator measures the number of knowledge sharing events organized by IUCEA. Where ACEs can |

Project Development Objective (PDO): To strengthen selected Eastern and Southern African higher education institutions to deliver quality post-graduate education and build collaborative research capacity in the regional priority areas.

| PDO Level Results Indicators* | Goal | Unit of Measure | Baseline ² | Cumulative Target Values** | | | | | Frequency | Data Source/ Methodology | Responsibility for Data Collection | Definition |
|---|--------------------------|-----------------|-----------------------|----------------------------|------|-----|------|-----|-------------------|--------------------------|------------------------------------|---|
| | | | | YR 1 ³ | YR 2 | YR3 | YR 4 | YR5 | | | | |
| academia and diaspora ⁶ | | | | | | | | | | | | share experience and research output |
| 1. Reports by ACEs on Beneficiary Satisfaction | <input type="checkbox"/> | No | 0 | 24 | 48 | 72 | 96 | 120 | Annual | ACE Progress Report | ACEs and RFU | ACE reports on beneficiary satisfaction on teaching |
| 2. Timely verification of ACE achievement of DLIs | <input type="checkbox"/> | % | 0 | 75 | 75 | 85 | 90 | 100 | Every other month | RFU Progress Report | RFU | Percentage of ACEs that have had their DLIs verified by the date specified in the POM |
| 3. Biannual reporting on M&E of the ACEs | <input type="checkbox"/> | No | 0 | 2 | 4 | 6 | 8 | 10 | Every 6 months | RFU | ACEs and RFU | The report will aggregate individual results from the results framework for each ACE. |

⁶ During these events, there will be a discussion of program process, lessons learned, and recommendations for addressing bottlenecks, all to be compiled in a report.