USAID Office of Education

G2G in Education Case Study: Peru

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Abbreviations and Acronyms

AD	Alternative Development
AL	*Amazonia Lee*
CDCS	Country Development Cooperation Strategy
CEPCO	*Centro de Estudios y Promoción Comunal del Oriente*
CETT-Andino	Andean Center for Excellence in Teacher Training
DEVIDA	*Comisión Nacional para el Desarrollo y Vida sin Drogas*/ National Commission for Development and Life without Drugs
DIFODS	*Dirección de Formación de Docentes en Servicio/* The National Office for Continuous Training of Teachers In Service
DO	Development Objective
DRE	*Dirección Regional de Educación*/Regional Offices of Education
DRG	Democracy, Human Rights, and Governance
E3/ED	Bureau for Economic Growth, Education, and Environment's Education Office
EGR	Early Grade Reading
FMO	Financial Management Office
FSN	Foreign Service National
FY	Fiscal Year
G2G	Government-to-Government
GIS	Governance and Institutional Strengthening
GNI	Gross National Income
GOP	Government of Peru
GORESAM	Regional Government of San Martin
GOREU	Regional Government of Ucayali

GRADE	*Grupo de Análisis para el Desarrollo*
HEO	Health and Education Office
IL	Implementation Letter
LAC	Latin America and the Caribbean
LANN	Leading Children's Learning
LOE	Level of Effort
M&E	Monitoring and Evaluation
MINAM	*Ministerio del Ambiente*/Ministry of the Environment
MINEDU	*Ministerio de Educación*/Ministry of Education
NGO	Non-Governmental Organization
OECD	Organisation for Economic Co-operation and Development
PAD	Project Appraisal Document
PEEL	*Proyecto Enseñar es Liderar*/Project Teaching is Leading
PELA	*Programa Estratégico de Logros de Aprendizaje*/Strategic Program for Learning Results
PFMRAF	Public Financial Management Risk Assessment Framework
PISA	Programme for International Student Assessment
PMP	Performance Management Plan
PRODES	Pro-Decentralization
TA	Technical Assistance
UGEL	*Unidad de Gestión Educativa Local*/Local Offices for Educational Management
UPCH	*Universidad Peruana Cayetano Heredia*
USAID	United States Agency for International Development
USG	United States Government

I. Introduction

The **purpose of this case study** is to capture ground-level experiences in the operational steps of designing, implementing, and monitoring government-to-government (G2G)-based education programming in Peru. It forms part of the **G2G Education Toolkit** created in 2013 by the United States Agency for International Development's (USAID's) Bureau for Economic Growth, Education, and Environment's Education Office (E3/ED). E3/ED developed the Toolkit in response to the need for tools and training materials to assist education staff and teams; it includes a literature review; an analysis of lessons learned and best practices; an analytic framework and roadmap; operational tools; and case studies. Additionally, sample G2G operational documents from missions currently undertaking G2G activities are available to guide field staff. E3/ED continues to update the Toolkit to reflect the most recent experiences with its activities; this case study is an addition to that body of work.

Background – The Choice of USAID/Peru as a Case Study

In the 2000s the United States joined other donors in making commitments to support greater host country ownership of development assistance. In USAID this led to the increased use of government-to-government funding modalities across many missions. Beginning in 2010, the USAID Forward Initiative's Implementation and Procurement Reform[1] set a target of increasing funds provided directly through local systems (i.e., government, civil society and private sector), channeling 30 percent of total mission program assistance directly through local entities by FY2015[2]. Education was one of the leading sectors under USAID Forward in designing G2G activities to support this objective.

While G2G mechanisms as currently configured are relatively new to USAID, the United States Government (USG) has a long history of development work with the Government of Peru (GOP). Cooperation in the education sector began with scholarship programs for Peruvian teachers that were part of U.S. President Harry S. Truman's Point Four Program launched in 1949 (these programs were active until 1962. USAID, established in 1961, also has a long history in Peru). The mission recently celebrated 50 years of collaboration and support in country. Supported programs include: alternative development, environment, health, democracy and governance, education, and economic growth. USAID/Peru's experiences, coupled with an emphasis placed on local capacity development in USAID/Peru's Country Development Cooperation Strategy 2012-2016, made it an excellent choice as a

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[1] The USAID Forward Initiative ran from 2010 – 2016.

[2] Congressional Research Service, _U.S. Agency for International Development (USAID): Background, Operations, and Issues_, July 21, 2015, pg. 33. Although the 30 percent quantitative target is now viewed as "aspirational," USAID continues to monitor the Agency's movement toward direct financing of local systems.

case study for use of G2G mechanisms; in this case, it focused on education. In addition, USAID/Peru had worked with G2G funding across all of its targeted sectors. While the case study would not examine the non-education G2Gs in detail, it was thought that interviewing personnel who had worked in some of these other sectors could provide opportunities for G2G lessons learned and good practices not limited only to the education sector.

The selection of USAID/Peru as a case study for G2G education funding provided a unique opportunity for the G2G Education Toolkit. Previous case studies had taken place in countries where education G2Gs were in the process of implementation. USAID/Peru's two education G2Gs were approaching their end dates, making this the first time a case study would be able to examine the full evolution of the education G2G experience, including conceptualization, planning, design, implementation, monitoring & evaluation, and close-out. Because USAID/Peru's education G2Gs were nearing an end, the case study would be able to view them from a sustainability perspective, looking at strategies and plans for carrying activities forward once USAID funding ended.

In October 2017, a team consisting of the Education Finance Specialist from E3/ED and a consultant with USAID education management experience visited Peru for two weeks to collect data for the study. They worked closely with mission staff from the Governance and Institutional Strengthening (GIS) Office that currently manages the education portfolio, to plan key informant interviews and visit schools to observe the work being supported by the education G2Gs. GIS staff accompanied the visitors to the two regions where the education G2Gs were operating, and participated in classroom observations, meetings, and interviews with regional governmental officials, implementing partner staff members, principals, teachers, and parents. The case study team also benefited from the presence of a visiting staff member of USAID/Washington's Latin America and Caribbean Bureau Education Office, who joined them on a visit to one of the regions and provided historical knowledge and perspective. The case study team conducted extensive interviews with USAID/Peru staff, present and past, who have worked on G2Gs in education and other sectors. This case study is written based on these interviews, field visits, and extensive background document review.

A Brief Look at Major Observations

The final section of this report will discuss a number of good practices and lessons learned that emerged from this case study. Perhaps the most relevant lessons learned to present here by way of brief summary are directly related to the reason that made USAID/Peru's education G2Gs so interesting and important to study in the first place, i.e., the issue of sustainability.

A major lesson learned from this case study is that the type, scale, form, and degree of sustainability must be clearly defined at the outset, and consensus reached with the host country. Due to a variety of circumstances that will be described below, with a few exceptions, most of the two G2Gs' efforts to support sustainability came at the very end of activity implementation, making it difficult to education ensure that both technical and financial sustainability would be reached. A second and related lesson learned related is that the sustainability approach must be revisited along the way during implementation,

as the context changes and evolves, to check assumptions and progress. While complex conditions and challenges led to some missed opportunities for sustainability of USAID/Peru's education G2Gs, actions that USAID/Peru was taking during the close-out months were focused on putting sustainability back on track, placing it front and center as much as possible as the G2G-supported activities were coming to a close. USAID/Peru learned that local partners often need help with making concrete plans for sustaining G2G-supported activities, and they were providing that help to the local implementing partner for technical support to sharpen the sustainability focus in the final months of activity implementation.

An unusually heavy staff turnover at USAID/Peru brought into sharp focus just how time-consuming and management-intensive G2Gs are for mission staff. In the G2G Education Toolkit's "G2G Case Study: Using Country Systems in Ghana,"[3] mission staff made an observation which was confirmed in the USAID/Peru case:

> *"Work needs to move on the partner's [i.e. the government institution] timetable, not USAID's – sometimes more time is needed than was thought. USAID needs to move according to government capacity. [G2G project] work goes on a case-by-case basis."*

USAID/Peru staff across the mission devoted vast amounts of time, energy, and expertise to establish and implement the education G2Gs (and G2Gs supporting other sectors as well). When the education team began to experience unusually heavy and unexpected staff turnover, the challenges and complexities of working with a host country government with its own unpredictable situations and often slow timelines increased. This affected implementation of the education G2Gs in negative ways. The lesson learned here is that G2G mechanisms require not only knowledge and experience, but also an extremely large time commitment on the part of USAID staff. Education staff and missions are advised to consider very carefully how G2Gs will be managed, including continuity and the availability of team members to spend the time needed to get them up and running and to support implementation, monitoring, and evaluation all along the way. USAID/Peru's experience provides valuable lessons learned; the level of expertise in USAID/Peru is a valuable Agency resource from which everyone is encouraged to benefit.

Structure of the Report

This case study report is structured as follows: **Section II** provides a brief description of the Peru country context**. Section III** gives an overview of USAID support to Peru and its transition to the use of host country systems. **Section IV** examines USAID/Peru's use of G2G support for the education sector, beginning with a look at the G2G design phase from both financial and technical perspectives[4]. Section IV also examines the G2G implementation phase from both financial and technical perspectives. It contains a brief overview of the G2G-supported reading program's impact evaluation findings. Finally, it concludes with a section on the current state of the USAID/Peru education G2G close-out phase. **Section V**

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[3] See Using Country Systems in Ghana: A G2G Case Study, December 2013, pg. 7.

[4] This case study specifically examines G2G work in the education sector. While mission staff in Alternative Development were also interviewed about their G2G experiences, that G2G history is not part of this case study other than those elements that were identified as part of general good practices and/or lessons learned.

presents an overview of the major lessons learned and good practices that can be generalized for any mission education team based on what was learned from the Peru experience.

II. Peru Country Context

Peru has been one of the most prominent economic performers in Latin America in the last 25 years. With the gross national income (GNI) per capita of US$5,975 in 2015, its economy is one of the largest in Latin America and the Caribbean (LAC)[5]. Peru's rapid economic growth, averaging 5.3 percent since 2001, was second only to Panama's in LAC. Its population of about 31 million is relatively young, with more than half of the country being under 30 years of age. After a massive urbanization process over the last 60 years, Peru is today a mostly urban country, with about 80 percent of the population living in urban areas. The poverty incidence rate fell from 58 to 23 percent from 2004–14, and households' incomes at the bottom 40 percent grew 50 percent faster than the national average. However, Peru's Gini coefficient (income disparity measurement) of 0.443 remains relatively high by developing country standards[6]. Peru's fast growth transformed it into an upper-middle income economy, with aspirations to become an Organisation for Economic Co-operation and Development (OECD) member by 2021-2024.

Despite the impressive progress in poverty reduction over the last decade, at least 40 percent of the population is still vulnerable to falling into poverty, and there remain large gaps in income and human development across the socioeconomic spectrum[7]. Many segments of the population are still largely underserved. There are large socioeconomic disparities between Peru's three geographic zones: the coast, the mountains, and the jungle. As Peru grew during the late 20th century, the economies of the different zones grew increasingly dissimilar from each other. The economic and social needs of the people living in the Amazonian basin have little in common with the economic and social needs of the urban poor living in the outskirts of Lima.

The Government of Peru is a presidential regime with a president of the Republic elected with a five-year mandate. Peru's president at the time this case study was written, Pedro Pablo Kuczynski, took office in July 2016[8]. The Kuczynski administration was the latest installment in one of the longest stretches of democratically elected civilian governments in the history of Peru. The country endured numerous coups and military regimes in the 1980s and 1990s, as well as insurgencies by two leftist guerrilla groups, the Shining Path and Tupac Amaru Revolutionary Movement, that claimed an estimated 69,000 lives and led thousands more to emigrate[9].

In order to begin addressing the issue of socioeconomic disparities between Peru's three geographic zones, in 2002 the administration of President Alejandro Toledo implemented the first concrete

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[5] Work Bank Group, Report #112694-PE, *Peru Systematic Country Diagnostic, February 2017.*

[6] https://data.worldbank.org/indicator/SI.POV.GINI?locations=PE

[7] OECD, *Public Governance Reform – Peru – Highlights 2016.*

[8] Subsequent to the writing of this document, President Kuczinsky resigned in March 2018 and President Martin Vizcarra was expected to complete the term.

[9] Dudenhoefer, David, World Politics Review, *"With a Strong Economy and New President, Is Peru Ready to Modernize?,"* Thursday, Oct. 13, 2016.

decentralization reforms, creating 25 sub-state governments - 24 regions and the Callao Province, encompassing the area immediately surrounding the capital city of Lima[10]. The varied income, natural resources, and poverty levels of these 24 regions reflect the diversity of Peru's three geographic zones. Toledo argued that both political and administrative decentralization would strengthen Peru's democracy and increase opportunities for participation at the regional and municipal level[11]. It was one of the only ways to address the imbalance of power and financial resources held by Lima vis-à-vis the rest of the country and to increase the economic autonomy and strength of the regions. The 2002 reforms established four levels of government for Peru: central, regional, provincial, and district, in descending order of size. Constitutional reforms approved in 2002 called for the election of regional presidents (executive branch) and councils (legislative branch). In November 2002, each region elected their first president and council composed of representatives of each region's provinces, all of which have voting power. The regional president (the title was later changed to "regional governor") became responsible for approving the regional budget, and with regional officials, executing major plans and investments. The regional council approves the budget, proposed projects, and supervises other officials.

Despite efforts to decentralize, co-ordination across the central government and between levels of government to pursue strategic objectives faces institutional bottlenecks and lacks focus. Persistent institutional silos and coordination challenges limit the state's capacity to pursue its strategic objectives effectively, achieve results for people, and enhance its transparency and accountability; as a result, this undermines citizens' trust in government[12]. In addition, corruption is an issue in Peru. According to the 2016 Corruption Perceptions Index reported by Transparency International, Peru is the 101st least corrupt nation out of 175 countries[13]. The Corruption Rank in Peru averaged 67.84 from 1998 until 2016, reaching an all-time high of 101 in 2016 and a record low of 40 in 1999.

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[10] Bullock, Jessie, Stanford University, LAD Case Study, *Administrative Decentralization in Peru*, 2009.

[11] Ibid., pg. 5.

[12] Op. cit., Dudenhoefer, David, 2016.

[13] The Corruption Perceptions Index ranks countries and territories based on how corrupt their public sector is perceived to be. See https://tradingeconomics.com/peru/corruption-rank.

III. USAID Support to Peru

USAID's Transition to the Use of Host Country Systems

Over many decades, USAID globally followed an implementation model that chiefly utilized U.S. organizations to deliver assistance. In the 2000s, the United States joined other donors in making commitments at international conferences to support more "country ownership" of assistance. These commitments were voiced in the Paris Declaration on Aid Effectiveness, the Accra Agenda for Action, and the Busan Partnership for Development Cooperation, all of which supported deepening country ownership through consultations and policy dialogues, capacity development, and the use of country systems.

USAID/Peru was already working in ways that directly aligned with the Agency's overall move to support greater use of host country systems. USAID has had an active, uninterrupted mission presence in Peru for 50 years. Over that time, many programs helped improve Peruvian democracy and governance, economic growth, health, education, and natural resource management. [USAID/Peru's Country Development Cooperation Strategy (CDCS) 2012–2016](#) described the development challenge the mission was committed to addressing under that strategy as follows (red highlighting added):

> *"…The perceived disparity between the economic 'boom' of the coastal areas and continued poverty in Peru's mountain and jungle regions has, in some cases, fostered a sense of social, economic, and political exclusion. To strengthen democracy and maintain trade-led economic growth, Peru must broaden economic opportunities and strengthen government capacity to provide social services in environmentally sensitive and coca-vulnerable areas. Otherwise, illegal activity (e.g., drug trafficking and illegal logging/mining), environmental degradation, and conflicts (mostly related to natural resources, the extractive industries, and terrorism fueled by narcotics trafficking) might weaken Peru's potential future economic growth and democratic consolidation."*

Since the 1980s, USAID had made large investments in Peru to address the narco-trafficking threat through Alternative Development (AD) programs and joint United States government - Government of Peru (GOP) security and law enforcement actions. The 2012-2016 CDCS cited data indicating that Peru was one of the world's largest coca cultivators and the number one cocaine producer and exporter, with a narcotics economy estimated at $1.5 billion per year. Following on many years of investment and strong working relationships that had been built with the GOP, and in the Amazon region in particular, the mission chose to implement a geographic focus for the CDCS on the Amazonian regions that had become hubs for many of Peru's illegal activities, such as coca cultivation, narco-trafficking, and illegal logging and mining. The focus regions were San Martín, Ucayali, Amazonas, Loreto, Madre de Dios and Huánuco.

The emphasis on improving the GOP's capacity to provide social services, under which the education sector falls, dovetailed with the mission's stated plan in the CDCS to reposition USAID's role in Peru, which was described as follows (page xii, red highlighting added):

"…Although development is a continuous process, there comes a time when direct bilateral assistance is no longer warranted, as a country makes the transition from donor recipient to development partner….With this CDCS, USAID is laying the groundwork for a new partnership over the next 10 years, with the GOP assuming greater ownership through an increased focus on the use of host-country systems and through local capacity development. This CDCS outlines plans for USAID to conclude its support in many 'traditional' development sectors over the next five years: health, trade capacity building and labor, elections, and education. For those sectors in which USAID intends to maintain engagement during the CDCS period, USAID will continually assess how to shape its assistance in order to further transition out of direct support."

Thus, the 2012-2016 CDCS communicated USAID's intent to transition out of direct assistance, emphasizing the use of host country systems to achieve objectives across the mission's portfolio of support. This emphasis aligned well with the mission's longstanding support for Peru's efforts to decentralize to the regions. USAID/Peru had been supporting decentralization since the early 2000s through an ongoing project called Pro-Decentralization (PRODES), to help improve public service delivery and government accountability. In addition, government-to-government financing was not new to USAID/Peru, as the mission had been working to provide funding to the GOP and to the regions in various ways since the 1980s, and had developed

GOOD PRACTICE – SETTING THE STAGE FOR G2G USE

USAID/Peru clearly followed ADS Chapter 220 guidance (1) in determining that conditions were conducive for use of G2G systems in Peru and (2) designing a CDCS that made use of integrated, cross-cutting approaches focused on host-country system strengthening that were suited to the use of G2G mechanisms.

strong and productive relationships, particularly in the region of San Martin. San Martin had an effective, popular leader whose long-lasting administration resulted in fewer staff turnovers and a better-run administration than typically experienced in other regions[14].

USAID/Peru's strategy to work directly with and strengthen host country systems led to its decision to utilize G2G mechanisms when they were created, as it was complementary to what was already being done and supported the mission's vision and CDCS.

Peru's Education Sector Context

The main legal instruments governing education in Peru are the Constitution, approved in 1993, and the General Law of Education, approved in 2003[15]. These establish the right to education for all children. There are three basic education modalities: regular, special (for students with disabilities), and alternative (for students over 15-years old who have dropped out of school and wish to complete secondary). The Ministry of Education's main responsibilities are to design education policies, oversee the national system, and manage the national education budget. At the decentralized level, regional offices of education (*Dirección Regional de Educación*, or DRE), are closely linked to the regional Governor's office, and Local

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[14] Information obtained in interviews with Regional Program Office staff in October 2017.

[15] http://unesdoc.unesco.org/images/0025/002595/259532e.pdf

Offices for Educational Management (*Unidad de Gestión Educativa Local*, or UGEL), are the closest links to schools. Although the DREs and UGELs are meant to have key decision-making roles in education management at the local level, the way in which the central Ministry of Education manages the education budget has limited their potential[16].

The DREs and UGELS often have limited technical and management capacity. Since the 1990s, the central Ministry of Education (MINEDU) has been dedicating increasing amounts of budget resources to what are called "national programs" in response to these weaknesses, resulting in limited local decision-making capacity[17]. The central Ministry's stated role in guiding legislation is to define national education policies, not to directly intervene in educational management. However, the central MINEDU regularly goes beyond its oversight role and instead focuses on *prescribing* to the decentralized education system entities what they must do with their resources by means of these "national programs." In this way, the goal of having national education policy serve as a vehicle that guides and enables action at local levels – the only way to effectively manage a diverse and complex education system – is currently not being achieved in Peru.

The GOP needed a lot of assistance in organizing, defining, and using a more decentralized system than before – this was a major factor in the mission selecting the G2G modality. USAID's work to support the San Martin region over the years had produced a number of successes. Its actions to support strengthening of decentralized education management capacity in the Amazon region were an effort to create an enabling environment for bringing decision-making closer to the local level, such that education could be adapted to local needs and realities. USAID/Peru's decision to work through G2G education mechanisms at the regional level, rather than the national level, was seen as one way to help achieve that goal.

Learning Achievements and Key Constraints

Looking at the current overall state of Peru's education system, as in much of Latin America presently, Peru's primary school enrollment rates are high. The net enrollment rate for primary school stood at 94 percent in 2015 (51% male, 49% female)[18]. The persistence to the last grade of primary school in 2013 was 89 percent for males (% of cohort) and 92 percent for females (% of cohort)[19]. Although primary enrollment and retention rates are high, quality and equity remain serious concerns. The quality of Peru's primary education is amongst the worst in the world; it ranked 129th out of 137 countries in the *2017-2018 Global Competitiveness Report*. Reading achievement scores illustrate this fact. On the Programme for International Student Assessment (PISA) test for 2015[20], for example, Peru's mean score

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[16] Guadalupe, César; León, Juan; Rodríguez, José S.; Vargas, Silvana; "*Estado de la educación en el Perú: Análisis y perspectivas de la educación básica";* GRADE, 2017, pg. 68,
http://www.grade.org.pe/forge/descargas/Estado%20de%20la%20educaci%C3%B3n%20en%20el%20Per%C3%BA.pdf.

[17] Ibid.
[18]https://data.worldbank.org/indicator/SE.PRM.NENR?locations=PE
[19] Ibid.
[20] The Organisation for Economic Co-operation and Development (OECD) launched the Programme for International Student Assessment (PISA) in 1997. PISA assesses the extent to which 15-year old students, near the end of their compulsory education, have acquired key knowledge and skills essential for full participation in modern societies.

in reading performance was one of the lowest among PISA-participating countries and economies (rank 62/69)[21]. The average performance in reading of 15-year-olds is 398 points, compared to an average of 493 points in OECD countries. In terms of gender, the difference between boys and girls in reading performance is one of the smallest among PISA-participating countries in favor of girls (-8 PISA Score, rank 1/69). Peruvian girls performed better than boys with a statistically significant difference of eight points (OECD average: 27 points higher for girls)[22]. In addition to overall weak achievement test scores, equity is a key issue. Many areas in the Amazon Basin, USAID's geographic area of focus, are sparsely populated and difficult to access, limiting educational opportunities. In Ucayali and San Martin, while progress had been made on reading scores for second graders, these regions continue to lag behind the national average. In 2016, 46.4 percent of second grade students read at grade level nationally, compared to 38.5 percent in San Martin and 25.6 percent in Ucayali[23].

Policies put in place by the Ministry of Education in recent years have addressed four fronts: student learning, teachers, infrastructure, and management. For raising student learning, key policies include: increasing access to preschool education; providing pedagogical support to classroom teachers; extending the school day in secondary schools; boosting intercultural bilingual education; investing increasingly in educational material; and adopting a new school curriculum, approved in 2016[24]. Key constraints that prevent the achievement of more significant results in Peru's education sector are[25]:

1. Public education institutions remain generally centralized, weak, and lack sufficient capacities, thus hampering the implementation of an effective decentralization process;

2. Changes in government administration and turnover resulting from regional and national elections, create a vacuum during which regional teams have to organize and provide information for the transfer of duties to new officials and teams who sometimes do not share the same educational priorities; and

3. Cultural and ethnic bias against indigenous populations still prevail in Peru, keeping these groups marginalized and vulnerable.

USAID Support for Education in Peru

The education G2Gs implemented by USAID will be discussed below in Section IV. Before turning to those activities, it will be useful to discuss a number of recent projects and activities in Peru that set the stage for the G2G mechanisms.

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[21] Student Performance PISA 2015, http://gpseducation.oecd.org/CountryProfile?primaryCountry=PER&treshold=10&topic=PI.
[22] Ibid.
[23] Peruvian Ministry of Education, *Resultados de la Evaluación Censal de Estudiantes ECE 2016,* http://umc.minedu.gob.pe/wp-content/uploads/2017/04/ECE-2016-presentaci%C3%B3n-de-resultados-web.pdf.
[24] Op.cit. World Bank Group, 2017.
[25] Canadian International Development Agency (CIDA), *Evaluation of CIDA's Peru Program 2005 – 2010*, July 2012, https://www.oecd.org/countries/peru/peru-eng.pdf .

These were:

Innovations in Decentralization and Active Schools (AprenDes - $15.5 million, 2003-2009)[26] AprenDes developed an innovative model to strengthen decentralized management of primary public education working closely with Peru's new regions created under the decentralization law, complemented with a pedagogical approach to improving learning, participation, and democratic behavior in rural, multi-grade schools. AprenDes, working with schools for up to five years, benefitted more than 16,577 students and 811 teachers from 364 communities in San Martin and Ucayali, and catalyzed 10,000 parents to participate in their children's education. By the end of the project, AprenDes was also working in the regions of Amazonas, Junín, Lambayeque, and Ayacucho.

Andean Center for Excellence in Teacher Training (CETT-Andino - $14.8 million 2002-2010)[27]. CETT-Andino was a regional program managed by USAID/Peru that covered Bolivia, Ecuador, and Peru and was part of a broader Latin American regional initiative, with approximately half of the funding going to Peru. The CETT-Andino program focused on improving reading and writing instruction at the primary level, with a focus on grades one – three, to reduce high rates of illiteracy and school underachievement. In Peru, CETT-Andino trained 5,777 teachers, 939 principals and benefitted 163,809 primary school students through one and two-year programs. Schools were located primarily in Lima, Callao, Cuzco, Piura, and Ucayali. The project was implemented in partnership with the *Universidad Peruana Cayetano Heredia* (UPCH) based in Lima.

Quality Basic Education Reform Support (SUMA - $12.9 million, 2009-2014) promoted decentralization by providing technical assistance (TA) for educational reforms and restructuring. It completed a number of studies to assess the status of decentralization in the education system and made recommendations to improve efficiency and clarify the functions at each level of government. SUMA also supported the development of information systems to provide data for programming, planning, and monitoring and evaluation.

GOOD PRACTICE - SUSTAINABILITY

Both AprenDes and CETT-Andino, by building accompaniment of the teacher in the classroom (i.e. coaching) into their programs, contributed to the creation in 2007 of Peru's ongoing nationwide support program for education called PELA ("Programa Estratégico de Logros de Aprendizaje" or Strategic Program for Learning Results). PELA is a GOP program that continues to provide resources to support accompaniment in the classroom, long after the end of both AprenDes and CETT-Andino. A cost-effectiveness study carried out by AprenDes was instrumental in making the argument for the Ministry of Economy and Finance to make the additional funds available to establish PELA.

Active Schools III in Alternative Development Communities - CEPCO (*Centro de Estudios y Promoción Comunal del Oriente* - Cooperative Agreement - $3.2 million -

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[26] Bernbaum, Marcia; Herrera, Jose Rivero; Schiefelbein, Ernesto, *Evaluation of USAID/PERU'S Education Programs: AprenDes AND CETT-Andino: Summary Evaluation Report*, April 2010.

[27] Ibid.

2014-2017). CEPCO's purpose was to improve student outcomes in reading and math in rural schools located in alternative development communities and promote community participation and licit lifestyles. It worked in Ucayali, San Martin, and Huánuco.

PRODES (*Programa Descentralización* – TetraTech ARD/Peru - $17.2 million 2003 – 2008; $10.6 million 2008 – 2012; $14.9 million 2012 – 2017). PRODES was an important cross-sectoral decentralization project that had three phases, beginning in 2003. PRODES worked in USAID-target regions and focused on three areas: National Policy, Institutional Strengthening of Subnational Institutions, and Transparency and Accountability. It supported education with decentralized management, teacher hiring, and the distribution of educational materials. Some examples of PRODES achievements that supported education in recent years are[28]:

- San Martin - (1) Effective reduction of time spent distributing educational materials and resources in the Lamas UGEL (local education unit) from 81 days in 2013 to 10 days in 2017; (2) In 2017, 100 percent of teaching positions (as opposed to 25 percent in 2015) are covered by the San Martín Regional Government.

- Ucayali – (1) Helped the DRE (regional education office) create a Regional Education Management Model for implementation; (2)

GOOD PRACTICE – USE OF INTEGRATED USAID ACTIVITIES TO CREATE A SUPPORTIVE ENVIRONMENT FOR G2GS

The cross-sectoral PRODES activity, which USAID supported for many years, helped strengthen decentralized capacity of regions to manage their resources. In education, it helped address critical "out of classroom" concerns such as delivery of materials, payment of teachers, and overall management of education services.

One UGEL fulfilled the performance commitment to timely delivery of educational materials before the start of the school year, achieving 90 percent delivery among its educational institutions. Schools now have their materials before classes start.

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[28]TetraTech ARD/Peru Branch, *Peru Prodecentralization Program Annual Report FY5 - 2017 (October 2016 – October 2017),* http://pdf.usaid.gov/pdf_docs/pa00n2bq.pdf.

IV. USAID G2G Support to the Peruvian Education Sector

G2G Development

As previously discussed, at the Agency level there was an emphasis on working with host country governments and local systems. The accompanying procurement reforms and push for more pointed strategies focused on local solutions served as the backdrop for the G2G modalities used in this timeframe. This, taken together with Peru's renewed work on decentralization, informed the development of USAID/Peru's education programming and the G2G instruments to support it. In addition, due to its experience working with host country funding, USAID/Peru self-selected to become a pilot G2G mission in 2010.

The mission established three types of G2G agreements with the government of Peru: a **national level** G2G with the National Commission for Development and Life without Drugs (*Comisión Nacional para el Desarrollo y Vida sin Drogas* - DEVIDA); a **ministerial level** G2G with the Ministry of the Environment (*Ministerio del Ambiente* - MINAM); and a **regional level** G2G with the San Martin region. The regional level G2G with San Martin, signed in 2012, was designed to be multisectoral. It included activities contributing to three Development Objectives (DOs) from USAID/Peru's CDCS 2012-2016: Alternative Development, Management of Public Services, and Environment. USAID education support in Peru for the majority of the period examined by this case study fell under DO-2 -- "Management and quality of public services improved in the Amazon Basin," Purpose 2 "Delivery system for reading instruction improved." DO-2 used an extremely integrated and cross-cutting approach, with work to address GOP management and public service issues across multiple sectors including decentralization, education, health, civil society participation, conflict, justice, and trafficking in persons.

In identifying G2G opportunities for education, USAID/Peru aligned itself with the global [USAID Education Strategy 2011–2015](#), seeking to contribute to an increase in the number of second grade children reading at grade level. This complemented previous USAID education work in Peru, and supported GOP education priorities in three interrelated fields for improvement: 1) Learning: teaching methods, teachers training, and production and distribution of educational materials; 2) Human Resources: pre-service and in-service training, labor regulations, and evaluation for teachers and principals; and 3) Management: information for decision-making, budgetary regulations, timely delivery of goods and services, reduced corruption, and adequate, skilled management of personnel[29]. Moreover, DO-2's cross-cutting approach was well suited to the multi-sectoral design of the San Martin G2G. USAID education activities under the San Martin G2G supported the GOP's education program entitled *"Programa Estratégico de Logros de Aprendizaje"* (PELA) - Strategic Program for Learning Results in English. With the launch of Amazonia

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[29] Information from the DO-2 PAD approved on June 17, 2014.

Reads in 2014, an additional activity was included which originally was called "PELA plus," but later renamed as *"Proyecto Enseñar es Liderar"* (PEEL) – Project Teaching is Leading.

Amazonia Reads (*Amazonia Lee*)

USAID/Peru's DO-2 Project Appraisal Document (PAD) introduced the new "Amazonia Reads" activity (*Amazonia Lee* in Spanish) that it would begin to implement based on USAID's Early Grade Reading (EGR) approach, to provide training and technical support to improve reading in basic education. *Amazonia Lee* was designed in the context of longstanding work in education since the early 2000s, as described in the previous section. The government of Peru had a large decentralization reform effort, which USAID had supported with activities such as SUMA and PRODES. USAID's largest funded alternative development activities had been focused on anti-coca work at the regional level; offering basic services, specifically in education and health, was a preventative strategy by AD to mitigate coca growth as part of an integrated approach, strengthening GOP presence and governance in coca regions. Priorities for working with host country systems at the Agency, mission, country and regional levels were all in alignment; this was the time for an agreement between USAID and the regional governments in San Martin and Ucayali to implement an evidence-based reading activity, *Amazonia Lee*.

Key education staff involved in the design of *Amazonia Lee* emphasized that USAID was not attempting to "change the world" given the small amount of resources available for education and the large budget of the central Peruvian Ministry of Education (MINEDU)[30]. Rather, USAID wanted to help demonstrate to the MINEDU that a phonics approach was an evidence-based and more effective way to teach reading than the outdated reading approach that Peru was using at the time. The mission Education team worked with the USAID/Washington LAC Bureau Education Office to put into place an impact evaluation for *Amazonia Lee* in both San Martin and Ucayali. This would be the means for generating evidence about the approach and its various components; thus, monitoring, evaluation, and learning were taken very seriously beginning in the earliest design phases of the *Amazonia Lee* G2G activities.

GOOD PRACTICE – "GETTING TO YES" WITH NEW APPROACHES FOR READING

For various reasons, in a number of countries, Ministries of Education are resistant to using a phonics-based approach to reading, despite global evidence demonstrating its effectiveness. USAID convinced the Peruvian MINEDU to allow the use of a phonics-based approach by agreeing that Amazonia Lee would not completely throw out the "whole language" approach that the MINEDU preferred. This led to the creation of what has been referred to as the "balanced approach" ("enfoque balanceado" in Spanish) for Amazonia Lee, which combined the two approaches.

When asked for details about how this approach worked in interviews, key staff in UPCH, principals, teachers, and USAID indicated that in fact Amazonia Lee used the phonics-based approach to teach reading and use of the term "balanced" didn't really indicate a new approach. Teaching phonics is not at odds with an emphasis on comprehension (a main focus of the whole language approach), thus it was not disingenuous to present it as an integrated approach. Using the word "balanced" was more of a political compromise to allow for the use of phonics than an actual hybrid approach.

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[30] Information obtained in an interview with Evelyn Rodriguez-Perez, Chief of USAID/Peru's Education Office at the time the *Amazonia Lee* design began.

The final configuration of the *Amazonia Lee* education program resulted in two G2G agreements (in San Martin and Ucayali regions); a cooperative agreement to support the G2G work with the *Universidad Peruana Cayetano Heredia* (UPCH); and an impact evaluation of the G2Gs supported by the LAC Reads regional activity. The G2Gs and UPCH technical assistance support agreement were designed to be implemented in San Martin and Ucayali regions.

Brief descriptions of the two education G2G agreements and the cooperative agreement designed to provide technical assistance to the G2Gs follow:

Amazonia Reads **- Teaching is Leading (PEEL) with the Regional Government of San Martin (GORESAM) ($4.4 million – June 2014-December 2017) – G2G agreement**. The purpose of this G2G was to develop technical and managerial capacities of the Regional Government of San Martin's education offices, to increase the percentage of students reading at grade level standards. The program included: improvement of the quality of teaching, education materials, coaching, training, curriculum and evaluation of learning achievement; strengthening of education systems that support key areas of the quality of teaching and learning; improvement information systems of the Regional Department of Education (DRE) and Local Education Management Units (UGELs) in order to use administrative data effectively; sensitization of the education community to support reading and promote behavior change.

Amazonia Reads **- Leading Children's Learning (LANN) with the Regional Government of Ucayali (GOREU) ($2.5 million – December 2014–December 2017) – G2G agreement.** The purpose of the G2G was to leave in place education sector technical and managerial capacities within the Regional Government of Ucayali to increase the percentage of second grade students reading at grade level, thereby ensuring sustainability of the interventions' results and local capacity building. The program had the same elements as the GORESAM G2G activity.

Amazonia Reads **– "Capacity Development and Engagement" – Cooperative Agreement AID-527-A-15-00003 with *Universidad Peruana Cayetano Heredia* (UPCH - $5 million – January 2015–January 2018).** The purpose of this activity was for the local Peruvian university UPCH to provide expert technical assistance to the Regional Governments of San Martin and Ucayali to improve the percentage of children performing at grade level standards in reading (communication) and math[31]. The program included: strengthening the regional curriculum and improving instructional materials for primary school principals, teachers, and students; establishing a customized, demand-driven training program for principals, education specialists, and teachers; strengthening management and administrative leadership of the regional school system by strengthening the capacity of DRE principals and specialists; awareness raising related to reading, gender balance, and assessment; and private sector engagement.

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[31] The mission drafted a Justification for Exception to Competition for a Cooperative Agreement in accordance with Chapter ADS 303.3.6.6.a.(2)(a) Exclusive or predominant capability to do a sole source award to UPCH.

G2G Public Financial Management Risk Assessment Framework

As noted above, USAID/ Peru self-selected as a pilot for what became the Implementation and Procurement Reform, Objective 1 in mid-2010. A Washington-based appraisal team visited Peru in October 2010 to help the mission conduct the Stage 1 Public Financial Management Risk Assessment Framework (PFMRAF) Rapid Appraisal Process[32]. Significant work preceded the team's arrival in Peru, including considerable coordination with GOP agencies and discussion within the mission. Appropriate elements of the draft Stage 1 questionnaire were translated by mission foreign service national (FSN) staff and transmitted to relevant agencies, which completed and returned the document to the mission. Audit reports were scrutinized and summarized. Program areas were considered and proposed for the appraisal. The Stage 1 PFMRAF Rapid Appraisal concluded that Peru was "clearly ahead of many other missions in the use of country public financial management systems," and that "USAID Peru should move aggressively to a formal Stage 2 risk assessment[33]." USAID/Peru was lucky to have extremely knowledgeable and experienced Financial Management Office (FMO) staff to lead the time- and labor-intensive PFMRAF Stage 1 and 2 processes necessary to set up the G2G agreements. The Regional Program and Regional Legal Offices also provided critical support, as did staff from USAID/Washington who visited to assist the mission during PFMRAF stages.

Due to the multi-sectoral nature of the G2G work in Peru, PFMRAF Stage 2 reviews were completed for what were to be the mission's major G2G partners. These were: The Regional Government of San Martin (GORESAM – October 2011); the Ministry of the

> **LESSON LEARNED – THE G2G DESIGN PROCESS IS LABOR-INTENSIVE FOR FINANCIAL MANAGEMENT STAFF**
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> Getting from the PFMRAF stage to being ready to issue Implementation Letters was a long process requiring many hours of FMO staff time, including training counterpart GOP financial managers in the use of USAID systems so that they would be able to manage the reporting requirements in the coming implementation phase.

Environment (MINAM – August 2012); the National Commission for Development and Life without Drugs (DEVIDA - *Comisión Nacional para el Desarrollo y Vida sin Drogas* in Spanish – October 2012)[34]; and the Regional Directorate for Education in Ucayali (DREU – April/May 2014).

The first education G2G work with San Martin predated the creation of *Amazonia Lee*. After detailed and time-consuming PFMRAF preparation phases (Stage 1 was completed in November 2010 and Stage 2 for San Martin was completed in October 2011 – almost a year later), the first G2G Implementation Letter (IL) with the Regional Government of San Martin (GORESAM) was signed on March 30, 2012[35]. Thus,

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[32] Information in this section is taken from the Peru Stage 1 Rapid Appraisal report dated November 9, 2010.

[33] Ibid.

[34] DEVIDA is a decentralized public institution under the Presidency of the Council of Ministers, responsible for the design and implementation of the National Strategy of the Fight against Drugs. It is the counterpart agency/implementing partner for USAID's Alternative Development program in Peru.

[35] Implementation Letter No. 527-0423-SM-1.

time elapsed from starting the first financial analysis to being able to award funds was close to 18 months[36]. Conducting the mandatory PFMRAF analysis was the first step in designing the financial structure of the G2G Agreement. Once the PFMRAF stages were complete, budgets had to be negotiated and agreed upon with the regional government. The first Implementation Letter authorized $2 million of GORESAM resources and $6 million of USAID resources to be used for initiatives in Environment, Education, Health, and Alternative Development. Of the total amount, Education was set to receive $1.2 million of USAID funds and $400,000 of GORESAM counterpart. An IL in April 2014 increased USAID funding for education to $2.2 million, with GORESAM counterpart of $2.3 million.

Amazonia Lee funding began in 2014. In July 2014, the overall GORESAM G2G agreement was increased to just over $11.1 million of USAID funds with approximately $5 million to be contributed by GORESAM as counterpart. Three million dollars was authorized to support *Amazonia Lee* at that time. In December 2014, USAID agreed to fund *Amazonia Lee* through December 31, 2017. The first G2G Implementation Letter with Ucayali was for *Amazonia Lee.* It was signed on December 14, 2014. The USAID contribution to this IL was to be $2.5 million, with $1.1 million counterpart funding. The life of the project was to be through December 31, 2017, coinciding with the timeframe for San Martin.

G2G Programmatic Management Considerations

Across a decade, USAID built relationships and the institutional capacities of San Martin's financial and procurement systems through PRODES. Based on this work, an experienced Education Director and a committed FSN education economist had sufficient dialogue with San Martin education officials to develop a G2G agreement to implement an evidence-based approach to reading. San Martin requested direct budget assistance from USAID. These factors helped paved the way for a G2G activity in education.

GOOD PRACTICE – FACTORS WHICH SET THE STAGE FOR G2G DESIGN

1) Clear vision and strong education staff in USAID coupled with a strong relationship with regional San Martin education counterparts.

2) Previous technical assistance to San Martin and a demand-driven G2G education program.

At the time of the initial G2G design process with San Martin, USAID/Peru had a combined Health and Education Office (HEO). The Education team had two project manager positions. The DO-2 PAD stated that, "Given recent and anticipated changes in funding and related management burden, the Education team is undergoing a reconfiguration process, which may include adding field positions[37]." mission offices were being reconfigured in line with the close-out of a number of programs, but at that particular time it seemed as though there would be sufficient education staff to manage the G2Gs for some time, even if the office merged with the governance program, as was being discussed at the time. The staffing situation over the

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[36] The OIG Review of USAID's Partner-Country and Local Organization Assessments under Implementation and Procurement Reform (Report No. 9-000-13-003-S - https://oig.usaid.gov/sites/default/files) in 2013 required even more time and attention from FMO staff: They were required to implement corrective actions having to do with testing and maintaining supporting documentation for San Martin's regional government financial management systems.

[37] Development Objective 2 PAD, approved June 10, 2014, pg. 34.

next few years turned out to be much more unstable than predicted (to be discussed further below in the "implementation" section of this document).

As with FMO staff on the financial side, USAID/Peru found that the work of dedicated and experienced education staff was critical for designing the education G2G agreements. Preparing for the technical start-up of G2G-supported activities absorbed nearly all of one education FSN staff member's time. In interviews, USAID staff estimated that this FSN spent 50 percent of her time physically in Moyobamba, San Martin (a one-hour plane ride from Lima and 2 ½ hour drive from Tarapoto), to help the regional education office design its work plan, get activities in place, and understand USAID requirements and ways of working. This person also served as a hands-on trainer for regional GOP education staff as well as being a source of technical expertise.

LESSON LEARNED – THE G2G DESIGN PROCESS IS LABOR-INTENSIVE FOR TECHNICAL STAFF

Without large time investments by experienced staff who were able to work side-by-side with GOP counterparts, it would not have been possible to launch the education G2Gs.

USAID staff present at the time of the San Martin G2G design stated that the original intent of the education G2G in San Martin was to strengthen the teacher training unit that already existed there. USAID wanted to supplement this unit with additional staff initially, with the regional education office absorbing staffing by 25 percent each year over three years. Had this plan been followed, issues of sustainability that began cropping up later may have been averted. However, it appears that the idea of regional governments absorbing staff was not consistently pursued or documented by USAID (probably unintentionally due to many staff changes), as it does not appear in the early G2G Implementation Letters or work plans from that time.

Some sustainability ground was made up in later stages of the G2Gs. For example, in preparing 2017 work plans, both GORESAM and GOREU agreed that they would absorb salaries for monitoring and evaluation experts and communication experts during the last quarter. As a transition measure toward long term sustainability, the regional governments also agreed to include development of public investment projects in the 2017 work plans. The goal was for public investment project funding to be used to fund staff and continue to implement (and potentially expand) successful pedagogical methodologies. Unfortunately, as the end of the G2G funding approached, these activities had not been fully developed. Thus, GOP funding was not guaranteed to be immediately available after the end of *Amazonia Lee*.

Another sustainability issue had to do with the hiring of temporarily contracted staff. In interviews, many USAID staff members (technical and financial) cited the outside contracting of non-permanent staff by the GOP to work on USAID G2Gs as an issue. This issue will be taken up in the next section on implementation.

With the addition of the early grade reading focus through *Amazonia Lee* in 2014, USAID sought technical assistance of an entity with expertise in early grade phonics-based teaching of reading, to assist San Martin and Ucayali to implement this methodology. A sole-source cooperative agreement was awarded to the *Universidad Peruana Cayetano Heredia* (UPCH), a local university. UPCH had developed education materials and a teacher training program incorporating the five basic skills for reading in the curricula complementing the "whole language" of the Ministry of Education in Peru. The teacher training program and the education materials were developed under the earlier CETT model which was financed by USAID in the past. USAID's goal for the cooperative agreement was that UPCH would not only build the capacity of San Martin and Ucayali's regional education offices, but also share their expertise and train other local partners (e.g. other Peruvian universities, teaching training institutes, or NGOs) to be able to provide services similar to what they provide in terms of reading support.

Education staff from the mission and from USAID/Washington stated that at the time the UPCH agreement was being designed, UPCH found it difficult to respond to USAID ideas of sustainability and capacity-building of other partners. After years of developing its own institutional capacity in reading, UPCH saw itself as the purveyor of technical expertise and not the trainer of others to acquire similar expertise. It required time and effort on USAID's part to reorient UPCH's thinking (and its Program Description) to respond to USAID's expectations regarding the purpose of providing technical support, i.e., to strengthen regional and local capacities to carry on with what UPCH would be teaching them.

At times, technical considerations complicated G2G agreement design and implementation. For example, the *Amazonia Lee* program was implemented through three mechanisms: two G2Gs (Ucayali and San Martin) and the UPCH technical assistance agreement. An impact evaluation under the LAC Bureau education program "LAC Reads" was also envisioned as part of the overall package, to measure impact and contribute to the evidence base. USAID brought in an evaluation firm to start work on the baseline, working with regional counterparts to establish control and treatment groups. After this was done, however, a number of changes in Peru's plans for providing education support to the regions took place that resulted in some disagreement over what would or wouldn't be done in schools, including the control and treatment schools. Further negotiations between the GOP and USAID were needed. This caused delays in implementation and added more actors to an already complex picture. In addition, delays in getting the G2Gs up and running compressed the timeline for collecting data for the impact evaluation

and resulted in evaluators only being able to collect two years of data rather than the originally planned three. The lesson learned here is that in a G2G with a complex set of actors in place, planned timelines frequently slip, making it necessary to carefully weigh decisions about whether and how to build in impact evaluations to ensure that there is adequate time to capture meaningful data.

As noted above, USAID had a longstanding, strong relationship with the government of San Martin. Conversely, the Ucayali government was a newer partner as G2G and did not have the strong leadership that was present in San Martin. The mission's heavy workload and Ucayali's weaker administrative capacity led to delays on the procurement and implementation fronts. USAID's relationship and capacity-building experience with the Ucayali Regional Education Department had been brief (approximately 18 months). The timeframe was too short to build the capacity and relationship needed in Ucayali for sustainability.

LESSON LEARNED – G2G ESTABLISHMENT REQUIRES LONG LEAD TIMES

Many actions must be taken before a G2G can be signed. These include policy dialogue, coordination of many different actors; pre-agreement assessments; writing of the G2G agreement and sequencing of the implementation letters (ILs); and training of G2G counterparts. Putting into place the technical assistance needed to support the G2Gs, and doing so in a timely manner, are also critical. The result is that it can take several years to get a G2G agreement in place.

G2G Implementation

As noted above, the design phase of the G2Gs required large amounts of time, experience, and patience on the part of USAID financial and technical staff. Getting implementation rolling did not lighten the load of either financial or technical staff. Key factors during G2G implementation both from the financial and technical management points of view are discussed below.

G2G Financial Implementation

Mission FMO staff interviewed for this case study spoke of the hands-on work they undertook to train counterpart GOP financial staff in the regions on regulations and procedures related to management of USAID grant funds. These interviews and the Update of the Stage 1 Rapid Appraisal (May 2017) highlighted several issues. There were a number of delays when the GOP first began using G2Gs due to misunderstanding of how to manage USAID funds using advances and liquidations; for example, learning to understand when approvals were needed or not needed to proceed. Separate bank accounts for USAID funds were required, but the GOP often segregated USAID funding in separate budget line items, creating a separate management system for those funds. Another issue was that the GOP often outsourced the job of managing G2G funding, hiring non-GOP staff to do the job. Hiring outside staff at times led to resentment as contract personnel, often with little or no GOP experience, were sometimes paid higher salaries than GOP personnel. Outside hiring also meant that GOP permanent staff were not developing the capacity to manage G2G funding. These actions that created both a parallel management system and

a parallel management team were counterproductive to the goal of strengthening G2G systems and permanent staff[38].

GOP counterpart staff turnover was also a major challenge encountered, whether it occurred when governmental officials changed, when managers were found to be incompetent or dishonest, or when people left their jobs for personal reasons. FMO staff who had invested time training GOP staff found themselves called upon to start training over again "from zero" many times when new people were brought on board. This inevitably led to implementation delays and setbacks. Initial delays due to use of new systems were eventually ironed out, and FMO staff stated that they felt that they had helped improve GOP capacity with their hands-on training and assistance. This does not mean that challenges disappeared, but rather that some successes in GOP knowledge and capacity were observed by these staff.

The heavy management load that use of G2G requires is a factor that any mission considering G2G use should take very seriously. USAID/Peru's PFMRAF Stage 1 report acknowledged that the G2G process is not always a smooth one, and that delays in implementation could likely occur: *"Missions will need reassurance from Agency management that increased pipelines, an inevitable result of programming through country systems, will not be allowed to adversely affect programming. These trade-offs should be explicitly addressed and affirmatively endorsed as acceptable or desirable."[39]*

> **LESSON LEARNED – G2G IMPLEMENTATION SETBACKS ARE FREQUENT**
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> While there are no easy answers, it is important for missions to consider how G2Gs will respond when setbacks occur. An example is staff turnover during political administration changes, a change that can be expected in many places but the impact of which cannot be predicted. PFMRAF analyses are detailed and study systems in place and their readiness to implement a G2G. However, the frequent phenomenon of having to "reset" when staff members change and new people need retraining should be factored in, to make G2G planning timeframes and expectations more realistic. This is just one example of an implementation setback that is common.

G2G Technical Implementation

In order to collect data for this case study, a USAID education finance specialist from the E3/Education Office and a consultant visited USAID/Peru for two weeks in October 2017 to conduct interviews with key informants in Lima, San Martin, and Ucayali. They were joined by USAID/Peru mission staff and a visiting LAC Bureau staff member for various interviews and field visits. They interviewed officials from the Regional Education Directorates (DREs), specialists and coaches from the DREs and from the local education management units (UGELs), staff from the regional UPCH technical assistance teams, community organizers, school principals, teachers, coaches, and parents.

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[38] As noted, the mission had a number of G2Gs – not all of them used outside contractors for management, e.g. DEVIDA used its own staff.

[39] Peru: Stage 1 Rapid Appraisal, November 9, 2010, pg. 5.

SUCCESSES IN *AMAZONIA LEE* IMPLEMENTATION

Visits to the regions enabled the teams to note examples of strong technical implementation of the *Amazonia Lee* activities supported by the G2Gs with San Martin and Ucayali. For example, it was evident during field visit classroom observations and interviews with teachers, principals, and regional education officials that the evidence-based phonics approach that USAID supports for EGR programs was being used, and that those interviewed were convinced of its effectiveness. Many teachers stated that they saw children reading three to four months earlier than when using previous reading methods. Teachers used games, songs, reading corners, story-telling, and a wide variety of other approaches to teach early grade reading. Interviewees highlighted the fact that materials had been adapted to the realities of the Amazon region and that they had participated in their

development, something that they had not been invited to do before. Teachers cited the value of having demonstrative lessons and support from coaches as they put into practice what they were learning. Principals learned from each other in group sessions about school management and how to support reading in the entire school, not only in early grades. Regional officials described having a better understanding of the importance of monitoring and evaluation of reading results and the use of data to inform decision-making in schools. Parents participated in sessions showing them how to help their children learn to read by engaging them in fun activities at home and outside of school, to increase both the children's and parents' enthusiasm for literacy and reading.

The *Amazonia Lee* impact evaluation will be discussed below in terms of formally measured progress in reading. The successes just noted here demonstrate that those participating in *Amazonia Lee* were able to describe many ways in which the activity had helped improve their ability to support early grade reading for the children in their schools and communities. As noted earlier in this document, USAID's multi-sectoral activity supporting decentralization, PRODES, served as an additional support to improve management capacities at regional level. Although not as directly, PRODES helped create conditions in schools that supported successful implementation of all education activities, including *Amazonia Lee*.

Having briefly touched on positive aspects of G2G technical implementation, this document will now consider some of the challenges that *Amazonia Lee* faced during its implementation.

Challenge: USAID Staff Turnover

The most serious technical implementation challenges that emerged for USAID/Peru's education G2Gs were management shifts and an extremely heavy turnover of USAID staff on the education team. The mission CDCS was moving increasingly toward close-out of the health and education portfolios, and thus, offices were being reconfigured. In addition, some staff left due to personal life circumstances, and some had to move to other positions to cover staffing shortages in the mission as a whole. The result was that by the end of three years of *Amazonia Lee* G2G implementation, seven different individuals had managed the G2Gs and the technical assistance agreement with UPCH. Some of these individuals were experienced project and activity managers in certain sectors, but others were new either to USAID or in an activity

manager role. This lack of continuity, and at times experience with education programming, was one of the chief causes of difficulties in technical implementation of *Amazonia Lee*.

A clear example of a management challenge due to USAID staff turnover has to do with sustainability: mission staff present in the early days of education G2G design stated that they envisioned that the G2Gs would be written to require gradual GOP absorption of staffing positions like education specialists and coaches. These ideas were not formally documented in the G2G implementation letters or work plans. G2G funds were very often used to hire temporary staff to serve technical education functions in the regions (e.g. as coaches or education specialists). If the approach to sustainability had been defined and documented in plans for regional governments, requiring that they absorb the costs of these positions over time, sustainability would not have been an issue. As it was, however, that did not happen. Many of the people gaining technical skills in coaching and education management at the regional level would no longer be in the regional unit after the G2G funding ended, as they were not permanent staff to begin with. The result was something that looked like a USAID project or activity with staff brought in just for that particular activity, the only difference being that the funding was through a G2G mechanism. Approaching G2Gs in this way works against some of the very goals of governmental system and staff strengthening inherent in the choice to use a G2G mechanism; it was a source of problems and frustration for USAID with G2Gs in general, across other sectors in which it was working.

Because of high mission staff turnover, education G2G managers often did not benefit from historical perspective of previous managers when tasked with taking over complex and sometimes problematic G2G situations that were added to their existing workload. It is not clear whether this could have been averted, but it does serve as a cautionary tale when making choices about whether or not to use G2G mechanisms for a USAID project or activity. USAID/Peru is lucky to have several outstanding Program Office FSN staff who have helped steer the G2G ship with their expertise and historical knowledge of mission programs, but they do not take on day-to-day G2G management.

LESSON LEARNED - G2G MANAGEMENT REQUIRES A WHOLE-OF-MISSION EFFORT

The Front Office, Program Office, Financial Management Office, Legal Office, and Technical Office must all have both the will and the resources to take on a G2G. When any one of these pieces weakens for any reason, problems can result.

This case study focuses on USAID/Peru's education G2Gs. Since the mission had a strategy to use host-country systems portfolio-wide, the case study team also asked about G2G management in other sectors and spoke briefly with G2G managers on other Development Objective teams, to get a broader perspective of USAID G2G usage in Peru. A good practice example related to G2G technical management emerged from the Alternative Development (AD) office: The team managing the AD portfolio has a G2G agreement with Peru's national drug control commission, DEVIDA, and G2G-supportive technical assistance contracts with implementing partners. The DEVIDA G2G Activity Manager and the support contract Activity Manager communicate continuously about their work; the G2G activity manager also

serves as Alternate Activity Manager for the G2G support contracts. Serving in these roles helps facilitate knowledge-sharing and continuity across the AD portfolio, a good management practice.

Challenge: Host Country Management Capacity and Turnover

Another technical implementation challenge for the education G2Gs with San Martin and Ucayali had to do with regional government management capacities and turnover. High turnover of technical leaders at the regional government level impacted G2G management. While the G2G coordinators in each region did not change, the DRE Directors and other key technical staff supporting the G2Gs were removed several times. In the short life of *Amazonia Lee* in Ucayali, four regional directors were removed and in San Martin, at least three. Technical implementation was also affected by a lack of political will on the part of regional authorities to provide ongoing attention to G2Gs. Despite the presence of high level authorities at public events or meetings, real political will means commitment to making changes, and assigning staff and resources to work together with USAID in pursuing common goals.

Challenge: Weakness in Monitoring and Evaluation

As previously mentioned, UPCH, a local university with strong background in early grade reading and experience working with the MINEDU, was the implementing partner for the technical assistance component to provide support to the regions for G2G-funded activities. While strong in areas such as curriculum development and teacher training, UPCH did not have similarly strong monitoring and evaluation (M&E) capacity. As a result, USAID needed to put in place complementary efforts to improve the M&E capacity of the regional governments. While the G2G agreements had provisions for USAID-funded M&E staff (two people in San Martin and one in Ucayali), the individuals hired were teachers by training who were assigned to take on the role of monitoring and evaluation, not experts with a strong technical background. Because of this, USAID found it necessary to contract with another project focused on M&E to help the regional governments improve their capacities, dedicating staff paid by this project to provide direct technical assistance to the regional governments. M&E weaknesses resulted in Performance Management Plans (PMPs) of the three implementers (the regional governments and UPCH) being completed at a very late stage. San Martin only completed its PMP at the end of the second year, for Ucayali it was 18 months; and UPCH did not fully complete its PMP until the third year.

The lesson learned here is that it is necessary to determine how M&E will be conducted in the earliest design stages of G2G agreements. If skilled M&E personnel are not readily available in the zones where USAID plans to work, consideration should be given to how this will be handled up front, rather than waiting until implementation is about to begin or is already underway.

AMAZONIA LEE IMPACT EVALUATION FINDINGS

As noted earlier in this document, *Amazonia Lee* formed part of the larger set of LAC Reads activities that the LAC Bureau was supporting throughout the region. In order to ensure that evidence, progress, and lessons learned would be captured in these early grade reading-focused activities, the LAC Bureau assisted in-country missions to conduct impact evaluations so that this important data could be collected. As part

of this G2G technical implementation section, we will look at how *Amazonia Lee* in Peru performed as measured by the impact evaluation conducted for it.

The U.S. firm Mathematica Policy Research partnered with the *Grupo de Análisis para el Desarrollo* (GRADE) as its local research and data collection partner to conduct a randomized control trial to estimate program impacts. The initial idea was to measure three full years of impact of the program on first graders, but program rollout was delayed, and the evaluation ultimately focused on the 2015 first grade cohort only through the end of second grade, i.e., two years of impact[40]. In Ucayali, control schools received the usual services the Ministry of Education provides in the department. In San Martín, a majority of the control schools received additional assistance in the form of a primary education support program known as *Soporte Pedagógico* (Pedagogical Support), a Ministry of Education initiative rolled out at the same time of the implementation of *Amazonía Lee* in 2015 in selected departments[41]. Because the Ministry of Education was providing different services to the schools assigned to the control group in each of the two regions at the time of the evaluation, Mathematica conducted separate analyses for each region.

This report will not go into details regarding the impact evaluation – the report is available for those who wish to review the detailed findings. Here we will only mention the findings regarding impact on students' reading skills:

- In Ucayali, *Amazonia Lee* "led to positive impacts of substantive magnitude on reading familiar words, decoding, and reading comprehension."[42] No statistically significant differences were found between boys and girls.

- In San Martin, "students in the treatment group had similar reading outcomes to students in the control group."[43]

The impact evaluation found that when compared to prevailing practice, as was the case in Ucayali, *Amazonia Lee* achieved substantive effects of magnitudes similar to those found in other rigorous evaluations. When compared to a program that provided services similar to those provided by *Amazonia Lee*, the case in San Martin, students in both groups had similar reading outcomes. In San Martin, the control group received similar rates of professional development and in-class coaching as the treatment group, as well as after-school tutoring for students that *Amazonia Lee* did not offer. The evaluation report posited that this may have been the reason for the similar impacts of *Amazonia Lee* and the Ministry's *Soporte Pedagógico* in San Martin. In its role as technical assistance implementing partner, UPCH helped

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[40] Campuzano, Larissa; Fernández, Camila; Glazerman, Steve; Murray, Nancy; and Padilla, Ivonne; Mathematica Policy Research, "*Evaluation of Amazonia Lee in Peru: Executive Summary,*" August 2017.

[41] The rollout of *Soporte Pedagógico* led to some delays in *Amazonia Lee* implementation in San Martin due to disagreement about whether or not already-chosen control schools would receive the Ministry's new program. The evaluation report provides information about the differences between the two programs.

[42] Op. cit., Campuzano et. al, 2017, pgs 15-17.

[43] Ibid., pg. 20.

the regions to understand the findings of the evaluation report and to think about how they could use the findings to make changes and improvements.

In summary, despite the very short two-year time frame evaluated, *Amazonia Lee* did lead to improvements in children's reading. In areas with no GOP support programming offered (Ucayali), the impact was greater than in areas where the GOP offered a program with similar support systems (San Martin). The mission Education team was preparing to organize events in the regions and at the national level to discuss the results of the impact evaluation in late 2017.

G2G Close-Out Phase

At the time of this document's writing in November 2017, USAID/Peru's two education G2G agreements with San Martin and Ucayali were scheduled to come to an end in December 2017. UPCH's technical support agreement was scheduled to end in January 2018. Both the G2Gs and the UPCH agreement had unused funding (the amount for the UPCH agreement was $1.5 million), and the mission was considering whether it would approve no-additional-cost extensions to any or all of them. One of the key considerations being discussed was sustainability.

The CDCS planned for a close-out of the education portfolio with the end of the strategy period in 2016, which was later extended to June 2019. The formerly combined Health and Education Office (HEO) had been reconfigured since the G2G mechanisms began, merging HEO with the Democracy, Human Rights, and Governance (DRG) Office to become the Governance and Institutional Strengthening (GIS) Office. The new GIS Office Director, who arrived after the merger, was a very experienced USAID Education Officer now faced with managing a completely different portfolio that was moving from Education and DRG programming toward a DRG-only focus. With the mission prioritizing governance as one of three remaining sectors in the mission portfolio, the GIS office was preparing to design new DRG activities that would require substantial technical and management work for the GIS team. With limited staff available, extending education activities made management responsibility a consideration to be taken into account. Thus, there was a balance to be determined between closing out education activities and preparing for new DRG activities, and the need to factor in what would be best for *Amazonia Lee* sustainability.

In the closing phases of the G2G education experience, GIS hoped to focus on helping the regions institutionalize *Amazonia Lee* achievements by supporting them to make their case to the central MINEDU to continue using *Amazonia Lee* materials and methodologies in their regions. GIS held discussions with regional DRE leadership to determine what this might look like. The San Martin DRE Director had plans to make the case in a national meeting of regional governments to take place in November 2017 in Lima for the continued use of *Amazonia Lee* methodologies and materials for both teachers and students. Thus, opportunities existed to get the G2Gs back on track with sustainability, despite earlier bumps in the road when concrete plans for regional uptake of staffing and continuance of training and coaching were not laid out.

Taking into account financial, human resource and strategic direction considerations, the GIS team considered its options with mission management to provide the needed support for sustainability of the *Amazonia Lee* program for the education G2Gs and supporting UPCH technical assistance agreement, to either:

1. Extend the two G2G agreements (San Martin and Ucayali) and the UPCH TA Cooperative Agreement;
2. Extend one G2G agreement (San Martin) and the UPCH TA Cooperative Agreement;
3. Extend only UPCH TA Cooperative Agreement; or
4. End all agreements.

Option 2 seemed to be the optimal choice, given the commitment, political will, and interest on the part of San Martin, and the need to focus on sustainability that could be supported through the UPCH TA Cooperative Agreement. GIS proposed a number of specific ideas for extending the UPCH agreement to the Front Office. These were to[44]:

- Focus on a reduced and targeted set of actions that best position the regions to articulate the program clearly within, and in response to, the Ministry of Education's new curriculum framework and project consolidation efforts;
- Cement the *Amazonia Lee* pedagogical experience and put in place the institutional measures for tested approaches to have the highest probability of transfer and permanence in non-literate environments, specifically the Amazon;
- Include a demonstration component focusing on the devolution of project personnel to permanent ones, serving as a showcase within Peru for Amazonian and other region learning, exchange and further uptake; and
- Work directly with national and regional level stakeholders, policies and processes to complete efforts to secure interest, commitment and resources to the *Amazonia Lee* approach.

The outcome of these discussions had not been decided at the time of this writing.

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[44] Information in bullet points is from an internal memo from GIS offering thoughts about a potential UPCH extension.

V. Summary – G2G Lessons Learned and Good Practices

This document has attempted to briefly capture the main points of a very complex history of education G2G design and implementation over approximately the last eight years, since USAID/Peru volunteered to be a G2G pilot mission in 2010. A number of lessons learned and good practices have been flagged in each section. Here, we return to some of the major themes that emerged from this case study, specifically those that have broad application to any mission or education team contemplating the use of, already implementing, or getting ready to close an education G2G.

G2G Pre-Design and Design Phase – Good Practices

1. ***USAID/Peru designed G2Gs to build upon current or previous USAID education work in-country, setting the stage for solid technical design and improving chances for sustainability.*** Host country engagement was a key part of these efforts. Agreement design runs much more smoothly when USAID has established successes and has clear knowledge of the challenges and opportunities present in the country's education sector.

2. ***USAID/Peru made the most of cross-sectoral programming to strengthen the work of the education portfolio.*** Various efforts supported mission education work over the years, e.g. decentralization and M&E activities. This allowed the mission to develop a strong footing for project and activity design and implementation, based on long-running host country engagement and commitment.

3. ***USAID/Peru's determination to have a G2G agreement with San Martin was informed by a history of USAID programming and contextual opportunities (e.g. decentralization).*** Knowing your partner is important to building trust. New opportunities that were opened up by Peru's new decentralization policy created an avenue for support to mutual bilateral objectives (USG and GOP).

G2G Pre-Design and Design Phase – Lessons Learned

1. ***Critical host country engagement pre-conditions need to be in place when considering the use of G2G financing.*** Examples include close working relationships with the partner government; high levels of host country commitment to system strengthening; the identification of common host country and USAID goals and commitments; and strong host country leadership.

2. ***The type, scale, form and degree of sustainability must be clearly defined at the outset, and consensus reached with the host country.*** Doing this serves both to engage stakeholders and to obtain the necessary commitment and agreements. If the opportunity is missed in the design stages, it will be very difficult later on, during implementation or close-out, to make up for lost opportunities.

3. ***The entire USAID mission must be committed to the G2G process,*** as it involves time and effort from so many offices, i.e., the Front Office, Legal Office, Program Office, Technical Office, Controller's Office, and the Office of Acquisitions and Assistance (when traditional mechanisms are used to support the G2Gs).

4. ***Missions must determine whether they have the required analytical muscle in the Financial Analysis section within the Controller's Office to manage G2Gs[45].*** The two stages of the Public Financial Management Risk Assessment Framework (PFMRAF) rapid appraisal process require a solid FSN financial analyst team. USAID/Peru had such a team in place.

5. ***Design and implementation of G2G mechanisms require not only knowledge and experience, but also an extremely large time commitment on the part of technical and FMO staff.*** They have key roles in design, implementation, monitoring, evaluation, and training of counterparts to work with USAID systems. Time and workload considerations must be factored into any decision to use G2G mechanisms, particularly if the host country systems are weak.

6. ***Inexperienced administrative and technical personnel assigned or hired by the government to support USAID projects are not generally knowledgeable*** of the host country's government systems, regulations, and requirements[46]. This can create problems in the implementation phase.

7. ***Hiring dedicated "project" employees within government institutions responsible for overseeing the implementation of donor activities is not a viable solution because it goes against the principle of institutional strengthening***. Additionally, this creates rivalry between government employees and "project" employees, who generally lack the authority of their government peers[47]. Salaries may also be different, leading to resentment.

8. ***Time and workload considerations must be factored into any decision to use G2G mechanisms.*** Design of a G2G's technical components is extremely labor-intensive and time-consuming. It requires education sector expertise, and the ability of an education team staff

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[45] This finding is drawn from 2010 PFMRAF Stage 1 report, November 9, 2010.

[46] This finding is drawn from the PFMRAF Stage 1 Rapid Appraisal Update, May 2017.

[47] Op.cit. PMFRAF Stage 1, 2017.

member to potentially spend many hours working hand-in-hand with local counterparts on design. Education teams often need extensive policy dialogue with the Ministry of Education to come to agreement on approaches to be used (e.g., the use of the phonics-based approach in Peru or issues that emerged regarding the planned impact evaluation).

9. ***Education G2Gs have the best chance of being sustained when there is host-country demand.*** Often, this means that USAID ensures that local entities are oriented and know what they are getting into. For example, the San Martin region sought USAID education assistance as part of its cross-sectoral G2G. At close-out, San Martin is showing the most thought about and interest in sustaining the work done under the education G2G.

10. ***Limiting the number of actors engaged in G2G activities can ease management complexity.*** USAID/Peru's experience with the G2G impact evaluation illustrates this point. While planned as part of the G2G package from the beginning, the impact evaluation added additional complexity to the G2G process. Had everything gone as originally planned, there would not have been issues with conducting an impact evaluation. However, the long lead time required to get the G2Gs up and running combined with heavy staff turnover, a shortened overall timeline for G2G implementation, and changing GOP political priorities resulted in difficulties that affected G2G implementation. Careful consideration of the time and conditions needed to conduct a quality impact evaluation as part of a G2G effort is extremely important.

11. ***There may be opportunities to engage in policy dialogue with Ministries of Education during project and activity design phases regarding significant factors that can drive transfer and sustainability.*** Trained EGR teachers were often reassigned to other schools or classes during the course of activity implementation, and replaced with new, untrained teachers. This happens in many countries. It would have been helpful to dialogue with and obtain agreement from the MINEDU <u>before activity start-up</u>, to ensure that teachers in USAID treatment schools not be reassigned during the years of the project.

G2G Implementation Phase – Good Practices

1. ***Using technical assistance support contracts or agreements to help implement a G2G can be highly effective.*** In Peru, UPCH's support to the regional education offices to develop teacher training modules, train coaches and teachers, mobilize and train principals, and engage parents and communities was critical given the lack of reading technical expertise in the regions.

2. ***The USAID/Peru Alternative Development team closely linked their G2G with its technical assistance project***, both technically and managerially. This resulted in open communication channels and shared information across the team, allowing them to better manage complex G2G activities.

G2G Implementation Phase – Lessons Learned

1. *Going through an exercise to anticipate common issues and determine whether there can be back-up plans could be extremely useful.* G2G implementation setbacks can be frequent. In addition to "normal" USAID project delays, G2Gs walk the tightrope of using host-country financial payment systems that are not always efficient[48]. Team brainstorming about how to handle delays or shifts in implementation may help identify and prepare for some of these issues up front.

2. *When working with host-country governments, staff turnover due to political transitions happens frequently.* Work with local government partners to determine whether and how dedicated and/or more permanent staff be assigned for technical and financial work wherever possible. Build in cushion time in budgets and personnel level-of-effort (LOE) to manage turnover. Determine whether back-up plans can be put into place, factoring in implementation time needed to re-train new people after an election, for example.

3. *It is imperative that there be solid activity management from the technical office, to prevent (or plan ahead for) management turnover on the USAID side whenever possible*. Implementation will involve the agendas and priorities of many entities (host government, USAID, implementing partners, regions, communities, schools, etc.), making USAID management stability a priority.

4. *The sustainability approach must be revisited along the way during implementation, as the context changes and evolves, to check assumptions and progress.* Implementing partners often need careful oversight from the USAID technical office to ensure they are staying on track with knowledge transfer and sustainability, which may not always be comfortable for IPs but which are very important themes in a G2G environment.

5. *G2Gs and their supporting activities run most smoothly when there is constant information flow within the USAID management team.* Technical offices can set up Activity Manager/Alternate Activity Manager roles for IL managers and support TA agreements, to encourage information sharing and cooperation.

6. *Use or establish internal processes to capture and share lessons learned.* Using the semi and annual reporting mechanisms as opportunities for learning and exchange on G2G issues and management would be a good forum to create a support network across teams and to capture (even document) the experience of managing G2G instruments.

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[48] An example in Peru is that of USAID technical education staff having to visit one region's governmental offices to get approvals so that G2G-paid education coaches would be paid their salaries, which were on hold due to delayed GOP financial processing.

7. *Implementation can be greatly affected by timing of awards and whether or not funds are available to begin an activity with a new school year*. The long and somewhat unpredictable lead-times of G2G mechanisms can make this challenge even more daunting. Take these factors into consideration when reviewing the feasibility of activity timing in implementation work plans.

G2G Close-Out Phase – Lessons Learned

1. *The G2G close-out phase should focus on sustainability, from both the financial and technical perspectives.* Although sustainability should be conceived during design, and work implemented with the intent of sustainability, the last phase of any activity should consolidate the sustainability approach. If extensions of a component or components of the program are granted, they should be centered around sustainability, not on continuing routine implementation activities.

2. *Local partners often need help with making concrete plans for sustaining G2G-supported activities.* The best-case scenario is that this process started from the beginning of G2G design and implementation. If not, USAID can make up some ground during close-out, using any extended time to focus on institutionalizing G2G inputs, both financial and technical[49].

3. *Communications and policy dialogue are key to successful and sustainable close-out.* A strong communication component should be included as part of close-out or in the last year of efforts to ensure visibility and discussion of results, good practices, and lessons learned. Policy dialogue is critically important. In Peru, for example, in the last few months of *Amazonia Lee*, a sudden cabinet shuffle brought in a new Minister and new Vice Minister. These were not the officials with whom policy dialogue had taken place in the last year, and with whom plans had been developed for uptake of key elements of the program. At the regional level, policy dialogue was important to pushing for more continuity or permanence of staff.

4. *Use close-out time to celebrate gains and raise awareness to support sustainability.* Include celebrations and acknowledgement of teachers and school directors, for example, to showcase achievements and maintain momentum that encourages sustainability.

In closing, it is important to recognize that it can take decades to build a weak government system. Missions working through host government systems using G2G agreements are working extremely hard to achieve objectives under challenging conditions. USAID/Peru stands at the front of the pack for the commitment and dedication of its staff. The mission is conducting creative cross-sectoral work to help strengthen host-country systems with the objective of moving Peru forward in reaching its development

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[49] In the case of Peru, for example, this could mean helping Regional Directors of Education make budget plans for funding materials or relevant education staff, such as coaches. It could mean helping principals build *Amazonia Lee* approaches into their annual school plans and teaching and/or management approaches. It could mean helping teachers document the good practices they have learned so that they can share them easily with their peers.

goals. missions around the world involved in G2Gs, whether in education or other sectors, are highly encouraged to look to USAID/Peru as a resource for extensive knowledge on G2G design, implementation, and close-out. The levels of experience and expertise in USAID/Peru are valuable Agency resources from which everyone is encouraged to benefit.