
**EASTERN AND SOUTHERN AFRICA HIGHER
EDUCATION CENTERS OF EXCELLENCE
PROJECT (ACE II)**

PROJECT OPERATIONAL MANUAL

AUGUST 23, 2016

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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
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 EXECUTIVE SUMMARY

The Project Operational Manual (POM) is expected to serve as a comprehensive guide and reference for implementation of the Eastern and Southern Africa Higher Education Centers of Excellence (ACE II) Project. It will be used by all stakeholders – including the ACE II selected centers of excellence, project staff, Regional Steering Committee (RSC) members, Regional Facilitation Unit (RFU), National Steering Committee (NSC), government officials, the World Bank and higher education stakeholders – in understanding the project and its implementation. The POM besides the Project Appraisal Document (PAD) provides more detailed operational guidance and reference.

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

The African Centers of Excellence (ACEs) financed under the ACE II Project were selected through an open, objective, transparent, and merit-based competitive process which led to selection of 24 centers of excellence: 4 each in Ethiopia, Rwanda, Uganda and Tanzania, 3 in Kenya, 2 in Malawi and Zambia and 1 in Mozambique.

A RSC was formed as the decision making body of the project to provide overall guidance and oversight for the project, and has been involved in ACE II from the preparation stage. The Inter-University Council for East Africa (IUCEA) is the RFU for the project, which provides overall coordination, facilitation and administration to the project implementation under the oversight of RSC. Each participating Government will constitute a NSC through the ministry responsible for higher education.

The ACE II operation will implement three components: (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 ACEs through regional activities (US\$3 million); and (iii) supporting coordination and management of the implementation of components (i) and (ii) (US\$5 million). The selected ACEs are expected to address specific development challenges facing the region in one of the five priority areas in the region – industry, agriculture, health, education and applied statistics – through graduate training (Master's, PhD, and short-term courses) and applied research, and to develop and strengthen partnerships and collaborations with other national, regional and international institutions and the private sector.

The ACE II project financing approach is results-based for Component 1 to incentivize the ACEs institutions to focus on delivering the agreed upon results. Disbursement will be based on the achievement of the agreed disbursement linked indicators (DLIs). For Components 2 and 3, the International Development Association (IDA) Grant disbursement will employ the traditional method - based on statements of expenditures (SOEs).

To measure the progress of the ACEs and the overall project, a Results Framework and a list of DLIs/ disbursement linked results (DLRs) have been prepared and agreed upon by respective

governments and their ACEs. Independent verifier(s) will be hired by IUCEA/[RFU] to verify the results achievement of the agreed DLIs/DLRs for all the ACEs in every six months during the project implementation. The project will only disburse funds to an ACE for its achieved results that have been verified by an independent verifier.

To disseminate information on ACEs to stakeholders and vice versa, a communication system is put in place focusing on internal and external communications, as well as dissemination of information to reach a wide audience within and outside the region. A project website (www.ace2.iucea.org) will continue to be a knowledge sharing tool, and main channel of communication.

2 PURPOSE AND SCOPE OF THE OPERATIONAL MANUAL

- a) 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 full use in the implementation of the ACE II Project. The manual addresses the key characteristics of the ACE II Project; the institutional framework for the operation of the ACE II Project; and the implementation and operational procedures of the ACEs. The Terms of Reference for the RSC are appended as Annex 1.
- b) The POM is defined as the manual to be endorsed by the Recipient as referred to in Financing Agreements between the nine Recipients (including IUCEA) and the World Bank, for the implementation of the Project, including, inter alia: (i) the terms of reference, functions and responsibilities for the members or the personnel of the RSC, RFU, NSC and the Implementation Team at ACE level; (ii) the procedures for procurement of goods, works, non-consulting services, consultants' services, operational costs, and training, as well as for financial management and audits under the Project; (iii) the indicators to be used in the monitoring and evaluation of the Project; (iv) the criteria, detailed rules and procedures for the Eligible Expenditure Plans (EEPs); (v) the terms of reference for the Independent Verifiers, the detailed content of the EEP Spending Report, the customized statements of expenditures, the interim financial and audit reports, the Procurement Plan Report and the Project Reports; (vi) flow and disbursement arrangements of Project funds; and (vii) the Disbursement-Linked Indicators (DLIs) and Disbursement-Linked Results (DLRs). The POM may be amended from time to time with the RSC's prior approval. The Terms of reference for the NSC are appended as Annex 2.

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 International Development Association (IDA) credit beneficiaries are:

- (a) Students in participating universities, and their partner institutions across Eastern and Southern Africa will benefit from high quality education and training in regional priority areas;
- (b) Employers in targeted sectors/industries 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 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) 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 will benefit from the strengthened capacity of their ACEs, and quality improvement measures including benchmarking with other institutions initiated under the project.

3.2 PDO 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 (both 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

- i) The ACE II project 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 by: (a) selecting ACEs via a competitive and transparent process from existing higher education institutions that have capacity in specialized areas with great potential to help address these regional priorities; (b) strengthening these specialized ACEs (Table 1) and enabling them to produce excellent training and applied research that meets the demand for highly-skilled personnel and knowledge/technology transfer within these regional priorities; (c) building networks among these ACEs to promote regional collaboration and foster partnerships with other institutions and the industry to produce innovative solutions for real development impact; and (d) developing a culture of results-orientation and accountability among these ACEs through a performance-based financing mechanism, helping to set an example for other higher education institutions in the region. It is envisaged that at the end of the project these ACEs will have developed sufficient capacity and become sustainable regional hubs for excellent training and research in their specialized fields, capable of leading efforts to address priority development challenges and improve the lives of people in the region. In a not too distant future, these ACEs will gain international recognition in their respective fields and forge a strong network with those ACEs in Western and Central Africa as

well as other globally renowned higher education institutions. Through their leadership and influence, this network of ACEs will raise the bar of quality, relevance and management of higher education for the entire Sub-Saharan African region.

- ii) Burundi was not eligible for hosting an ACE, as it does not offer PhD programmes. However, Burundi could benefit from education and research capacity activities under component 2.

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 activities (US\$3 million); and (iii) supporting coordination and management of the implementation of components (i) and (ii) (US\$5 million). Below provides a description of these proposed activities to be financed under ACE II, including the key features of design and implementation. More details can be found in Annex 3.

Component 1: Strengthening Africa Centres of Excellence (ACEs) 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 centres are expected to receive a grant of up to US\$ 6 million for implementing its proposal in a specific regional priority area. All these ACEs are expected to perform the following tasks:

- (a) Build institutional capacity to provide quality post-graduate education with relevance to the labour market;
- (b) Build institutional capacity to conduct high quality applied research, relevant to addressing a key development challenge/priority;
- (c) Develop and enhance partnerships with other academic institutions (national, regional and international) to pursue academic excellence;
- (d) Develop and enhance partnerships with industry and the private sector to generate greater impact;
- (e) Improve governance and management of the institution and set up a role model for other higher education institutions; and
- (f) Deliver outreach, and create an impact, to society by delivering excellent teaching and producing high quality applied research.

The ACEs financed under the ACE II project were selected through an open, objective, transparent, and merit-based competitive process. Table 1 provides the distribution of the ACEs by cluster and country.

Table 1: Distribution of ACEs by Country and priority area (cluster)

Country	Proposal Title	Institution	Cluster
Ethiopia	ACE for Climate Smart Agriculture and Biodiversity Conservation (Climate SABC)	Haramaya University	Agriculture
	Centre for Innovative Drug Development and Therapeutic Trials for Africa (CDT – Africa)	Addis Ababa University	Health
	ACE for Water Management	Addis Ababa University	Industry (Water)
	African Railway Education and Research Institute (ARERI)	Addis Ababa University - AAiT	Industry (Railways)
Kenya	ACE in Sustainable Agriculture and Agribusiness Management (CESAAM)	Egerton University	Agriculture
	Sustainable Use of Insects as Food and Feeds (INSECFOODS)	Jaramogi Odinga Oginga University of Science and Technology	Agriculture
	ACE in Phytochemicals Textiles and Renewable Energy (PTRE)	Moi University	Industry (Manufacturing)
Malawi	Aquaculture and Fisheries Science (AquaFish) Centre of Excellence	Lilongwe University of Agriculture and Natural Resources – LUANAR	Agriculture
	Centre for Public Health and Herbal Medicine (CEPHEM)	University of Malawi- Malawi College of Medicine	Health
Mozambique	Centre of Studies in Oil and Gas Engineering and Technology (CS-OGET)	Universidade Eduardo Mondlane	Industry (Oil & Gas)
Rwanda	ACE in Energy for Sustainable Development (ACEESD)	University of Rwanda College of Science and Technology	Industry (Energy)
	ACE in Internet of Things (ACEIoT)	University of Rwanda College of Science and Technology	Industry (ICT)
	ACE in Innovative Teaching and Learning Mathematics and Science (ACEITLMS)	University of Rwanda College of Education	Education
	ACE for Data Sciences (ACE – DS)	University of Rwanda College of Business and Economics	Statistics
Tanzania	ACE for Innovative Rodent Pest Management and Biosensor Technology Development (IRPM&BTD)	Sokoine University	Agriculture
	Collaborating Centre for Research, Evidence Agricultural Advancement, Teaching Excellence and Sustainability (CREATES)	Nelson Mandela African Institute of Science and Technology	Agriculture
	Southern Africa Centre for Infectious Disease Surveillance (SACIDS) – ACE for Infectious Diseases of Humans and Animals in Southern and East Africa	Sokoine University	Health
	ACE in Water Infrastructure and Sustainable Energy (WISE)	Nelson Mandela African Institute of Science and Technology	Industry (Water)
	Makerere University Centre for Crop Improvement (MaCCI)	Makerere University	Agriculture

Uganda	ACE for Agro-Ecology and Livelihood Systems (ACALISE)	Uganda Martyr's University	Agriculture
	Pharm-Biotechnology and Traditional Medicine Centre (PHARMTRAC)	Mbarara University of Science and Technology	Health
	ACE for Materials, Product Development and Nano-Technology (MAPRONANO)	Makerere University	Industry (Manufacturing)
Zambia	Africa Centre of Excellence for Emerging and Zoonotic Diseases (ACEEZD)	University of Zambia	Health
	Centre of Excellence for Sustainable Mining (ACESM)	Cooper Belt University	Industry (Extractives)

The proposed ACEs address specific development challenges facing the region through graduate training (Master's, PhD, and short-term courses) and applied research in the form of partnerships and collaborations with other institutions and the private sector. The ACEs are distributed across eight participating countries. Centres in Ethiopia, Kenya, Tanzania and Uganda focus on development challenges in industry, agriculture and health. Rwanda hosts an ACE in education, industry and statistics. Malawi's ACEs focus on development challenges in agriculture and health sectors, whereas Zambia's ACEs focus on industry and health. Finally, the ACE from Mozambique focuses on capacity building in oil and gas.

The following are project areas and their potential impact.

- i) Industry:** There are nine ACEs in the areas of energy, extractives, ICT, manufacturing, railways, and water, based in Ethiopia, Kenya, Mozambique, Rwanda, Tanzania, Uganda, and Zambia. The centre in energy aim to alleviate constraints which have resulted from low energy access and adoption of technologies in rural areas and poor inter-state energy trading in Eastern and South African (ESA) region. The centre in mining and oil and gas will contribute to sustainable development of the extractive industry through the provision of education, training programs and evidence-based field solutions. The centre in Information and Communication Technology (ICT) aims to provide skills and competences to students and the Faculty to develop and deploy innovative ICT services. The two centres in the water sector will address water and sanitation challenges in the region to ensure safe water and sanitation requirements for water provision; apply technology to use ground water for agricultural applications; and improve municipal and industrial water management. The centre in railways will produce trained graduates who can fill the manpower needs of the burgeoning railway sector in ESA. The centres in manufacturing will utilize nanotechnology to fill the gap in promoting value addition of primary produce.
- ii) Agriculture:** There are eight ACEs in agriculture area, based in Ethiopia, Kenya, Malawi, Tanzania, and Uganda. They address development challenges of food insecurity and rural poverty by focusing on sustainable agriculture and agribusiness development and management, e.g., developing value chain capacity in the use of biotechnology and climate smart agriculture to increase crop and livestock productivity and fisheries; developing technology to exploit the potential of edible insects as a source of protein; increasing relevance of training programs through internships, tracer studies, and wide stakeholder consultations; and producing scientists who can address issues of climate change adaptability, agricultural sustainability, and food insecurity.
- iii) Health:** There are five selected ACEs in the health area, based in Ethiopia, Malawi, Tanzania, Uganda, and Zambia. These centres will address development challenges in the areas of infectious diseases, public health, and drug development by providing leadership in postgraduate training and research in molecular biology, analytical

epidemiology, traditional medicine, and pharma-biotechnology. The centres will provide a regional platform for innovative drug development, including exploring the use of traditional medicine, and support equitable access to medications and diagnostics in the region.

- iv) **Education:** The ACE in education in Rwanda aims to improve the quality of mathematics and science education through facilitating the delivery of innovative pedagogical approaches, supporting the development and implementation of curriculum reforms, supporting research in mathematics and science education to alleviate learning barriers in these subjects and promote STEM education, and outreach programs targeting all education levels in the region.
- v) **Applied Statistics:** The ACE in applied statistics, based in Rwanda will become an international multidisciplinary centre that combines expertise in statistics, economics, business, computer science, and engineering to use big data and data analytics to support evidence-based decision-making, help solve complex real-world problems related to development, monitor and evaluate performance of public intervention programs, and stimulate innovation.
- vi) **The ACEs are expected to produce measurable results in the form of increased quality and quantity of graduates (Master's and PhD), and research in the priority areas, as well as increased quality and quantity of research, and increased collaboration and partnerships with industry and other higher education institutions, both regional and international.** Over the project duration of five years, collectively these ACEs aim to:
 - (a) Produce more than 3,500 graduate students in the regional development priority areas, out of which more than 700 will be PhD students and more than 1,000 are female students;
 - (b) Publish almost 1,500 journal articles;
 - (c) Launch more than 300 research collaborations with private sector and other institutions; and
 - (d) Generate almost US\$30 million in external revenue.

Each of the selected ACEs will have the autonomy to implement its own proposals, with support from its host university and government as well as the RFU. To help improve the quality at ACE hosting institutions, all these institutions will be encouraged to participate in the PASET benchmarking initiatives. For those in the PASET benchmarking program, technical assistance (TA) will be provided to develop comparable data and indicators, data collection protocols, standard reports, a data platform, and training where relevant. To ensure the achievement of targeted results, ACE II project employs a performance-based financing mechanism to disburse funding to each ACE against a set of agreed upon DLIs/DLRs (Table 1.1 in Annex 1). To ensure regional collaboration for greater impact, the project provides mix of funding requirements and incentives to promote regional mobility of students and faculty, and partnerships with regional and international institutions as well as with the private sector. Each ACE is expected to sign a Performance and Funding Agreement (PFA) with its government (i.e., the ministry in charge of higher education) which includes the following requirements:

- (a) At least 15 percent of the funding must be invested in partnerships, and at least 10% must be invested in partnerships outside the ACE hosting country.
- (b) A partnership agreement between the ACE and its respective partners needs to specify the work plan, budget and outcome arrangements.
- (c) Civil works if needed, should not exceed 25% of the total grant.
- (d) The Government's existing commitments for continued funding of the institutional staff need to be part of the funding and performance agreement.

Component 2: Capacity Building Support to ACEs through Institution and Regional Interventions (US\$ 3 million)

Under this component, the IDA Grant finances activities at the **regional** level to enhance the capacity of the ACEs, and help them overcome key challenges for achieving the PDO. Experience from the Western and Central Africa Higher Education Centres of Excellence (ACE I) project indicates that additional support is needed to ensure that the selected ACEs achieve the intended outcome and impact of the project. Areas of additional support include: (a) capacity development to address key institutional inadequacies such as partnership development with the private sector; and (b) 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)

Under component 3, the IDA Grant finances the RFU. The sheer number of countries and institutions participating in ACE II makes the project implementation complex and requires a RFU that has a designated team for helping manage the project. The main role of the RFU is to deliver some capacity development activities under Component 2. The RFU is expected to explore networks of regional institutions and industries within and outside of the 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 DLIs/DLRs. The IUCEA/RFU has formed a team which comprises a project coordinator, an accountant, information and communications officer, Monitoring and Evaluation Officer, procurement assistant, and part time

Environment and Social Safeguards Specialist.¹ IUCEA has already received an IDA Grant of US\$1 million as part of the Project Preparation Advance (PPA).

4.2 Project Financing

The 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. The results-based financing mechanism to disburse funds based on achievement of the required DLIs/DLRs is expected to incentivize the ACEs to focus on delivering the required results in a timely manner. This mechanism is practical when estimating implementation capacity and adequate time for delivering results, and focuses on results that are within the control of the implementing institutions. It also provides a guideline on specific details of monitoring and reporting requirements.

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). The amount of credit disbursements will be contingent upon the satisfactory achievement of agreed upon pre-specified program implementation progress and performance results, in the form of DLIs/DLRs (Table 1.1, Annex 1). There are four DLIs defined for this component. Each DLI as well as each of associated DLR has an agreed unit price. Reporting and verification of the achievement of the DLIs/DLRs by an independent verifier, which is expected to trigger corresponding disbursement of funds, is twice a year. Each ACE is expected to receive a jump-start funding once the project becomes effective to avoid implementation delays due to low liquidity.

For Components 2 and 3, the IDA Grant disbursement will employ the traditional method-based on SOEs. IUCEA/[RFU] that implements these two components is expected to follow the IDA guidelines and present statements of eligible expenditures for the agreed activities to receive grant funding. Tables 2 and 3 illustrate project cost and financing.

Table 2: Project Cost and Financing for Component 1 (in US\$ million)

Project Component	Total IDA	National IDA	Regional IDA
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

¹ During the course of project implementation, IUCEA may hire either as staff or consultants, to fill gaps in personnel for performing the required tasks. Adequate support and capacity building will be provided to IUCEA by the Bank to enable the fulfillment of its responsibilities (IUCEA has already received training in fiduciary aspects from the Bank).

Table 3: Project Cost and Financing (in US\$ million)

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

5 IMPLEMENTATION

5.1 Institutional and Implementation Arrangements

The implementation arrangements follows a tiered structure with clear roles and responsibilities for key partners and stakeholders. The core implementing team is the Centres themselves with support from the host university, the RFU, the RSC, the NSC and partners from both public and private institutions and firms.

Each selected ACE will 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 grant and credit recipient ACE within the institution. 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. Responsibility for fiduciary matters during the implementation will lie with existing implementation units within the ACE institutions.

Funding and performance agreement between the Ministry of Finance and the Ministry/Agency in charge of Higher Education on behalf of the government and the University is expected to be signed, where the University is expected to be represented by the Head of Institution (Rector/Vice-Chancellor) on behalf of Centre Leader. A template of this agreement is provided for each country to consider and customize. This Funding and Performance agreement include among others.

The RSC provides 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.

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.

Specifically, a TA firm is expected to implement the scholarship activity under Component 2. The firm will be managed and overseen by IUCEA/[RFU]. One of the major administrative tasks for IUCEA during the project implementation is to provide/facilitate timely independent verification of the DLIs/DLRs achieved by each ACE for timely disbursement. 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.

Each participating Government will constitute a National Steering Committee (NSC) through the ministry responsible for higher education. The NSC is tasked with the semi-annual review of performance, withdrawal applications, and implementation planning and support, but 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 MoF, relevant line ministries related to the focus area of the ACEs, the Vice Chancellors from the ACE hosting universities, and the private sector.

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 of DLIs/DLRs
- ii.) The ACE will submit information and/or supporting data to the NSC regarding the achievement of the preparation and qualification results (DLI1 – 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 WB 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.
- 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 project results for that year (Year 1-4). The information to submit consists of two parts: (i) ACE results in the form of the DLIs, and (ii) Expenditures in the eligible expenditure program (EEP).
- (c) IUCEA/[RFU] with the WB Team will verify achievements, and the WB will disburse the agreed funds for that year's results to the project account through the MoF.
- (d) Ministry of Finance will transfer the funds using the regular budget process to the ACE account at the university level.

5.2 Results Monitoring and Evaluation

- i) A strong focus on M&E is critical to the success of ACE II.** 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.
- ii) 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.
- iii) IUCEA is ultimately 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.

5.3 Sustainability

- a) 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. IUCEA through regional initiatives

under Component 2 will play a critical role in bringing these institutions and organizations together to help build collaborative platforms and institutional structures and processes that will build up and sustain the ACE leadership and the momentum of higher education transformation in the region.

- b) Financial sustainability.** Financing will be the most challenging aspect of sustainability for ACE II. 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 finance their development needs after the project closing. The project also requires the ACEs to develop action plans for additional funds generation at the midterm review. To build financial sustainability, IUCEA, through the initiatives under Component 2, 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 STRUCTURE

6.1 Internal Communication

Internal communication refers to communications and interactions between members involved in the implementation of the project. These include hosting institutions and ACE Leaders both national and regional, Steering Committee members, WB Teams and the IUCEA/[RFU]. Given the regional nature of the project and many stakeholders involved, this section describes the proposed lines of communication for the project.

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 project communication matrix below explains the expected stakeholders involved in the communication process. 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 illustrated in Table 1:

- (a) For all project communication from ACEs, requests are expected to be sent to the IUCEA/[RFU] with copy to WB Core Team, Country Education Team and Regional Task team leader (TTL).
- (b) IUCEA/[RFU] is expected to submit requests 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 Country Education Team.
- (e) For all communication from ACEs to Financial Management or Procurement Specialist, copy should be made to the WB Core Team, 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.

Table 1: Communication Flow between Task Teams

Sender	Message	Receiver	Copy	Channels	Responsible	Response Time
ACEs	Questions/Clarifications	IUCEA/[RFU]	WB Country Education Team	Telephone, e-mail, Skype, WebEx	IUCEA/[RFU]	3 days
	Inquiry, Observation & Discussions	ACEs	IUCEA/[RFU], WB Country Education Team	e-mail, Project Website, Video Conference	ACE Leader	3 days
	Communication	NSC	IUCEA/[RFU], WB Country Education Team	Email, Telephone	Focal Point	3 days
RFU	Question/Clarification	ACEs	WB Core Team, Country Education Team, Regional TTL	e-mail, Telephone, Skype	Center Leaders	3 days
	Questions/Clarifications	RSC	WB	Email, Video Conference	RSC Chairperson	3 days
WB	Questions/clarifications					
WB	Questions/clarifications	RFU	--	e-mail	RFU	3 days
		RSC	RFU	e-mail	RSC Chair	3 days
NSC	Questions, Clarifications & Observations	WB	RFU, ACE, Country Education Team	e-mail	Country Education Team	3 days
		RFU	WB, ACE	e-mail	RFU	3 days
		ACE	RFU	e-mail	Center Leader	
RSC	Questions, observations & clarifications	RFU	ACEII Core Team	e-mail	RFU	3 days
		WB	RFU	e-mail	ACE II Core Team	3 days

6.2 External Communication

External information is 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 (Figure 1).

It is important that communication with external audiences is managed in a coordinated way via appointed spokespersons. In the interests of the reputation of the project and stakeholder confidence, information issued externally by all stakeholders is expected to be accurate and consistent. 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 (Annex 12). ACE institutional logos are expected to be inserted at the top of the page.

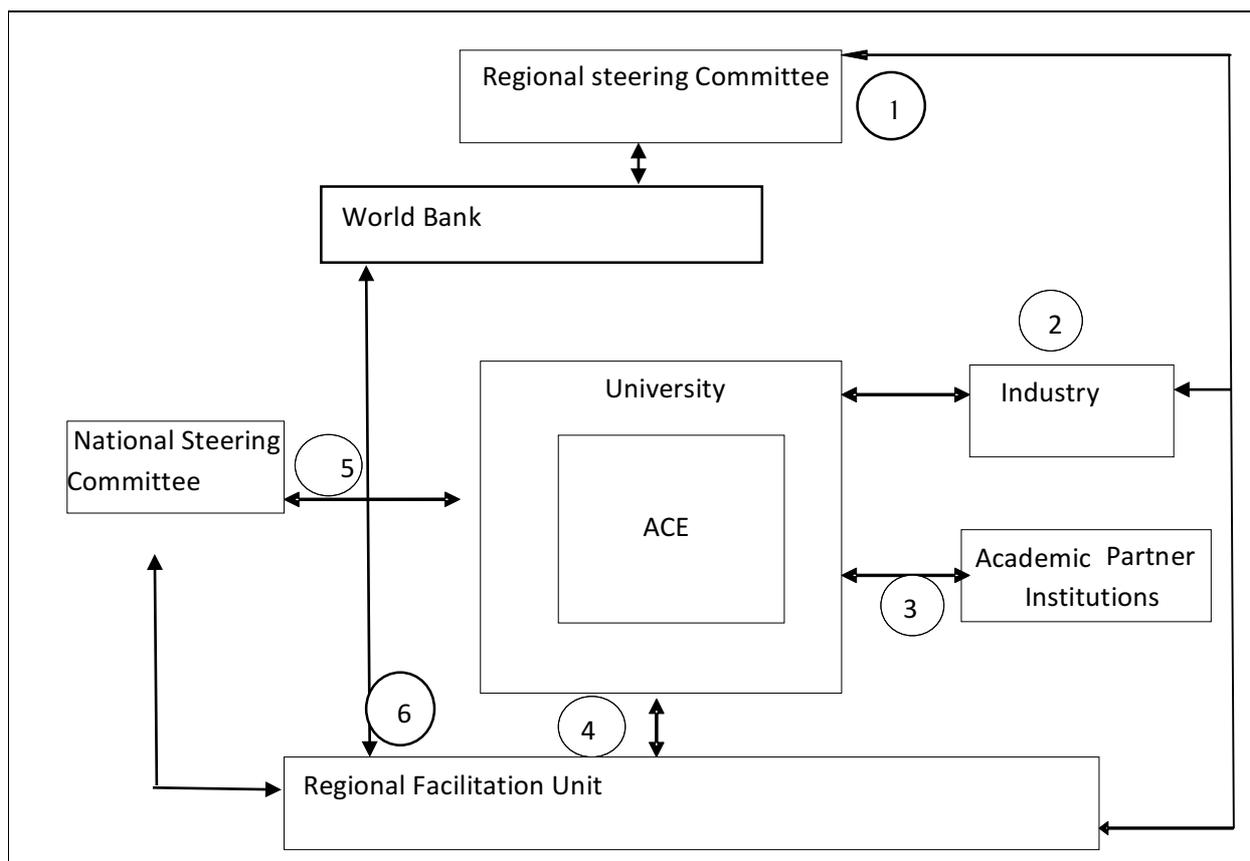


Figure 1: Project Communication Flow Chart

Key:

1. The RSC provides project oversight and guidance to the project
2. Communication between ACEs, Industry and IUCEA/[RFU]
3. Communication between ACEs and partners at various higher education institutions
4. IUCEA/[RFU] communicates to all ACEs.
5. The NSC provides oversight to its ACE(s) throughout implementation process
6. Communication between the WB core team and the IUCEA/[RFU]

6.3 Information Dissemination

Information dissemination will be executed through:

- (a) Meetings, workshops, seminars, training, symposia, conferences and launches.
- (b) Organizational media such as 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.

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.

A project website www.ace2.iucea.org has been created as a knowledge sharing tool and it will be the main channel of communication. The website contains information on the project context and its expected impact and benefit. It is an interactive forum where members can log in and post comments. The website is designed to ensure transparency of the project financing and decision-making process. It ensures that institutions and other partners have access to all the information they require to demonstrate transparency, adherence to safeguards procedures; and the project's potential for regional development impact. Links to websites of the ACEs or hosting institutions feature on the project website. Hosting institutions are expected to carry a prominent link of the website on the homepage.

ACEs are expected to produce a quarterly newsletter, features, photographs, interviews and profiles. Examples of information and stories expected to be shared include, but is not limited to the following: Research outputs, ongoing collaborations/ partnerships with regional and international institutions and the private sector, innovative solutions that merit scale up and replication, entrepreneurship among students, new approaches to teaching and learning, new education programs, patenting and other intellectual property related activities, faculty development and staff training, events such as conferences, laboratory refurbishment/rehabilitation, partnerships with industry and the private sector, labour market outcomes of graduates, generated revenue and real impacts in addressing specific challenges.

ACEs are expected to prepare and regularly update a journalist and media directory and select the most relevant and interested journalists and media outlets. Furthermore, ACEs are expected to monitor relevant mass media output, organize press conferences for important events and organize site visits for journalists where appropriate.

Radio is a very powerful medium in most ESA countries. It is therefore expected that radio is one of the best ways to engage in dialog with the public through panel discussions and phone-in programs. ACEs are expected to make use of radio to disseminate information.

6.4 Other dissemination activities

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

- (a) Regular success stories sharing 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. Annually, each ACE will transfer the agreed amount required for covering the costs associated with the digital advert to the newspaper's account. 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 Centres of Excellence II, Twitter is @Ace2Africa. Use the Hashtag #Ace2 is expected whenever ACEs tweet so that everybody follows the conversation.

6.5 Information Disclosure

Under the WB's Access to Information Policy introduced on July 10, 2010, the IDA will disclose the Project Appraisal Document, the related legal agreements and disbursement letter. Pursuant to the WB Policy on Access to information, IDA is expected to make publicly available in due course the disclosable Implementation Status and Results (ISR) reports for the operation. Furthermore, the operation's Aide-Memoire (AM) is expected to be made public.

The ACEs shall communicate with IUCEA/[RFU], WB country team preventatives, and WB core team at Head Office in Washington DC using contact addresses listed in table 2, 3A and 3B respectively.

Table 2: Contact information for IUCEA/[RFU]

Names	Designation	E-mails	Telephone
Prof Alexandre Lyambabaje	Executive Secretary	exsec@iucea.org	+256-414-256-251
Prof Mike Kuria	Deputy Executive Secretary	des@iucea.org	+256-414-256-251
Dr. Eugene Mutimura	Project Coordinator	emutimura@iucea.org	+256-414-256-251
Philip Ayoo	Principal Innovation and Outreach Officer	payoo@iucea.org	+256 772 666 507
Agnes Asiimwe	Information and Communication Officer	aasiimwe@iucea.org	+256 752 980 079
Mary Evelyn Musoke	Project Accountant	mmusoke@iucea.org	+256 702 641 155

Table 3: Contact information for World Bank Task Team Leaders (TTLs)

Country	TTL's Name	TTL's title	Emails	Phone
Kenya, Uganda	Ruth Karimi Charo	Senior Education Specialist	rcharo@worldbank.org	254-020-5327+6099
Rwanda	Nobuyuki Tanaka	Economist	ntanaka1@worldbank.org	458-8662
Malawi	Innocent Mulindwa	Senior Education Specialist	imulindwa@worldbank.org	5394+3224
Ethiopia	Girma Woldetsadik	Education Specialist	gwoldetsadik@worldbank.org	5358+6053 / 251-11-517-6053
Tanzania	Ekua Nuama Bentil	Education Specialist	ebentil@worldbank.org	5220+38907
Mozambique	Ana Ruth Menezes	Senior Education Specialist	amenezes@worldbank.org	5333+2373 / 258-21-482-373
Zambia	Xiaonan Cao	Senior Education Specialist	xcao@worldbank.org	473-8917
	Xiaoyan Liang		xliang@worldbank.org	+1 202 373 6137
	Tanya June Savrimootoo	Consultant	tsavrimootoo@worldbank.org	
	Huma Kidwai	Consultant	hkidwai@worldbank.org	

6. ENVIRONMENTAL AND SOCIAL SAFE GUARDS

7.1. Social

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 and student exchanges etc.). 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

Environmental impacts are expected to be 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 at a maximum 25% of the funding. The rationale for the proposed new construction is critical and is to ensure for excellence.

7 MONITORING AND EVALUATION ARRANGEMENTS

7.1 Purpose and Objective

This section of the operational manual describes the monitoring and evaluation arrangements for the ACE II Project and explains its objective/purpose. The roles and responsibilities of the IUCEA/[RFU], RSC, NSC, the ACEs, other organizations partnering in ACE, and other key stakeholders are also outlined.

As a WB funded intervention, the 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. M&E is therefore critical. 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 implementation plans prepared by respective ACEs, as well as with the Performance and Funding Agreements (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. In addition, it 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.

7.2 Scope of M&E Arrangements

In line with the project objectives, the M&E will cover three aspects: Performance; Compliance; and Impact monitoring s illustrated in figure 2. 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.

M&E 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: (i) The overarching 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]; (ii) The project level for each of the separate ACEs - which is under the responsibility of each ACE (which will also report to the RFU), including the data provided to them by their Partner Institutions; (iii) 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.

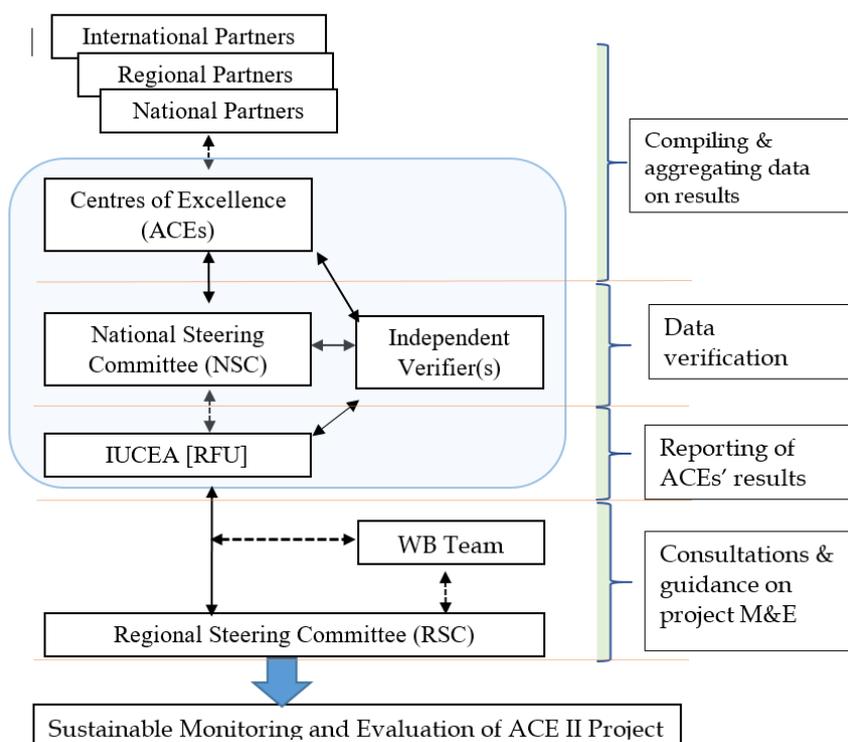


Figure 2: A flow chart of M&E process

7.3 Preparations for Monitoring and Evaluation

7.3.1 Developing the Results Framework

To facilitate the M&E process, an overall Results Framework (RF) has been developed by the World Bank in collaboration with the IUCEA and other key stakeholders, and with input from government and university representatives in the region. The RF details 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. The RF will serve as the main reference for planning, managing and tracking progress, for assessing the effectiveness of the Project during implementation and measuring final outcomes after project completion. Individual ACEs and the RFU will be expected to develop their own specific results frameworks detailing the expected results, indicators and targets specifically tailored to their results, based on the details of their individual projects in the project appraisal document. The IUCEA/ [RFU] will be responsible for coordinating and supporting the ACEs in implementing and monitoring their projects. Where necessary, local and international experts may be engaged. However, as per the project documentation, primary responsibility for monitoring and evaluation lies with the ACEs.

7.3.2 Determining Scope of Monitoring and Evaluation

Based on the Results Framework, individual ACEs and the RFU are expected to determine what M&E activities that will be necessary, and assess their institutional capacities for undertaking them. The ACEs are then expected to put in place the necessary tracking systems (both automated and manual) and to designate persons to oversee and implement monitoring and evaluation. Where necessary, ACEs may have to arrange additional training for its monitoring and evaluation staff or recruit staff with the requisite expertise. To facilitate the M&E process, ACEs are expected to draw up results frameworks, M&E plans to help plan and manage M&E activities over the five years of the project. 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).

7.4 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 related to regionality, training and research quality, research quantity, outreach, and administrative/governance quality, are detailed in Annex 4.

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 of the indicators. Individual ACEs are therefore expected to collect and submit accurate data on the performance of 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.

7.5 Roles and Responsibilities

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.

ACE Level

At the ACE level, the Center Leader shall be responsible for overall management of monitoring and evaluation 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 study, team training, liaison with IUCEA/[RFU] and other parties, and ensuring quality control of services.

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 which, 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. A guideline to the Terms of reference (TORs) for the independent verifier/ firm is in annex 8.

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.

7.6 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 PIs and data collected on site, individual ACEs are expected to report on the performance of the indicators biannually 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 WB, 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. 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] will 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. The reporting calendar as well as meetings of the NSC are as negotiated by each of the participating countries as summarized in table below.

NO	COUNTRY	EACH YEAR ANNUAL WORK TO BE SUBMITTED NO LATER THAN:²	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

² Prior to the Work Plan being sent to the World Bank, the NSC should review the document

8 PROJECT FINANCING

8.1 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 4...). 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

8.2 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.

8.3 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.

8.4 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.

8.5 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. However, it is highly concerned with the possibility of corruption, leakages, and inefficient use of its funds. Further, there has to be a gradual learning process of pricing and monitoring results correctly. Therefore, it plans to finance the project through investment project financing where the disbursements are linked to indicators. As explained below, the primary factor for disbursements is results, but the WB still ensures 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 I 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 (see Annex 10).

8.6 Disbursements and Financing per ACE

The amount of credit disbursements will be contingent on achievement of results as measured by DLIs. The DLIs are presented in Table 7 which is the model table in USD for all financed ACEs. 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.

Table 7: Disbursement Linked Indicators and Allocated Amounts

Disbursement Linked Indicators (Can trigger maximum 6 million USD equivalent)	Action to be Completed	Definition	Disbursement Calculation Formula (expressed in USD equivalent)
DLI #1: Institutional readiness Total amount 1,100,000 (expressed in USD equivalent)	DLR#1.1: To meet Conditions for Effectiveness DLR#1.2: Development of detailed implementation plans	Disbursed when all conditions for effectiveness outlined in the legal agreements signed between the ACE hosting government and the World Bank are met. Disbursed when detailed implementation plan of ACE is approved by the ministry in charge of higher education as part of the Performance Agreement.	DLR#1.1: 600,000 DLR#1.2: 500,000
DLI #2: Excellence in education and research capacity and development impact Total amount 4,300,000 (expressed in USD equivalent)	DLR# 2.1: Timely annual implementation of the plans DLR #2.2: Newly enrolled students in the ACE of which at least 20% must be regional (African) students.	Disbursement based on the achievement of at least 50% and scalable up to 85% of implementation targets in any given year. Achievement rates beyond 85% in any given year triggers a 100% disbursement of that year Short-Term Courses: Disbursement occurs when any course leading to qualification (certificate/diploma/degree) counts as a short-term course: 400 per male national student 500 per female national student 800 per male regional student 1,000 per female regional student. Master’s: Disbursement occurs when Master’s students have successfully completed at least one semester: 2,500 per male national student 3,000 per female national student 4,500 per male regional student 5,500 per female regional student. PhD: Disbursement occurs when PhD students enroll: 12,000 per male national student 15,000 per female national student 25,000 per male regional student 30,000 per female regional student. Disbursement for academic accomplishment will occur upon the student’s successful	DLR#2.1: 500,000 DLR#2.2: 1,200,000 DLR# 2.3:

Disbursement Linked Indicators (Can trigger maximum 6 million USD equivalent)	Action to be Completed	Definition	Disbursement Calculation Formula (expressed in USD equivalent)
	<p>DLR#2.3: Accreditation of quality of education programs.</p> <p>DLR#2.4: Collaboration and partnerships for applied research and training</p> <p>DLR#2.5: Peer-reviewed journals papers or peer-reviewed conference papers</p> <p>DLR#2.6: Faculty and PhD student exchanges to promote regional research and teaching</p>	<p>completion of a Master’s program or the approval of a student’s PhD research proposal. The amount triggered will be half of the above indicated in each category, totaling for not more than 300,000.</p> <p>Disbursement occurs when a Master or PhD program is accredited by international or regional or national body (satisfactory to the World Bank): 300,000 per program internationally accredited 150,000 per program regionally accredited 75,000 per program nationally accredited 75,000 per program for self-evaluation (satisfactory executed according to internationally recognized standard). Self-evaluation and national accreditation, totaling for not more than 300,000.</p> <p>Disbursement occurs when MoUs are signed and accompanied by signed proposals that outline at least a two-year collaboration and partnership work-program: 30,000 per MoU with public institutions/civil society 40,000 per MoU with private sector/ industry In order to access the disbursement under this DLR minimum 1 eligible MoU with private sector must be approved. All MoU work programs must be satisfactory to IUCEA/World Bank.</p> <p>Disbursement occurs when a paper is accepted by a peer-review journal or is an accepted peer-reviewed conference paper: 30,000 per paper accepted by a peer-reviewed journal 20,000 per accepted peer-reviewed conference paper.</p>	<p>600,000</p> <p>DLR#2.4: 200,000</p> <p>DLR#2.5: 300,000</p> <p>DLR#2.6: 500,000</p> <p>DLR#2.7: 900,000</p> <p>DLR#2.8: 100,000</p>

Disbursement Linked Indicators (Can trigger maximum 6 million USD equivalent)	Action to be Completed	Definition	Disbursement Calculation Formula (expressed in USD equivalent)
	<p>DLR#2.7: External revenue generation</p> <p>DLR#2.8: Institution participating in benchmarking exercise</p>	<p>This DLR is awarded to the ACE when it hosts faculty/PhD students from other institutions or when it sends its faculty/PhD students to other institutions; locally, in the region or internationally for a “period” of minimum two weeks (for teaching/research collaboration): 5,000 per “period” within the country 10,000 per “period” within the region 8,000 per “period” for international.</p> <p>Externally generated revenue deposited into the ACE’s account from tuition fees, other student fees, sale of consultancies, joint research, fund raising and donations, or other external sources: US\$1 per externally generated US\$1 from national sources, and US\$2 per externally generated US\$1 from regional and international sources.</p> <p>The DLR will be disbursed if the ACE hosting university participates in the Partnership of Applied Sciences, Engineering and Technology (PASET) benchmarking exercise.</p>	
<p>DLI#3: Timely, transparent and institutionally reviewed Financial Management Total amount 300,000 (expressed in USD equivalent)</p>	<p>DLR#3.1: Timely Withdrawal Application supported by financial reporting on the ACE account for the period</p> <p>DLR#3.2: Functioning Audit Committee under the university council</p> <p>DLR#3.3: Functioning internal audit unit for the university</p> <p>DLR#3.4: Transparency of financial management (audit reports, interim financial reports, budgets and annual work plan are all web accessible)</p>		<p>DLR#3.1: 15,000 per year</p> <p>DLR#3.2: 15,000 per year</p> <p>DLR#3.3: 15,000 per year</p> <p>DLR#3.4: 15,000 per year</p>

Disbursement Linked Indicators (Can trigger maximum 6 million USD equivalent)	Action to be Completed	Definition	Disbursement Calculation Formula (expressed in USD equivalent)
DLI#4: Timely and audited Procurement Total amount 300,000 (expressed in USD equivalent)	DLR# 4.1 Timely procurement audit report DLR#4.2: Timely and satisfactory procurement progress report		DLR#4.1: 30,000 per year DLR#4.2: 30,000 per year

Note:

- Any enrolment occurred after 1st August, 2016 will be counted towards the DLIs in the first year.
- Regional student is interpreted as students from Africa.
- Total disbursement is limited to the overall amount of financing to each ACE, which will be confirmed after negotiations.
- DLI amounts will be proportionately allocated based on the total financing for that ACE.

Reallocation between DLRs within DLI#2. During implementation each ACE will have flexibility to achieve education and research excellence through completing different combinations of the above education and research results (DLR#2.1-2.8). Therefore, the amounts allocated to each DLR#2.1-2.8, within DLI#2, can be adjusted downwards and upwards, with a maximum of 50 percent above the amount allocated to each DLR. For example, for Collaboration and Partnerships for applied research launched by the ACE (DLR#2.5) the above allocated financing amount of US\$300,000 equivalent (5% percent of the financing) can be increased up to a maximum of 50 percent to US\$450,000 equivalent (7.5 percent of the financing). All adjustments to the amount of financing per DLI will have to be requested by the ACE and approved by the National Steering Committee and the World Bank. This is expected to be reviewed at the Mid-term review of the project.

The reporting and verification of the achievement of the DLIs is expected to be done bi-annually and disbursement accordingly.

DLI/DLR Summary Per Country Per ACE in USD

Tables 8-15 present the Financing available to each ACE in USD amount by DLI/DLR

Table 8: Ethiopia Financing per ACE					
Selected Centers	Addis Ababa University (ARER)	Addis Ababa University (CDT-AFRICA)	Haramaya University (Climate-SABC)	Addis Ababa University (water management)	TOTAL
DLI 1 Total Institutional readiness	1,100,000	1,100,000	1,100,000	1,100,000	4,400,000
DLR 1.1 To meet conditions for effectiveness	600,000	600,000	600,000	600,000	2,400,000
DLR 1.2 Development of detailed implementation plan	500,000	500,000	500,000	500,000	2,000,000
DLI 2 Total Excellence in education and research capacity and development impact	4,300,000	4,300,000	4,300,000	4,300,000	17,200,000

Table 8: Ethiopia Financing per ACE

Selected Centers	Addis Ababa University (ARER)	Addis Ababa University (CDT-AFRICA)	Haramaya University (Climate-SABC)	Addis Ababa University (water management)	TOTAL
DLR 2.1: Timely annual implementation plans	500,000	500,000	500,000	500,000	2,000,000
DLR 2.2 Newly enrolled Students	1,200,000	1,200,000	1,200,000	1,200,000	4,800,000
DLR 2.3 Accreditation of quality of education programs	600,000	600,000	600,000	600,000	2,400,000
DLR 2.4: Collaboration and partnership in applied research and training	200,000	200,000	200,000	200,000	800,000
DLR#2.5: Peer-reviewed journal papers or peer-reviewed conference papers prepared collaboratively with regional or international partners	300,000	300,000	300,000	300,000	1,200,000
DLR#2.6: Faculty and PhD student exchanges to promote regional research and teaching	500,000	500,000	500,000	500,000	2,000,000
DLR#2.7: External revenue generation	900,000	900,000	900,000	900,000	3,600,000
DLR#2.8: Institution participating in benchmarking exercise	100,000	100,000	100,000	100,000	400,000
DLI 3 : Total Timely transparent and institutional reviewed Financial Management Total	300,000	300,000	300,000	300,000	1,200,000
DLR#3.1: Timely withdrawal application supported by financial reporting on the ACE account for the period	75,000	75,000	75,000	75,000	300,000
DLR#3.2: Functioning Audit Committee under the university council	75,000	75,000	75,000	75,000	300,000
DLR#3.3: Functioning internal audit unit for the university	75,000	75,000	75,000	75,000	300,000
DLR#3.4: Transparency of financial management (audit reports, interim financial reports, budgets and annual work plan are all web accessible)	75,000	75,000	75,000	75,000	300,000
DLI 4: Total Timely and audited Procurement	300,000	300,000	300,000	300,000	1,200,000
DLR# 4.1 Timely procurement audit report	150,000	150,000	150,000	150,000	600,000
DLR#4.2: Timely and satisfactory procurement progress report	150,000	150,000	150,000	150,000	600,000
Grand Total	6,000,000	6,000,000	6,000,000	6,000,000	24,000,000

Table 9: Kenya Financing per ACE

Selected Centers	Egerton University (CESAAM)	Moi University (PTRE)	Jaramogi Oginga Odinga University of Science and Technology (INSEFOODS)	TOTAL
DLI 1 Total Institutional readiness	1,100,000	1,100,000	1,100,000	3,300,000
DLR 1.1 To meet conditions for effectiveness	600,000	600,000	600,000	1,800,000
DLR 1.2 Development of detailed implementation plan	500,000	500,000	500,000	1,500,000
DLI 2 Total Excellence in education and research capacity and development impact	4,300,000	4,300,000	4,300,000	12,900,000
DLR 2.1: Timely annual implementation plans	500,000	500,000	500,000	1,500,000
DLR 2.2 Newly enrolled Students	1,200,000	1,200,000	1,200,000	3,600,000
DLR 2.3 Accreditation of quality of education programs	600,000	600,000	600,000	1,800,000
DLR 2.4: Collaboration and partnership applied research and training	200,000	200,000	200,000	600,000
DLR#2.5: Peer-reviewed journal papers or peer-reviewed conference papers prepared collaboratively with regional or international partners	300,000	300,000	300,000	900,000
DLR#2.6: Faculty and PhD student exchanges to promote regional research and teaching	500,000	500,000	500,000	1,500,000
DLR#2.7: External revenue generation	900,000	900,000	900,000	2,700,000
DLR#2.8: Institution participating in benchmarking exercise	100,000	100,000	100,000	300,000
DLI 3 : Total Timely transparent and institutional reviewed Financial Management	300,000	300,000	300,000	900,000
DLR#3.1: Timely withdrawal application supported by financial reporting on the ACE account for the period	75,000	75,000	75,000	225,000
DLR#3.2: Functioning Audit Committee under the university council	75,000	75,000	75,000	225,000
DLR#3.3: Functioning internal audit unit for the university	75,000	75,000	75,000	225,000
DLR#3.4: Transparency of financial management (audit reports, interim financial reports, budgets and annual work plan are all web accessible)	75,000	75,000	75,000	225,000
DLI 4: Total Timely and Audited Procurement	300,000	300,000	300,000	900,000
DLR# 4.1 Timely procurement audit report	150,000	150,000	150,000	450,000
DLR#4.2: Timely and satisfactory procurement progress report	150,000	150,000	150,000	450,000
Grand Total	6,000,000	6,000,000	6,000,000	18,000,000

Table 10: Malawi Financing per ACE			
Selected Centers	Malawi College of Medicine (CEPHEM)	Lilongwe University of Agriculture and Natural Resources (AQUAFISH)	TOTAL
DLI 1 Total Institutional readiness	1,100,000	1,100,000	2,200,000
DLR 1.1 To meet conditions for effectiveness	600,000	600,000	1,200,000
DLR 1.2 Development of detailed implementation plan	500,000	500,000	1,000,000
DLI 2 Total Excellence in education and research capacity and development impact	4,300,000	4,300,000	8,600,000
DLR 2.1: Timely annual implementation plans	500,000	500,000	1,000,000
DLR 2.2 Newly enrolled Students	1,200,000	1,200,000	2,400,000
DLR 2.3 Accreditation of quality of education programs	600,000	600,000	1,200,000
DLR 2.4: Collaboration and partnership applied research and training	200,000	200,000	400,000
DLR#2.5: Peer-reviewed journal papers or peer-reviewed conference papers prepared collaboratively with regional or international partners	300,000	300,000	600,000
DLR#2.6: Faculty and PhD student exchanges to promote regional research and teaching	500,000	500,000	1,000,000
DLR#2.7: External revenue generation	900,000	900,000	1,800,000
DLR#2.8: Institution participating in benchmarking exercise	100,000	100,000	200,000
DLI 3 : Total Timely transparent and institutional reviewed Financial Management	300,000	300,000	600,000
DLR#3.1: Timely withdrawal application supported by financial reporting on the ACE account for the period	75,000	75,000	150,000
DLR#3.2: Functioning Audit Committee under the university council	75,000	75,000	150,000
DLR#3.3: Functioning internal audit unit for the university	75,000	75,000	150,000
DLR#3.4: Transparency of financial management (audit reports, interim financial reports, budgets and annual work plan are all web accessible)	75,000	75,000	150,000

Selected Centers	Malawi College of Medicine (CEPHEM)	Lilongwe University of Agriculture and Natural Resources (AQUAFISH)	TOTAL
DLI 4: Total Timely and Audited Procurement	300,000	300,000	600,000
DLR# 4.1 Timely procurement audit report	150,000	150,000	300,000
DLR#4.2: Timely and satisfactory procurement progress report	150,000	150,000	300,000
Grand Total	6,000,000	6,000,000	12,000,000

Selected Centers	Universidade Eduardo Mondlane (OIL AND GAS)
DLI 1 Total Institutional readiness	1,100,000
DLR 1.1 To meet conditions for effectiveness	600,000
DLR 1.2 Development of detailed implementation plan	500,000
DLI 2 Total Excellence in education and research capacity and development impact	4,300,000
DLR 2.1: Timely annual implementation plans	500,000
DLR 2.2 Newly enrolled Students	1,200,000
DLR 2.3 Accreditation of quality of education programs	600,000
DLR 2.4: Collaboration and partnership applied research and training	200,000
DLR#2.5: Peer-reviewed journal papers or peer-reviewed conference papers prepared collaboratively with regional or international partners	300,000
DLR#2.6: Faculty and PhD student exchanges to promote regional research and teaching	500,000
DLR#2.7: External revenue generation	900,000
DLR#2.8: Institution participating in benchmarking exercise	100,000
DLI 3: Total Timely transparent and institutional reviewed Financial Management	300,000
DLR#3.1: Timely withdrawal application supported by financial reporting on the ACE account for the period	75,000
DLR#3.2: Functioning Audit Committee under the university council	75,000
DLR#3.3: Functioning internal audit unit for the university	75,000
DLR#3.4: Transparency of financial management (audit reports, interim financial reports, budgets and annual work plan are all web accessible)	75,000
DLI 4: Total Timely and Audited Procurement	300,000
DLR# 4.1 Timely procurement audit report	150,000
DLR#4.2: Timely and satisfactory procurement progress report	150,000
Grand Total	6,000,000

Table 12: Rwanda Financing per ACE					
Selected Centers	University of Rwanda (ACE-DS)	University of Rwanda (ACEITLMS)	University of Rwanda (ACEESD)	University of Rwanda (ACEIoT)	TOTAL
DLI 1 Total Institutional readiness	1,100,000	1,100,000	1,100,000	1,100,000	4,400,000
DLR 1.1 To meet conditions for effectiveness	600,000	600,000	600,000	600,000	2,400,000
DLR 1.2 Development of detailed implementation plan	500,000	500,000	500,000	500,000	2,000,000
DLI 2 Total Excellence in education and research capacity and development impact	3,240,000	3,240,000	3,960,000	3,960,000	14,400,000
DLR 2.1: Timely annual implementation plans	375,000	375,000	460,000	460,000	1,670,000
DLR 2.2 Newly enrolled Students	900,000	900,000	1,105,000	1,105,000	4,010,000
DLR 2.3 Accreditation of quality of education programs	450,000	450,000	550,000	550,000	2,000,000
DLR 2.4: Collaboration and partnership applied research and training	150,000	150,000	190,000	190,000	680,000
DLR#2.5: Peer-reviewed journal papers or peer-reviewed conference papers prepared collaboratively with regional or international partners	230,000	230,000	275,000	275,000	1,010,000
DLR#2.6: Faculty and PhD student exchanges to promote regional research and teaching	375,000	375,000	460,000	460,000	1,670,000
DLR#2.7: External revenue generation	680,000	680,000	825,000	825,000	3,010,000
DLR#2.8: Institution participating in benchmarking exercise	80,000	80,000	95,000	95,000	350,000
DLI 3 : Total Timely transparent and institutional reviewed Financial Management	80,000	80,000	220,000	220,000	600,000
DLR#3.1: Timely withdrawal application supported by financial reporting on the ACE account for the period	20,000	20,000	55,000	55,000	150,000
DLR#3.2: Functioning Audit Committee under the university council	20,000	20,000	55,000	55,000	150,000
DLR#3.3: Functioning internal audit unit for the university	20,000	20,000	55,000	55,000	150,000
DLR#3.4: Transparency of financial management (audit reports, interim financial reports, budgets and annual work plan are all web accessible)	20,000	20,000	55,000	55,000	150,000
DLI 4: Total Timely and Audited Procurement	80,000	80,000	220,000	220,000	600,000
DLR# 4.1 Timely procurement audit report	40,000	40,000	110,000	110,000	300,000
DLR#4.2: Timely and satisfactory procurement progress report	40,000	40,000	110,000	110,000	300,000
Grand Total	4,500,000	4,500,000	5,500,000	5,500,000	20,000,000

Table 13: Tanzania Financing per ACE					
Selected Centers	Nelson Mandela African Institution of Science and Technology (WISE)	Nelson Mandela African Institution of Science and Technology (CREATES)	Sokoine University of agriculture (RPM-BTD)	Sokoine University of agriculture (SACIDS)	TOTAL
DLI 1 Total Institutional readiness	1,100,000	1,100,000	1,100,000	1,100,000	4,400,000
DLR 1.1 To meet conditions for effectiveness	600,000	600,000	600,000	600,000	2,400,000
DLR 1.2 Development of detailed implementation plan	500,000	500,000	500,000	500,000	2,000,000
DLI 2 Total Excellence in education and research capacity and development impact	4,300,000	4,300,000	4,300,000	4,300,000	17,200,000
DLR 2.1: Timely annual implementation plans	500,000	500,000	500,000	500,000	2,000,000
DLR 2.2 Newly enrolled Students	1,200,000	1,200,000	1,200,000	1,200,000	4,800,000
DLR 2.3 Accreditation of quality of education programs	600,000	600,000	600,000	600,000	2,400,000
DLR 2.4: Collaboration and partnership applied research and training	200,000	200,000	200,000	200,000	800,000
DLR#2.5: Peer-reviewed journal papers or peer-reviewed conference papers prepared collaboratively with regional or international partners	300,000	300,000	300,000	300,000	1,200,000
DLR#2.6: Faculty and PhD student exchanges to promote regional research and teaching	500,000	500,000	500,000	500,000	2,000,000
DLR#2.7: External revenue generation	900,000	900,000	900,000	900,000	3,600,000
DLR#2.8: Institution participating in benchmarking exercise	100,000	100,000	100,000	100,000	400,000
DLI 3 : Total Timely transparent and institutional reviewed Financial Management	300,000	300,000	300,000	300,000	1,200,000
DLR#3.1: Timely withdrawal application supported by financial reporting on the ACE account for the period	75,000	75,000	75,000	75,000	300,000
DLR#3.2: Functioning Audit Committee under the university council	75,000	75,000	75,000	75,000	300,000
DLR#3.3: Functioning internal audit unit for the university	75,000	75,000	75,000	75,000	300,000
DLR#3.4: Transparency of financial management (audit reports, interim financial reports, budgets and annual work plan are all web accessible)	75,000	75,000	75,000	75,000	300,000
DLI 4: Total Timely and Audited Procurement	300,000	300,000	300,000	300,000	1,200,000
DLR# 4.1 Timely procurement audit report	150,000	150,000	150,000	150,000	600,000
DLR#4.2: Timely and satisfactory procurement progress report	150,000	150,000	150,000	150,000	600,000
Grand Total	6,000,000	6,000,000	6,000,000	6,000,000	24,000,000

Table 14: Uganda Financing per ACE					
Selected Centers	Uganda Martyrs University (ACALISE)	Makerere University (MACCI)	Makerere University (MAPRONA NO)	Mbarara University of Science and Technology (PHARMITRA C)	TOTAL
DLI 1 Total Institutional readiness	1,100,000	1,100,000	1,100,000	1,100,000	4,400,000
DLR 1.1 To meet conditions for effectiveness	600,000	600,000	600,000	600,000	2,400,000
DLR 1.2 Development of detailed implementation plan	500,000	500,000	500,000	500,000	2,000,000
DLI 2 Total Excellence in education and research capacity and development impact	4,300,000	4,300,000	4,300,000	4,300,000	17,200,000
DLR 2.1: Timely annual implementation plans	500,000	500,000	500,000	500,000	2,000,000
DLR 2.2 Newly enrolled Students	1,200,000	1,200,000	1,200,000	1,200,000	4,800,000
DLR 2.3 Accreditation of quality of education programs	600,000	600,000	600,000	600,000	2,400,000
DLR 2.4: Collaboration and partnership applied research and training	200,000	200,000	200,000	200,000	800,000
DLR#2.5: Peer-reviewed journal papers or peer-reviewed conference papers prepared collaboratively with regional or international partners	300,000	300,000	300,000	300,000	1,200,000
DLR#2.6: Faculty and PhD student exchanges to promote regional research and teaching	500,000	500,000	500,000	500,000	2,000,000
DLR#2.7: External revenue generation	900,000	900,000	900,000	900,000	3,600,000
DLR#2.8: Institution participating in benchmarking exercise	100,000	100,000	100,000	100,000	400,000
DLI 3 : Total Timely transparent and institutional reviewed Financial Management	300,000	300,000	300,000	300,000	1,200,000
DLR#3.1: Timely withdrawal application supported by financial reporting on the ACE account for the period	75,000	75,000	75,000	75,000	300,000
DLR#3.2: Functioning Audit Committee under the university council	75,000	75,000	75,000	75,000	300,000
DLR#3.3: Functioning internal audit unit for the university	75,000	75,000	75,000	75,000	300,000
DLR#3.4: Transparency of financial management (audit reports, interim financial reports, budgets and annual work plan are all web accessible)	75,000	75,000	75,000	75,000	300,000
DLI 4: Total Timely and Audited Procurement	300,000	300,000	300,000	300,000	1,200,000
DLR# 4.1 Timely procurement audit report	150,000	150,000	150,000	150,000	600,000
DLR#4.2: Timely and satisfactory procurement progress report	150,000	150,000	150,000	150,000	600,000
Grand Total	6,000,000	6,000,000	6,000,000	6,000,000	24,000,000

Table 15: Zambia Financing per ACE			
Selected Centres	University of Zambia (ACEEZD)	Copper Belt University (ACESM)	TOTAL
DLI 1 Total Institutional readiness	1,100,000	1,100,000	2,200,000
DLR 1.1 To meet conditions for effectiveness	600,000	600,000	1,200,000
DLR 1.2 Development of detailed implementation plan	500,000	500,000	1,000,000
DLI 2 Total Excellence in education and research capacity and development impact	4,300,000	4,300,000	8,600,000
DLR 2.1: Timely annual implementation plans	500,000	500,000	1,000,000
DLR 2.2 Newly enrolled Students	1,200,000	1,200,000	2,400,000
DLR 2.3 Accreditation of quality of education programs	600,000	600,000	1,200,000
DLR 2.4: Collaboration and partnership applied research and training	200,000	200,000	400,000
DLR#2.5: Peer-reviewed journal papers or peer-reviewed conference papers prepared collaboratively with regional or international partners	300,000	300,000	600,000
DLR#2.6: Faculty and PhD student exchanges to promote regional research and teaching	500,000	500,000	1,000,000
DLR#2.7: External revenue generation	900,000	900,000	1,800,000
DLR#2.8: Institution participating in benchmarking exercise	100,000	100,000	200,000
DLI 3 : Total Timely transparent and institutional reviewed Financial Management	300,000	300,000	600,000
DLR#3.1: Timely withdrawal application supported by financial reporting on the ACE account for the period	75,000	75,000	150,000
DLR#3.2: Functioning Audit Committee under the university council	75,000	75,000	150,000
DLR#3.3: Functioning internal audit unit for the university	75,000	75,000	150,000
DLR#3.4: Transparency of financial management (audit reports, interim financial reports, budgets and annual work plan are all web accessible)	75,000	75,000	150,000
DLI 4: Total Timely and Audited Procurement	300,000	300,000	600,000
DLR# 4.1 Timely procurement audit report	150,000	150,000	300,000
DLR#4.2: Timely and satisfactory procurement progress report	150,000	150,000	300,000
Grand Total	6,000,000	6,000,000	12,000,000

8.7 Eligible Expenditure Program

Credit disbursements will reimburse the Eligible Expenditure Program (EEP). Total project costs will consist of: (i) the investment items in the Implementation Plan, which will be detailed in annual work plans to be approved by the respective National Steering Committees and the World Bank on an annual basis; (ii) staff salaries for the ACE and supported functions including administrative and technical personnel, and (iii) other relevant recurrent costs such as communication and utilities. For each of the ACEs, a subset of these costs will be defined as the Eligible Expenditure program. Each disbursement from the World Bank will reimburse the country for EEPs in the amount determined by the DLIs (as laid out in the above section). In no instances, can the disbursement exceed the amount of the expenditures in the submitted EEPs.

In order for expenditures to form part of the EEPs, the expenditure must be:

- a. Included in this operational manual as part of the EEP for that ACE. The EEP for each institution can be changed subject to approval by the government and the World Bank.
- b. For expenditures for goods, works and non-consulting services, the item must have been procured according to the procurement Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants according to the procurement guidelines of the hosting country.
- c. For consultant services, the selection must have been carried out in accordance with the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by WB Borrowers” dated January 2011.

The EEP, EEP spending reports and operating costs are hereafter defined:

- i. “EEP” or “Eligible Expenditure Programs” means a set of defined expenditures for goods, works, consulting and non-consulting services, Training and Operating Costs (including salaries and scholarships) made by the Recipient for the Eastern and Southern African Higher Education Institutions or by the Eastern and Southern African Higher Education Institutions under Part 1 of the Project.
- ii. “EEP Spending Reports” means the bi-annual reports prepared by IUCEA/[RFU] or the Independent Verifiers in accordance with the details provided in the Project Operational Manual to make disbursement recommendations for each Withdrawal based on the spending status of the Eligible Expenditure Programs under Part 1 of the Project and the compliance with the Disbursement-Linked Indicators. The reporting frame is presented hereafter.
- iii. “Operating Costs” means recurrent costs of the Project: (i) operation and maintenance of vehicle, repairs, rental, fuel and spare parts; (ii) computer maintenance, including hardware and software; (iii) communication costs and shipment costs (whenever these costs are not included in the cost of goods); (iv) small office supplies; (v) rent and maintenance for office facilities; (vi) utilities and insurances; (vii) travel, accommodation and per diem costs for technical staff carrying out training, preparatory, supervisory and quality control activities; (viii) salaries of Eastern and Southern African Higher Education Institutions’ faculty and staff.

The disbursement arrangements by country is presented in the table below.

DISBURSEMENT ARRANGEMENTS BY COUNTRY

	COUNRTY	DISBURSEMENT CHANNEL e.g. through Ministry of Education, other agency, or directly from Ministry of Finance	AMOUNT (USD)	AMOUNT (SDR)	RETROACTIVE FINANCING ALLOWED
1	Ethiopia		24,000,000	17,400,000	Yes- up to 1 million SDR
2	Kenya	There will be a single special product account in USD opened and operated by the National Treasury in the Central Bank of Kenya instead of a project account for each ACE. Proceeds of the IDA Credit will be deposited in the special project account following submission of withdrawal application to the World Bank. Each of the ACEs will maintain local currency project accounts in commercial banks acceptable to the World Bank. The Universities will request for funds from the single special project account through the Ministry of Education, Science and Technology (MoEST).	18,000,000 Counterpart contribution: for a maximum 900,000 To cover incremental operating costs, including the cost of facilitating the meetings of the National Steering Committee, its communication and any other logistics related to the NSC meetings.	12,800,000	
3	Malawi		12,000,000	8,700,000	
4	Mozambique		6,000,000	4,300,000	
5	Rwanda		20,000,000	14,500,000	
6	Tanzania		24,000,000	17,100,000	
7	Uganda		24,000,000	17,100,000	
8	Zambia	A bank account in USD in the Central Bank will be Opened. The bank account will be managed by the Ministry of Finance and the ACEs will be able to provide instruction to the Ministry of Finance to either access the funs in USD or transfer the funs to the ACE project account denominated in Zambian Kwacha.	12,000,000	8,700,000	

9 FINANCIAL MANAGEMENT AND DISBURSEMENT

9.1 General Guidelines for process for first disbursement for the Africa Centers of Excellence

The first withdrawal application is based upon achievement of DLI 1. Following the disbursement process described in the Operations Manual the disbursement process that each ACE will need to go through is below spelt out.

Step 1: The Government through the National Steering Committee will review and submit information to the World Bank with copy to the IUCEA regarding the achievement of the preparation and qualification results (DLI 1 – Year 0). DLI is (a) Conditions for Effectiveness have been met and (b) development of detailed implementation plans completed.

Step 2: Each ACE must ensure that the appropriate documents are provided to IUCEA who will provide a letter to the WB confirming that DLI 1 has been met.

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.

Step 3 : Following the obtaining of evidence on achieving DLI1, log in to client connection to submit withdrawal application for the amount of the DLI1 which is SDR 1,100,000 using the form 2380 accessible through Client Connection (<https://clientconnection.worldbank.org>) and accompanied with the approved resolution as per DLI1 in schedule 4 of the financing agreement and the details of the bank account where the reimbursement will be sent to. Include in the application (i) the IUCEA letter certifying achievement of DLI1 and (ii) the EEP, i.e. salaries of staff related to ACE II project upon which the WB will reimburse.

Step 4: The funds flow through which the disbursement is made from World Bank to respective country/ACE is different for each country. Below is the expected step process for each respective country based on negotiations and signed financing agreements and disbursement letters.

9.2 General funds flow arrangement

Bank Accounts: A Project Account will be opened at a commercial bank acceptable to the IDA or the Central Bank depending on national and university procedures/guidelines. This account will receive funds sent by the Ministry of Finance or from the IDA; it will also serve as the depository for government counterpart fund contributions where applicable. Funds sent to the ACE Project Account will be used for ACE eligible investments.

There will be at least two signatories required for each approved payment from the above accounts subject to national and university procedures/guidelines. The two signatories should come from two categories. The first category should comprise of the project's management and the second, the staff accounting for the project's funds. The signatories will be communicated to the IDA together with the bank account details after the signing of the project but before the project's effectiveness. The funds from both bank accounts must be used only for eligible expenditures.

9.3 Financial Reports and Audits

The ACEs shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions. The ACE will prepare and submit quarterly unaudited interim financial reports to be submitted to the respective Ministries and the Association within 45 days after the end of the calendar quarterly period in form and substance satisfactory to the Association. The templates for financial reporting are presented in **Table 16** to **Table 19** below.

The ACEs shall have their Financial Statements audited in accordance with the provisions of Section 4.09(b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made under the Preparation Advance for the Project. The audited Financial Statements for each such period shall be furnished to the Association not later than six months after the end of such period.

1	Ethiopia	<p>The wording of the audit requirement will be revised to reflect the inclusion of the Eastern and Southern Africa Higher Education Project accounts in the consolidated accounts of the university such that one audit report is sent to the World Bank within 9 months after the fiscal year end by both Addis Ababa University and Haramaya University</p> <p>University of Addis Ababa needs to recruit a Senior FM Specialist at its main campus, 3 FM specialists for each of the ACEs, and one internal Auditor; Haramaya University needs to recruit one FM specialists and one internal auditor</p>
2	Kenya	<p>Two audit reports will be submitted to the World Bank in relation to each ACE. There will be one audit report from the university that will cover the EEPs submitted to the Bank within 9 months after the end of the fiscal year and one project audit report for each ACE within 6 months after the end of the fiscal year. The project audit report will cover the activities to be implemented by each ACE as documented in their project Implementation Manual/Plan.</p> <p>Jaramogi Odinga Oginga University of Science and Technology will need to complete its recruitment of two internal auditors in order to strengthen its internal audit department.</p>
3	Malawi	<p>The ACE hosted by Lilongwe University of Agriculture and Natural Resources and the University of Malawi will recruit an additional accountant.</p> <p>Submission of overdue audit reports for the University of Malawi-College of Medicine for June 30, 2014 will be Included as a disbursement condition to the ACE under the Performance and Funding Agreement between the Ministry of Finance, Economic Planning and Development and the University of Malawi.</p> <p>One audit report will be submitted for each the university but will include notes to the financial statements that include the sources and uses of funds with respect to the African Centers of Excellence. As the College of Medicine is a constituent college of the University of Malawi, the college should be allowed to submit a separate audit report, independent of the university of Malawi.</p>
4	Mozambique	<p>It was agreed there will be one audit report from the university which will include the project accounts in the notes to the financial statements.</p>
5	Rwanda	<p>One audit report will be submitted for the university but will include notes to the financial statements that include the sources and uses of funds with respect to the four African Centers of Excellence at the University of Rwanda.</p> <p>The audit report will be received with the Bank after 10 months of the end of the fiscal year of the university.</p>
6	Tanzania	<p>One audit will be submitted for Nelson Mandela African Institution of Science and Technology and Sokoine Univeristy of Agriculture and will include a note to the accounts on their ACEs sources and uses of funds and that these university audit reports will be submitted to the Bank within 9 months after the end of the fiscal year</p> <p>Submission of overdue audit reports for Sokoine University of Agriculture for June30, 2014 will be Included as a disbursement condition to the ACE under the Performance and Funding Agreement between the Ministry of Finance and the university.</p> <p>National Mandela African Institution of Science and Technology needs to recruit a Bursar within 3 month after effectiveness and a Chief Internal Auditor as well as internal auditor within 6 months of effectiveness.</p>
7	Uganda	<p>Two audit reports will be submitted to the World Bank in relation to each ACE. The first will be the university audited accounts to be submitted within 9 months after the end of the fiscal year covering the EEP and the second will be the ACE project audit report to be submitted by each ACE within 6 months after the end of the fiscal year covering the activities agreed with the World Bank as documented in the Project implementation Manual/Plan</p> <p>The ACE hosted by Makerere University will recruit 2 accountants and Mbarara University will recruit 1 accountant to strengthen their accounting units</p>
8	Zambia	<p>Submission of overdue audit reports for the University of Zambia for December 31, 2013 and December 31, 2014 will be Included as a disbursement condition to the ACE under the Performance and Funding Agreement between the Ministry of Finance and the university.</p>

		<p>Two audit reports will be received. The first will be the audit report for the university to be received by the World Bank within 9 months after the end of each fiscal year. The second will be the audit reports for ACES within the university that will be received within 6 month after the end of the fiscal year. The audit report of the ACES will cover the activities agreed with the World Bank and the Project Implementation Plan.</p> <p>Audit of Uganda Martyrs university will be done by the Auditor General as this is a private university receiving public funds. Uganda Martyrs University will have to finalize modalities with the Auditor General on how the audit will be conducted and will be outlined PFA between the Government of Uganda and Uganda Martyrs University.</p>
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10.4 Internal Control Arrangements: The management of each implementing entity is responsible for the effectiveness of the system of internal controls. This responsibility will include making sure that: (i) project funds are utilized efficiently, economically and only for the intended purposes; (ii) financial reports generated by the accounting system are prepared on time, accurately and that they are reliable; and (iii) the assets acquired with project funds are safeguarded from misuse, defalcation, conversion and other forms of misappropriation.

1. The system of internal controls in operation follows those defined in the FMM of all the implementing entities. The internal control systems will be enhanced with project specific control systems documented in the Project Implementation Manual /Plan.
2. **Internal Audit function:** Having a functional internal audit department that conducts audits on this project based on a risk based approach is a disbursement-linked result. All implementing entities should have adequate internal audit staffing arrangements. All internal audit units should include in their work plans audits to be done on the project based on a risk based approach.
3. The implementing entities need to strengthen their internal audit functions by increasing staff where there are work load concerns in the internal audit units; strengthening the internal audit manuals with good practices issued by the Institute of Internal Auditors; acquire internal audit software to be more efficient and effective when conducting audits; train in performance auditing to strengthening value for money auditing; and train in risk based auditing to strengthen internal audit skills. Internal audit units should be encouraged to audit the project at least on a semi-annual basis if the risk is low or moderate or on a quarterly basis if the risk is high or substantial.

Audit committees: These committees are essential to ensure that audit issues are brought to high level attention and addressed. The committees are independent, and made up of non-executive members, including University Council members.

4. Given the importance of audit committees playing a role of following up audit issues to ensure they are addressed and therefore strengthening internal control systems of the ACEs, the functionality of these committees will be a DLI for the ACEs. This functionality will be measured by holding meetings in accordance with the audit committee charter and having minutes to demonstrate that there is follow up of audit issues. Internal auditors will be expected to report to the audit committees functionally and report administratively to the Head of the Institution e.g. Vice Chancellor or the Rector for the ACEs.

The audit function in the hosting universities is summarized in the table below.

Table 16: Name of ACE

Statement of Sources and Uses of Funds (USD) for the period ending.....		
Sources of Fund	Period ending.....	Cumulative for Financial Year End
-	-	-
Opening Cash Balance		
Government Funds		
World Bank IDA Funds		
Student Fees		
Others		
Total		
Add Receipts		
Government Funds		
World Bank IDA Funds		
Student Fees		
Others		
Total Financing		
Less: ACE Expenditure as per Project Implementation Plan		
Expenditure Classification 1		
Expenditure Classification 2		

**Table 17: Name of ACE
Uses of Funds (USD) (Breakdown) for the period ending**

Expenditure	Period ending			Cumulative for			Explanation of Variance	PAD /Life of Project	Revised
	Actual	Planned	Variance	Actual	Planned	Variance			
-	-		-		Financial Year End	-		Project	PAD
	Actual	Planned	Variance	Actual	Planned	Variance			
Expenditure Classification 1 as per									
Project Implementation Plan									
Sub-classification 1									

Sub-classification 2									
Sub-classification 3									
Sub-classification 4									
Sub-classification 5									
Sub Total									
Expenditure Classification 1 as per									
Project Implementation Plan									
Sub-classification 1									
Sub-classification 2									
Sub Total									
Grand Total Uses of Funds									

Table 18: Name of ACE

Statement of Reimbursable Eligible Expenditure Programs (EEPs) for the period ending

Eligible Expenditure Program (EEP)	Period ending	Cumulative for Financial Year End
EEP 1: Salaries		
EEP 2: Non Procurable Expenditure as defined in Financing Agreement		
Total EEPs		

Table 19

Name of ACE					
NOTES ANNEX					
DISBURSEMENT LINKED TO INDICATORS	ACTIONS TO BE COMPLETED	STATUS OF ACTIONS COMPLETION	AMOUNT ALLOCATED	AMOUNT DISBURSED	UNDISBURSED BALANCE
DL11					
DL12					
DL13					
DL14					

10 ANNEXES

10.1 Annex 1: Terms of Reference of the Regional Steering Committee (RSC)

10.1.1 Introduction

The World Bank is developing a regional higher education project to promote regional specialization among participating universities within areas that address particular common regional development challenges and strengthen the capacities of these universities to deliver high quality training and applied research. The higher order objective of the project is to meet the demand for skills required for Africa's development in areas such as agriculture, energy, extractive industries, etc., while strengthening best African universities in education and training in agriculture, industry, health, applied statistics and education. Eight countries in the region – Ethiopia, Kenya, Malawi, Mozambique, Rwanda, Tanzania, Uganda and Zambia – are participating in the ACE II project.

The project will be implemented by the competitively selected African Centers of Excellence (ACEs), with project facilitation and coordination support from the IUCEA/[RFU] and technical assistance from selected consultants as necessary. Each individual ACE is responsible for strategic planning and implementation of its approved proposal, with appropriate monitoring, evaluation and reporting. It will also be responsible for all fiduciary aspects required under the World Bank guidelines for financial management, procurement and environment and social safeguards. The RFU is a regional body with at least five professional staff that deals with project coordination and facilitation, support to ACEs for M&E and various technical assistance as necessary. The project will operate under the overall guidance and oversight of a RSC whose main task is to set project preparation and implementation guidelines, review results and progress, oversee the RFU and steer ACEs to ensure the achievement of the project objectives.

II. Establishment of the RSC

As part of project preparation, the governments and the WB, in consultation with other stakeholders, will establish a RSC). The RSC so formed will designate one of its members as Chairperson, and regulate its own activities under the mandate given in the project documentation.

Composition of RSC

The RSC will be comprised of the following members:

- Representative from the Government/Ministry of Education or Higher Education of each participating ACE host country.
- Representatives from academia, i.e. academic experts of international stature representing the disciplines covered under this program (2 academicians).
- Representatives from the private sector (2 private sector representatives)
- Representatives from regional bodies.
- The IUCEA/[RFU] Executive Secretary
- The IUCEA/[RFU] Project Coordinator as Secretary
- The WB will maintain observer status

Each member will receive an appointment letter from the World Bank to be a member of the regional steering committee to serve during the lifetime of the project.

On the change of a member of the RSC of ACE host country, the Government of the said host country will inform the World Bank, the Regional Facilitation Unit and the chair of the Regional Steering Committee; Subsequent to the new appointment, the World Bank will send a new letter of appointment to the new member

Mandate

The mandate of the RSC will be to review the overall results and progress achieved at the regional level, and take actions to improve the benefits from the project to the region. It will also receive and review reports, work plans and budgets funded under Component 2 from the Regional Facilitation Unit (RFU), and provide policy guidance and instructions that it considers necessary and helpful for the good conduct of the project. In doing so, the Committee will keep in mind the agreements entered into between parties pertaining to the ACE II project.

The RSC will also be responsible for advocating for regional collaboration in higher education, and acting as a liaison between the program and regional leadership, as well as with the public at large.

The RSC will decide on the overall priorities of the Project in accordance with the program documents, World Bank financing agreement, operational manual and other legal documents. The RSC cannot alter overall project objectives, but may recommend changes in immediate objectives. In cases where deviations from the program support document are considered necessary, the RSC will take the required decisions.

III. Scope of Work

The RSC is expected to support the project in the following areas:

1. The RSC will provide overall guidance to the project. In particular, the RSC will deliver:
 - i. Strategic decisions to ensure the continued coherence between the program support and sector development and regional development priorities;
 - ii. Decisions concerning deviations from the program documents;
 - iii. Endorsement of the Review Aide Memoires and ensuring follow up;
 - iv. Considerations on the findings and recommendations of the Independent Evaluation Committee (IEC) (as facilitated by the RFU); and

v. Formulate review processes, the criteria against which, the Expressions of Interest, Concept Notes and full Proposals will be evaluated. The process will also inform the formats for the IEC's reports to the RSC.

2. During project preparation phase, the RSC will:

- i. Decide on the priority areas for ACE II;
- ii. Agree on the selection process and criteria;
- iii. Guide the RFU during the call for proposals process;
- iv. Conduct the initial evaluation of the proposals;
- v. Monitor and guide the final selection of the ACEs to ensure balance in priorities, language and geographical location; and
- vi. Undertake the following regional activities under Component 2
 - o Review and guide the regional activities
 - o Support Capacity Building for Partnership Development with the Private Sector and the Competitive Scholarship Program
 - o Review the extent and performance of ACE collaboration
 - o Oversee audits (approval of the annual audit, oversee follow-up on recommendations in the annual audit report presented by RFU).

o

3. During project implementation phase, the RSC will:

- i. Approve the annual work plans and budgets, revised semi-annual plans and semiannual budgets, semi-annual requests for funds presented by the RFU;
- ii. Monitor the overall progress of the program with a special focus on delays, problems and bottlenecks (approval of progress and financial reports, decisions on follow-up activities presented by RFU);
- iii. Oversee the implementation of cross-cutting issues as identified in the program support document, e.g. gender and diversity;
- iv. Approve the revised job descriptions for technical assistance;
- v. Approve the terms of reference for short-term consultants, if relevant;
- vi. Visit institutions and provide consultations and improvements;
- vii. Facilitate national, regional, and international networking and outreach activities for the program as a whole; and
- viii. Assist ACEs in promoting the observance of the highest standards of probity in discharging responsibilities, to foment a culture of scientific integrity, and to promote mechanisms for quality assurance.

IV. Working Procedures and Conditions

Working procedures

- i.
 - i. The RSC meetings will be rotated among the participating countries; at the end of each meeting, the location of the next meeting will be decided by the committee.
 - ii. An RSC meeting will be chaired by the RSC member representing the country hosting the meeting.
 - iii. Decisions will be made by the majority.
 - iv. The RSC will meet twice a year, but extraordinary meetings may be called upon at the request of the chair and in communication with the RFU and the task team leader.

v. The regular meeting of the RSC will be announced by the RFU Project Coordinator (who will also serve as secretary to the RSC) with at least two weeks' notice. All documentation for the meetings (plan/budget, reports, proposals for adjustments, etc.) shall be distributed to the members at least one week in advance, together with a draft agenda. The World Bank will provide comments to the RFU on the RSC agenda.

vi. The Project Coordinator will be responsible for drafting the minutes of the RSC meetings and distributing the minutes to all participants within a week of the meeting.

vii. The RSC will approve the minutes at the next meeting. The minutes and other documents must be presented by the Project Coordinator in a brief, concise and executive form to facilitate strategic decision making by the RSC.

Working conditions

To fulfil its obligations, ACE II project will allocate an appropriate amount of funding to cover the operational cost of the RSC. The budget will be administered by the RFU.

Table 1: Members of ACE II Regional Steering Committee as of January 2015

	Member	Title and Affiliation	Contact Information
	<i>TBD</i>	<i>(Burundi)</i>	Email: Ph:
1.	Dr. Zerihun Kebede	Director General, Higher Education Research and Academic Affairs, MoE, Ethiopia.	Email: zewuke@gmail.com Ph: +251 931503589
2.	Prof. David K. Some	Secretary/CEO Commission for University Education, MoE, Kenya	Email: dsome@cue.or.ke Ph: +254 722 272819
3.	Dr. Samson MacJessie Mbewe	Chief Education Officer for Higher Education, MoEST, Malawi	Email(s): mpchoice2006@yahoo.com Ph: +265 995 459 075 or +265 881 942 364
4.	Dr. Manuel Bazo	Deputy Director for the Coordination of Higher Education, MoSTESTP, Mozambique	Email(s): Manuel.Bazo@mined.gov.mz Manuelbazo.mb@gmail.com Ph: +258 84 954 2248
5.	Mr. Mike Hughes	Advisor of Science and Technology, MoE, Rwanda	Email: mikehughesuk@gmail.com Ph: + 250 78 830 1157
6.	Prof. Sylvia Temu	Director of Higher Education, MoEVT, Tanzania	Email: sylviatemu2014@gmail.com Ph: + 255 75 44 81450
7.	Mr. Robert Odok Oceng	Commissioner of Higher Education and Training, Ministry of Education and Sports, Uganda	Email: odokoceng@yahoo.com Ph: +256 77 294 5448
8.	Mrs. Jane Chinkusu	Director Science and Technology, Ministry of Higher Education, Zambia	Email: jane.chinkusu@mohe.gov.zm Off: +260 211 251953, +260 211 252073 Mob: +260-977852567
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10.2 Annex 2: Terms of Reference of the National Steering Committee (NSC)

10.2.1 Background Information

The Governments of Ethiopia, Kenya, Malawi, Mozambique, Rwanda, Tanzania, Uganda, and Zambia and the World Bank are jointly preparing a project to promote regional specialization among competitively-selected higher education institutions within areas that address particular development challenges facing the region. This project, named as Eastern and Southern Africa Higher Education Centers of Excellence Project (ACE II), aims 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. The project is expected to be presented to the World Bank Board in May 2016 for financing consideration.

10.2.2 Institutional and implementation arrangements of ACE II

The ACE II project will be implemented by the competitively-selected Africa Centers of Excellence (ACEs), with facilitation and coordination support from the Regional Facilitation Unit (RFU). Each individual ACE is responsible for strategic planning and implementation of its selected proposal and for monitoring and reporting of results. Each ACE will also be responsible for all fiduciary aspects of the implementation in accordance with both the World Bank and its national guidelines for financial management, procurement and environment and social safeguards. The RFU is a regional body with professional staff responsible for project coordination and facilitation, support to ACEs for monitoring and evaluation (M&E) and various technical assistance as needed. The RFU also functions as the secretariat for the project's Regional Steering Committee (RSC) which consists of representatives from the governments of the ACE II participating countries, regional bodies, regional and international academics, and the private sector. The project will operate under the overall guidance and oversight of the RSC. During the implementation, the RSC will be responsible for setting implementation guidelines, reviewing results and progress, overseeing the RFU and assisting ACEs to ensure the achievement of the project objectives. The Inter-University Council for East Africa (IUCEA) was selected by the RSC as the RFU for the ACE II project.

At the national level, project oversight will be the responsibility of the National Steering Committee.

10.2.3 Establishment and Composition of the National Steering Committee

A National Steering Committee (NSC) will be established in each ACE II participating country to provide guidance and oversight to its selected ACEs during the project implementation.

The composition of the NSC is suggested to have representation from the ministry in charge of higher education, the Ministry of Finance, related line ministries in the priority areas of the selected ACEs, a lead national agency for higher education or science and technology, the host universities of the selected ACEs and the private sector.

The composition of the NSC will be defined by each country, which could include representatives from the ministry responsible for higher education, the MoF, relevant line ministries related to the focus area of the ACEs, the Vice Chancellors from the ACE hosting universities, and the private sector.

Each member will receive an appointment letter from the ministry in charge of higher education to serve as a member of the NSC for the lifetime of the project. The ministry in charge of higher

education will take the lead in finalizing the NSC membership and will communicate the decision to the RSC, the RFU, and the World Bank by May 15, 2016.

10.2.4 Mandate of the National Steering Committee

The NSC is expected to provide guidance and oversight to its selected ACEs during the project implementation. It will (1) oversee the implementation of the ACEs on a regular basis; and (2) receive and review results achievement and expenditure reports, for the ACE in the country.

10.2.5 Specific Tasks of the National Steering Committee

- Undertake annual performance and progress reviews based on the signed Performance and Funding Agreements for the selected ACEs and provide constructive feedback
- Oversee audits (approval of the terms of reference for the annual audit, monitoring of required follow-ups on recommendations outlined in the annual audit report presented by the selected ACEs)
- Receive and review Disbursement-Linked Indicator (DLI) results and related withdrawal applications
- Monitor overall progress of the project implementation with a particular focus on achievements, delays, problems and bottlenecks (e.g., DLI results and financial reporting for disbursement, decisions on follow-up activities presented by the selected ACEs) and help address implementation challenges
- Promote good practices in project implementation among and beyond the selected ACEs
- Recommend changes to the Project Operational Manual and decisions to be considered by the RSC

10.2.6 Working Procedures

- The NSC will meet twice a year. The meeting should be announced by the Chair of the NSC with at least two weeks' notice. Extraordinary meeting(s) may be called at the request of the Chair of the NSC.
- NSC meetings will be chaired by the representative from the ministry in charge of higher education.
- Procedures for joint decision-making shall be made by consensus.
- All documentation for the meetings (e.g., reports, proposals for adjustments, etc.) shall be distributed to the members at least one week in advance together with a draft agenda.
- Each ACE submits its documentation package including, for example, performance report with DLI achievement and expenditure, implementation report, and proposed annual work plan and budget, etc. to the Chair two weeks prior to the meeting date.
- Each meeting should produce a meeting minutes within ten days after the meeting ends. The minutes should be an official record and available for the RFU at request as part of the project's M&E.

10.2.7 Working Conditions

- Costs associated with NSC meetings will be shared by the selected ACEs in the country as part of their operating costs.
- These costs include:
 - Meeting venue costs, i.e., room, projector, microphone(s) if rented outside the negotiated meeting package

- Meeting package of hotel/convention center if applicable
- Travel costs of NSC members if applicable, i.e., round-trip tickets, accommodation, ground transportation, and per diems
- All the receipts associated with NSC meetings need to be collected for reporting and auditing. A signed attendance sheet is required for individual payment.
- The project will not pay honorarium to NSC members.
- Annually, each ACE will transfer the agreed amount required for covering the costs associated with the NSC meetings into an account held by the ministry-in-charge.

10.3 Annex 3: Detailed Description of the Project

1. The ACE II project will support 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 in four areas: (a) selecting ACEs via a competitive and transparent process from existing higher education institutions that have capacity in specialized areas with great potential to help address these regional priorities; (b) strengthening these specialized ACEs and enabling them to produce excellent training and applied research that meets the demand for highly-skilled personnel and knowledge/technology transfer within these regional priorities; (c) building networks among these ACEs to promote regional collaboration and foster partnerships with other institutions and the industry to produce innovative solutions for real development impact; and (d) developing a culture of results-orientation and accountability among these ACEs through a performance-based financing mechanism, helping to set an example for other higher education institutions in the region. It is envisaged that at the end of the project these ACEs will have developed sufficient capacity and become sustainable regional hubs for excellent training and research in their specialized fields, capable of leading efforts to address priority development challenges and improve the lives of people in the region. In a not too distance future, these ACEs will gain international recognition in their respective fields and forge a strong network with those ACEs in Western and Central Africa as well as other higher education institutions of global renown. Through their leadership and influence, this network of ACEs will raise the bar of quality, relevance and management of higher education for the entire Sub-Saharan Africa region. With this vision and these expectations from the region, the Project Development Objective for ACE II is therefore *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.*

2. With the view of achieving the above described vision and objective, the proposed ACE II operation will implement three sets of initiatives: (i) strengthening 24 higher education institutions into regional ACEs³ in Eastern and Southern Africa in a set of defined regional priority areas (US\$); (ii) providing capacity building support to these ACEs through institution and regional activities (US\$); and (iii) supporting coordination and management of the implementation of components (i) and (ii) (US\$5 million). Below provides a description of these proposed activities to be financed under ACE II, including the key features of design and implementation.

Component 1: Strengthening Africa Centers of Excellence (ACEs) in Regional Priority Areas (US\$ 140 million)

Under this component, the IDA Credit will finance the strengthening of selected 24 ACEs hosted within higher education institutions into regional ACEs selected through a competitive process in five clusters of regional priorities – Industry, Agriculture, Health, Education and Applied Statistics. Each of these specialized regional centers will receive approximately US\$ 6 million grant for implementing its proposal in a specific regional priority area. However, regardless their specifications, all these ACEs are expected to perform the following tasks:

³ The final number of ACEs to be supported by the ACE II project will depend upon evaluation results and availability of IDA funding at both national and regional levels.

- (a) *Building institutional capacity to provide quality post-graduate education with relevance to the labor market*, including, *inter alia*, updating curricula of existing programs or creating new education programs to meet the development challenge; meeting benchmarks for quality education (e.g. national/regional accreditation); attracting a regional student body; training of faculty to introduce new approaches to teaching and learning; enhancing work-place learning; encouraging entrepreneurship among students; upgrading faculty qualifications; and improving learning resources, including lab equipment, and minor rehabilitation or extension of existing facilities.
- (b) *Building institutional capacity to conduct high quality applied research, relevant to addressing a key development challenge/priority*, including, *inter alia*, faculty development and staff training, fellowships and post-doctoral studies, networking activities with national and international partners, hosting and participating in conferences, research equipment and materials and laboratory refurbishment/rehabilitation, research dissemination, knowledge and technology transfer, and patenting or other intellectual property rights related activities.
- (c) *Developing and enhancing partnerships with other academic institutions (national, regional and international) to pursue academic excellence*, to raise the capacity of network partners, and to raise the ACE's capacity, including *inter alia*, joint delivery of education programs, faculty exchanges/visiting faculty, joint research and conferences, sharing of specialized equipment and library resources.
- (d) *Developing and enhancing partnerships with industry and the private sector to generate greater impact*, to enhance the impact of the ACE on development and increase relevance of said centers on education and research, including, *inter alia*, industry advisory boards, industry lectures, training of trainers for sector training institutions (such as polytechnics, nursing, teacher or agricultural colleges), joint research, training and other activities to communicate, interact and reach out to civil society, private sector and grassroots communities.
- (e) *Improving governance and management of the institution and setting up a role model for other higher education institutions*, to improve monitoring and evaluation, including monitoring of labor market outcomes of graduates, administration, fiduciary management (including financial management (FM), procurement, oversight and capacity), transparency, ability to generate resources, and project implementation.
- (f) *Delivering outreach, and creating an impact, to society by delivering excellent teaching and producing high quality applied research*. Individual ACEs are selected because of the strength of their proposals and their relevance to providing solutions to regional development challenges. By fulfilling their mandate, the ACEs can impact positive change in society and become model hubs of teaching, research and innovation to other institutions in the region.

3. **National governments need to agree with certain degree of decentralization in financial decision-making to their selected individual ACEs.** Sustainability of the ACEs is a critical concern. As a key mitigation action based on international experiences, the ACEs need to build their capacity in revenue generation and are allowed to retain the generated revenue for further development throughout the project implementation. The governments need to provide incentives and empowerment to enable it happen. Thus, as part of the proposal submission process, the Government must agree to devolve the following three financial powers to the ACE/university: (i) the ACE (with the approval of the hosting university) has the right to set and charge tuition for all short-term courses as well as Master's and PhD level programs. Tuition fees for undergraduate programs can be subject to outside regulations; (ii) the ACE is entitled in the performance agreement with the Government to retail all externally generated revenue (including

ACE grant and other revenue generated by the ACE). If the university has institutional revenue sharing policies established already, then an acceptable portion of the externally generated revenue can be shared with the rest of the university. The share going to the university has to be specified in the proposal, and the ACE grant has to go in its entirety to the agreed proposal; and (ii) an ACE designated account (operating as an endowment fund) needs to be set up and all externally generated funding as well as the project funding will go into this account and be managed from there.

4. **Unlike many existing centers of excellence in the ESA region, which focus primarily on academic research, the selected ACEs under the ACE II project must produce real impact on addressing a specific challenge in one of the priority areas in the region.** These priority areas were defined by the project’s Regional Steering Committee (RSC) after broad consultations in the region. These priorities fall into five clusters – Industry, Agriculture, Health, Education and Applied Statistics. Table 1 below provides information on the areas covered within these priorities. All ACE proposals need to address development challenges in one of the priority areas in order to be considered. To encourage flexibility, innovation and cross-cutting solutions, an ‘unspecified’ category was created to allow preparation of proposals in areas not explicitly listed. This priority list provides guidance for proposal development, but it does not mean that an ACE would be selected and established for each of these priority areas on the list under the ACE II project.

Table 1: Regional Priority Areas for ACEs

Cluster	Priority Area
Industry	<ul style="list-style-type: none"> ● Energy (wind/hydro-power, geothermal & solar-energy, energy generation & transmission, etc.) ● Value addition / Extractives (oil & gas sector, mining) ● Urban design and construction/Infrastructure, transportation and logistics ● Disaster/risk analysis and management, hydrology and water purification ● ICT (soft/hardware, applications, services, teaching/learning) ● Product design, manufacturing, ● Railway engineering ● Marine and ocean engineering <p><i>Unspecified (room for innovation)</i></p>
Agriculture	<ul style="list-style-type: none"> ● Agribusiness (crop & livestock sciences, agricultural engineering, agro/food processing & packaging; value chain) ● Climate and environmental smart agriculture ● Agricultural land management ● Water resource management, hydrology and irrigation ● Marine and ocean sciences <p><i>Unspecified (room for innovation)</i></p>
Health	<ul style="list-style-type: none"> ● Pharm-bio technology (drug discovery, science-driven traditional medicine & development) ● Bio-medical engineering (implant development, hospital infrastructure, tissue-engineering) ● Bio-physics and bio-chemistry (diagnostic tools) ● Molecular biology (infectious diseases, vaccine development) ● Emergency medicine and trauma (with a focus on traffic injuries & deaths) and nutrition <p><i>Unspecified (room for innovation)</i></p>

Cluster	Priority Area
Education	<ul style="list-style-type: none"> Quality of Education (innovations in STEM teaching/learning/curriculum development, assessment & management tools, e-learning & education tools, creative design thinking)
Applied Statistics	<ul style="list-style-type: none"> Applied Statistics (big data, bioinformatics, data mining, reliability modelling, research design, evidence-based policy analysis)

5. The selected ACEs will have the autonomy to implement their own proposals, with the support from their host universities and governments as well as the RFU. For assuring the achievement of targeted results, the ACE II project will employ a performance-based financing mechanism to disburse funding from their respective Ministry of Finance (MoF) to each selected ACE against a set of agreed Disbursement Linked Indicators (see Annex 1). To ensure regional collaboration for greater impact, the project will provide a mix of funding requirements and incentives to promote regional mobility of students and faculty, and partnerships with regional and international institutions as well as with the private sector. Each ACE will sign a performance and funding contract with its government (i.e., the Ministry of Education) which will be further developed during appraisal.

The contract includes the following criteria:

- (i) At least 15 percent of the funding must be invested in-country partnerships and at least 10 percent must be invested in partnerships outside the ACE hosting country.⁴
- (ii) A partnership agreement between the ACE and its respective partners needs to specify the work plan, budget and outcome arrangements.
- (iii) Civil works if needed, should not exceed 25 percent of the total grant.
- (iv) The Government's existing commitments for continued funding of the institutional staff need to be part of the funding and performance agreement.

6. **The project uses a performance and funding contract mechanism to minimize implementation risks and incentivize good performance and ownership.** It proposes that (a) two years after signing, 10 percent of the undisbursed funds of each ACE will be removed from its remaining grant; and (b) three years after signing, 50 percent of the undisbursed funds of each ACE will be removed from its remaining grant. The funds removed from underperforming institutions will be provided to institutions with better performance. This way, the risk of committing large amounts of funds to underperforming institutions or institutions without adequate capacity is minimized.

ACE Activities.

7. **Each ACE is expected to encompass the following five elements which are interrelated:**

- (a) Enhancing capacity to deliver high **quality training** in the region to produce skilled personnel needed for addressing a specific development challenge defined in the regional priority areas;
- (b) Enhancing capacity to deliver **applied research** to find solutions for addressing a specific development challenge defined in the regional priority areas;
- (c) Building and strengthening **academic collaboration** both within and outside the ESA region to raise the quality of education and research in the specialized priority discipline;

⁴ ACEs are required to spend 10 percent of the partnership funding in partnership with institutions outside the ACE hosting country.

- (d) Building and using **industry/sector partnerships** to enhance the impact on the chosen priority area through improved relevance of training, research and outreach of the ACE; and
- (e) Strengthening **monitoring and evaluation (M&E)** to improve governance and management of the ACE and its hosting university.

Each of these five elements is elaborated further in the below sections.

8. **Enhancing capacity to deliver high quality training in the region to produce skilled personnel needed for addressing a specific development challenge defined in the regional priority areas.** Three key indicators for measuring progress towards achieving this goal in each ACE will be used: (i) number of regional (non-national) students enrolled in specialized courses at the Masters and PhD levels; (ii) number of training programs that meet international quality benchmarks; and (iii) externally generated revenue. This will be achieved by implementing an institutional plan consisting of an institutional-specific mix of these elements: (a) developing and offering new specialized short-term training programs aimed at industry professionals for their further professional development; (b) developing and offering new specialized Masters- and PhD-level programs with improved quality and relevance of existing programs through revision of curricula and pedagogy based on professional standards of the industry and incentives⁵ for good performance of faculty (e.g., awards for top teaching and research); (c) improving laboratories, classrooms, computer lab, and other teaching facilities; (d) establishing international benchmarking and accreditation of education programs; (e) upgrading teaching capacity for student-centered learning; and (f) upgrading faculty qualifications. Other activities could be permissible for funding as laid out by the project's operational manual.

9. **Enhancing capacity to deliver applied research to find solutions for addressing a specific development challenge defined in the regional priority areas.** The key indicators for measuring progress towards achieving this goal will be: (i) number of collaborative research initiatives; and (ii) amount of revenue generated. This will be achieved by carrying out an institutional specific mix of the following activities: (a) improving research facilities and material supply; (b) incentivizing research and publications;⁶ (c) increasing enrollment of Masters and PhD students by offering scholarships if necessary to attract young and female talents;⁷ (d) assisting grant proposal writing and manuscript translation and editorial support; (e) participating and organizing workshops/seminars and presenting research results at academic conferences; (f) exchanging faculty with relevant institutions; (g) accessing library and e-journals; and (h) covering costs associated with research collaboration.

10. **Building and strengthening academic collaboration both within and outside the ESA region to raise the quality of education and research in the specialized priority discipline.** Such collaboration can be either on-going or new. The key indicators for measuring progress towards achieving this goal will be: (i) share of regional (non-national) students enrolled in ACE-offered training programs; and (ii) number of partnership agreements signed with the institutions in the region. The ACEs will be encouraged to forge collaboration with national, regional and international institutions in their specialized areas to address the needs for training and research in their chosen development priority areas. Academic collaboration activities could include: (a) collaboration in delivery of education programs; (b) faculty development and exchange; (c) joint conferences, research and course offerings in specialized areas; (d) sharing access to learning

⁵ Only non-monetary incentives to achieve this objective can be funded by the ACE grant. The project does not restrict the use of funds generated from other sources for this purpose.

⁶ See the footnote #6 on the previous page.

⁷ The project strongly encourages ACE to prioritize any scholarships for degree courses to young graduates over mid-career faculty members

equipment and library resources (i.e., giving students and faculty exposure to different learning environment); and (e) assistance to curriculum development. These kinds of activities are expected in the ACE proposal and the selected proposals will have chance to revise their academic collaboration action plans with the comments from the evaluation. An academic collaboration agreement will be developed by the ACE in close collaboration with its collaborators, and co-signed by all major parties. This agreement will form part of the performance and funding contract to be signed with the Government. The academic collaboration action plan will be reviewed and revised at mid-term.

11. Building and using industry/sector partnerships to enhance the impact on the chosen priority area through improved relevance of training, research and outreach of the ACE.

The key indicators for measuring progress towards achieving this goal will be: (i) number of partnership agreements signed with institutions and (ii) amount of revenue generated externally. These partnerships should be regional in nature ideally. Partnerships with key national and regional industry associations or other important players is a strong indication of the potential relevance and impact of the ACE. Industry partnerships could also be with “lower-level” industry/sector-specific training institutions, such as institutions that provide technical training or extension service training for farmers. An action plan of the ACE in this area needs to be tailored to its specific development challenge, its existing industry partnerships, and new opportunities for future growth. Activities could be a combination of: (a) adjunct lecturers from the industry; (b) Masters/PhD theses based on real problem-solving with companies; (c) advisory boards on curriculum; (d) placement of students and job fairs; (e) liaison office for industry-outreach and research results/technology transfer. The main industry partnerships of the ACEs will be defined in MoUs outlined in the action plan which will be updated at the mid-term review.

12. Strengthening monitoring and evaluation (M&E) to improve governance and management of the ACE and its hosting university.

The key indicators for measuring progress towards achieving this goal are outlined in the project Results Framework and associated Disbursement Linked Indicators (DLIs) in Annex 4. Concrete activities could include: (a) implementing new or improved grant management, procurement, and monitoring procedures; (b) hiring or training of existing personnel for fundraising and related M&E; (c) improving internal board procedures including regular meetings, membership review (e.g., having private sector representatives and other external members), disclosure of board meeting minutes, etc. for greater transparency; (d) establishing internal M&E mechanisms towards quality assurance and enhancement; (e) capturing lessons-learning from the project implementation and sharing with regional partners and other ACEs.

Application Process

- a) **All applications (/proposals) were submitted through the ministry/agency in charge of higher education in each participating country to emphasize government support and ownership of ACE II.** The RFU for ACE II – Inter-University Council for East Africa (IUCEA) – received and conducted eligibility screening of all submissions from the government of each participating country. Along with the proposals, the submission needed to include a cover letter in which explicitly states (i) the government’s support to the proposals; (ii) the government’s willingness to utilize of IDA for financing its ACE(s) if selected; and (iii) the government’s agreement to grant certain degree of decentralization in financial decision-making to its ACE(s) if selected.
- b) **Only those proposals that passed the eligibility screening were considered for evaluation.** Institutions interested in hosting ACEs needed to have running PhD and Master programs in the applying-for field. The aim of the project is to strengthen the

capacity of existing university programs to deliver high quality training in order to meet the demand for skills in ESA's development priority areas. By offering advanced graduate degree programs, institutions have a built-in capacity of academic achievement that can be harnessed and expanded through the ACE II project. The presence of PhD programs indicates an institution's research capacity and ambition, and is a precursor to the development of high quality of faculty. The project is open to both public and private higher education institutions. However, the decision on the inclusion of private higher education institutions was left to the government of each participating country because of their varied conditions. Institutions that did not meet the above requirements could still participate in ACE II in two ways: (i) through partnerships with qualified institutions; and (ii) acquiring of services (education and research) from the selected ACEs.

- c) **Participating countries were encouraged to have national workshops to facilitate the application process.** As part of empowering institutions and governments to take ownership of the project, ACE II required all participating countries to host national consultation workshops. These workshops were organized by the respective governments with technical support from the World Bank. They encourage stakeholders to start thinking about proposals and their focus areas on the list of development priorities both of national and of regional, as well as eligibility of their institutions. The Government and its interested institutions need to agree on an in-country process for proposal development and submission.

Selection Process and Criteria

The selection process was transparent, objective, merit-based, and competitive. It is outlined in detail in the evaluation protocol developed jointly by the IUCEA and the World Bank (the evaluation protocol is part of the operations manual, prepared by IUCEA). The general steps and some milestone timetable⁸ included the following:

- (a) Consultations on draft eligibility, evaluation criteria, and selection process
- (b) RSC approval of criteria, process, call for proposals
- (c) Launch of Call for Proposal (*July 31, 2015*)
- (d) Submission of proposals by the Governments (*by October 2, 2015*)
- (e) Eligibility screening of proposals
- (f) Technical desk evaluation by the IEC
- (g) Shortlisting of proposals (estimated around 70) (*Mid-October, 2015*)
- (h) On-site and leadership evaluation of shortlisted proposals (*November, 2015*)
- (i) Provisional selection of ACEs by the RSC (*December 4-5, 2015*)
- (j) No-objection from the World Bank (*December, 2015*)
- (k) Announcement of the conditionally selected ACEs (*December, 2015*)
- (l) Address complaints by the Grievance committee
- (m) Submission of improved implementation plans (technical and fiduciary)
- (n) Signing of the funding and performance agreements. (*April, 2016*)

There were two steps in the evaluation of eligible proposals: desk review; and (b) on-site visit.

This approach ensured a fair and thorough evaluation based on proposal merits, assuring the integrity of the selection process. The entire evaluation process was coordinated by the IUCEA and overseen by the RSC, with technical support from the World Bank.

⁸ These are estimated dates and could change during the preparation.

Desk Review

The Independent Evaluation Committee (IEC) reviewed all the eligible proposals based on the technical criteria listed in Table 2. The IEC was a panel of internationally renowned academics (primarily African or Africa diaspora) with expertise in the defined regional development priority areas. The panel members were required to have no conflict of interest to the project and were capable of evaluating the proposals under the guidance of the evaluation protocol with good understanding of Africa’s development challenges in general and challenges in the ESA’s priority areas in particular. As the RFU of the project, the IUCEA was responsible for nominating panelists and preparing the evaluation protocol which will be part of the project operations manual. The IEC produced an evaluation report for each evaluated proposal with feedback comments. It put forward a shortlist of proposals to the RSC with a summary desk-review evaluation report that explained the marks and justifications for the shortlisting. In deciding the final shortlist, the RSC took into account the need for a reasonably equitable balance across geography, language, and coverage of development priorities.

Table 2: Technical Evaluation Criteria for Desk Review

Criteria for Technical Evaluation	Mark
<i>(1) Potential for Regional Development Impact:</i>	
<i>Importance of development topic for the region and the innovation of the proposal – including alignment with regional and national development plans</i>	
<i>Potential regional development impact – including strengths and relevance of collaboration with industry partners (employers, organizations, and governments)</i>	
<i>Potential for raising the quality and relevance of education at national and regional academic partner institutions – including strengths of existing regional collaborations and partnerships</i>	
<i>(2) Potential for Excellence</i>	
<i>Potential for Learning Excellence – including the availability of existing physical and human resources of expertise; relevance, excellence and strengths of proposed international collaboration</i>	
<i>Potential for Research Excellence</i>	
<i>(3) Sustainability (financially and academically) of the proposal and its impact</i>	
<i>(4) Social Responsibility</i> – inclusion of rural/remote institutions as partner institutions, and impact on disadvantaged students, including girls	
<i>(5) Quality and Consistency of proposal</i> – including fit with strategic plan analysis	
<i>Total</i>	

The Call for Proposals was issued on July 31, 2015. The nine participating countries submitted 114 proposals. The eligibility screening⁹ by the Inter-University Council for East Africa (IUCEA), the project’s Regional Facilitation Unit (RFU) produced a total of 97 proposals (including Oil & Gas) for evaluation. These proposals were then evaluated by an Independent Evaluation Committee (IEC) consisting of over 63 African and international subject-matter experts. The evaluations were done in accordance with a set of clearly defined criteria¹⁰ which

⁹ Only those proposals submitted by the governments of the participating countries, with existing PhD programs, and in the defined regional priority areas are eligible for consideration. The eligibility screen was done by the Inter-University Council for East Africa (IUCEA) which is the designated RFU for the ACE II project.

¹⁰ These criteria, together with proposal eligibility and evaluation process, are captured in the “Protocol for Proposal Assessment” that was approved by the RSC as a guideline for the Independent Evaluation Committee.

reflect important aspects of the PDO, e.g., definition of development challenge(s) to be addressed (including gender parity), potential for excellence in teaching, training and research/innovation and regional collaboration and partnerships. Each proposal was evaluated by three experts for the technical evaluation which shortlisted 43 proposals for the second phase of the evaluation – onsite leadership evaluation. Tables 3 and 4 present the outcomes of the shortlisted proposals by country and by priority cluster.

Table 3: Eligible and Shortlisted Proposals by Country

Proposal /country	Ethiopia	Kenya	Malawi	Moza mbique	Rwa nda	Tanz ania	Ugan da	Zam bia	Zimb abwe	Total
Eligible	19	17	4	5	6	16	18	3	9	97
Shortlist ed	6	6	3	3	6	8	8	2	1	43

Table 4: Eligible and Shortlisted Proposals by Priority Cluster

Proposal\Priority Area	Industr y	Agricultu re	Health	Educatio n	Statistics	Total
Eligible	32	30	22	8	5	97
Shortlisted	16	11	11	3	2	43

On-Site Visit

The on-site evaluation of the short-listed institutions was conducted by the small teams of the IEC. Each small team consists of at least two internationally reputed experts and a leading researcher within the field of expertise of the proposed ACE. These teams visited the short-listed institutions. During each site visit, the team assessed the leadership and management capacity of the potential ACE-hosting University and the proposed ACE itself. The team also ascertained the feasibility of the implementation of the proposal, given the existing academic capacity, infrastructure (including learning and research facilities), and management capacity according to the criteria in Table 5.

Selection Process and Criteria

Based upon the aggregated evaluation marks of both the technical (/desk-review) and on-site evaluations, the IEC submitted specific recommendations to the RSC, supported by appropriate documentation. To ensure a reasonably equitable balance in geography, language and priority disciplines, the RSC made necessary adjustment to the IEC’s recommendations (but without any changes in the individual evaluation marks) and finalize the selection. The clear objective and justification for the RSC’s final decision was recorded in detail in the RSC decision meeting minutes. All the institutions with submitted proposals received their evaluation marks and a summary of the main strengths and shortcomings of their proposals.

Table 5: Onsite/Leadership Evaluation Criteria

On-Site and Leadership Evaluation	Marks
Institutional leadership and vision	
Center leadership and administrative capacity	
Institutional ownership of proposal as evident from faculty and student awareness and inclusion	
Government involvement to support the institutional proposal and alignment to strategy	
Consistency between the submitted proposal and the reality on the ground as observed by the visiting evaluation team	
Financial management and procurement track record and capacity	
Total	

The ACEs financed under the ACE II project have been selected through an open, objective, transparent, and merit-based competitive process. The call for proposals was followed by a two-step evaluation process by the Independent Evaluation Committee (IEC)¹¹: a technical evaluation and an onsite and leadership evaluation. The RSC conditionally selected 24 proposals to be ACEs based on the following criteria that each proposal met the following criteria: (i) addresses a specific challenge in one of the five priority areas in the region – industry, agriculture, health, education and statistics; (ii) is of the highest quality; (iii) institutional capacity; (iv) geographical balance; and (v) funding capacity. *These conditionally selected ACEs are underwent FM, procurement and safeguards review, and a total of 24 would be confirmed for funding upon finalization of the appraisal process.* In the next section, the proposals are described in greater detail (Table 6).

Table 6: Distribution of Conditionally Selected ACEs by Country and Cluster

Country/ Cluster	Industry	Agriculture	Health	Education	Stats	TOTAL
Ethiopia	2 (Railways, Water Mgmt.)	1 (Climate Smart)	1 (Drug Dev)			4
Kenya	1 (Renewal Energy)	2 (Agribusiness, Nutrition)				3
Malawi		1 (Fisheries)	1 (Public Health & Herbal Medicine)			2
Mozambique	1(Oil and Gas)					1
Rwanda	2 (ICT, Energy)			1(Quality Education)	1(Big Data)	4
Tanzania	1 (Water Infrastructure)	1 (Rodent pests: Ecology, Public Health and Biosensor Technology)	1 (Infectious Diseases)	1 (Agr Educ)		4

¹¹ The IEC is comprised of over 60 African and international experts in the regional priority areas.

Country/ Cluster	Industry	Agriculture	Health	Education	Stats	TOTAL
Uganda	1 (Product Design & Manufacturing)	2 (Crop Improvement, Agro-ecology)	1 (Pharma-Bio & Traditional Medicine)			4
Zambia	1 (Mining)		1 (Infectious Diseases)			2
TOTAL	9	8	7	1	1	24

The 24 conditionally selected ACEs were distributed across eight participating countries. Proposals from Ethiopia, Kenya, Tanzania and Uganda all focus on addressing development challenges in industry, agriculture and health. Tanzania also is home to the one ACE in education. Rwanda will host ACEs in industry and statistics. Malawi's ACEs will address development challenges in agriculture and health whereas Zambia's ACEs will focus on industry and health. Mozambique will host an ACE on Oil and Gas.

Industry: Nine proposals have been conditionally selected to be ACEs in the region in the areas of energy, extractives, ICT, manufacturing, transport, water and oil and gas. The proposals in energy aim to create a world class energy center that will be a regional hub for research in the sector, as well as provide graduate and post-graduate training and research in various fields including analytical chemistry and renewable energy. This falls in line with the region's vision to become a newly industrialized nation with a diverse labor force skilled in STEM fields. The ACE in mining approaches mining from a sustainable standpoint and will focus on: (i) education and training programs in sustainable mining for Africa, (ii) research solutions for sustainable mining, (iii) form partnerships for sustainable mining development, and (iv) enable student and staff exchange and mobility. In the field of ICT, the proposals will focus on educating and train African researchers in the field and build a critical mass of scientists and engineers. The proposals in the water sector seek to address challenges regarding water, sanitation and energy security in the region. The ACEs will train graduates specializing in water and energy related fields while providing a stimulating research environment for researchers. The cluster also includes a proposal in railways which will seek to produce trained graduates, publish technical papers, and supplement its teaching with professional visits, academic internships and professional workshops/conferences to incorporate world class practices into the railways program. Finally, in the area of manufacturing, a proposed ACE will utilize nanotechnology to solve issues in energy, water, environment and medicine. The ACE will develop two graduate programs which will provide intensive training to urgently fill the gap required in promoting value addition of primary produce in the Great Lakes region. The Oil and Gas proposal focuses on training on Oil and gas at Master's level.

Agriculture: The eight conditionally selected ACEs address development challenges in agribusiness including food security and nutrition. Proposed ACEs from Ethiopia, Kenya, Uganda and Zimbabwe all intended to address food insecurity and poverty by developing sustainable agricultural and agribusiness management. The proposal in nutrition seeks to come up with alternative sources of nutrition to improve productivity; and have faculty guide graduate students in different disciplines. The ACEs will focus on: (i) producing skilled human capacity through research based postgraduate programs that will produce the next generation of skilled local and regional faculty who come with highly enhanced agricultural knowledge, and research skills; (ii) developing capacity along the agricultural value chain in ESA by undertaking innovative research, including the use of biotechnology and climate smart agriculture, for increased crop and livestock productivity; and (iv) developing each link in the production and value chains of agricultural enterprises needs to be accompanied by effective agricultural research and technology generation programs. Proposals in nutrition aims to enhance skills and research

capacity in fisheries and aquaculture value chain given the value of fish in diet, and increase the relevance of its training programs and graduates to industrial development needs in the region, through internships, tracer studies, and wide stakeholder consultations. Finally, the ACEs will build capacity through training at the masters and doctoral levels by establishing basic and applied research programs for African scientists to pursue high-impact projects.

Health: The five ACE proposals focus on addressing development challenges brought forth by infectious diseases and drug development. The proposals in infectious diseases and drug development propose to: (i) provide regional leadership in postgraduate training and research on already existing training and student-based research and competencies in molecular biology and analytical epidemiology; (ii) support equitable access to interventions (medications, diagnostics and other interventions) and provide a regional platform for innovative drug development; and (iii) specialize in zoonosis to contribute to innovative interventions for control and eliminate of infectious diseases. The proposal in nutrition seeks to come up with alternative sources of nutrition to improve productivity; and have faculty guide graduate students in different disciplines. Finally, in the area of traditional medicine, the ACEs will build capacity in the region to train and raise a critical mass of specialized and skilled human capital that can use multidisciplinary and trans-disciplinary approach to advance traditional medicine and pharm-biotechnology. The ACEs will create a conducive and enabling environment for curriculum review and development to create specialization on traditional medicine and pharm-biotechnology, and provide a platform for high level research, undergraduate and postgraduate (including postdoctoral) training for Malawi and the Eastern and Southern African region.

Education: The Education ACE from Ethiopia intends to improve agricultural education in the region by addressing the challenges of poor agricultural productivity, loss of biodiversity and nutrition and food insecurity. To improve agricultural production, the center will address the problems of low soil fertility, climate change adaptability, plant and animal productivity. The ACE will produce world class scientists who can predict potential climate change and other phenomena through its sustainable agriculture, biodiversity and ecosystem management system. The center will also specialize in food bioprocessing, and offer postgraduate courses in health and biomedical sciences, and expand its current food and nutrition science program to include a specialization on food bioprocessing to reduce waste, and address food safety issues.

Statistics: The Rwanda ACE in statistics is an international multidisciplinary center that will combine expertise from statistics, economics, business, computer science and engineering to use big data and data analytics to solve 21st century challenges. The center aims to collect, share and analyze data and provide expertise to measure and monitor the UN's new Sustainable Development Goals. The ACE aims to produce skilled postgraduates capable of producing high quality research and providing innovative solutions to public and private sectors. They will provide facilities to individuals who want to use data sciences to understand complex real-world challenges, monitor performance and create innovation. The center will offer courses in applied statistics, analytics and knowledge translation and incorporate means of overcoming the challenges of including big data methods in generation of official statistics. Though the ACE is based in Rwanda, it plans to place southern and eastern regions of Africa at the forefront of an emerging academic field that will encourage collaborative partnerships between academia, government and the private sector.

With the investment of the project, these conditionally selected ACEs are also expected to produce measurable results. The ACEs will measurably increase the number of graduates (both master's and PhD) in the priority areas. The ACEs will also increase the quality and quantity of research produced in the region, along with increased collaboration and partnerships with industry and the private sector. Specifically, by the completion of the project, the ACEs are expected to:

- a) Produce more than 3,500 graduate students in the regional development priority areas, out of which more than 700 will be PhD students and more than 1,000 are female students
- b) Publish almost 1,500 journal articles;
- c) Launch more than 300 research collaborations with private sector and other institutions; and
- d) Generate almost US\$30 million in external revenue.

Since the conditionally selected ACE proposals are being appraised in detail, the number of specific deliverables mentioned above might be revised.

The RSC had set up a grievance committee to ensure the integrity of the selection process.

Any applying institution could submit grievances to challenge the results of the selection. Upon receipt of any grievance, this Committee would seek clarifications from the IUCEA, the IEC and other relevant entities, and then make a recommendation to the RSC on whether the grievance could be accommodated and whether any modification needed to be made to the evaluation/selection decision.

Each provisionally selected institution must submit the improved proposal package for review before its ACE(s) can be officiated.

Provisionally selected institutions received a detailed list of comments and suggestions from the IEC to enable them to improve their proposals. In addition, the IUCEA was required to provide additional support for proposal improvement as needed. The institutions were required to revise their proposals by taking into account these comments and suggestions for improvement. During the same period, the institutions were also requested to prepare fiduciary assessments (actions as needed), safeguard screenings and management plans. Each institution would then submit the final package which included (i) the improved proposal; (ii) a first-year implementation plan; (iii) a procurement plan; and (iv) a safeguard management plan. A quick desk review was undertaken by IUCEA to ensure that key improvements and suggestions have been taken into consideration by the institution and incorporated into the final proposal. With the completion of this final step, the institution would be officially confirmed as the selected hosting institution for the ACE(s) with an approved proposal(s).

Component 2: Capacity Building Support to ACEs with Institution and Regional Interventions (US\$ 3 million).

Under this component, the IDA Credit will finance activities at the **institutional** and **regional** level to enhance the capacity of selected ACEs to enable them to achieve their project development objectives. Experience of the ACEs in Western and Central Africa (ACE I) indicates that additional support is required to ensure that the selected ACEs achieve the intended outcome and impact of the project. Areas of additional support include: (i) capacity development to address key institutional weaknesses such as partnership development with the private sector; and (ii) competitive scholarships to award top future talents and encourage regional student mobility. Under the ACE Scholarship Program, regional students will be financed for two years to attain a Master's degree in any of the ACEs. It is envisioned that the ACE Scholarship program will acquire 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 technical assistance firm(s) which will be overseen by the RFU

Component 3: Facilitation, Coordination and Administration of the Project Implementation (US\$ 5 million)

This component will be financed in the form of a Regional IDA grant to the RFU. The sheer number of countries and institutions participating in the ACE II project makes the project complex to manage, and requires a RFU that has a designated team for project management. The role of the RFU is to manage the multiple tasks assigned to it including delivering some capacity development activities and managing TA firms ensuring effective project preparation and implementation. IUCEA was selected by the RSC as the RFU for the project through a competitive process (see Annex 3 for more details on the selection process). To fulfill the responsibility as the RFU, IUCEA is in the process of hiring new staff members such as a project coordinator and a financial specialist to form a team for ACE II.¹² IUCEA has already received an IDA grant of US\$1 million as part of the Project Preparation Advance (PPA).

As the RFU for ACE II, IUCEA¹³ will have the following tasks:

- (i) To be responsible for the oversight of the entire project implementation under the direction of the RSC and with the technical assistance of the World Bank;
- (ii) For Component 1, to ensure that the developed DLI framework works and carry out all the necessary tasks required for its effective implementation including, collecting the necessary data, M&E, ensuring time compliance and coordinating and sharing information with the line-ministries and MoF in these respective client countries;
- (iii) To oversee Component 2 as detailed above and implement the ACE institutional capacity development activities as required;
- (iv) To support and facilitate as required the fiduciary and safeguard reporting that is required for the project under the direction of the World Bank; and
- (v) To facilitate regional collaboration and networking by organizing a series of knowledge sharing events for all the selected ACEs and their partners.

This will include, but not be limited to the following: one annual meeting of the ACEs, where experts will be available to assess program quality and offer advice and sponsor two PASET regional forums through which ACEs can form linkages with technical/vocational programs in areas related to the subject areas of the ACEs.

¹² In addition, during the course of the project, IUCEA will hire either as staff or consultants, whenever there are gaps in personnel. Adequate support and capacity building will be provided to IUCEA by the Bank to enable efficient and effective implementation of its responsibilities. IUCEA has already received training in procurement and FM from Bank staff based in Uganda.

¹³ IUCEA, an institution of the inter-governmental East African Community (EAC), is headquartered in Kampala, Uganda and headed by the Executive Secretary. Their mandate is to foster collaboration in higher education within the East African Community.

Project Development Objective (PDO): The Project Development Objectives (PDO) for the proposed 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.

PDO Level Results Indicators*	Core	Unit of Measure	Baseline ¹⁴	Cumulative Target Values**					Frequency	Data Source/ Methodology	Responsibility for Data Collection	Definition
				YR 1 ¹⁵	YR 2	YR3	YR 4	YR5				
1. No of non-national students enrolled in priority areas: (i) Masters [% of which are female] and (ii) PhD programs [% of which are females] ¹⁶	<input checked="" type="checkbox"/>								Annual	ACE Progress Reports	ACE and RFU	This indicator measures the number of African students who are not from the country hosting the particular ACE and are enrolled in Masters and/or PhD courses (for at least one semester)
2. No of students (national and regional) enrolled in priority areas: (i) Masters [% of which are female] and (ii) PhD programs [% of which are females]	<input type="checkbox"/>								Annual	ACE Progress Reports	ACE and RFU	This indicator measures the total number of students (national and regional) enrolled in Masters and PhD programs
3. No of collaborative research initiatives launched by the ACE	<input type="checkbox"/>								Annual	ACE Progress Reports	ACE and RFU	This indicator measures the number of collaborative research initiatives (MoU, proposals, working papers, conference presentations) launched by the ACE
4. No. of internationally accredited education programs	<input type="checkbox"/>								Annual	ACE Progress Reports	ACE and RFU	This indicator measures quality of program and counts the number of nationally/regionally

¹⁴ Baselines and targets will be defined once the ACEs have been selected, as the baselines will significantly vary depending on the selected institutions, the involved sectors, their partner institutions etc.

¹⁵ 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.

¹⁶ Target numbers with respect to females might vary depending on the engaged sectors (e.g.: extractive industries vis. a vis. health).

PDO Level Results Indicators*	Core	Unit of Measure	Baseline ¹⁴	Cumulative Target Values**					Frequency	Data Source/ Methodology	Responsibility for Data Collection	Definition
				YR 1 ¹⁵	YR 2	YR3	YR 4	YR5				
											accredited programs by a body satisfactory to Bank.	
INTERMEDIATE RESULTS												
Intermediate Result (Component One):												
1. No of faculty trained in an area relevant to the ACE-Program or organized through the ACEs ¹⁷ [<i>% of which are females</i>]	<input type="checkbox"/>								Annual	ACE Progress Reports	ACE and RFU	This indicator measures the number of faculty who are trained in ACE relevant program by the ACE (includes faculty from partner institutions)
2. No of newly established or revised curricula (meeting labor market skills) ¹⁸									Annual	ACE Progress Reports	ACE and RFU	The curricula will have to be appropriate by an appropriate institutional body. To ensure the curricula meets labor market needs, a note from external reviewers (from industry/academia) must be included.
3. Amount of externally generated revenue by the ACEs ¹⁹									Annual	ACE Progress Report	ACE and RFU	This amount includes revenue of the ACE from tuition fees, student fees, consultancies, research, fundraising and/or other sources. This does not include government (or foreign/donor) funds.

¹⁷ ACEs to provide additional disaggregated data for % split between: (a) faculty from ACEs trained vs (b) faculty from Partner Institutions vs (c) faculty from the region trained.

¹⁸ The ACEs and PIs would establish a database collecting original and revised curricula. They would also include into their proposal a description of the process they will put in place for revising curricula as well as an outline of the timing/ frequency, for ensuring input from private sector and other partners to ensure curricula meet labor market needs for the sector.

¹⁹ The externally generated revenue would need to be certified as part of the financial audit (see also Indicator No. 12).

PDO Level Results Indicators*	Core	Unit of Measure	Baseline ¹⁴	Cumulative Target Values**					Frequency	Data Source/ Methodology	Responsibility for Data Collection	Definition
				YR 1 ¹⁵	YR 2	YR3	YR 4	YR5				
1. Increase of internationally recognized research publications in disciplines supported by the ACE Program (in %) with regional coauthors	<input type="checkbox"/>									Data source is International bibliometrical databases, such as ISI Thomson Reuters and/or Scopus		This indicator records the number of research publications produced by the ACEs with regional coauthors.
2. No of partnership agreements including a 3-5 year cooperation implementation plan signed, by leaders of ACEs and partner institutions (including private sectors) ²⁰	<input type="checkbox"/>								Annual	ACE Progress Reports	ACE and RFU	Partnership agreements follow the guidelines (to be) outlined in the Project Operational Manual and is signed by academic leaders from ACE and partner institutions.
Intermediate Result (Component Two):												
3. No. of institutions participating in benchmarking									Annual	ACE Progress Reports	ACE and RFU	This indicator measures the number of institutions (hosting an ACE) that agrees to participate in benchmarking exercises.
4. No. of scholarships awarded to students for their doctoral studies in	<input type="checkbox"/>								Annual	ACE Progress Reports	ACE and RFU	This indicator measures the scholarship offered by the project to doctoral

²⁰ As part of the first proposal to be submitted, an agreement that the ACEs and PIs will partner around the programme outlining the main areas of cooperation/ partnering with broad responsibilities will be required – this can, however, be an annex to existing MoUs. Once selected, ACEs and their PIs will need to provide more detail during the ‘proposal improvement’ phase.

PDO Level Results Indicators*	Core	Unit of Measure	Baseline ¹⁴	Cumulative Target Values**					Frequency	Data Source/ Methodology	Responsibility for Data Collection	Definition
				YR 1 ¹⁵	YR 2	YR3	YR 4	YR5				
priority areas [% of which are females]											students enrolled in ACEs who are regional.	
5. No. of fellowships awarded to faculty in priority areas for professional development [% of which are females]	<input type="checkbox"/>								Annual	ACE Progress Reports	ACE and RFU	This indicator measures the fellowships offered to faculty in ACE or partner institutions
Intermediate Indicator (Component 3)												
1. No of knowledge sharing events with ACEs, partner institutions, private sector, academia and diaspora ²¹									Annual	RFU Progress Report	RFU	This indicator measures the number of knowledge sharing events organized by IUCEA. These events include ACE conferences, forums with business leaders and other events involving ACEs.

²¹ 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.

10.4 Annex 4: Results Framework and Monitoring

Results Framework

*Please indicate whether the indicator is a Core Sector Indicator (see further <http://coreindicators>)

Table 2: Disbursement Linked Indicators per Africa Higher Education Center of Excellence (receiving US\$6 million)

Disbursement Linked Indicators (Can trigger maximum 6 million USD equivalent)	Action to be Completed	Definition	Disbursement Calculation Formula (expressed in USD equivalent)
DLI #1: Institutional readiness Total amount 1,100,000 (expressed in USD equivalent)	DLR#1.1: To meet Conditions for Effectiveness DLR#1.2: Development of detailed implementation plans	Disbursed when all conditions for effectiveness outlined in the legal agreements signed between the ACE hosting government and the World Ban Disbursed when detailed implementation plan of ACE is approved by the ministry in charge of higher education as part of the Performance Agreement.	DLR#1.1: 600,000 DLR#1.2: 500,000
DLI #2: Excellence in education and research capacity and development impact Total amount 4,300,000 (expressed in USD equivalent)	DLR# 2.1: Timely annual implementation of the plans DLR #2.2: Newly enrolled students in the ACE of which at least 20% must be regional (African) students.	Disbursement based on the achievement of at least 50% and scalable up to 85% of implementation targets in any given year. Achievement rates beyond 85% in any given year triggers a 100% disbursement of that year Short-Term Courses: Disbursement occurs when any course leading to qualification (certificate/diploma /degree) counts as a short-term course: 400 per male national student 500 per female national student 800 per male regional student 1,000 per female regional student. Master's: Disbursement occurs when Master's students have successfully completed at least one semester: 2,500 per male national student 3,000 per female national student 4,500 per male regional student 5,500 per female regional student.	DLR#2.1: 500,000 DLR#2.2: 1,200,000

Disbursement Linked Indicators (Can trigger maximum 6 million USD equivalent)	Action to be Completed	Definition	Disbursement Calculation Formula (expressed in USD equivalent)
	<p>DLR#2.3: Accreditation of quality of education programs.</p> <p>DLR#2.4: Collaboration and partnerships for applied research and training</p>	<p>PhD: Disbursement occurs when PhD students enroll: 12,000 per male national student 15,000 per female national student 25,000 per male regional student 30,000 per female regional student.</p> <p>Disbursement for academic accomplishment will occur upon the student's successful completion of a Master's program or the approval of a student's PhD research proposal. The amount triggered will be half of the above indicated in each category, totaling for not more than 300,000.</p> <p>Disbursement occurs when a Master or PhD program is accredited by international or regional or national body (satisfactory to the World Bank): 300,000 per program internationally accredited 150,000 per program regionally accredited 75,000 per program nationally accredited 75,000 per program for self-evaluation (satisfactory executed according to internationally recognized standard). Self-evaluation and national accreditation, totaling for not more than 300,000.</p> <p>Disbursement occurs when MoUs are signed and accompanied by signed proposals that outline at least a two-year collaboration and partnership work-program: 30,000 per MoU with public institutions/civil society</p>	<p>DLR# 2.3: 600,000</p> <p>DLR#2.4: 200,000</p> <p>DLR#2.5: 300,000</p> <p>DLR#2.6: 500,000</p>

Disbursement Linked Indicators (Can trigger maximum 6 million USD equivalent)	Action to be Completed	Definition	Disbursement Calculation Formula (expressed in USD equivalent)
	<p>DLR#2.5: Peer-reviewed journals papers or peer-reviewed conference papers</p> <p>DLR#2.6: Faculty and PhD student exchanges to promote regional research and teaching</p> <p>DLR#2.7: External revenue generation</p>	<p>40,000 per MoU with private sector/ industry In order to access the disbursement under this DLR minimum 1 eligible MoU with private sector must be approved. All MoU work programs must be satisfactory to IUCEA/World Bank.</p> <p>Disbursement occurs when a paper is accepted by a peer-review journal or is an accepted peer-reviewed conference paper: 30,000 per paper accepted by a peer-reviewed journal 20,000 per accepted peer-reviewed conference paper.</p> <p>This DLR is awarded to the ACE when it hosts faculty/PhD students from other institutions or when it sends its faculty/PhD students to other institutions; locally, in the region or internationally for a “period” of minimum two weeks (for teaching/research collaboration): 5,000 per “period” within the country 10,000 per “period” within the region 8,000 per “period” for international.</p> <p>Externally generated revenue deposited into the ACE’s account from tuition fees, other student fees, sale of consultancies, joint research, fund raising and donations, or other external sources: US\$1 per externally generated US\$1 from national sources, and US\$2 per externally</p>	<p>DLR#2.7: 900,000</p> <p>DLR#2.8: 100,000</p>

Disbursement Linked Indicators (Can trigger maximum 6 million USD equivalent)	Action to be Completed	Definition	Disbursement Calculation Formula (expressed in USD equivalent)
	DLR#2.8: Institution participating in benchmarking exercise	generated US\$1 from regional and international sources. The DLR will be disbursed if the ACE hosting university participates in the Partnership of Applied Sciences, Engineering and Technology (PASET) benchmarking exercise.	
DLI#3: Timely, transparent and institutionally reviewed Financial Management Total amount 300,000 (expressed in USD equivalent)	DLR#3.1: Timely Withdrawal Application supported by financial reporting on the ACE account for the period DLR#3.2: Functioning Audit Committee under the university council DLR#3.3: Functioning internal audit unit for the university DLR#3.4: Transparency of financial management (audit reports, interim financial reports, budgets and annual work plan are all		DLR#3.1: 15,000 per year DLR#3.2: 15,000 per year DLR#3.3: 15,000 per year DLR#3.4: 15,000 per year

Disbursement Linked Indicators (Can trigger maximum 6 million USD equivalent)	Action to be Completed	Definition	Disbursement Calculation Formula (expressed in USD equivalent)
	web accessible)		
DLI#4: Timely and audited Procurement Total amount 300,000 (expressed in USD equivalent)	DLR# 4.1 Timely procurement audit report DLR#4.2: Timely and satisfactory procurement progress report		DLR#4.1: 30,000 per year DLR#4.2: 30,000 per year

10.5 Annex 5: Partnership Agreement Template

10.5.1 Identification of Partners

1. This Partnership Agreement (“PA”) is entered into on (insert date) by and between (list all partners engaged with the ACE project):
(Partner 1), a (insert type of organization e.g. public university) based at (insert address)
(Partner 2), a (insert type of organization e.g. public university) based at (insert address)
(Partner 3), a (insert type of organization e.g. sector partner) based at (insert address)
(Partner 4), a (insert type of organization e.g. sector partner) based at (insert address)
2. The parties are herein individually and jointly referred to as the ‘partner’ and the ‘partners’ respectively.

WHEREAS:

- 1.1 (Partner 1) and (Partner 2) are institutions of higher education, and (Partner 3) is a (e.g. private health clinic) taking an active part in (list overall project activities – e.g. joint research, curriculum development, faculty exchange, student exchange etc.), within the context of the Africa Centers for Excellence project and that project’s objectives, set out in Section 2 below.
- 1.2 The government of (insert country name) has offered the partners a grant amounting to \$(insert amount) to support the project, subject to the terms and conditions detailed in the Performance and Funding Contract (refer to separate document shared with all partners).
- 1.3 (Partner 1), as the Africa Center of Excellence (ACE), and lead partner, has accepted this grant on behalf of the partners.
- 1.4 The partners wish to enter into this Partnership Agreement in order to set out their respective rights and obligations under this arrangement.

3. Context of the Partnership Agreement

- 3.1. The objective of the Africa Centers of Excellence project is to promote regional specialization among participating universities in areas that address regional development challenges and strengthen the capacities of these universities to deliver quality training and applied research. The overall development objective of the project is to meet the labor market demands for skills within specific areas where there are skill shortages affecting development, economic growth and poverty reduction.
- 3.2. Partnership is a key modality of regional collaboration. The award specifies that at least 15% of project funding must be invested in partnerships, and at least 10% must be invested in partnerships activities with African partners (excluding national partners). The ACE is required to serve as a hub for a network of partner institutions including academic and industry partners.
- 3.3. The main objectives of the academic partnership are to; raise the quality of education and research in the target institutions in the region and; to raise the ACE’s own capacity in research and education.

4. Objectives and Scope of the Partnership Agreement

- 4.1. The strategic objective of this Partnership Agreement is to contribute towards the shared project goal (outlined in Section 3.1); to promote regional specialization among

participating universities in areas that address regional development challenges and strengthen the capacities of these universities to deliver quality training and applied research.

4.2. At the operational level, this Partnership Agreement seeks to facilitate and to enhance academic cooperation and sharing of resources to deliver the agreed partnership activities (see Annex 5a below) towards the achievement of the project objectives.

4.3. This Partnership Agreement is not a legally binding contract, but rather a framework document underpinning a collaborative partnership between the respective institutions.

5. Governance, roles and responsibilities.

5.1. By virtue of the inter-institutional nature of this partnership, the partners' senior management teams shall commit themselves to the principles and approaches embodied in this Partnership Agreement, as well as its requirements and implications, to enable well-informed and supportive decision-making that facilitates its implementation.

5.2. For purposes of expediting the effective coordination and implementation of the activities covered by this Partnership Agreement, the partners shall nominate authorized representatives (Annex 5b below). The lead project contacts will participate in the project management group established by the ACE, to oversee the implementation of this Partnership Agreement.

5.3. As the ACE is the lead partner in this agreement, the ACE will take responsibility for:

(a) Convening biannual meetings of the partners and circulating the relevant documentation in advance of the meeting. Meetings will normally take place using ICT, to be cost-efficient, except when a physical meeting is necessary.

(b) Financial management on behalf of the partners in accordance with the agreed project guidelines and project budget (Annex 5c).

(c) Oversight of the implementation of the Partnership Action Plan (Annex 5a).

(d) Compiling the annual project report with input from all partners, including reporting against agreed indicators, activity reporting, financial and qualitative reporting.

(e) Discussing and resolving any issues with the partners as they arise.

5.4. (Insert name of Partners 2, 3, 4, etc. If their responsibilities differ, insert additional sections) will take responsibility for:

(a) Participating in regular meetings of the partners.

(b) Complying with the agreed budget for partnership activities.

(c) Deliverables as outlined in the Partnership Action Plan (Annex 5a).

(d) Contribution to the annual report, and review and sign off on the annual report.

(e) Discussing and resolving any issues with the partners as they arise.

6. Financial Management

6.1. The ACE is responsible for project financial management, including budgeting, expenditure and accounting. This includes specific responsibility for ensuring that 15% of project funding is spent on partnership activities as agreed in the Partnership Action Plan and project budget. The ACE is required to solicit concurrence from all partners for the expenditures.

6.2. Each partner is responsible for deliverables in accordance with the agreed Partnership Action Plan (Annex 5a) and the project budget.

7. Monitoring and Evaluation

7.1. The partners shall inform one another about progress made, and challenges, in respect of each joint activity at regular meetings of the partners.

7.2. ACEs will be funded based on achievement of results that are annually reported (DLIs). The Partnership Action Plan captures partnership deliverables that will contribute

towards those results. Partners agree to work together towards these results and or results relating to the attainment of DLIs.

- 7.3. The ACE will compile an annual report which will include reporting against indicators, activity reporting, financial and qualitative reporting. Each partner will provide the ACE with inputs for this report on request, following sufficient notice of requirements. The annual reports must be endorsed and signed off by all partners and the final version published and circulated to all partners.
- 7.4. Each year the partners shall review the operation of this Partnership Agreement and revise the specific collaborative activities and commitments for the upcoming year in line with the outcomes of the review.
- 7.5. The partners agree on the following additional monitoring procedures which will contribute to the review and development of the partnership:
 - (i) Insert details here as needed
 - (ii) Insert details here as needed

8. Intellectual Property

- 8.1. Ownership of any intellectual property (including but not limited to confidential information, know-how, patents, copyrights, design rights, rights relating to computer software, and any other industrial or intellectual property rights) developed or created by the students and faculty as a result of joint research or education activity during the course of this project shall be vested in both partners to this agreement. Partners shall have the joint right to determine the commercial exploitation and disposition of such intellectual property, and partners shall enter in good faith discussions in order to make joint applications for the registration of the same. Before any registration or commercialization of any intellectual property takes place, the partners agree to reach a separate agreement covering issues such as exploitation rights and revenue sharing. Any publication regarding such intellectual property shall only be possible with the prior written consent of all partners, with the understanding that such consent should not be unreasonably withheld.

9. Confidentiality

- 9.1. All confidential information disclosed in writing and clearly marked “Confidential” by one partner to the others relating to this Partnership Agreement shall be kept confidential, and the partners shall under no circumstances disclose this information to any third party without prior written consent of all partners except when the provisions of law make allowance.

10. Liability

- 10.1. Each partner undertakes to perform its part of the project at its own risk and under its own sole liabilities.

11. Initiation and Termination of the Partnership Agreement.

- 11.1. This Partnership Agreement will come into force on the date that it is fully signed by all partners (see Section 1, above) and shall remain in force for the duration of the Africa Centers of Excellence project, from (insert project dates here) unless terminated by any partner.
- 11.2. Any partner may terminate the Partnership Agreement at any time by giving prior written notice of three months first to the other partners, then to the Regional Facilitation Unit, the Inter-University Council for East Africa, although such action will only be taken after consultation with all partners, in order to avoid possible inconvenience to all concerned.
- 11.3. The partners agree that proposed changes to the Partnership Agreement’s contents or validity must be communicated in writing by the proposing partner to the other

partners. Any variation to the Partnership Agreement must then be agreed in writing by all partners.

12. Disputes

12.1. The partners will make every reasonable effort to resolve all issues fairly by negotiation. In the event that the dispute cannot be resolved within a four week period the matter shall be referred to the Presidents or other leaders of the partner organizations involved, for resolution. Any dispute which cannot be settled amicably shall be finally settled by third party mediation. Each partner shall bear its own costs connected to such a mediation procedure.

List of Annexes to Annex 5:

- Annex 5a: Partnership Action Plan
- Annex 5b: Authorized Representatives
- Annex 5c: Partnership Budget
- Annex 5d: Results Framework and Monitoring

10.5.2 Annex 5 a. Partnership Action Plan

Description of the main partnership activities.

Guidelines: Describe the nature of the key activities that partners will undertake together. For example, joint research, faculty exchange and training, student exchange, curriculum development, research publications, policy briefs, share facilities/equipment,

Implementation plan

Guidelines: Use this template to outline the main partnership activities, deliverables and milestones. Provide additional notes on specific responsibilities, below the table, as needed.

Deliverable	Activities & Milestones	Year 1				Year 2				Year 3				Year 4				Responsibility
		Q1	Q2	Q3	Q4													
		X																ACE
			X		X													ACE
						X												Partner 2
							X			X								ACE
											X							Partner 2
																		ACE
Complete																		

10.5.3 Annex 5b: Authorized Representatives

	Partner 1 (Insert Name)	Partner 2 (Insert Name)	Partner 3 (Insert Name)...
Lead project contact	Name: Address: Email: Phone:	Name: Address: Email: Phone:	
Financial contact	Name: Address: Email: Phone:	Name: Address: Email: Phone:	
Administrative contact	Name: Address: Email: Phone:	Name: Address: Email: Phone:	
Other contact (s)	Name: Address: Email: Phone:	Name: Address: Email: Phone:	

10.5.4 Annex 5c: Partnership Budget

Guidelines: Use this template to outline the costs of the partnership activities. As outlined in Section 5, above, the ACE is responsible for expenditure, according to this budget, on behalf of the partners.

Deliverable	Activity	Cost				Total
		Year 1	Year 2	Year 3	Year 4	
Example: Deliverable 1: Joint curriculum in petroleum engineering	Activity 1.1: Lab equipment installation	\$50,000				\$50,000
	Item 1.2: Lab equipment maintenance		\$5,000	\$5,000	\$5,000	\$15,000
	Activity 2....					
Deliverable 1 subtotal						\$
Deliverable 2....	Activity 2.1					
	Activity 2.2....					
Total value of partnership budget in US dollars						\$65,000

10.5.5 Annex 5d: Results Framework and Monitoring (note this is a sub-component of the overall project results framework)

Guidelines:

Use this template to describe what success will look like in relation to the partnership activities. Include specific targets for Years 1-4 and agreed responsibilities in relation to data collection and sharing.

Indicators:	Unit of measure	Baseline	Year 1	Year 2	Year 3	Year 4	Frequency Of measurement	Data Source	Responsibility for Data Collection
Objective 1: Improve capacity of ACE and institution 2 for research and education in petroleum engineering									
Example: Number of students completing joint MSc module in lab methods for petroleum engineering	Students completing MSc module	0	25	50	75	100	Annual	University student records	Each institution will collect ACE will compile information
Objective 2									

The partners have signed this Partnership Agreement which will come into force on the date outlined in Section 1.

Signature Page:

Signed on behalf of (Partner 1) by: _____

Printed Name: _____

Position: President/Vice-Chancellor/CEO

Date: _____

Signed on behalf of (Partner 2) by: _____

Printed Name: _____

Position: President/Vice-Chancellor/CEO

Date: _____

Signed on behalf of (Partner 3) by: _____

Printed Name: _____

Position: President/Vice-Chancellor/CEO

Date: _____

10.6 Annex 6: Guidelines for Academic Partnership

10.6.1 Background

- i) The objective of the Africa Centers of Excellence (ACE) project is to meet the labor market demands for skills within specific areas, where there are skill shortages affecting development, economic growth and poverty reduction. The project will promote regional specialization among participating universities in areas that address regional challenges and strengthen the capacities of these universities to deliver quality training and applied research. Partnership will be a key modality of regional collaboration. At least 15% of project funding must be invested in partnerships, and at least 10% must be invested in partnership activities with African partners (excluding national partners). Each ACE will be required to serve as a hub for a network of partner institutions. Partnerships can be developed with academic institutions, including research institutions, and industry partners, including both private sector partners and community institutions (e.g. health clinics). These guidelines refer to partnerships between academic institutions specifically. Academic partnerships will be at the national, regional (Eastern and Southern Africa) and global level (outside Africa).
- ii) Academic partnerships can build research capacity and be a means to develop sustainable research systems (local, national or global) with the overall goal of having research findings contribute more directly and powerfully to development. The specific objectives of academic partnerships within the ACE project are to: (i) increase the capacity of partner institutions in the region to deliver quality education and conduct research, preferably including institutions in fragile countries.; (ii) raise the centers' educational and research capacity through drawing upon partnership with internationally leading institutions within the same domain, and (iii) build upon the strengths of national and regional institutions (e.g. sharing of unique physical and faculty resources) to create synergies and thereby raise the quality of education and research. The ACEs will partner with academic institutions that have, or need, capacity within the particular development challenge they are addressing. This includes similar international academic centers globally, universities in the region, and national and regional research institutions. In particular, collaboration with regional research institutions is critical within agriculture and health where substantial academic capacity is located outside universities in sector-specific research institutions. The partnership activities may include joint delivery of education programs, professional courses for regional faculty, faculty exchanges/visiting faculty, joint research, joint conferences, sharing of specialized equipment and library resources. Partnership activities should address regional development challenges, and the collaboration should benefit each partner institution in clearly defined terms. The ACE project partnerships can include existing and new partnerships.

10.6.2 Objectives of the Partnership Guidelines

- To learn from academic institutions that have identified partnership success factors and challenges.
- To provide practical guidance to ACEs in establishing/implementing successful partnerships.
- Note that guidelines are not mandatory, unless explicitly stated, in which case this is also stated in the Call for Proposals.

10.6.3 Partnership Principles

Partnership is a cooperative strategy between two or more organizations or individuals favouring cooperation above substitution, subordination or competition²². An effective educational partnership is a dynamic collaborative process between educational institutions that brings mutual, though not necessarily symmetrical, benefits to both parties. Partners share ownership of the project. Their relationship is based on respect, trust, transparency and reciprocity as well as a good understanding of each other's cultural and working environment. Decisions are taken jointly after real negotiations between the partners. Each partner is open and clear about what they are bringing to the partnership and their expectations. The following principles and guidelines can inform the establishment and development of ACE partnerships.

Table 1: 10 Principles and Actions for Successful Educational Partnership²³

<p>1st Principle: Shared Ownership of Partnership</p> <ul style="list-style-type: none"> ● Clarify and communicate partnership aims and expectations. ● Ensure that partners jointly participate in the decision-making process and management of the partnership. ● Articulate the benefits of the partnership for each partner. These need not be exactly symmetrical.
<p>2nd Principle: Trust and Transparency amongst Partners</p> <ul style="list-style-type: none"> ● Partners should be particularly open and transparent when discussing objectives, motivations, managerial issues, ownership of research outputs, access to resources, and budgets. ● Transparency should translate into specific acts such as documentation, record keeping, communicating openly. ● Opportunities to meet face-to-face can help to build trust. Trust and mutual respect can take time to develop.
<p>3rd Principle: Understanding each Partner's Cultural and Working Environment.</p> <ul style="list-style-type: none"> ● Evaluate the impact of the larger environment on the proposed partnership ● Develop and share a baseline of capacity for each partner institution in the areas relevant to delivering proposed partnership activities. Identify strengths, weaknesses and concerns ● Ensure that working procedures and structures are appropriate to the environment.
<p>4th Principle: Clear Division of Roles and Responsibilities</p> <ul style="list-style-type: none"> ● The roles and responsibilities of each partner and the individuals involved should be clearly identified, examined and agreed upon. ● The roles and responsibilities of the partners and each individual should be based on their capabilities and skills, current and anticipated. Training needs should be identified. ● Each institution should be clear and open on what they have to offer. Consider what structures are needed to manage the partnership. How will responsibilities be divided? How will people be chosen to take responsibility?
<p>5th Principle: Effective and Regular Communication</p> <ul style="list-style-type: none"> ● Develop a plan for both internal (project staff) and external (other stakeholders) communications. ● Challenges and problems should be discussed as soon as they arise. Results and successes should be celebrated and communicated. ● Some specific steps to be taken include: <ul style="list-style-type: none"> ○ Identify a key project contact person in each institution ○ Agree on the best and most practical modes of communication ○ Set regular meetings ○ Make use of Information and Communications Technology (ICT) where possible

²² Building respectful and collaborative partnerships for global health research. Canadian Coalition for Global Health Research.

²³ Adapted from Wann, N., Hinz, S. & Day, R. (2010). Good Practices in Educational Partnerships Guide: UK-Africa Higher and Further Education Partnerships. UK: The Africa Unit, Association of Commonwealth Universities.

<ul style="list-style-type: none"> ● Ensure a budget for face-to-face meetings to increase understanding of partner contexts and build trust.
6th Principle: Joint Strategic Planning and Implementation
<ul style="list-style-type: none"> ● Define partnership objectives and activities through a joint planning process. ● Develop a Partnership Action Plan. ● Draft and sign a Partnership Agreement between partners. ● Review partnership objectives on a regular basis.
7th Principle: Strong Commitment from Junior and Senior staff and Management
<ul style="list-style-type: none"> ● Be clear on the commitment of skills and time that is required. ● Communicate with senior management and secure their support for the partnership. ● International partnerships are labour-intensive and take time to develop. Keep the momentum going.
8th Principle: Supportive Institutional Infrastructure
<ul style="list-style-type: none"> ● Assess staff training needs and plan and budget for training and mentoring. ● Assess ICT capabilities, including online learning methods, and develop a realistic communications plan. ● Make use of any established institutional strategy for international partnerships and associated infrastructure.
9th Principle: Monitoring and Evaluation
<ul style="list-style-type: none"> ● Determine indicators of success of the partnership as part of a joint planning process. These should be clear qualitative or quantitative indicators that measure objectives. ● Agree on monitoring procedures, applying indicators of success at regular intervals to inform management. ● Agree on evaluation responsibilities. Use evaluation to disseminate impact of project and maintain support.
10th Principle: Sustainability
<ul style="list-style-type: none"> ● Develop a clear financing plan. ● Be alert to changes in the partnership and potential funding gaps. Review these regularly.

10.6.4 Stages of Partnership

Successful partnerships tend to change and evolve over time. Any academic partnership will go through a number of stages and phases during its lifecycle. These stages differ according to the type of partnership and the profile of partner institutions involved. Four main stages can be identified as follows: Planning and Consultation, Partnership Agreement, Implementation, Monitoring and Evaluation. Guidelines and a checklist of considerations for each of these stages are provided below.

10.6.5 Planning and Consultation

All partnerships will be grounded in the objectives of the ACE to build regional collaboration in research and education to address a specific development challenge. The ACE could consider doing an analysis of its own strengths and weaknesses in addressing these objectives which would identify outstanding gaps and needs, and help drive the partnership process. Building on this, the next step would be to do an analysis to scan existing and potential partners, then create a profile of desirable partners for this project. Next, the ACE could create a short-list of potential partners to approach, and a set of partnership selection criteria. Once potential partners have been identified a consultation process can begin either face-to-face or by phone or videoconference. Once there is agreement, in principle, to establish a partnership, a more specific, joint, planning process can be carried out which starts to outline the proposed roles and responsibilities of each partner.

Table 2: Guidelines for Consultation and Planning Processes.

Step 1: Consultation Process – discussion points	Step 2: Partnership Action Plan
<ul style="list-style-type: none"> ● What are the reasons driving the idea of initiating a partnership? ● What are the individual and institutional needs and aims? ● Is a partnership the best way of responding to these needs and objectives? ● What are the potential benefits to each partner? Who are the beneficiaries? ● Does the partnership fit in with any institutional plans or national strategic frameworks? ● Will the benefits delivered through the partnership have a long-term impact? ● Can the institution make a long-term commitment to the partnership? ● Is the institution able to invest the necessary human and financial capacity and resources involved in running a partnership? ● Are there enough staff from the organization willing and keen to get involved with the partnership? Are they willing to dedicate time to planning and managing the partnership? ● Do the staff feel that the partnership would be beneficial in terms of their own professional development? ● Would the senior management of the institution be willing to support the partnership? ● Will the institution be able to help monitor and evaluate the outcomes of the work to ensure it is meeting the agreed objectives? ● Are there any uncertainties or questions in the future which may jeopardize the partnership? 	<ul style="list-style-type: none"> ● Decide on a lead contact person for each institution. ● Agree on clear strategic objectives for the partnership ● Decide on concrete results related to each objective ● Describe key partnership activities ● Set realistic timescales for each stage of the plan ● Agree on project delivery and project management structures ● Agree on budget allocated to partnership activities

For the purposes of the Proposal Submission Form, ACEs will be required to provide details of proposed action plans for national, regional and international collaboration and an associated budget for partnership activities. Partnership activities may include education services, joint research, student and faculty exchange and others (further guidelines are provided in the Proposal Submission Form). Since partnerships are a key modality for implementing the activities of the ACE, they could also be referenced in other sections of the Proposal Submission Form, as appropriate. All partnership activities should be included in the budget. The submitting institution will be the prospective ACE and all funds will be managed by this ACE. Letters of support are also required from each proposed partner. These will include information on activities, benefits to each partner, contributions of each partner and the budget. Letters must nominate a main contact person and be signed off by senior management within each institution. A formal Partnership Agreement is not required at the proposal stage. Guidelines are provided, within the Proposal Submission Form, for Letters of Support and Partnership Action Plans. Selected institutions will have the opportunity to revise and update the Partnership Action Plan following the evaluation comments, including consideration of new partners.

10.6.6 Partnership Agreement

When funding has been awarded, a Partnership Agreement will be developed by the ACEs in close collaboration with their partners, and co-signed by all major partners. This agreement will form part of the performance and funding contract to be signed with the Government. The Partnership Agreement formalizes the commitments between institutions. A template for this agreement will be provided, although institutions should adapt this to their institutional processes and preferences. Below is an outline of the sample template. The final agreement does not need to include all the details of the partnership, and it may be preferable to avoid excessive detail. Additional detail can be included in the annual Partnership Action Plan. There should also be some flexibility within the agreement to allow adaptation and re-negotiation under changing circumstances, as the partnership develops.

Sample Template: Overview of topics covered within partnership agreement:

1. Identification of parties
2. Context of the Partnership Agreement
3. Objectives and Scope of the Partnership Agreement
4. Governance, Roles and Responsibilities
5. Financial Management
6. Monitoring and Evaluation
7. Intellectual property
8. Confidentiality
9. Liability
10. Initiation and Termination of the Partnership Agreement
11. Disputes
12. Annexes
 - Partnership Action Plan
 - Authorized Representatives
 - Partnership Budget
 - Results Framework and Monitoring
13. Signatures

10.6.7 Partnership Implementation

Implementation of partnerships will be guided by the agreed partnership which will be a reference point when there is need for clarification on key inputs, activities and outputs. These will be summarized in the Partnership Action Plan. Selected institutions will revise and update the Partnership Action Plan following evaluation comments, including consideration of new partners. Following the overall planning process, partners will need to develop and agree on the implementation of these plans and outline details. Partnership work should have a clear and manageable focus. The first few months of the partnership are important as they will set the tone for the future of the working relationship and help determine the success of the project.

As the partnerships are implemented, processes must be clarified. Partners should make use of existing infrastructure within their institutions and will develop additional project infrastructure as needed. Governance structures will be established and all partners should be satisfied that they are appropriately represented within these structures. Communications channels will be clarified, for example acceptable modes of communication, and a schedule of regular meetings should be agreed. A practical system of record-keeping and information sharing will be established. Particularly within the initial months of the project, partners should attempt to be somewhat flexible and open to learning and adapting their processes. Regular reviews of the partnerships should be scheduled (for example this could be a regular item on the agenda of project management meetings), to enable partners to share their feedback and use this to inform the development of the partnerships.

Staff buy-in and participation at all levels is crucial. To this end, roles and responsibilities must be made clear to all involved. Training needs should be identified and addressed. A range of incentives for staff can be considered, including financial rewards, professional support, peer support, job rotation and partnership visits or exchanges. Staff, at all levels, must have a clear, accessible forum for resolving disputes. There should also be regular communications with senior management and external partners to ensure that they remain supportive of the partnerships.

10.6.8 Monitoring and Evaluation

Monitoring is intended to be an ongoing project management practice. Formal evaluation will take place on an annual basis, led by each ACE, reporting to the Inter-University Council for East Africa. Annual reports will include reporting against indicators, activity reporting, financial and qualitative reporting. All partners must contribute to the annual reports and these must be endorsed and signed off by each partner before submission to the IUCEA. ACEs will be funded based on achievement of results that are annually reported. The Partnership Action Plan should capture partnership outputs that will contribute towards those results and will align with the overall Project Results Framework. The main partnership indicators will be the number of faculty and students rotating and providing services in ACE and partner institutions (including those on regional student body, internships and faculty and student outreach activities), as well as the number of regional research publications. Additional partnership indicators may vary depending on the sectors and disciplines that are prioritized by the ACE. After two years there will be a mid-term review at which point the Partnership Action Plan will be revised.

The tools for monitoring and evaluation of partnerships will be: (a) institutional progress reports; (b) third party verification through external reviewers and performance audit reports, if necessary; and (c) interactions with stakeholders. Partners must agree on their respective responsibilities regarding monitoring and evaluation and capture this in the Partnership Agreement. Activities to be allocated will include; development of a baseline measures, setting up monitoring processes, data collection, taking responsibility for annual evaluation reports.

For the purposes of monitoring and ongoing project management, ACEs may wish to develop additional, tailored, partnership indicators, which will facilitate the process of partnership development. Table 3 below provides a list of questions that partners may wish to consider in monitoring their partnerships.

Table 3: Monitoring Partnerships

Activities and Outputs
Are the agreed partnership activities taking place? If not, what are the barriers and what actions are required?
Are the agreed outputs being delivered by partners? If not, what are the barriers and what actions are required?
Structures and Processes
Are partners participating in governance structures as agreed?
Are the roles and responsibilities of each partner clear?
Is communication between partners easy? How is it facilitated?
Do the partners know each other well and trust each other?
Is there transparency? Do all partners have access to project budget documents, reports and other scientific information?
Are there any current outstanding issues or disputes between partners? What is required to resolve these issues?
Are there any additional staff training needs?
Are all internal and external stakeholders updated and engaged on partnership activities?
Learning and Improvement
What lessons have been learned about partnerships to date?
What improvements could be made to the partnerships?
What are the actions arising from this review?

Evaluation can be a useful tool for project sustainability. It is an opportunity to publicize the partnerships in order to stimulate interest and involvement in the project and to ensure that information about the project will reach all the intended audiences. Evaluations also provide an opportunity to reflect and learn. Lessons should be shared between partners and applied to improve the partnerships and the project. At the end of the project lifecycle, monitoring and evaluation data will be useful in deciding next steps for the partnership, in terms of renewal or termination.

10.7 Annex 7: Terms of Reference of Regional Facilitation Unit

10.7.1 Introduction

The World Bank is developing a regional higher education project to promote regional specialization among participating universities within areas that address particular common regional development challenges and strengthen the capacities of these universities to deliver high quality training and applied research. The higher order objective of the project is to meet the demand for skills required for Africa's development in areas such as agriculture, energy, extractive industries, etc., while strengthening best African universities in education and training in agriculture, industry, health, applied statistics, and education. This project is the Eastern and Southern Africa Higher Education Centers of Excellence Project (ACE II). Eight countries in the region – Ethiopia, Kenya, Malawi, Mozambique, Rwanda, Tanzania, Uganda and Zambia –are participating in the ACE II project.

The ACE II project will be implemented by the competitively selected African Centers of Excellence (ACEs), with project facilitation and coordination support from the Regional Facilitation Unit (RFU) and technical assistance from selected consultants as necessary. Each individual ACE is responsible for strategic planning and implementation of its selected proposal and approved implementation plan, with appropriate monitoring, evaluation and reporting. The ACE will also be responsible for all fiduciary aspects required under the World Bank guidelines for financial management, procurement and environment and social safeguards. The RFU is a regional body with at least five professional staff that deals with project coordination and facilitation, support to ACEs for monitoring and evaluation (M&E) and various technical assistance as necessary. The RFU will have a team that is selected to assist and complete the tasks outlined below. This team is expected to include a Project Facilitator responsible for the overall project coordination and facilitation, and an adequate number of staff in key function areas, including a finance officer, a procurement officer, an M&E officer, and a partnership facilitator. The ACE II project will operate under the overall guidance and oversight of a Regional Steering Committee (RSC) whose main task is to set project preparation and implementation guidelines, review results and progress, oversee the RFU and steer ACEs to ensure the achievement of the project objectives.

10.7.2 Objectives

Given its regional nature, the ACE II project requires a Regional Facilitation Unit (RFU) to coordinate and facilitate regional activities for the ACEs and partner institutions, and to be responsible for preparing and implementing regional activities for participating in the project. The RFU will not implement or compete with the ACEs in the project implementation. Rather, the RFU will work in close collaboration with the ACEs to ensure smooth operation of the project and will support the project implementation through:

- (i) Facilitate the selection of ACEs and other project preparation activities;
- (ii) Ensure effective and efficient coordination and facilitation of regional activities;
- (iii) Support the monitoring and evaluation needs of the selected ACEs as well as aggregated M&E needs of the overall project;
- (iv) Support the Regional Steering Committee in delivering its tasks;
- (v) “ Provide capacity building support for partnership development and to implement the scholarship program
- (vi) Provide information and assistance to institutions that wish to form partnerships with the ACEs; and
- (vii) Facilitate knowledge-sharing and network building among the ACEs.

10.7.3 Scope of Work

(a) The RFU is expected to support the ACE II project in the following specific areas:

During the project preparation phase, the RFU will:

- (i) Prepare the call for proposals with the guidelines from the RSC;
- (ii) Coordinate and facilitate the selection and evaluation process of proposals;
- (iii) Support preparation of Memorandum of Understanding for ACEs with partner institutions;
- (iv) Compile and aggregate data from ACEs to create a baseline study for project results framework; and
- (v) Fulfil the secretariat role for and provide support to the Regional Steering Committee.

(b) Implement Component 2 of the project, i.e., regional project coordination, M&E, and tertiary education support to small and fragile countries participating in the project.

The RFU will:

- i. promote and implement regional activities in the region, including supporting the PASET Regional Benchmarking Initiative in order to improve the quality of regional institutions
- ii. , Provide support for (a) Capacity Building for Partnership Development with the Private Sector and (b) Competitive Scholarships Program
- iii. Support the capacity building, knowledge sharing and coordination among the ACEs and partner institutions through joint lessons learning and capacity building events,
- iv. Play a facilitation role when needed among different project stakeholders,

including supporting the coordination between the ACEs and concerned ministries/departments of respective national governments as well as the World Bank,

- v. Organize two annual supervision missions,
- vi. Organize semi-annual meetings between ACEs and the RFU
- vii. Support the ACEs to prepare and complete the required semi-annual reports on project implementation, prior to the supervision missions;
- viii. Coordinate and finance the activities of the RSC, including facilitating the bi-annual RSC meetings;
- ix. Support the provision of technical assistance to ACEs in thematic and other tertiary education areas when requested; and

(c) Provide M&E support to the ACEs in the following particular areas:

- i. Overall data collection for M&E;
- ii. Support in M&E activities;
- iii. Aggregate reports from all the ACEs into a summarized report for the entire project;
- iv. Guide the operations of M&E Specialists in the ACEs and partner institutions through providing advice and support on addressing issues (problems and solutions) raised by ACEs and partner institutions;
- v. Support the development of procedures for regular monitoring of performance of the ACEs;
- vi. Conduct/commission evaluation of training programs offered by the ACEs and other relevant studies, and disseminate the findings; and
- vii. Publish and update regularly the RFU website and make the ACE II project related information available to the public, e.g., results of proposal submission and selection, findings from M&E studies, and other information required under the Disclosure Management Framework.

(d) Provide support to interested institutions in partnering with the ACEs.

10.7.4 Required Qualification

The Regional Facilitation Unit will need to be a regional organization which is involved in capacity building in Africa and has credibility within the higher education community in the region. While the RFU is not a beneficiary itself and has extensive capacity building and higher education experience, participating in the ACE II project will enhance the overall capacity of the RFU.

The RFU will be selected from existing regional organizations involved in capacity building in higher education in Africa, according to the following criteria:

- (i) Headquartered in Africa, with an independent legal entity status
- (ii) Experience in managing donor funds
- (iii) Long-term mandate in higher education
- (iv) Established working relationships with higher education institutions
- (v) Evidence of experience in working across sectors

- (vi) Extensive experience in capacity building
- (vii) Evidence (based on due diligence assessment) of well-established fiduciary capacity or a credible plan to build such capacity in procurement, financial management, and environment;
- (viii) Evidence of regional coverage across thematic areas.
- (ix) Ability to work in English; French and Portuguese desired; and
- (x) Experience with project implementation and coordination.

10.8 Annex 8: Terms of Reference for Independent Data Verification

10.8.1 Background

The Inter-University Council for East Africa (IUCEA) is an institution of the East African Community (EAC) responsible for coordinating the development of higher education and research. The IUCEA mission is to promote strategic and sustainable development of higher education systems and research for supporting East Africa's socio-economic development and regional integration. IUCEA was first established in 1970 under the former EAC as the Inter-University Committee (IUC). The main function of IUC was to facilitate interaction and networking of the three universities in Uganda (Makerere University), Tanzania (University of Dar es Salaam, and Kenya (University of Nairobi), which were formed after the dissolution of the University of East Africa, which was a regional university for the three countries.

In 1980 IUC was transformed into the present day IUCEA. When EAC was re-established in 1999, IUCEA was recognised as one of the surviving institutions of the former EAC, and as such it was incorporated into the present day EAC as one of its institutions. Subsequently, IUCEA was formerly established under a Protocol that was signed in 2002.

In 2009 the East African Legislative Assembly (EALA) enacted the IUCEA Act 2009, thus effectively integrating IUCEA into the EAC operational framework. According to the Act any university, university college and degree awarding institution may apply for and get admitted to IUCEA membership as long as it is properly incorporated in the EAC Partner State where it is operating, and is pursuing objectives that are consistent with the functions of IUCEA as spelt out in the Act. The IUCEA Act 2009 is the legal framework upon which IUCEA currently operates.

The main objectives of IUCEA are to facilitate networking among universities in East Africa, and with universities outside the region; provide a forum for discussion on a wide range of academic and other matters relating to higher education in East Africa; and facilitate maintenance of internationally comparable education standards in East Africa so as to promote the region's competitiveness in higher education.

The main functions of IUCEA are based on the following thematic areas: (i) development and overseeing the operationalization of regional quality assurance and qualifications frameworks for higher education in East Africa; (ii) coordination of higher education research and innovation activities; (iii) development, management and coordination of student and staff exchange programmes, links and partnerships between the universities in East Africa, and between them and other institutions in and outside East Africa;(iv) facilitate Networking of universities in East Africa, and between them and other institutions in and outside East Africa;

and (v) planning, fundraising, administrative, and financial management functions linked to the provision of support to universities

The ACE Programme

To accelerate growth and productivity as well as progress in reaching the Sustainable Development Goals (SDGs), the region needs accelerated investment in the production of well trained human capital, which remains both qualitatively and quantitatively woefully inadequate. In response to this expressed need, the World Bank together with an African Working Group designed a programme in the area of higher education in Africa - the so called African Centres of Excellence (ACE)-Programme. The objective of the Programme is to promote regional specialization among participating universities within areas that address particular regional development challenges and strengthen the capacities of these universities to deliver high quality training and applied research.

The ACE-Programme follows a regional as well as a cross-sectoral approach. The three sectors involved are Agriculture, Health and STEM (Science, Technologies, Engineering and Mathematics). This approach is found to be required to focus on specific developmental needs around three of the major applied sciences; and in order to integrate stakeholders of various levels, ensure spill-over through-out Africa and attract a critical mass of expertise from within Africa and internationally (economies of scope). It also ensures economies of scale for less endowed neighbouring countries, to become Africa Centres of Excellence. The ACEs will be selected by an independent panel comprised of mainly African experts in the mentioned fields, based on established criteria for evaluating their submitted proposal which are focusing on selected certain developmental challenges/ topics. As part of this proposal, the ACEs will decide which specific faculties will be part of their specific project.

The specific Programme Development Objective is to strengthen the capacity of targeted aspiring African Centres of Excellence (ACEs) and their partner institutions to deliver quality training and research in Science, Technology, Engineering and Mathematics (STEM), Agriculture, and Health sciences. The Programme consists of two components: Component 1 aims at strengthening the capacity of selected institutions to establish ACEs. These ACEs will deliver regional, demanded, quality training and applied research in partnerships with regional and international academic institutions and in partnership with industry. Component 2 includes regional activities to build capacity, support project implementation, develop regional policies, and monitor and evaluate progress. Furthermore, component 2 will, in a demand-driven manner, finance the ACEs strengthened under component 1 to scale-up support to selected West African countries which do not host a separate ACE.

The Programme will be implemented in phases. Phase I focuses on West Africa (launched in 2013), Phase II will focus on East and South Africa was launched in July 2015.

M&E within the ACE-Programme:

The ACE Project adopts a programme-for-results approach and therefore has a strong focus on monitoring and evaluation to facilitate the achievement of planned goals. Progress of implementation will be monitored at the level of the individual ACEs and their partner institutions (PIs), and the Regional Facilitating Unit (RFU). . The information gathered will inform management decisions, strategic planning and risk management, and demonstrate the

results, impact and cost effectiveness of the ACE-Programme. Additionally, the information collected will help determine disbursement of the grant.

To facilitate the process, an overall Results Framework (RF) was developed by the Bank in collaboration with the IUCEA and other key stakeholders, and with input from government and university representatives in the region. The RF features Individual ACEs, once selected, will develop more specific results frameworks detailing the expected results, indicators and targets specifically tailored to their proposed projects. ACEs will be required to collect and submit data biannually (November 15th and June 1st) to the Inter-University Council for East Africa (IUCEA) which will be responsible for coordinating and supporting them in implementing and monitoring their projects. The data once received, compiled and analysed, will be submitted to the World Bank (by Dec. 30th and June 30th) to inform project management and grant disbursement decisions.

10.8.2 Objectives

The purpose of this assignment is to conduct an independent verification of progress on disbursement linked indicators (DLIs) before any disbursement can be done for the project under the DLI category of expenditure. This consultancy aims to: (a) design evaluation methodology for verification of the progress made on DLIs by the ACEs; (b) Conduct the verification in a transparent and independent manner such that it provides the robust evidence for decision-makers.

10.8.3 Duration of the Assignment and Work Plan

1. The assignment will be undertaken over a five-year period from 1st June 2016 to 31st July 2021. The successful firm/organization will need to maintain necessary presence Eastern and Southern Africa (specifically, Ethiopia, Kenya, Malawi, Mozambique, Rwanda, Tanzania, Uganda, and Zambia). It is expected that the consultancy will have a total duration of about one month per year.
2. The verification activity will commence on June 2016 or shortly thereafter. By July 2016 a draft report will be submitted and the final report will be finalized by August, 2016. These dates are expected to be strictly adhered to. This will be repeated every year until the last DLIs are achieved in 2020. The consulting firm/agency may also be required to do an interim evaluation of carryover DLIs as an exception.
3. The Firm/Agency is expected to develop methodology and schedule of the evaluation plan with relevant set of instruments for conducting the study. The work plan shall provide details of how all the various tasks, sub-tasks, and activities will be undertaken; specific timelines for each task; logistic and manpower resources for entire period of the assignment. The proposed work plan should be consistent with the technical approach and methodology, reflecting understanding of the scope of work. During mobilization, and having studied the operational budget and logistics, the Consultant shall produce an updated work plan for review and approval. This revised work plan will form the basis for execution, supervision

and progress and shall not be modified or revised by the Consultant without prior approval by IUCEA and the World Bank.

4. The World Bank/RFU reserves the right to reject the instruments or re-negotiate with the Agency about modifications to the set of instruments or methodology.
5. The assignment will be consulted and coordinated under IUCEA and the Programme Coordinator will be the key focal person for management coordination.
6. Payment schedule will be agreed upon in advance of contract finalization, and will include first release of advance upon contract signing, and lump sums after major deliverable milestones.

10.8.4 Scope of Work/ Specific Tasks and Methodology

A third party firm or organization is required to design, conduct, and analyse the baseline and follow-on studies that will evaluate the DLIs. The project has 12 DLIs with 20 associated annual DLI targets. Each DLI target has a specific timeline and achievement level linked to it. The primary task of this exercise will be to carry out transparent and impartial verification of the DLIs under various components of the project. The subcomponents that have specific DLIs are *Institutional Qualification*, *Education Capacity (excellence)*, *Research Capacity*, *Development Impact*, *Financial Management*, and *Procurement*. Table 1 below provides an overview of the DLIs, annual targets and data sources for verification. For each of the sub components, the agency will be required to undertake the following measures to ascertain the validity of associated DLIs:

- annual audits and assessment of each of the ACEs and the RFU at various levels;
- chart of progress against the DLIs that are expected to achieved in any particular year;
- In case of non-achievement of targets, the agency is required to analyse the functioning of these;
- centres, and identify their major barriers and challenges which impede progress towards the desired objectives; and
- Propose plausible solutions and strategic action plans to overcome the challenges identified and thereby enhance the effectiveness & efficiency of the ACEs and their monitoring and evaluation systems.

Table1: Overview of DLIs

Objective	Indicator	Minimum target	Target	Importance	Regional emphasis	Data Sources
		(project duration)	(project duration)	(Share of grant)		
Institution qualified, Regional specialization approved and Administrative	<ul style="list-style-type: none"> ▪ Steering Committee created and regional specialization through ACEs endorsed 					

capacity and proper planning	Creation of ACE designated account / endowment fund					
	Signing of partner agreements					
	Increased financial autonomy					
Strengthened education capacity (excellence)	N# of new students in ACE courses (30% must be regional students*):					
	New PhD students					
	New PhD students (national)					
	New PhD students regional					
	New Master Students					
	New Master Students (national)					
	New Master Students (regional)					
	New Short term					
	New Short term (national)					
New Short term regional						
Strengthened Education capacity & Development impact	N# of outreach “periods”					
Strengthened education capacity (excellence)	International accreditation					
	Gap assessment certified					
	Self-evaluation					
	Regional CAMES					
Strengthened research capacity (excellence)	Bologna Compliant programs					
	N# of published articles in internationally recognized and peer reviewed journals****					
	\$ externally generated revenue*****					
Strengthen education and research capacity (through	\$ externally generated revenue*****					
	Improved teaching and learning environment as per approved					

increased financial sustainability) and demonstration of value to students and partners	proposal (institutional specific annual milestones)					
Strengthened education and research capacity	Submission of timely withdrawal application by ACE to the Bank through the coordinating government agency on an annual basis. The Withdrawal application should be submitted with quality documentation related to the achievements made on the DLIs and certified EEPs.					
Financial Management	To Be Confirmed (TBC)					
Procurement						
TOTAL						

10.8.5 Deliverables and Timelines

The selected firm/agency shall provide the following deliverables during the course of the implementation of the assignment in a timely manner. All deliverables have to be authorized and approved by the WB and RFU (IUCEA).

1. The list of deliverables includes but is not limited to the following:
 - a) Methodology of the verification exercise.
 - b) Survey questionnaires
 - c) Verification Indicators and checklist
 - d) Form/Instrument used for validation exercise.
 - e) Data entry template and coding scheme
 - f) Detailed activity plan for conducting the verification exercise.
 - g) Field data collection report; field quality control report
 - h) Analysis of the findings of the verification exercise.
 - i) Scanned copies of all completed questionnaires
 - j) Brief note/report reviewing the methodology and tools used and providing recommendations for future improvements.
2. Report (both qualitative and quantitative) on variations and discrepancies on the DLI activities
3. Identification of impediments (if any) in the timely achievement of the benchmarks and possible remedial measures

10.8.6 Responsibilities

A. Responsibilities for the Consultant

1. General Oversight:

The Consultant shall be responsible for overall management of the services including supervision and management of the verification, liaison with IUCEA and other parties, and ensuring quality control of activities. As part of project management, there will be biweekly progress meetings (physical or via internet) between the WB, IUCEA and the Consultant. The Consultant shall produce minutes of the proceedings. The Consultant shall submit all the deliverables to ACE Programme Coordinator.

2. Professional Profile of Consultant:

The Consulting Firm or Agency should:

- a) Be a registered agency/organization operating under either international regulations or the rules of its host Government.
- b) Have 8-10 years of experience in evaluating education and related services with extensive experience in developing countries
- c) Be financially sound, well reputed and with a sound track record of successful implementation of assignments with the World Bank or similar international organization
- d) Have proven experience of successfully carrying out high quality process and output evaluations in developing countries
- e) Have an evaluation team that has all relevant expertise and skills to carry out the verification exercise

Criteria for selecting the firm or agency shall include:

- i. Experience of the firm with details of the relevant evaluation work
- ii. Strength of Financial Statement
- iii. CVs with Qualification of relevant staff.
- iv. Staff with good communication skills in English and French both written and oral
- v. Relevant testimonials provided by the firm
- vi. Soundness and applicability of the proposal
- vii. An understanding of the university system in Eastern and Southern Africa would be desirable.

3. Consultant Staff:

The Consultant is expected to put together a team of appropriate experts to undertake the individual tasks as outlined in the work plan. CVs for experts other than the Consultant (Team Leader) will not be examined during the proposal review process. However, the name of the proposed experts, their input and position shall be indicated both in the technical and in the financial proposals with indications of proposed fee rates for each expert.

4. Inputs:

In addition to technical expertise, the consultant shall be responsible for arranging and providing any additional resources required to carry out the work, including but not limited to the following:

- (i) Ground transportation;
- (ii) Communication;
- (iii) Report preparation;
- (iv) Office Space and Equipment; and
- (v) Translations/Interpretation (if needed).

B. Responsibilities of IUCEA

Logistics:

The list of facilities to be provided by IUCEA will be finalized during negotiations. The Consultant should note that all capital items purchased under this contract will be the property of the ACE Programme at the end of the services. The Consultant will be expected to operate within the approved plan and budget and will not deviate without prior approval by the IUCEA/World Bank. The Consultant will be provided with relevant programme documents as required and ACEs contact addresses.

10.8.7 Application

A technical and financial proposal should be submitted separately by email to ace@IUCEA.org within four weeks of hiring the consultant. The assignment could be undertaken by single consultants or by a firm, applications from both are welcome. A notification that the application has been received will be sent automatically to the sender.

The IUCEA in collaboration with World Bank will execute the consultant selection process in a transparent and merit-based approach. The Consultant will be selected following the World Bank's Guidelines.

10.9 Annex 9: Indicator Tracking Table

Project Title:		Total Grant Amount (US\$):	
Grant ID #:		Total Disbursement:	
Grantee Institution:		Total Period Expenditure:	
Grant Start Date:		Reporting Period:	
Grant End Date:		Date of Submission:	
Project Coordinator:		Reporting Officer:	

Performance Indicator	Indicator definition and unit of measurement	Baseline	Annual Target	Person Responsible for tracking	Semester 1: Planned			Semester 1: Achieved			Performance	
					Q1	Q2	Total	Q1	Q2	Total	%	Remarks
Training and Research Quality												
No. of internationally (regionally/sub-regionally) accredited education programs (→ <i>Training Quality</i>)	Def: Count of relevant projects Unit: Number											
Amount of externally generated revenue by the ACEs (→ <i>Training & Research Quality</i>)	Def: Amount of US Dollars generated from outside CERHI as percentage of total US Dollars generated by CERHI Unit: US Dollars and percentage											
No of faculty trained in an area relevant to the ACE-Programme, through training carried out by or organized through the ACEs (→ <i>Training Quality</i>)	Def: Count of faculty trained in relevant area Unit: number											
No of newly established or revised curricula (meeting labor market skills), as approved by the appropriate	Def: Count of new/revised curricula Unit: Number											

Performance Indicator	Indicator definition and unit of measurement	Baseline	Annual Target	Person Responsible for tracking	Semester 1: Planned			Semester 1: Achieved			Performance	
					Q1	Q2	Total	Q1	Q2	Total	%	Remarks
institutional organ (→ <i>Training Quality</i>)												
Increase of internationally recognized research publications in disciplines supported by the ACE-Programme (in %) (→ <i>Research Quantity and Quality</i>)	Def: # of Internationally recognized publications as % of total number of publications produced by ACE Unit: %											
No of non-national students enrolled in specialized Master, PhD, post-grad, post-doc and/or short-term courses/ programs [% of which are females] (→ <i>Regionality</i>)	Def: Count of non – national students in ACE courses Unit: Number											
No. of Students /faculty with at least 1 month internship in a private sector company or local institutions relevant to their field/ sector (→ <i>Outreach</i>)	Def: Count of students or faculty with at least 1 month internship in reproductive health private company or institution Unit: Number											

Performance Indicator	Indicator definition and unit of measurement	Baseline	Annual Target	Person Responsible for tracking	Semester 1: Planned			Semester 1: Achieved			Performance	
					Q1	Q2	Total	Q1	Q2	Total	%	Remarks
% of non-national students studying for at least 1 semester/academic term in ACEs, in a discipline supported through the ACE-Programme (→ <i>Regionality</i>)	Def: Count of non-national students studying for at least 1 semester at ACE on programme supported course as % of total # of Students studying for at least one year Unit: Percentage											
No of partnership agreements including a 3-5 year cooperation implementation plan, signed by academic leaders from ACEs and engaged Partner Institutions (→ <i>Outreach/Regionality</i>)	Def: Count of partnership agreements Unit: Number											
Regular ACE Board Mtg.'s taking place with openly disclosed minutes (→ <i>Admin./Governance Quality</i>)	Def: Count of CERHI Board meetings Unit: Number											

Performance Indicator	Indicator definition and unit of measurement	Baseline	Annual Target	Person Responsible for tracking	Semester 1: Planned			Semester 1: Achieved			Performance	
					Q1	Q2	Total	Q1	Q2	Total	%	Remarks
Annual disclosed unqualified external financial audit with the ACE annual budget (planned and executed) (→ Admin./Governance Quality – FM)	Def: Audit report available and accessible Unit: ????											

10.10 Annex 10: ACEs Selected under the ACE II Project

	Proposal Title	Cluster	Sub-Priority Area	Institution	Country
1	Sustainable Agriculture and Agribusiness Management	Agriculture	Agribusiness	Egerton University	Kenya
2	Establishment of an East African Centre for Crop Improvement at Makerere University	Agriculture	Agribusiness	Makerere University	Uganda
3	African Center of Excellence for Climate Smart Agriculture and Biodiversity Conservation (Climate SABC)	Agriculture	Climate & Env. Smart Agriculture	Haramaya University HU	Ethiopia
4	Africa Centre for Agro-ecology and Livelihood Systems (ACALISE)	Agriculture	Climate & Env. Smart Agriculture	Uganda Martyrs University	Uganda
5	Aquaculture and Fisheries Science (AquaFish) Centre of Excellence	Agriculture	Marine & Ocean Sciences	Lilongwe University of Agriculture and Natural Resources – LUANAR	Malawi
6	African Centre of Excellence for Innovative Rodent	Agriculture	Unspecified	Sokoine University	Tanzania

	Proposal Title	Cluster	Sub-Priority Area	Institution	Country
	Pest Management and Biosensor Technology Development (IRPM&BTD).				
7	Sustainable Use of Insects as Food and Feed	Agriculture	Nutrition	Jaramogi Odinga Oginga University of Science and Technology	Kenya
8	Eastern and Southern African Centre for Infectious Disease Surveillance (SACIDS) - ACE for Infectious Diseases of Humans and Animals a.	Health	Molecular Biology	Sokoine University	Tanzania
9	Centre for Innovative Drug Development and Therapeutic Trials for Africa (CDT-Africa)	Health	Pharma Bio-Tech	Addis Ababa University	Ethiopia
10	Center for Public Health and Herbal Medicine (CEPHEM)	Health	Pharma Bio-Tech	Malawi College of Medicine	Malawi
11	Pharm-Biotechnology and Traditional Medicine Centre (PHARMTRAC)	Health	Pharma Bio-Tech	Mbarara University of Science and Technology	Uganda
12	Center of excellence for Infectious Diseases of Humans and Animals	Health	Pharma Bio-Tech	University of Zambia	Zambia
13	ACE for water management	STEM	Disaster/Risk Analysis & Mgmt	Addis Ababa University	Ethiopia
14	Center of Excellency in Water Infrastructure and Sustainable Energy (WISE)	STEM	Disaster/Risk Analysis & Mgmt	Nelson Mandela African Institution of Science and Technology	Tanzania
15	Phytochemicals Textiles and Renewable Energy	STEM	Energy	Moi University	Kenya
16	African Centre of Excellence in Energy for Sustainable Development (ACEE SD)	STEM	Energy	University of Rwanda	Rwanda
17	African Centre of Excellence in Internet of Things (ACEIoT)	STEM	ICT	University of Rwanda	Rwanda

	Proposal Title	Cluster	Sub-Priority Area	Institution	Country
18	African Centre of Excellence for Materials, Product Development and Nano-Technology	STEM	Product Design & Manufacturing	Makerere University	Uganda
19	African Railway Education and Research Institute (ARERI)	STEM	Transportation & Logistics	Addis Ababa University	Ethiopia
20	African Centre of Excellence for Sustainable Mining	STEM	Value Addition/Extractives	Copper Belt University	Zambia
21	Collaborating Centre for Research, Evidence Agricultural Advancement, Teaching Excellence and Sustainability (CREATES)	STI-Education	Quality of Education	Nelson Mandela African Institution of Science and Technology	Tanzania
22	African Centre of Excellence for Data Sciences (ACE - DS)	STI-Statistics	Applied Statistics	University of Rwanda	Rwanda
23	African Centre of Excellence in Innovative Teaching and Learning Mathematics and Science (ACEITLMS)	STI-Education	Quality of Education	University of Rwanda	Rwanda
24	Centre of Studies in Oil and Gas Engineering and Technology (CS-OGET)	STEM	Oil and Gas	Universidade Eduardo Mondlane	Mozambique

10.11 Annex 11: Regional IDA Grant for IUCEA

AFRICA: Eastern and Southern Africa Higher Education Centres of Excellence Project (P151847)

Title of proposed project	PPA for the Eastern and Southern Africa Higher Education Centres of Excellence Project
Project	P151847
Region	Africa
Country	Africa Regional
Managing Unit	GEDDR
TTL	Arun Joshi, Reehana Raza and Xiaonan Cao
Focus Area/Theme	Education/Capacity Building
Grant PPA Amount Requested	\$1,000,000
Grant Amount Approved	

PPA Grant Recipient

Inter-University Council for East Africa (IUCEA)	Kampala, Uganda	Prof. Alexandre Lyambabaje Executive Secretary, IUCEA
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10.11.1 Background

1. The ACE II project seeks to promote regional specialization among participating institutions within areas that address regional development challenges. The project seeks to strengthen the capacities of these institutions to deliver high quality training and applied research. The higher order objective of the project is to meet the demand for skills required for Africa's development, such as skills for the extractive industries and for agriculture productivity. Further, the project would contribute to the strengthening of the best African institutions in science-based education in areas such as Science, Technology, Engineering, and Mathematics (STEM), health and agricultural sciences.
2. Component 1 will competitively select 18 – 22 institutions to implement their own proposed centres of excellence (ACEs). The selected ACEs will train national and regional students, conduct regionally relevant research, and support a network of regional institutions to raise the quality of education. Higher education institutions will be selected through an open, transparent and merit-based selection process. The qualifying institutions will:
 - (a) Enhance capacity to deliver regional high quality training to address developmental challenges;
 - (b) Enhance capacity to deliver applied research to address regional developmental challenges;
 - (c) Build and strengthen regional and international academic collaboration to raise the quality of education, raise the capacity of network partners, and raise the capacity of the ACE;
 - (d) Build and use industry/sector partnerships to enhance the impact of the ACE on development, and increase relevance of said centres on education and research; and
 - (e) Enhance governance and management of the ACE and the participating university to improve monitoring and evaluation.
3. Component 2 will focus on regional activities to support higher education. This will entail Sub-Component 2.1 which will promote regional research collaboration within higher education. Sub-component 2.2 will support capacity building to small and fragile countries with emerging higher education systems. Sub-component 2.3 will support the enhancement of regional capacity and collaboration. This sub-component will support: (i) ACE II preparation and implementation in general, including consultation workshops, selection related activities, and other activities; (ii) capacity building, knowledge sharing and coordination between the ACEs; (iii) regional monitoring and evaluation (M&E) activities to improve and assess the performance of the selected ACEs; (iv) technical assistance to regional bodies for policy-making on regional higher education, science and technology agenda; and (v) activities required for regional project facilitation and steering.

4. The ACE II project will be facilitated at the regional level by the selected Regional Facilitation Unit (RFU). The RFU will be responsible for implementing Sub-Components 2.1 and 2.3. It will facilitate M&E, coordinate capacity building initiatives for the selected ACEs and share good practices across the participating countries.
5. To facilitate and implement project preparation, a PPA of US\$ 1,000,000 is necessary. This PPA will be awarded to the selected RFU to support the timely implementation of critical preparatory activities which include the facilitation and coordination of the ACE selection competition expected to be launched in July 2015. Details of the preparatory activities are further elaborated in the next section.

The ACE II project expects to cover 10 countries across the Eastern and Southern Africa region.

Summary of ACE project Implementation arrangements

1. **The implementation arrangements for ACE II follows a tiered system.** The ACE itself, the institution hosting the ACE, the national government in the host country, the Regional Facilitation Unit, the Regional Steering Committee, and the World Bank will all play a part in the implementation process.
2. **Each selected institution will implement its own ACE proposal.** That is, the host institution will be in charge of implementing and running the ACE. The administrative office of the institution will provide capacity to assist with fiduciary tasks. A recognized academic or researcher with leadership and managerial capacity will be chosen as the leader of a newly established ACE centre within the institution. The leader should come from the primary discipline of the ACE, and is supported by faculty from all relevant departments.
3. The selected RFU will be responsible for implementing the following project preparation activities with the PPA:
 - (a) Coordinate and facilitate the selection and evaluation process of the ACEs;
 - (b) Support the interested participating institutions in the proposal improvement process;
 - (c) Support the preparation of Memoranda of Understanding to be entered into between the ACEs and the partner institutions;
 - (d) Undertake baseline studies and other monitoring and evaluation activities for the project results framework;
 - (e) Support:
 - (i) The completion of the registration/incorporation update of the Recipient to ensure full legal personality in accordance with applicable laws; and
 - (ii) The establishment of a Regional Steering Committee for the project;
 - (f) Facilitate and coordinate communication and information dissemination; and
 - (g) Support capacity building for ACE and Recipient teams, and provide goods and consultant services for the operation of the RFU Secretariat; and
 - (h) Prepare groundwork to help implement activities under Component 2.

The Regional Steering Committee (RSC) considered several African Regional organizations before selecting the IUCEA as the RFU for ACE II. IUCEA was found to have high credibility within both the higher education communities in Eastern and Southern Africa. In addition to

its mandate, it has also been extensively involved in capacity building in Southern Africa. IUCEA was selected to host the RFU based on the following criteria:

- (a) Headquartered in Africa, with an independent legal entity status;
- (b) Experience in managing donor funds;
- (c) Long-term mandate in higher education;
- (d) Established working relationships with higher education institutions;
- (e) Evidence of experience in working across sectors;
- (f) Extensive experience in capacity building;
- (g) Evidence (based on due diligence assessment) of well-established fiduciary capacity or a credible plan to build such capacity in procurement, financial management, and environment;
- (h) Evidence of regional coverage across thematic areas;
- (i) Ability to work in English; French and Portuguese desired; and
- (j) Experience with project implementation and coordination.

The Inter-University Council for East Africa (IUCEA), established in 1980, is a strategic organization that is part of the East African Community, and is based in Kampala, Uganda. The mission of the IUCEA is “*to promote strategic and sustainable development of higher education systems and research to support East Africa’s socio-economic development and regional integration.*”²⁴ The vision of IUCEA is “*to become an East African community strategic institution responsible for promoting, developing and coordinating human resource development and research in the region.*”²⁵ IUCEA operates under an East African Legislative Assembly enacted Act in 2009. As of April 2015, IUCEA has a membership of 29 universities drawn from 5 African countries.

IUCEA has met all the IDA PPA grant eligibility criteria as articulated in Table 1 below:

Table 1: IDA Eligibility for Access to IDA Grants by Regional Institutions applied to IUCEA

Eligibility Criteria	Eastern and Southern Africa Higher Education Centres of Excellence Project
Recipient is a bona fide regional organization that has legal status and fiduciary capacity to receive grant funding and legal authority to carry out the activities financed	<ul style="list-style-type: none"> • The Inter-University Council for East Africa is a regional organization created to promote higher education interaction and cooperation between higher education institutions in the East African community. • The IUCEA is a legally independent entity. • The Bank has conducted a FM assessment of IUCEA.
The recipient does not meet eligibility requirement to take an IDA credit	<ul style="list-style-type: none"> • IUCEA is a regional organization that services higher education institutions in Eastern Africa, and is not owned by one country. Consequently, IUCEA is not eligible for IDA credit.
The costs and benefits of the activity to be financed with an IDA grant are not easily allocated to national programs	<ul style="list-style-type: none"> • Some regional activities need to be undertaken for the ACE II project preparation. • ACEs which will be funded by IDA are yet to be selected and it is difficult for the participating countries to fund these regional activities.

²⁴ IUCEA Annual Report 2012-13 (p. 1).

²⁵ IUCEA Annual Report 2012-13 (p. 1).

The activities to be financed with an IDA grant are related to regional infrastructure development, institutional cooperation for economic integration, and coordinated interventions to provide regional public goods	<ul style="list-style-type: none"> • The IDA grant will support regional competition to select ACEs and support regional activities under Component 2.
Grant co-financing for the activity is not readily available from other development partners	<ul style="list-style-type: none"> • Few development partners (DPs) in the region support higher education and fewer have capacity to fund regional initiatives. Given the urgency and nature, it is best for IDA to grant fund.
The regional entity is associated with IDA funded regional operation involving some of the participating member states	<ul style="list-style-type: none"> • The IUCEA will be the RFU for ACE II project and is as such associated to an IDA funded regional operation. IUCEA is an institutional entity belonging to East African Community whose members are all IDA countries.

With regard to component 2 that will be implemented by the Regional Facilitation Unit hosted by Inter-University Council for East Africa in Uganda. An FM assessment has been conducted in line with the FM Manual issued by the FM Sector Board on May, 2015. The objective of the FM assessments was to determine whether the FM arrangements: (a) are capable of correctly and completely recording all transactions and balances relating to the project; (b) will facilitate the preparation of regular, accurate, reliable and timely financial statements; (c) will safeguard the Project's entity assets; and (d) will be subjected to auditing arrangements acceptable to the World Bank. The FM risk for IUCEA is moderate.

In the context of the above, IUCEA is therefore, also best-suited to be the recipient organization and executing Agency of the World Bank Recipient Executed PPF / grant of 1,000,000, as well as be the host and operator of the RFU for the ACE II project. As the leading higher education collaborative partner on ground and an intellectual leader who works in partnership with other country and regionally-based higher education, research and capacity-building institutions. The project sees IUCEA having an integral role in the successful implementation of the ACE II project. IUCEA has a dual niche of nurturing higher education as well as harnessing lessons from higher education analytical work, which, along with its wealth of experience in the field, it uses to support capacity-building activities, and to meaningfully engage in higher education policy dialogue, related advocacy for positive policy change and development impact.

10.11.2 Purpose of the Requested PPF

IUCEA is seeking to secure IDA grant funding for project preparatory activities in its capacity as the RFU. It is in this respect that IUCEA is urgently seeking advance funding through IDA financial support in the form of a PPA grant of US\$ 1,000,000 of US\$ 5,000,000. The purpose of the PPA is to fund ACE II project preparatory activities and enable IUCEA to play a lead role in the implementation of the preparatory functions and regional activities, including the successful establishment of teams to operationalize the RFU for the ACE II project.

*10.11.3 ACE II Project Preparatory Activities and Specific Expenditures to Be
Financed By IUCEA*

PPF: Proceeds of the requested PPF grant will finance the implementation of preparatory activities required for the ACE project as outlined below under appropriate categories.

- (a) Coordinating and facilitating the selection and evaluation process of the ACEs:**
- (i) Coordinate and manage processes for the call and receipt of proposals
 - Develop call for proposals
 - Regional Steering Committee approval
 - Advertise call for proposals
 - (ii) Eligibility screening
 - Shortlisting
 - Technical desk evaluation
 - On-site leadership evaluation
 - Fiduciary capacity assessment
 - Regional Steering Committee final selection
 - Full implementation plan and signing the agreement
 - Results announcement
 - No Objection by WB
 - (iii) Facilitating the development of evaluation/assessment instrument
 - (iv) Facilitate capacity building evaluation teams
 - (v) Coordinate, facilitate and fund the convening of evaluation committee meetings
 - (vi) Coordinate site visits for evaluation meetings and logistics (travel, hotel, per diem and/or honorarium for 3 teams)
 - (vii) Coordinate and manage process for recruitment of IEC evaluators
 - (viii) Coordinate the design and implementation of an appeal and grievance process
 - (ix) Screening proposals for accuracy and detail
- (b) Supporting interested Project participating institutions in the project improvement plan:**
- (i) Coordinate the proposal improvement process
 - (ii) Communicate results of successful proposals
 - (iii) Coordinating and communicating evaluation results
 - (iv) Organizing proposal improvement workshops
- (c) Supporting the preparation of memoranda of understanding to be entered into between ACEs and partner institutions**
- (d) Undertaking baseline studies and other monitoring and evaluation activities for the Project results framework:**
- (i) Undertaking baseline studies for ACE II project results framework
 - (ii) Conducting Student Surveys and data collection
 - (iii) Supporting M&E functions, including design of the ACE II project's M&E system,
 - (iv) Coordination of individual report consolidation and updating

(e) Supporting the establishment of a Regional steering committee:

- (i) Organizing of Regional Steering Committee (RSC) meetings
- (ii) Convene and finance regular RSC meetings
- (iii) Convene and finance technical and advisory meetings

(f) Facilitation of Coordination, Communication and Information dissemination:

- (i) Advertising in regional and national print and electronic media, information on the ACE II project
- (ii) Developing a website/webpage and portal for the ACE II program, for disseminating all information relevant to wider public;
- (iii) Publishing and disseminating/communicating evaluation results and information on successful ACEs
- (iv) Consultancy on knowledge management
- (v) Facilitating and supporting knowledge sharing and networking between the ACEs and partner institutions
- (vi) Develop the Project Operations Manual (POM). This manual will provide procedures and guidelines for implementing the overall project. The POM may be amended from time to time with approval from the RSC and the World Bank. The POM will include the following sections (not comprehensive):
 - Terms of Reference, functions and responsibilities for the RFU, members of the RSC, the National Review Committee and the ACE Implementation Team;
 - ACE performance reporting framework;
 - The procedures for procurement of goods, works, non-consulting services, consultants' services, operational costs, and training, as well as for the financial management and audits required in the project (for both components and specific to the participating countries);
 - The Project Development Objectives and indicators to be used in the monitoring and evaluation of the project;
 - The criteria, detailed rules and procedures for the Eligible Expenditure Programs (EEPs), Terms of Reference for the Independent Verifiers, the templates for the detailed content of the EEP Spending report, templates for the customized statements of expenditures, templates for the interim financial reports, and templates for the procurement plan and other required project reports;
 - The flow of funds and disbursement arrangements for project funds; and
 - The Disbursement-Linked Indicators and their verification protocols.

(g) Capacity Building and Operation of RFU secretariat

- (i) Hiring ACE Project Coordinator and other staff
- (ii) Capacity building for ACE and IUCEA teams
- (iii) Serving as the facilitation secretariat between the different project stakeholders, including supporting the coordination between the ACEs with concerned Ministries/ Departments of national Governments and the World Bank
- (iv) Fulfill the secretariat role for and provide support to the RSC as required, including organizing periodic RSC meetings

- (v) Development of relevant procedures and guidelines to facilitate regular monitoring of performance of project institutions and procedures to guide IUCEA's provision of advice, and problem solving activities
- (vi) Coordination of meetings with national and regional higher education agencies
- (vii) Conducting bi-weekly audio consultations with partners (including the World Bank)
- (viii) Coordinating consultancies for the project implementation plan along with development of a capacity building plan
- (ix) Managing all recurrent operating activities that are required to effectively facilitate the preparation and operation of the ACE II project.
- (x) Provision of audio- and video-conferencing equipment

As per activities indicated above, during the ACE II project preparatory stage, IUCEA will broadly be responsible for facilitating the implementation of ACE II project preparatory activities of Monitoring, Evaluation and Reporting; Capacity Building; Coordination / Facilitation and administration (including financial management); Communication and Information Dissemination. IUCEA will also undertake to render account for the utilization of the IDA grant funds to the RFU.

Subject to satisfactory performance in the first phase of RFU terms of reference, the Regional Facilitation Unit will continue to be hosted by IUCEA for the remainder of the ACE II project (implementation) phases.

10.11.4 Budget and Cost Breakdown

Table 2 below shows the estimated aggregated and disaggregated allocation of the budget of US\$1,000,000.

a) Coordinating and facilitating the selection and evaluation process of the ACEs							
		UNIT	QTY	RATE	TOTAL	TRAVEL	AMOUNT
1	Coordinate and manage the process for identification of evaluation committees	lumpsum	1	2,000	2,000		2,000
2	Convening of evaluation committee meeting (including their capacity building)	person days	33	500	16,500	6,000	22,500
3	Facilitating the development of evaluation/assessment instrument	person days	15	500	7,500		7,500
4	Evaluation site visit logistics for evaluators	person days	132	500	66,000	66,000	132,000
5	Develop and advertise call for proposals	person days	18	500	9,000		9,000
6	Screening proposals for accuracy and detail	person days	18	500	9,000		9,000

7	Evaluation and selection of proposals	person days	44	500	22,000	6,000	28,000
8	Coordinate the proposal improvement process	person days	81	500	40,500	22,000	62,500
SUB-TOTAL							272,500
b) Supporting the preparation of project memoranda of understanding and contracts							
		UNIT	QTY	RATE	TOTAL	TRAVEL	AMOUNT
1	Develop MOU/contract between IUCEA and World Bank, ACE and partner institutions, and IUCEA and ACE	person days	12	500	6,000		6,000
SUB-TOTAL							6,000
c) Developing monitoring and evaluation framework							
		UNIT	QTY	RATE	TOTAL	TRAVEL	AMOUNT
1	Baseline studies for ACE II project results framework	person days	99	500	49,500	33,000	82,500
2	Developing ACE II project results framework	person days	42	500	21,000	2,000	23,000
3	Supporting M&E functions, including design of the ACE II project's M&E system,	person days	42	500	21,000	2,000	23,000
SUB-TOTAL							128,500
d) Facilitation of Coordination, Communication and Information dissemination							
		UNIT	QTY	RATE	TOTAL	TRAVEL	AMOUNT
	Advertising in regional and national print and electronic media, information on the ACE II project	person days	22	1,000	22,000		22,000
	Publishing on IUCEA/ACE website, ACE II selections and all other information relevant for dissemination to wider public	lumpsum	1	2,000	2,000		2,000
	Develop and validate the Regional Project Operations Manual (RPOM)	lumpsum	1	40,000	40,000		40,000
	External audit of IUCEA	lumpsum	1	20,000	20,000		20,000
SUB-TOTAL							84,000
e) Capacity Building and Operation of RFU secretariat							
		UNIT	QTY	RATE	TOTAL	TRAVEL	AMOUNT
	Recruitment of 3 ACE II Project staff (advertisement, shortlisting, interview, etc.)	lumpsum	1	40,000	40,000		40,000

	Procurement of office furniture and equipment for project staff	lumpsum	1	15,000	15,000		15,000
	Emoluments for ACE Project Coordinator, Deputy and Accountant (1 year)	lumpsum	1	217,080	217,080		217,080
	Capacity Building for ACE and IUCEA teams	person days	60	500	30,000	22,000	52,000
	Supporting the coordination between the ACEs with concerned Ministries/ Departments of national Governments and the World Bank	lumpsum	1	5,000	5,000		5,000
	Facilitating 2 Regional Steering Committee (RSC) meetings	person meetings	64	500	32,000	22,000	54,000
	Conducting bi-weekly audio consultations with partners (including the World Bank)	lumpsum	1	1,000	1,000		1,000
	Provision of audio- and video-conferencing equipment	lumpsum	1	1,000	1,000		1,000
	SUB-TOTAL						385,080
	SUB-TOTALS (a+b+c+d+e)						876,080
	CONTINGENCY (5% of Total)						43,804
	ADMINISTRATIVE COSTS (8.7% of total)						80,116
	GRAND TOTAL						1,000,000

10.11.5 Key Monitoring Indicators

Table 3 below shows the results-chain for the PPA preparatory phase activities

		Outcomes	Activities	Outputs	Indicators
01		Identified, evaluated and selected ACEs	Facilitation, Coordination, Evaluation, Management	ACE II project operational manual	Quality proposals selected
				Evaluation criteria	
				Evaluation of proposals carried out	
				Proposals ranked	

				MoUs and contracts signed	
02		M&E framework developed	Baseline studies for ACE II project undertaken	Baselines for ACE II	Baselines and M&E system in place
			Design an ACE II project's M&E system	M&E for ACE II	
				Staff trained in M&E	
03		Communication and information dissemination facilitated	Platform information for ACE II	A functional website for ACE II	Easy access to all information on ACE II project
				On-line and workshop training for ACEII	
04		ACE II Governance and Management structures in place	ACE II Project Staff recruitment	Staff recruited and trained	ACE II Project governance and management structures in place
			Capacity Building		
			Facilitating 2 Project Steering Committee meetings	2 ACE II Steering committee meetings held	ACE II Project Steering Committee reports

Summary of the Financial Management Assessment

Based on the FM assessment of May 2015, it was found that the IUCEA has adequate FM system in place including budgeting, accounting internal control and auditing. A description of the project's overall financial management arrangements above indicates that they satisfy the Bank's minimum requirements under OP/BP10.02.

Procurement

A procurement assessment was conducted for IUCEA and their procurement plan is listed below (1 year). The Procurement Specialist found the risk level to be low.

Procurement Plan

Procurement Thresholds

Expenditure Category	Contract Value Threshold (US\$)	Procurement Method	Contracts Subject to Prior Review (US\$)
1. Goods and Non-consulting Services	Below US\$ 50,000	Shopping	None
2. Consulting Services ²⁶ and Training	With firms above US\$ 300,000	Quality and Cost Based Selection	All contracts
	With individuals above US\$ 100,000	Individual	All Contracts
	With firms up to US\$ 300,000	Consultants Qualifications Selection /Other	As specified in PP
	With Individuals up to US\$ 100,000	Individual	Only for project Staff
3. All types of contracts	All contracts	Sole source / direct contracting and terms of reference	As specified in PP

Goods and Works and non-consulting services

Reference to (if any) Project Operational/Procurement Manual: In addition to the guidelines, procurement shall follow the IUCEA Procurement policies and Procedures manual subject to agreed exceptions including where the manual is inconsistent with the guidelines.

1	2	3	4	5	6	7	8	9
Ref. No.	Contract (Description)	Estimated Cost	Procurement Method	Prequalification (yes/no)	Domestic Preference (yes/no)	Review by Bank (Prior / Post)	Expected Bid-Opening Date	Comments
1	Meeting Venues	188,500	Shopping	N/A	N/A	Post	15 th July 2015	Framework contracts

²⁶ A shortlist of consultants for services estimated to cost less than US\$ 300,000 equivalent per contract may consist entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines.

2	Air Tickets	96,000	Shopping	N/A	N/A	Post	15 th July 2015	
3	Office Furniture for project staff	6,000	Shopping	N/A	N/A	Post	25 th July 2015	
4	3 Desktop computers and 3 laptops with Software licenses and Printers and Video Conferencing Equipment	12,000	Shopping	N/A	N/A	Post	25 th July 2015	
	Development of ACE web portal	2000	Shopping	N/A	N/A	Post	1 st July 2015	

Selection of Consultants

Short list comprising entirely of national consultants: Short list of consultants for services, estimated to cost less than \$300,000 equivalent per contract, may comprise entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines.

Consultancy Assignments with Selection Methods and Time Schedule

1	2	3	4	5	6	7
Ref. No.	Description of Assignment	Estimated Cost in USD	Selection Method	Review by Bank (Prior / Post)	Expected Proposals Submission Date	Comments
1	Development Operational Manual for proposed project	40,000	CQS	Prior	1/09/2015	
2	External Audit of Project Accounts	15,000	Single Sourcing	Prior	15/11/2015	
3	Hiring of a consultancy firm to conduct baseline studies in participating countries	82,500	CQS	Prior	20/10/2015	
4	Project Staff (i) Project Coordinator / Manager, (ii) Project Accountant, (iii) Information	217,000	ICS	Prior	7/07/2015	

1	2	3	4	5	6	7
Ref. No.	Description of Assignment	Estimated Cost in USD	Selection Method	Review by Bank (Prior / Post)	Expected Proposals Submission Date	Comments
	and Communication Officer					
5	Hiring of Specialists to evaluate proposals	78,000	ICS	Prior	7/08/2015	

Supervision Plan

The Supervision of the PPF will be undertaken by the project team, together with coordination support from country teams. Based on the risk rating of the project and the current FM arrangements, it is expected that in the first year of implementation there will be a minimum of two onsite visits to ascertain adequacy of systems and how effective the FM systems are being used to support implementation. The FM supervision mission's objectives will include ensuring that strong financial management systems are maintained throughout project tenure. In adopting a risk-based approach to FM supervision, the key areas of focus will include assessing the accuracy and reasonableness of budgets, their predictability and budget execution, compliance with payment and fund disbursement arrangements and the ability of the systems to generate reliable financial reports.