REPORT OF THE COUNTRY GRANTS AND PERFORMANCE COMMITTEE PART 2: INFORMATION AND RECOMMENDATIONS ON PROGRAM IMPLEMENTATION GRANT ALLOCATION AND FINANCING WINDOW FOR SECTOR ANALYSIS IN EDUCATION PLAN DEVELOPMENT GRANT

For Decision and Information

1. PURPOSE

1.1. The purpose of this paper is to summarize the deliberations of the Country Grants and Performance Committee ("CGPC") during its face-to-face meeting held in Washington, DC from April 29 through May 1, 2014. This is the first CGPC report to the Board, and excludes the recommendations regarding the Operational Guidelines on Requirements and Incentives in the Funding Model and the Results-Based Financing Pilot in Part 1 of the CGPC Report to the Board, which was presented to the Board for decision during its audio call on May 28, 2014.

1.2 This paper contains the following:

- Section 2: Recommendations on Program Implementation Grant Allocations (para 2.1)
- Section 3: General CGPC Observations with Regard to Program Implementation Grant Application Packages (para 3.1)
- Section 4: Programmatic Reporting-Back from Managing Entities for Smaller Grants (para 4.1)
- Section 5: Recommendation on a Financing Window for Sector Analysis in the Education Plan Development Grant (para 5.1)
- Section 6: Update on 2013 Second Round Grant Signing and 2014 Second Round Applications (para 6.1)
- Section 7: Portfolio Review Update (para 7.1)

1.3 This paper has the following annexes:

Annex 1 – Agenda for CGPC Face-t0-Face meeting April 29-May 1, 2014
Annex 2 –Attendance List for CGPC Face-to-Face meeting April 29-May 1, 2014
Annex 3 – Final Readiness Reports for the recommended Program Implementation Grants.

2. PROGRAM IMPLEMENTATION GRANT ALLOCATIONS

Recommendation

2.1 The CGPC recommends the following decision to the Board

BOD/2014/06-XX –<u>Approval of Allocations for Program Implementation Grants</u>: The Board of Directors:

1. approves the allocation from GPE trust funds for the program implementation grants as described in the applications submitted in the first round of 2014 and that are listed in Table 1 of BOD/2014/06 DOC 11, subject to:

   (a) availability of funds; and

   (b) Board decision BOD/2012/11-04 on commitment of trust funds for Program Implementation Grants in annual installments.

2. requests the Secretariat to:

   (a) include in its notification to each of the relevant Governments of the approval of the allocations, the conditions, requests for report back, and observations on the program set out in Table 2 in BOD/2014/06 DOC 11;

   (b) provide to the CGPC an update at its next face-to-face meeting on the issues listed as "conditions" and "report back" in Table 2 of BOD/2014/06 DOC 11.

Reasons for Recommendation

2.2 Table 1 below contains a summary of the Program Implementation Grant application packages reviewed by the CGPC at its meeting on April 29-May 1, 2014 and the CGPC's recommendations on funding (including supervision allocations and agency fees).

Table 1: Summary of Program Implementation Grant Requests and CGPC Recommendations for Funding (all amounts in US$)

Country	Supervising Entity (SE)/Managing Entity (ME)	Allocation Requested	Allocation Recom-mended by CGPC	Supervision Allocation[1]	Agency Fee % and Amount	Period	Funding Source
Pakistan-Sindh	World Bank (SE)	66,000,000	66,000,000	600,000	1.75% -770,000[2]	3 years	GPE Fund II GPE Fund
Pakistan-Balochistan	World Bank (SE)	34,000,000	34,000,000	500,000	1.75%-595,000	3 Years	GPE Fund
Togo	World Bank (SE)	27,800,o00	27,800,000	750,000	1.75%-486,500	3 Years	GPE Fund
Haiti	World Bank (SE)	24,100,000	24,100,000	600,000	1.75% -421,750	3 Years	GPE Fund
Uzbekistan	World Bank (SE)	49,900,000	49,900,000	500,000	1.75%-873,250	3 Years	GPE Fund
Totals		**201,800,000**	**201,800,000**	**2,950,000**	**3,146,500**		

[1] The Supervision Allocation amounts are all in line or less than the standard amounts as outlined in the guidance on Supervision Allocations approved by the Board in November 2013.
[2] Year 1 of the grant for US$22 million will be funded from the GPE Fund II (Contributions from the EC). No agency fees are applicable on this tranche as fees are deducted directly from the donor contribution. Year 2 and 3 for US$44 million will be funded from the main GPE Fund and an agency fee of 1.75% or US$770,000 will be applied to this portion of the grant.

2.3 As can be seen from **Table 1** above, the CGPC is recommending that the Board approve all of the application packages as presented by the relevant LEG.

The Board should note the following:

Uzbekistan

2.4 Uzbekistan submitted an application for the second round of 2013 in the amount of US$49,900,000. The FAC determined not to recommend funding of the proposal at that time due to reports of state-sponsored forced child labour in Uzbekistan during the cotton harvest. FAC members also expressed concern about the lack of consultation within and restricted membership of the LEG in Uzbekistan. The Board discussed the issues raised by the FAC and determined a revised proposal from Uzbekistan, addressing the issues raised, should be reviewed by the appropriate committee in the next funding round in early 2014.

2.5 The CGPC during its April 29-May 1, 2014 meeting discussed a revised proposal and determined Uzbekistan has made progress in addressing both the technical issues identified, along with the political issues raised. The CGPC also noted the project's progress towards accommodating minority languages. On the child and forced labor issue, the CGPC notes that the SE has incorporated monitoring and redress mechanisms related to the risks of child and forced labor, and that an ILO assessment reflects that progress has been realized in moving towards compliance with national and international child labor laws that the ILO will monitor.

2.6 The CGPC remains concerned, however, particularly with the issue of forced labor and its potential impact on teachers. The CGPC recommends the issue be systematically monitored at the project level, and requests the Coordinating Agency report back to the CGPC on both the project level outcomes and sector and national trends. The CGPC further requests the SE report to the committee on the triggers of redress mechanisms it has incorporated into the project to mitigate the risks of child and forced labor, especially with regards to teachers, noting the critical importance of third party independent monitoring.

2.7 As noted by the FAC earlier, there is a reputational risk in funding countries where there may be human rights violations. At the same time, the CGPC recognizes that GPE funding could contribute positively to improving the governance situation in the country. The CGPC recommends the Governance, Ethics, Risk and Finance Committee ("GERF") consider this issue broadly in conjunction with its work related to risk management.

Nigeria[3]

2.8 The CGPC reminds the Board that Nigeria submitted an application for the second Round of 2013 that was not recommended for funding as it seemed rushed and had a number of weaknesses in the project. The country was subsequently invited to submit an application in 2014. While the application was expected during the first round of applications, the country did not submit. The Secretariat now expects the country to submit for the second round of 2014 in September. The CGPC notes the Nigerian national elections which are due this summer and could affect the application due to lack of capacity related to the full focus on the election campaigns.

2.9 The Secretariat's Final Readiness Review under the Quality Assurance Review process for each of the application packages is provided in **Annex 3**.

2.10 **Table 2** below contains the CGPC's recommended conditions, requests for reports back to the CGPC, and general observations with relation to each application package. Pursuant to the recommended decision, these will be communicated by the Chair/Secretariat in the notification to the LEGs of the Board's grant decision.

[3] The Secretariat notes the recent security issues in Nigeria and the kidnapping of girls from their school and states its concern.

Table 2: CGPC Comments on Program Implementation Grant Application Packages

Haiti	
Conditions	N/A
Report Back	N/A
Observations	With respect to the sustainability of the program – both short-term and long-term – the committee requests to be kept informed, through Joint Sector Reviews, on the way forward and next steps on the development of a legal framework to support sustainability. The committee appreciates the LEG's emphasis on addressing the current imbalance between public and non-public spheres in the education system from an equity perspective. The committee emphasizes the significant role that civil society organizations, teacher organizations and other non-governmental groups have to play in the LEG and encourages their more regular participation in the LEG, particularly given the predominant role of non-public actors in the Haitian education system. The committee recommends continued coordination amongst partners in implementing programs to ensure sector support is complimentary and harmonized, and encourages this coordination be a primary focus of regular Joint Sector Reviews. The committee is pleased to see the development of a standardized accreditation system for non-public schools and requests regular up-dates, at the sector level through Joint Sector Reviews, on progress made to implement this system to ensure non-public schools meet and maintain minimum standards.
Pakistan-Sindh	
Conditions	N/A
Report Back	N/A
Observations	The committee encourages the use of data for accountability and to inform technical decisions. Further, the committee looks forward to seeing progress on the development of a clear data strategy including how the data will be used to promote participatory review of the ESP, impact decision-making and inform the political dialogue and affect policy change. The committee will be interested in seeing how the data will be leveraged to strengthen policy dialogue around gender equity.

	The committee requests the SE to report back on project performance within the scope of the broader World Bank SEP II project (in alignment with GPE reporting requirements that will be launched in January 2015) and with relation to sector work more broadly. The committee also notes the commitment to increase the government's contribution to education from 2.1% to 4% at federal level by 2018 and will monitor progress on this through the Joint Sector Review.
Pakistan-Balochistan	
Conditions	N/A
Report Back	N/A
Observations	The role of the local community in managing education services is appreciated. The committee strongly encourages the education sector to define a policy on language of instruction. The committee appreciates the Government's commitment to bringing contract teachers onto the government payroll in the financial year following the three-year implementation period of the grant and will be interested in following progress towards achieving this goal. The committee emphasizes the critical role of data collection and its importance in decision-making. The committee also notes the commitment to increase the government's contribution to education from 2.1% to 4% at federal level by 2018 and will monitor progress on this through the Joint Sector Review. The lack of conflict analysis in education is of concern. It is strongly recommended that conflict analysis conducted by UNICEF is shared among the different partners. The committee is interested in learning about what the process will be by which this conflict analysis will inform decision-making around implementation and how it will it be used in the Joint Sector Review on an annual basis
Togo	
Conditions	N/A
Report Back	N/A
Observations	The committee notes the incorporation in the program of lessons learned and building on previous experiences. The committee recognizes the successful efforts taken to address bottlenecks in addressing issues with the construction program in the previous grant and appreciates progress made in disbursements.

	With respect to girls' education, the committee encourages a holistic approach to interventions targeting girls, ensuring they are appropriate to the context and evidence-based. Close cooperation and collaboration in this area with other organizations is also encouraged. The committee notes the significance of plans to promote greater alignment through a pooled funding modality and the use of government systems. The committee requests close monitoring of the administration of the school grant of the project and early reporting back to the Secretariat on progress of year one of the program.
Uzbekistan	
Conditions	N/A
Report Back	The committee appreciates the efforts taken by the Local Education Group in response to November 2013 recommendations from the FAC. The committee notes that the 2013 ILO assessment reflects that progress has been realized in moving towards compliance with national and international child labor laws and that the ILO will continue to support the implementation of the national action plan to eliminate child labor. However, while these are important steps, the committee remains strongly concerned about this issue of alleged forced labor, noting particularly the reports of adult forced labor affecting teachers. The committee recommends that this issue be systematically monitored at the project and sector levels. In addition, the committee requests that the Coordinating Agency in Uzbekistan report back directly to the Secretariat on development around this issue. The committee notes that the SE has incorporated independent third party monitoring (TPM) and grievance redress mechanisms (GRM) related to the risks of child and forced labor. The SE is requested to update the CGPC through the GPE Secretariat on the setting up and on-going activities related to both mechanisms. Once the contract with the organization in charge of the TPM and GRM is signed, the SE is requested to update the CGPC on the terms. Additionally, when the mechanisms are in place, the SE is requested to keep the CGPC informed on the progress, as part of the regular reporting.
Observations	The committee promotes the strengthening of independent CSO participation in the planning, implementation and monitoring of the sector and recommends Uzbekistan look at ways of further incorporating the participation of CSOs in the LEG. While progress has been made, there remains a concern that the project does not accommodate all ethnic minority languages.

Next Steps

2.12 If approved by the Board, the CEO of the Global Partnership for Education will immediately send a letter to each of the relevant Governments advising of the grant decision and the CGPC's comments on the application.

3. GENERAL CGPC OBSERVATIONS WITH REGARDS TO PROGRAM IMPLEMENTATION GRANT APPLICATIONS

3.1 CGPC members made the following observations about the current set of program implementation grant applications:

3.2 Implementation and Financing Modalities

The committee notes a continued reliance on project funding and encourages the Secretariat to work with LEGs in exploring more aligned modalities with increased use of country systems and strengthened coordination at the country level for GPE grant financing.

3.3 Human Rights Violations

The committee recommends the Global Partnership be more deliberate about whether to fund countries where there may be human rights violations, suggesting the GERF weigh the potential reputational risk against aiding a country in changing its governance practices to remedy any violations in this area.

4. PROGRAMMATIC REPORTING-BACK FROM MANAGING ENTITIES FOR SMALLER GRANTS

4.1 In November of 2013, the Board requested the Secretariat develop standardized reporting on basic programmatic and financial information on GPE grants by Managing Entities and Supervising Entities (BOD/2013/11-10). The purpose was to create consistency in what grant information is captured and provide clarity for ME/SE on what is expected of them in terms of reporting. Staff subsequently set out to first develop a reporting template for the smaller grants, the Education Plan Development Grant and the Program Development Grant. Consultations with partner organizations currently playing the roles of ME or SE took place to better understand their internal reporting back requirements. Based on these consultations, reporting back templates were then developed for the EPDG and the PDG.

4.2 In order to avoid an additional burden on ME/SEs, the reporting form asks the entities to report only certain necessary information in addition to what they typically report internally. The template will be shared with SE/MEs who manage EPDG and PDG grants and is posted on Sharepoint.

4.3 A similar report-back form will be developed for the Program Implementation Grant for launch in January 2015 with the new funding model. The form will be shared with the CGPC in November. It will request such information as start/end/closing date, whether objectives were met, and lessons learned. Until the launch of the report-back form in January 2015, the Secretariat will continue to accept reporting from SEs and MEs in the format of thee SE's or ME's internal reporting back.

4.4 Secretariat staff notes that the Annual Portfolio Review is designed to provide a comprehensive grant review on all grants. However, in unusual cases, individual report-back forms will be shared with the committee in the interim, as appropriate. Staff will work with the committee on a traffic light approach to the portfolio, marking those grants at risk or otherwise worthy of note taking.

5. FINANCING WINDOW IN EDUCATION PLAN DEVELOPMENT GRANT (EPDG) FOR SECTOR ANALYSIS

Purpose

5.1 The purpose of this section is to present to the Board of Directors a recommendation from the CGPC to approve the establishment of a GPE funding window for the conduct of education sector analyses in countries where none exist or where current sector analyses are outdated. Recent sector analysis is critical in formulating a 'credible' Education Sector Plan, and as a consequence is a requirement in the new funding model. Further, taking into consideration the CGPC recommendation, the Governance, Ethics, Risk and Finance Committee (GERF) recommends authorizing an increase of the Secretariat's authority to approve EPDG grant applications from up to US$250, 000 to up to US$500,000.

Recommended Decision

5.2 The CGPC and GERF recommend that the Board approve the following decision:

BOD/2014/06-XX— <u>Proposal for creation of a window for funding education sector analyses within the existing Education Plan Development Grant mechanism</u>:

The Board of Directors:

1. Approves the establishment of a window for financing education sector analyses within the existing Education Plan Development Grant (EPDG) mechanism;

2. Authorizes an increase of the EPDG ceiling from US$250,000 to US$500,000 to include the additional funding for education sector analyses of which US$250,000 would be earmarked specifically for data and sector analysis;

3. Requests that the Secretariat update the existing Education Plan Development Grant guidelines as well as other GPE guidance documents to reflect this new financing facility. The CGPC will approve the guidelines prior to the launching of the new facility; and

4. Authorizes an increase of the Secretariat's authority to approve EPDG applications from up to US$250,000 to up to US$500,000.

Background

5.3 In November 2013 the GPE Board of Directors requested that the Secretariat prepare a proposal for financing (i) education sector analysis and (ii) education sector specific public expenditures and financial accountability assessments by the end of February 2014.[4] Subsequently, in keeping with the timeline of setting up the Board committees, specifically the Country Grants and Performance Committee, the Secretariat proposal was incorporated into the committee's work plan in the lead-up to its first formal working session in April 2014.

5.4 The existing Education Plan Development Grant (EPDG), established in 2012, has been used by a total of 27 GPE member countries or potential member countries to implement activities that are part of an accepted process leading to either a full Education Sector Plan (ESP) or a Transitional Education Plan (TEP) depending on the country context. In most cases GPE funding has been complementary to other identified sources of domestic and external funding. While the $250,000 ceiling for an EPDG had generally been adequate for the intended purpose, there has been no GPE financial support for the education sector analysis process which normally precedes the ESP development. The GPE – IIEP Guidelines for Education Plan Preparation and Appraisal (GEPPA), published in 2012, recommend a sector analysis as the first phase in the development of an ESP. Depending on the country context, this analytic phase is a process that is best managed separately from the subsequent development of the actual ESP. In some cases, the analysis is simply an update of certain elements of an earlier analysis, whereas in other cases, a full sector analysis takes place over a time period sometimes reaching 24 months. For this reason, it is advisable to provide GPE member countries and potential member countries with a facility for conducting sector analyses prior to the other parts of the ESP development process.

5.5 As noted in Data Strategy for Improved Education Sector Planning and Monitoring (BOD/2013/11 DOC 07), the former Fast Track Initiative Education Program Development Fund (EPDF), managed by the World Bank, provided financing for education sector analyses. When the EPDF ended there was no corresponding GPE Fund financing facility in place to cover the costs of such work. The Secretariat has found a notable decline in the number of ESPs that

[4] After consultation with the PEFA Secretariat and other partners, the Secretariat has determined that it is not possible to move forward with a Sector PEFA financing window at this time since more work needs to be done on the definition and operationalization of such an assessment.

are built on a strong sector analysis foundation as a result. Hence the need to create a window for financing such analyses. The existing EPDG mechanism can be modified to create an additional window which will provide both the financing and the flexibility for Developing Country Partners to respond to this need.

5.6 By providing funding for education sector analyses, the Partnership will also have an opportunity to further support capacity-building so that developing country partners will progressively take on greater responsibility for providing the technical expertise that is required for conducting sector analyses.

Reasons for Recommendation

5.7 Providing GPE funding for education sector analyses fills a critical gap left after the conclusion of the EPDF.

5.8 This proposal supports the new GPE funding model requirements where the sector analysis is specifically cited. It will also contribute to efforts to improve data as a tool to diagnose, draw evidence from education needs and challenges, develop relevant, appropriate sector strategies and track progress towards realistic targets, and serve as a basis for country-level monitoring and dialogue to improve implementation. Ultimately it serves the Global Partnership and its goals and strategic objectives.

5.9 Further, GPE support for education sector analyses will provide greater synergy between GPE member countries and will enhance the Secretariat's ability to technically support the process leading to, and the implementation of, sector analyses. The support will also enhance the ESP appraisal process at the country level since a recent sector analysis is one of the most important points of reference for determining the extent to which a sector plan is credible, cost-effective and addressing the salient unresolved issues in the sector.

Implications for Secretariat Resources

5.10 Secretariat time spent on EPDG processing and monitoring will double as it is estimated that nearly all GPE member and potential member countries that plan on requesting support for ESP development will also take advantage of the new financing window for education sector

analyses, either updates to existing analyses, or full sector analyses, once every three years. It is expected the countries will apply for sector analysis funding well before they submit a request for the other ESP development activities, in some cases 12 – 24 months earlier, so it will be important for the Secretariat to be able to process the increased number of applications. The processing and reviewing of additional EPDG applications for sector analysis are expected to require additional time commitments from members of the Country Support Team, Finance Team, and Leadership Team.

5.11 The Secretariat estimates that an additional US$10-US$12.5 million will be required over the course of the 2015-2018 period to fund this work. The expected costs have been factored into the "Available Resources" paper that was presented to the Board by the GERF during the June 2, 2014 Board audio-conference.

Next Steps

5.12 Following Board approval of the recommended decision, the Secretariat will update its EPDG guidelines and related documents to reflect the new financing window and the CGPC will ensure compliance with the funding model as approved by the Board. The guidelines will include operational information regarding the process for requesting funding, the types of analyses that will be covered by this financing window, the process for monitoring grant-funded results.

6. UPDATE ON 2013 SECOND ROUND GRANT SIGNING AND 2014 SECOND ROUND APPLICATIONS

6.1 In November of 2013, the Board approved a total of 14 Program Implementation Grants. Of the 14, Niger, Sierra Leone and Uganda have indicated they will request a three-month extension, which would extend the grant signing deadline from May 19, 2014 to August 19, 2014. The CGPC and Board will be notified of these extension requests once received. Secretariat staff noted the delays do not warrant major concern at this point.

6.2 For the Second Round of 2014, the following countries are expected to come forward with an application package: Bangladesh, Central African Republic, Republic of Congo, Guinea, Guyana, Kenya, Lao PDR, Nigeria, St. Lucia, St. Vincent and Grenadines.

6.3 With respect to Nigeria, the committee notes the country submitted an application in the Second Round of 2013 which was not recommended for funding and the country was invited to resubmit an application that addressed the weaknesses identified by the FAC. The country did not come through for the First Round of 2014 and is now expected to submit for the Second Round of 2014.

6.4 The committee considered possible consequences for countries planning to apply in the Second Round of 2014 that might slip into 2015. The current indicative allocations are only valid until the second round of 2014. Depending on the Replenishment and on the launch of the new funding model, indicative allocations and eligibility of countries may change from Second Round 2014 to First Round 2015. Various scenarios and responses were discussed.

6.5 In order to not inadvertently influence the decision of countries with a remaining indicative allocation in the current model to come forward in Round 2 of 2014 or not, the committee determined it would not recommend any action to the Board at this time. The various scenarios considered and the CGPC's recommended response to the scenarios have been forwarded to the GERF for its information during its meeting on May 5-6, 2014. The CGPC will monitor the situation and come forward with a recommendation in the fall, if necessary.

7. PORTFOLIO REVIEW UPDATE

7.1 Secretariat staff provided a brief overview on the process for the annual Portfolio Review due to the Board at its December meeting. The overview included a 2013 Portfolio recap, lessons learned, and proposed purpose, structure, and timeline of the 2014 Review which is ahead of schedule compared to last year.

7.2 Generally, there is a need to focus on implementation readiness and dig deeper into implementation arrangements and further analysis to encourage development partners to move towards more aligned support. SE/ME terminology and arrangements also need to be reassessed, including minimum reporting standards, in consultation with the SEs/MEs.

7.3 In terms of lessons learned from the previous Portfolio Review, there is a need for improved methodology for compiling information across grants to report on results and better grant-by-grant and country-by-country information in the Country annex. Further, there is a

need to deepen the analysis of modalities. The Review would also benefit from a fixed reporting period each year in order to be able to compare consistently.

7.2 In terms of identifying key risks in the portfolio, a grant-by-grant analysis typically shows common themes, which are then highlighted in the Review.

7.3 The stated objectives in the Portfolio Review will be restructured to align with the objectives of the new funding model to determine impact on the GPE.

7.4 The Secretariat will share a draft of the Portfolio Review with the CGPC in September for comments prior to finalizing the Review for the Board's consideration at the December meeting.

ANNEX 1: CGPC AGENDA APRIL 29-MAY 1 MEETING



CGPC /2014/04—DOC 01
Country Grants and Performance Committee Meeting
Washington, DC | C building - C8-150
April 29–30 and 1 May, 2014

Agenda

April 29, 2014

08:30-09:00	**Arrival and Breakfast**		
09:00-09:30	**Welcome and Agenda Setting**		Chair DOC 01
09:30-10:00	**Procedural Issues**	Information	Chair
10:00-10:45	**Programmatic Reporting Back from SEs and MEs for Smaller Grants**	Information	Secretariat / Tara O'Connell
10:45-11:00	**Coffee Break**		
11:00-12:00	**Draft Recommendation for Inclusion of Financing Window in Education Plan Development Grant for Sector Analysis**	Recommendation	Secretariat / Douglas Lehman DOC 02
12:00-13:00	**Lunch**		
13:00-14:00	**Pakistan-Sindh Program Implementation Grant**	Recommendation	Secretariat / Edouard Lamot
14:00-15:00	**Pakistan-Balochistan Program Implementation Grant**	Recommendation	Secretariat / Edouard Lamot
15:00-15:15	**Coffee Break**		
15:15-16:15	**Togo Program Implementation Grant**	Recommendation	Secretariat / Blandine Ledoux
16:15-16:30	**Wrap-up Day 1**		Chair

April 30, 2014

08:30-9:00	**Arrival and Breakfast**		
9:00-10:00	**Haiti Program Implementation Grant**	Recommendation	Secretariat / Thomas Jeffrey Ramin
10:00-11:00	**Uzbekistan Program Implementation Grant**	Recommendation	Secretariat / Josephine Lutta Kiyenje
11:00-11:15	**Coffee Break**		
11:15-12:15	**Program Implementation Grants - Overall Trends and Issues**	Information	Secretariat / Tara E. O'Connell
12:15-13:15	**Lunch**		
13:15-13:45	**Grant Signing Update & Second Round of Applications**	Information	Secretariat / Tara E. O'Connell
13:45-14:15	**Portfolio Review update**	Information	Secretariat / Margarita Focas Licht
14:15-14:30	**Coffee Break**		
14:30-16:30	**Presentation of the draft Operational Guidelines of the Funding Model - Requirements and Incentives (including Roles and Responsibilities of Country-Level Actors)**	Information	Secretariat / Paul Coustère and Margarita Focas Licht DOC 03
16:30-16:45	**Wrap-up Day 2**		Chair

May 1, 2014

Time			Presenter/Document
08:30-9:00	**Arrival and Breakfast**		
9:00-11:00	**Discussion on Draft Operational Guidelines of the Funding Model - Requirements and Incentives**	Discussion	Secretariat/Paul Coustère & Margarita Focas Licht DOC 03
11:00-11:15	**Coffee Break**		
11:15-12:15	**Discussion on Draft Operational Guidelines of the Funding Model - Requirements and Incentives**	Recommendation	Secretariat / Paul Coustère and Margarita Focas Licht DOC 03
12:15-13:45	**Lunch**		
13:45-14:45	**Draft Operational Guidelines of the Funding Model - Conclusion**	Recommendation (Continued)	Secretariat / Paul Coustère and Margarita Focas Licht DOC 03
14:45-15:15	**Draft Recommendation to Cancel Undertaking of Results Based Financing Pilot Based on Incentives Piece of New Funding Model**	Recommendation	Secretariat / Paul Coustère and Margarita Focas Licht DOC 04
15:15-15:30	**Coffee Break**		
15:30-16:30	**Review of Committee Recommendations on Program Implementation Grant Application Packages**	Information	Chair
16:30-16:45	**Any Other Business (AOB)**	Information	Chair
16:45-17:00	**Next Steps and Wrap-up Day 3**		Chair

ANNEX 2: PARTICIPANT LIST MEETING OF THE COUNTRY GRANTS AND PERFORMANCE COMMITTEE | APRIL 29-MAY 1, 2014, WASHINGTON, D.C., U.S.A.

Committee Members	Title and Organization	Constituency Represented
Ronald Siebes - Chair	Deputy Head, Education Division, Ministry of Foreign Affairs, Netherlands	Donor
Olav Christensen	Senior Public Finance Specialist, Human Development Network, World Bank, US	Multilateral Agency
Vigdis Cristofoli	Senior Advisor, Norwegian Agency for Development Cooperation, Norway	Donor
Fanny Gazagne	Chargée de Mission for Education and Development Ministry of Foreign Affairs, France	Donor
Sally Gear	Education Advisor, Department for International Development, U.K.	Donor
Jordan Naidoo	Senior Advisor, Education, UNICEF	Multilateral Agency
Lara Patil	Global Education Research/Policy Manager, Intel, US	Private Sector/Fdns
Imad Sabi	Program Officer, Oxfam Novib, Netherlands	CSO
Bounpahn Xaymountry	Acting Director, General Department of Planning, Lao PDR	Developing Country Partner
Minister Alim Hadidja Youssouf	Minister of Education, Cameroon	Developing Country Partner
Secretariat CGPC Staffing and Presenters		
Alice Albright	Chief Executive Officer	
Paul Coustere	Country Support Team Lead	
Tara O'Connell	Country Lead/Head of internal Committee on Grant Policies/CGPC Focal Point	
Margarita Focas-Licht	Country Lead/East and Southern Africa Regional Team Lead, and Head of internal Committee on Country Level Processes	
Josephine Kiyenje	Country Lead/Head of internal Cluster on Learning Outcomes	
Edouard Lamot	Country Lead/Head of internal Cluster on Education Finance	
Blandine Ledoux	Country Lead	
Douglas Lehman	Country Lead/West and Central Africa Regional Team Lead, and Head of internal Committee on Education Sector Policies	
Jean-Marc Bernard	Monitoring & Evaluation Team Lead	
Padraig Power	Senior Financial Officer	
Jeff Ramin	Country Lead/Asia, Pacific, Caribbean, North Africa , East and Central Europe Regional Team Lead	
Johanna Van Dyke	Board Operations Officer, and CGPC governance support	
Observers[5]	**Affiliation**	
Natalia Cherevatova	World Bank	
Paul Valentin Emog	Ministry of Education, Cameroon	
Appolinaire Tchameni	Ministry of Education, Cameroon	
Sally Waples	DFID	
Committee Members Absent with Regrets		
Daniel Nkaada	Commissioner, Basic Education, Uganda	

[5] Several Secretariat Country Support Team Staff Members observed small portion of the meeting.

ANNEX 3: FINAL READINESS REVIEWS

For Information

HAITI
Quality Assurance Review - Phase III
Final Readiness Review

Proposed Grant Amount: US$ 24.1 million
Implementation period: 3 years
Projected implementation start date: 1 September 2014

COUNTRY BACKGROUND

Based on 2012 data, Haiti's population was 10.5 million, its per capita income US$ 729, its GDP US$ 7,843 billion (2012) placing it 139th among 177 countries, and it was ranked 161st out of 177 on the 2012 Human Development Index. In 2007, tropical storms and hurricanes caused widespread damage and losses estimated at approximately US$ 900 million, or 15 percent of GDP. On January 12th, 2010, a 7.0 magnitude earthquake struck the capital, Port-au-Prince, causing the worst recorded humanitarian disaster in the Western Hemisphere. It is estimated that more than 225,000 people were killed, and approximately 1.3 million were forced into temporary shelters, where approximately 300,000 remain in several hundred camps around the country. A recent cholera epidemic also killed 7,800 people and has not been totally eradicated.

Since the earthquake, a major recovery effort was mounted with pledges of more than US$ 12 billion in humanitarian and development assistance, and some progress has been made under the government led by President Michel Martelly and Prime Minister Laurent Lamothe. Poor infrastructure, however, remains an obstacle to investment, and environmental degradation is a major concern. Political volatility, civil unrest and crime pose serious challenges to development, and the wealth gap between the impoverished Creole-speaking majority and the French-speaking minority remains unaddressed.

Half of the children in Haiti are unvaccinated and only 40 percent of the population has access to basic health care. Approximately 30,000 people suffer each year from malaria and 75 percent of Haitian households lack running water. As a result, unsafe water, along with inadequate housing and unsanitary living conditions contribute to the high incidence of infectious diseases. There is a chronic shortage of health care personnel, and hospitals lack resources.

EDUCATION SECTOR

Haiti faces challenges of both supply and demand in the education marketplace. On the supply-side, there are not enough spaces for children to enroll in school. On the demand-side, the average cost of US$ 70 in tuition per child/per year is prohibitive for poor families, especially when combined with other direct and indirect costs of sending children to school. It is estimated there are between 400,000 and 500,000 children aged 6-12 not attending school.
Even when schools are accessible, the quality of the education offered is uneven, and often very low. This is demonstrated by the findings of the Early Grade Reading Assessment (EGRA), carried out in 2008 and 2009 in Haiti. On average, children in grade 3 are able to read less than 23 words per minute, while 60 words per minute is considered standard for grade 3 reading fluency.

Approximately 2 million students attend 15,200 primary schools in Haiti, of which 90 percent are non-public and managed by communities, religious organizations, or NGOs. Though early grade enrollment rates are high, only 60 percent complete 6th grade. Secondary schools enroll 20 percent of eligible-age children. Literacy levels remain near 50 percent. In 2012, Haiti spent about 8.5 percent of its total national output (GNP) on education, although much of that came from parents who had to pay to send their children to non-public schools.

Haiti joined GPE in March 2008 with endorsement by the education donors of the National Action Strategy for Education for All (SNA-EPT) and an accompanying Implementation Plan (PMO-EPT) prepared by the Ministry of National Education and Vocational Training (MENFP). In January 2014, a revised sector action plan known in French as Programme d'Interventions Prioritaires en Education (PIPE) 2013-2016, was endorsed by the education donors, led by UNESCO as Coordinating Agency. Other members include: USAID, Spanish Agency for International Cooperation and Development (AECID), French Development Agency (AFD), Japanese Agency for International Cooperation (JICA), French Embassy, Inter-American

Development Bank (BID), World Bank, Swiss Development and Cooperation (DDC), UNFPA, UNICEF, Canadian Ministry of Foreign Affairs, Commerce and Development (MAECD), International Francophone Organization, UNESCO, WFP, and EU.

The Local Education Group (*Groupe Sectoriel d'Education* – GSE) is the mechanism to coordinate technical and financial support to Haiti's education sector. The GSE, led by UNESCO, which also fulfills the role of Coordinating Agency (CA) in Haiti, is comprised of local representatives from bilateral and multilateral development partners, and a representative from the local non-governmental organizations (NGOs). The group meets regularly and has been fully associated in the development of the sector plan (PIPE) and of this application. Civil society, the non-public education sector, and the Ministry of Finance also participated in the PIPE and GPE application process. The World Bank was designated as the Supervising Entity (SE) for the GPE grant; as such, it has supported preparation of Haiti's GPE application in collaboration with UNESCO and the other partners, and will provide fiduciary oversight and implementation support for the GPE grant. The government has created for every sector working groups ("tables sectorielles"); for education this is led by the MENFP and includes the ministry, donors, NGOs, and civil society.

In 2009, Haiti prepared a five year education plan (2010-2015) with an estimated cost of US$ 4.3 billion that left a financing gap of some US$ 2.9 billion. As a result, the plan was not endorsed by the donor partners, and the MENFP eventually agreed to prepare a three year (2013-16) priority action plan. This plan, known as PIPE, notes the significant imbalance between the public and private share of the sector where public schools currently represent only 12 percent of all schools and 22 percent of all students at the primary and secondary levels. The underlying strategy proposed by the PIPE is to alter this imbalance via a major investment of public funds that would see the share of the Haitian national budget allocated to education rise from 18 percent (2013) to 25 percent during the next three years. This is based on optimistic projections of economic growth and public revenues, and the political will to use these resources to achieve a rapid increase in the public share of the Haitian education sector. During this period it is estimated the number of students enrolled in public primary schools would reach 28 percent of total enrollment. The document also reworks the financing scenario resulting in an estimated funding gap of US$ 186 million (2014-2016). PIPE includes ten objectives covering all sub-sectors, including education for children with special needs. Approximately two-thirds of the total proposed budget is allocated to improve access and quality via recurrent and capital expenditures for primary education (fondamental 1&2) which covers grades 1-6.

With gross enrollment rates in excess of 100 percent and more than 2 million children enrolled, access to the first two levels of primary education (grades 1-6) is significant. Gender parity at

this level has also been achieved. Despite these high enrollment figures, however, only 60 percent of children complete the sixth grade and high drop-out rates continue. Unequal access to education remains an issue as well due to high reliance on the private sector which means schools may not be affordable or available in all parts of the country. Issues of quality related to unqualified and poorly trained teachers and the lack of learning materials also remain widespread.

Sustainable financing to attain and maintain quality education for all remains a major challenge in Haiti. Government has committed to provide a transparent financial framework that reflects its increasing financing responsibility for key policies to expand access. In 2011, the President announced creation of a National Education Fund (Fonds National de l'Education – FNE), financed through fees from incoming international calls and wire transfers. The FNE would finance: (i) the Government's universal, free and compulsory primary education program (Programme de Scolarisation Universelle, Gratuite et Obligatoire – PSUGO), which provides tuition waivers for non-public schools and fee waivers for public schools, as well as school materials; and (ii) the Government's national school feeding program—which is implemented by the national agency of the same name (Programme National de Cantines Scolaires – PNCS). The FNE therefore constitutes a key mechanism to ensure a stable source of public financing for the government's priorities in the primary education sector. However, its legal creation is still pending Senate approval, the timeline for the ratification of the FNE bill is unclear, and thus the prospects and timeline for sustainable Government of Haiti (GoH) co-financing of sector priorities remain uncertain. In the meantime, PSUGO and PNCS are being implemented, but there has been little public disclosure regarding the use of FNE funds which continue to be collected.

For these reasons, establishment of a sustainable budget and financing framework incorporating the FNE is a key area of focus in the ongoing dialogue between GoH and development partners. Since 2007 several development partners[6] have been co-financing with the Bank the Tuition Waiver Program (TWP) and the SNH Program, implemented by MENFP using the Bank's procedures. As the GoH's role in providing tuition waivers (through PSUGO) and school health and nutrition (through PNCS) increases, development partners are supporting several

[6] The Caribbean Development Bank (CDB), the Inter-American Development Bank (IADB), the Global Partnership for Education (GPE), and the Ministry of Foreign Affairs, Trade and Development of Canada -MAECD

mechanisms to improve transparency in budget programming and implementation, *inter alia*: integrated and comprehensive annual budgets and action plans as prior actions through a Bank-administered Development Policy Operation; technical and financial assistance for the development of a National SHN Policy, including a financial model for its sustainability, and the development of the PIPE and related financial model. An ongoing Public Expenditure Review is expected to provide comprehensive analyses on public resources (including donors' contribution and non-governmental resources) in the education sector.

PERFORMANCE UNDER PREVIOUS GRANTS

Haiti was the recipient of a first GPE grant (US$ 22 million) in 2010. The World Bank was designated SE for this project called the Haiti Education for All Fast-Track Initiative Catalytic Fund. Its objective is to improve access and equity of primary education for poor children aged 6 to 12. The EFA-FTI grant was 93 percent disbursed (as of January 2014), and fully implemented except for sub-components financing primary education curriculum revision and implementation of action plans on Early Childhood Development (ECD). A MENFP institutional strengthening action plan was developed and is currently being implemented. Results include helping 2,800 schools to re-open and pay teachers by financing one-time post-earthquake grants; the continued enrollment of about 83,300 students in non-public schools in 2011-12 by financing the Tuition Waiver Plan (TWP); helping to ensure student readiness to learn for about 17,000 students in 2010-11 and 45,000 students in 2011-12 by providing School Health and Nutrition (SHN) services; development of an ECD National Policy; and provision of vehicles and equipment to MENFP central and regional offices.

APPLICATION SUMMARY

The application seeks approval to provide an additional funding (AF) GPE grant in the amount of US$ 24.1 million to the World Bank financed Haiti Education for All (EFA) Project – Phase 2, a US$70 million grant which was approved in December 2011 and became effective in April 2013. This complies with the current GPE indicative allocation. The project objective is to support: (i) enrollment of students in select non-public primary schools in disadvantaged areas; (ii) student attendance in select public and non-public primary schools in disadvantaged areas; and (iii) strengthened management of the Recipient's primary education sector.

The GPE grant is proposed as part of restructuring this World Bank EFA project. The restructuring includes additional funding of US$ 24.1 million from GPE, CAD $15 million from Canada and US$ 11 million from the Caribbean Development Bank, plus an extension of the project until June 30, 2017. The World Bank is also coordinating its technical and financial support to the project with the Inter-American Development Bank and World Food Program.

The proposed project, including the GPE grant, will continue to help finance implementation of the sector strategy, PIPE. In particular, together with other development partner support, GPE funds would reduce the financing gap for: (i) the Tuition Waiver Program (TWP) to support enrollment of 300,000 students during three years in non-public schools in disadvantaged areas; and (ii) its School Health and Nutrition Program (SHNP) to provide some 150,000 students (over three years) with a snack and hot meal each day to promote attendance at public and non-public schools in disadvantaged areas. The GPE grant would also cover the costs associated with a school information campaign to improve non-public school accountability, preparation and review of annual sector actions plans, and development and administration of student learning assessments on a larger scale to contribute to data-based policymaking

Various funding options were considered, including integrating the recurrent TWP and SHNP costs in the national education budget. However, the integration of such costs in the education budget is pending finalization of the SHN strategy, the development of a TWP financing model, and the legal creation of the FNE. Other options considered were (i) to channel the GPE funds through the Haiti Education Multi-Donor Trust Fund (MDTF) created in 2010, which was the mechanism through which the current EFA-FTI grant was channeled; and (ii) to process the GPE funds as a separate project. The MDTF modality was not accepted because it has not fulfilled its intended purpose—to facilitate the pooling of funds from various sources toward GoH sector objectives. Development partner internal procedures hindered their making contributions through the MDTF, such that to date the EFA-FTI grant has been the only financing in the MDTF. In addition, given the timeline by which the GoH needed to access additional funds in order to cover gaps in education financing, and the fact that the activities proposed for GPE funding are fully aligned with the restructured WB EFA project, this approach of combining the GPE grant with the existing EFA project was deemed the most appropriate and timely approach to ensure uninterrupted education service delivery from 2014.

Concerning risks, the proposed project would trigger the WB safeguard policy on Natural Habitats (OP/BP 4.04) because of potential continued use of charcoal for cooking as a regular community contribution to the SHNP. A feasibility study is currently underway to identify alternative energy sources (improved stoves) for school cooking and study results are expected in mid-2014. Key social issues that continue to be relevant are: (i) elite capture by school directors, (ii) conflict created by the infusion of money into schools/school management committees, (iii) inequality being exacerbated between beneficiaries and non-beneficiaries, and (iv) the risk of reinforcing traditional gender stereotypes if only women are involved in the school feeding program. The project would continue to address these issues through strengthening School Management Committees (SMC), providing information at the local level, and having a highly targeted project design, so project benefits are enjoyed by people traditionally underserved by public services.

Component 1: Support to Primary Education Enrollment. The project would provide tuition waiver grants paid to schools of $90/student for 98,100 students and 39,390 student in the 2014-15 and 2015-16 school years, respectively. These numbers were agreed in coordination with other partners financing the TWP, which combined would ensure enrollment in non-public primary schools of 200,000 students in 2014-15 and 102,000 students in 2015-16. The project will also finance training sessions for TWP school directors and School Management Committees (SMCs) concerning their TWP-related responsibilities, including fund management and reporting. The project would cover the cost associated with annual independent verification of TWP schools and an information campaign for communities to improve financial accountability in TWP schools.

Component 2: Support to Improved Student Attendance. The project will finance SHN services for about 34,000 students annually in the 2014-15 and 2015-16 school years. Combined with other partner financing, would provide SHN services to about 132,000 beneficiaries, although this may increase dramatically if World Food Program is able to secure funding for future years. These funds are provided to NGOs contracted to operate the school lunch program in eligible schools.

Component 3: Strengthening Sector Management. This would include support to prepare annual education sector action plans from 2014 to 2017. New activities to be financed would also include a complete sector diagnostic and a pilot student-mentoring program for

primary schools. Project M&E will include administering two rounds of Early Grade Reading Assessments (EGRA) in coordination with USAID, which finances EGRA in selected cities; and developing and undertaking one wave of an Early Grade Mathematics Assessment (EGMA).

Implementation Arrangements

The existing Project Management Team (PMT) within MENFP would be responsible for the implementation of the Project. The team is led by a Project Coordinator and consists of two units: the technical unit (reporting to MENFP's External Financing Coordination Unit (*Cellule de Pilotage*)), which oversees the implementation of the activities according to the proposed components, and an Administrative Unit (reporting jointly to the Project Coordinator and the Directorate of Administrative Affairs (*Direction des Affaires Administratives*) (DAA). The Administrative Unit is composed of consultants and officials from the DAA. An action plan would be agreed to with the MENFP for a gradual transfer of the fiduciary responsibility exclusively to the DAA. Each sub-component of the program would be implemented and supervised by one Directorate at the central MENFP.

Within the MENFP, the administrative unit of the Directorate of Administrative Affairs (Direction des Affaires Administratives) (DAA) is responsible for maintaining adequate financial management arrangements for the Project including the transfer of funds from its designated account in a private bank. Such arrangements include those related to budgeting, accounting, funds flow, internal controls, financial reporting and auditing. The administrative unit of the DAA would thus record all Project transactions and prepare financial reports and have the annual financial statements audited. The National Strategic Committee would be responsible for ensuring that the DAA address all issues identified in the audit of the financial statements.

Program Component	**Amount (US$ million)**	**% of total**
Component 1: Support to Primary Education Enrollment	14.2	59
Component 2: Support to Improved Student Attendance	6.6	27
Component 3: Strengthened Sector Management	3.3	14
Total	24.1	100

Agency Fees*		

*Other Agency fees that are not included in the total grant requested: 1.75 percent of the GPE grant.

** Note that the Supervising Entity has requested a supervising fee of US$ 150,000 per year, for a total of US$ 600,000 over four years which is in accordance with current GPE guidelines.

QUALITY ASSURANCE REVIEW PROCESS SUMMARY

The Quality Assurance Review (QAR) Phase I mission was conducted by the Secretariat from May 5-10, 2013. The main findings and recommendations included ensuring sustainable financing for the TWP and SHNP, explaining how schools and students are selected to participate in each program, how each would be evaluated, the possibility of ensuring a pooled funding mechanism, and how to ensure more effective participation of the private sector in the sector dialogue given its predominant role in service delivery.

The QAR II report was shared with the LEG in February 2014 and included the following findings and recommendations:

1. Both the Tuition Waiver and School Health and Nutrition programs raise the issue of financial sustainability without which their viability is at risk. How is this addressed?
2. The proposed Results Framework is focused on measuring activity outputs but not on actual program impact to improve access and quality of the education system. It is also missing certain data and information.
3. The World Bank "project paper" format used for project restructuring does not permit an easy understanding of the overall program and those parts financed by GPE. It should also be provided in French to ensure all stakeholders can understand and monitor its implementation.
4. Given the variety of external partners and programs it is important to ensure regular sector planning and monitoring is done to avoid duplication and ensure aid effectiveness, while gradually moving towards a harmonized program and pooled funding.
5. A plan to reinforce national capacity to better manage the education sector is required. This should be based on the action plan contained in the PIPE.

Response and suggested follow-up to QAR Phase I & II to recommendations are summarized as follows:

1. Concerning sustainability of the Tuition Waiver and School Health and Nutrition programs and more broadly to achieve the current government's goal that all Haitian children attend and complete primary school, it can be noted as stated in the PIPE that the government is committed to allocating 25 percent of the national budget to the education sector, with about half of that allocated to the primary level. In addition, the government announced on February 5, 2014, the creation of an inter-ministerial committee to prepare the strategic framework to finance the education sector in the medium term, including the question of the law regulating the National Education Fund (FNE) to determine how significant resources generated from taxes on international phone calls and money transfers will be utilized to support the education sector. While these are positive steps, it is important that actual resources be allocated by government from 2015-16 to sustain these and other initiatives to maintain the resulting gains achieved in access and retention rates. As such we would recommend a clear timeline be provided to prepare and adopt the sector financing framework, including when the law on the FNE will be adopted and implemented. These steps would allow partners to monitor progress to attain these important objectives.
2. Concerning the Results Framework, it is noted that measuring impact is difficult as baseline data are not available in Haiti for basic indicators to measure access and quality. However, baseline data for learning outcomes in reading and math will be produced under this project utilizing the EGRA and EMGA methodologies. Other household surveys, on-going strengthening of the ministry's information system known as SIGE, and the planned national census will also help provide baseline data concerning education access. Overall then, as part of improved sector monitoring, it is important to ensure that credible data to measure access and quality is produced and utilized for decision making purposes by the education ministry and by the LEG, including the "table sectorielle" which also has a role in coordinating sector activities and in performance monitoring.
3. Concerning participation in preparing and eventual monitoring of the proposed program and sector plan, it is noted that both were prepared together and involved extensive discussions with the ministry departments involved in each component. This included discussion of issues and arrangements for monitoring and evaluation, procurement,

financial management and overall implementation. Going forward, as noted under point 2 above, it is important at project level to ensure effective results monitoring and reporting by the ministry and SE, while at the sector level responsibility lies primarily with the ministry to ensure data is regularly available for sector level indicators.

4. Concerning coordination with other partners, this is ensured via regular meetings of the Local Education Group (GSE) and the sector reviews organized by the ministry. Overall, the sector approach is well established and practiced by the ministry and its partners, even though the policies and procedures of certain partners make it difficult to apply pooled funding. Additional work remains to "operationalize" the sector action plan (PIPE) by preparing work plans with budgets for the key PIPE priorities and then to monitor their implementation. Both steps will require coordination between the ministry and its partners.
5. While capacity building is not a major aspect of the activities proposed to GPE, substantial technical assistance is being provided by other partners, including via the parent Education for All project of which the GPE support is part. In the context of making PIPE operational, as mentioned above, the opportunity exists to prepare an action plan focusing on capacity building that will include the relevant government and partner initiatives.

CONCLUDING REMARKS

The Secretariat finds that the proposed program has been developed in a transparent and collaborative manner, that the application and supporting documents are internally consistent and complete, and that the application package is ready for assessment by the Country Grants and Performance Committee (CGPC).

The previous program's record of effective implementation and results provides assurance the new program could also be successful. The steps to ensure implementation readiness are well advanced, that project manuals exist and that the project would not experience delays. The education sector context in Haiti, however, is still facing major challenges in terms of completion rates, quality and learning results, access for the poorest and most remote populations, financial sustainability, and reliance on the private sector for service delivery. The proposed program of which GPE support is part, has been developed through wide, participatory consultations and is designed to address several of these issues by easing the

financial burden via the TWP on poor parents to enroll their children and by providing incentives through the SHNP for children to remain in school.
The program design is based on what has been tested during the previous program, with some proposed improvements. The program is well-aligned with the sector plan and is oriented to reducing disparities and addressing several of the serious access and quality issues in the sector.

The program will be implemented in a complex environment and uses a pool-fund modality involving several partners that has a proven track record in recent years. The LEG believes this approach is well suited to the substantial risk context and this position is backed by carefully planned activities in support of the implementation of the sector plan. Given the importance of both the Tuition Waiver and School Health and Nutrition Programs to ensuring access and retention of students without which learning is not possible, and the significant funding gaps both programs will face beyond 2016, it is crucial for the government of Haiti to establish a feasible, reliable and transparent funding framework that provides adequate resources to ensure schools and families receive the support they require to send and maintain their children at school in future years. With that assured, the ongoing efforts to improve quality aspects, including for children with special needs, and learning outcomes should become the priorities.

PAKISTAN-BALOCHISTAN
Quality Assurance Review - Phase III
Final Readiness Review

Proposed Grant Amount: US$ 34 million
Implementation Period: 3 years
Project implementation start date: 15 June 2014

COUNTRY AND PROVINCE BACKGROUND

The Islamic Republic of Pakistan is the world's sixth most populous country, with an estimated 179 million people (2012) and the world's 36th largest country in terms of area. Bordered by Afghanistan, India, Iran, and China, and with a coastline along the Arabian Sea, Pakistan is strategically located at the crossroads of South Asia, Central Asia, and Western Asia. It is a lower middle income country, with a per-capita income of US$ 1,260 in 2012. The country's economic rebound from the global financial crisis has been slow and fragile. Its average GDP growth rate for the past four years has been around 3.5 percent, which is below its average level of 5 percent over the last fifty years. Several factors contribute to its declining growth, including worsening and more volatile macroeconomic, political, and security conditions, combined with recent catastrophic natural shocks. Pakistan has a very low rate of revenue collection, currently at only 10 percent of GDP[7]. Expenditure in public services – notably education and health – is correspondingly low. Spending on education relative to GDP in 2012 was estimated at 2.1 percent[8]. Pakistan has committed to increase this progressively to 4 percent by 2018. Pakistan is ranked 146th out of 186 in the 2012 Human Development Index.

Balochistan represents 44 percent of the land mass of Pakistan, but only 4 percent of its population. It has the weakest socio-economic indicators of the country, despite strong potential in mineral resources. Low economic activity, especially in value addition sectors lowers the domestic revenue potential, and therefore the province depends heavily on financial flows from the federal government. The Province abuts all provinces of the country and shares a border with Iran to the west and Afghanistan to the north. A difficult security situation created by a mix

[7] The last IMF review for Pakistan (September 2013) notes that: *Pakistan's tax revenue-to-GDP ratio, at about 10 percent of GDP, remains among the lowest in the world among non-oil exporters.*

The mean tax revenue-to-GDP for low middle income countries in 2011 was 26.4 percent (IMF, 2011)

[8] In comparison, India is estimated to have spent 3.2 percent of GDP on education in 2011

of armed conflict and organized crime inhibits the province's development. Balochistan has also experienced several recent flood and earthquake emergencies.

EDUCATION SECTOR

Pakistan joined the Global Partnership for Education (GPE) in 2012. The 18th Amendment to the Constitution of Pakistan, approved in 2010, abolished the Federal Ministry of Education and devolved responsibility for education delivery and spending to provincial governments. Article 25A enshrined the right for free and compulsory education to all children between the ages of 5 and 16.

The Government of Balochistan has embarked on a path of education reform over the past two years. A new Policy, Planning and Implementation Unit has been created to coordinate this reform and the Government has increased its resource allocation for education, from a 13.7 percent of public spending in 2012 to 17.8 percent in 2013. Balochistan is considered a 'donor orphan,' partly because of the security challenges but also due to its unique demographic situation with a dispersed population. Balochistan has the lowest literacy rate, highest gender gaps and weakest access indicators in the country, reporting a GER of 44 percent in 2012. The quality of education is also poor. A reading assessment carried out in 2013 showed poor learning outcomes: only 38.5 percent of children tested in grade 5 could read a sentence in English and only 31.8 percent of children tested in grade 3 could read a sentence in Urdu. The current medium of instruction is English and Urdu (Pakistan's two official languages), which is not the native language for the majority of children in Balochistan.

Balochistan's Education Sector Plan (BESP) addresses the issue of poor access to education as the most important priority and the greatest challenge. Currently almost half of the province's 22,000 settlements do not have a school. This has in part been due to traditionally low federal investment in education in Balochistan and a selection criterion for the establishment of schools based on a certain minimal population density in a given radius. Because of Balochistan's unique terrain and demographic situation, many smaller settlements therefore failed to qualify for the establishment of a school. The answer to this, which the BESP aims to expand, is a community schools model based on a two-room school managed by the community, with locally hired teachers. BESP also aims to offer education services to the large number of out-of-school

children, through an alternative learning path program that would allow children to be subsequently mainstreamed into regular schools.

The appraisal of BESP highlighted strengths, including its attention to policy options to achieve both learning and access goals in the context of substantial security challenges, its attention to governance issues and its participative process. Several weaknesses were also identified, chief among which lie the gaps in education data, with resultant gaps in the analysis of core issues such as girls' education, district-level disparities and learning outcomes. The appraisal made several recommendations including the mapping of key policy decisions, the dissemination of the plan's priorities to key stakeholders and the clarification of reporting mechanisms to support education sectorial dialogue through the LEG and joint sector reviews.

The BESP acknowledges data limitations in the calculation of a funding gap. It must be noted that the *budget perimeter* of BESP focuses only on *additional* expenditure, over and above current running costs of the education system. This information has been completed in the application document by including regular expenditure informed by the Finance and Education departments. BESP identifies a funding gap of US$ 615 million over the full five years of the Plan. In the application package the funding gap is presented as US$ 535 million over a four year period of BESP. On the basis of figures presented in the GPE application document, covering a full sector budget perimeter, this funding gap would constitute just under 24 percent of total education sector costs (current costs of running the education system and additional BESP costs). The GPE grant would make up the largest external contribution to the education sector in Balochistan, at around 48.6 percent[9] of total external funding.

The BESP was developed under the leadership of the Secondary Education Department (SED)[10], Government of Balochistan (GoB); and with technical assistance from UNICEF and UNESCO. It was appraised and endorsed by the Local Education Group (LEG) in 2014. The Plan, covering the period 2013-2018, addresses challenges in terms of access to education, improved school survival rates, quality and management. BESP specifically aims to: (i) improve physical access to education (ii) improve enrolment in primary; (iii) redress gender gaps and increase survival rates

[9] Calculated from the figures in the application package and correcting the percentage as presented.

[10] SED has the responsibility for education of all school age children in the province

in primary; (iv) provide alternative services to the out-of-school children; (v) improve the quality of learning outcomes; (vi) improve the governance of the education system.

The Department for International Development (DFID) and USAID are jointly designated as the Federal level Coordinating Agency (CA). The GPE Balochistan Education Project (GPE-BEP) was developed in a consultative manner with the newly established Balochistan LEG, which is led by the Secondary Education Department (SED). UNICEF is the CA for the Balochistan LEG , which includes representatives from the Education Department, Canada, DFAT-Australia, UNESCO, UNICEF, USAID, Germany, the World Bank and civil society organizations.

APPLICATION SUMMARY

The requested program implementation grant of US$ 34 million is part of the US$ 100 million indicative grant amount for Pakistan derived from the GPE Needs and Performance Framework . The original indication allocation for Sindh province was US$ 65.9 million and US$ 34.1 million was allocated to Balochistan province. The amounts were later rounded off by mutual agreement between the two provinces. The World Bank was selected as the Supervising Entity (SE) and thus the Bank's internal guidelines and procedures will be utilized.

The GPE Balochistan Education Project (GPE-BEP) aims to increase school enrollment and retention in 2,000 project supported schools, with a special focus on girls. The Secondary Education Department (SED) estimates this will benefit about 100,000 children. GPE-BEP also aims to strengthen the management of the education system by developing stronger mechanisms for data collection and use. This will mainly concern the qualitative improvement of data currently collected on an annual basis, which has a wide range of uncertainty. The project will also support transition rates to post-primary education and access to early childhood education.
I it is aligned with education priorities as set out in the BESP, and also covers several GPE priorities:

- Support to fragile and conflict affected states in the implementation of their sector plans. Balochistan is affected by both insecurity and a challenging socio-economic environment.
- The improvement of teacher effectiveness by recruiting, training and supporting teachers. The project will support the hiring and training of 4,000 teachers.

- Expand the effectiveness of funding to support education. The project will provide capacity development for the education management information system, as well as technical support to district education offices and relevant education departments.

The proposed components are:

Component 1: Access and Equity

Sub-component 1 supports the improved and equitable access to schooling of an estimated 100,000 children through multiple interventions covering: (i) the expansion of school access through an improved process of school site selection and community support, with an additional two rooms for 2,000 schools. This builds on good practices identified under the IDA-funded Promoting Girls' Education in Balochistan project (PGEB)[11]; (ii) the recruitment of 4,000 contract teachers through a test-based process, with a preference towards the recruitment of female teachers; (iii) support to Parent Teacher School Management Committees (PTSMC) that will coordinate and monitor both the establishment of the school and its management; (iv) support the construction of transitional school spaces, that can be constructed at lower cost and rapid timing. The durability of these spaces is estimated at above 10 years, leaving time for more permanent structures to be established by GoB.

Sub-component 2 supports the upgrading of 50 selected primary schools and 10 middle schools to increase transition rates, particularly for girls, to middle and higher secondary school. These upgrades will add classrooms, infrastructure, furniture and equipment.

Component 2: Quality and Increased Accountability will support improved quality in Early Childhood Education (ECE) and strengthen the current education management information system.

Sub-component 1 will support the development of an ECE policy, curriculum and teacher learning materials (TLM); and identify mechanisms to improve teacher selection for early grades.

Sub-component 2 will support the improvement of the current Balochistan Education Management and Information System (BEMIS) through strengthening the quality of existing data collection tools and methods, training for Secondary Education Department (SED) staff to

[11] http://www.pgeb.edu.pk/

use data for planning and decision making, improving presentation of and reporting on data; and introducing innovative ICT techniques for data collection on selected indicators.

Component 3: Technical assistance for improved capacity for management and monitoring, will support the establishment of systems and procedures for effective planning and implementation of Project activities and developing robust monitoring systems. The Technical Assistance (TA) facility would expand the capacity of the existing Project Management Unit (PMU) operating for the PGEB project to set up the project activities, support district education offices to implement and monitor project activities. In addition to the above, the TA facility may also support the relevant education departments such as the Directorate of Education, Bureau of Curriculum and Provincial Institute for Teacher Training in capacity building activities.

	Program Component	**Amount (US$)**	**% of total**
1	**Access and Equity**	**23,210,000**	**68.3**
	Expanding Access through Community School Mechanisms	17,410,000	51.2
	Support Transition to Higher Levels of Education	5,800,000	17.1
2	**Quality and Increased Accountability**	**6,030,000**	**17.7**
	Promoting Early Childhood Education through teacher training and teacher learning materials	4,040,000	11.9
	School Information collection, dissemination and use for improved planning and decision making	1,990,000	5.9
3	**Technical assistance for improved capacity for management and monitoring**	**4,760,000**	**14.0**
	TOTAL	**34,000,000**	**100**
	Agency Fees*		1.75

*Other Agency fees not included in the total grant requested: 1.75 percent of the GPE grant.

** Note that the Supervising Entity has requested a supervising fee of US$ 125,000 per year, for a total of US$ 500,000 over four years.

The proposed project will be implemented over a three year period. The Project has been prepared by the Secondary Education Department (SED) and will be implemented by a Project Management Unit (PMU) under the guidance of the Secretary Education. The PMU was established in 2012 by the Government for implementation of the multi-donor trust fund supported PGEB project, supervised by the World Bank. The same PMU with enhanced staffing and responsibilities will implement and monitor progress and performance of the GPE-BEP project. The PMU will coordinate regularly with the SED and other sub-departments involved in implementation of project activities to review progress and implementation gaps. SED will coordinate with the Directorate of Schools and notify District Focal Points at the district education office to facilitate implementation at the district level.

Overall implementation risk for the project is assessed to be high. The security environment sporadically impacts basic service delivery by the GoB, and can thus hamper the implementation of Project activities. To help mitigate these risks, flexible implementation arrangements which take into account access and movement restrictions and can adapt to changing circumstances will be put in place, such as the use of innovative ICT technologies and reliance on local community oversight. There is a high risk of political interference in implementation of Project activities, particularly in school/school site selection and staff recruitment. To mitigate these risks, the Project will support the inclusion of robust third party monitoring. In order to mitigate risks arising from political interference, established and transparent criteria guiding school/site selection will be used. The Provincial Steering Committee will provide overall guidance and oversee implementation of the project, and internal audits of the Project will be carried out quarterly.

In terms of implementation readiness, the existing PMU under PGEB offers a degree of guarantee in terms of organizational readiness. The Project Appraisal Document highlights several lessons learned from PGEB, including on effective implementation readiness (cf. page 42 of PAD). Draft project and grant agreements have been elaborated and are included in the application package. These agreements will have to be signed at the Federal level, which can potentially involve some delays, but there are no indications at this stage that this is likely.

QUALITY ASSURANCE REVIEW SUMMARY

The initial Quality Assurance Review (QAR I) mission conducted by the Secretariat in July 2013 concluded that the project concept and identification of activities followed a transparent and participatory process. Although clear sector prioritization had not been finalized at the time of QAR I because of ongoing work on the elaboration of the Balochistan Education Sector Plan, the proposed program components and activities were derived directly from the draft Sector Plan and appeared to be consistent with the main education goals of GoB.

The main recommendations of QAR Phase II are summarized as follows:

1- The number of sub-components and subsequent activities under GPE- BEP should be reduced to focus on the essential: the expansion of access to education for both girls and boys, capacity development of teachers in general and the provision of TLM in particular, and the assessment of learning outcomes.
2- We recommend to reconsider the project implementation arrangements based on a large and fully staffed PMU, and to explore if implementation of certain tasks could be more integrated in SED, along with well-targeted capacity development of the Government.
3- Financial management arrangements: The project is planning to fund the salaries of 4,000 teachers. Is it desirable that the PMU develop systems to manage the payroll? When is the transition of this part of the project to the regular Finance Department/HR Unit planned?
4- We recommend well-targeted technical assistance, particularly regarding the ability to obtain reliable data, and addressing managerial capacity of the educational system - leadership, planning, decision making, budgeting, expenditure management, creating less dependency on a large PMU. TA is covered by Project Component 3 - accounting for less than 9 percent of the budget allocated to the project, which does not seem to be sufficient to have significant impact on system capacity beyond the project-period.
5- There are concerns about the capacity of GoB to include staff and maintenance expenses of 2,000 schools into its recurrent budget within the next 2-3 years.
6- Over time, schools made of precarious materials (“simple transitional learning spaces”) are becoming, as happens in so many developing countries, more like permanent schools in poor

condition. This will mean more children in school, but under poor conditions that are hardly conducive to teaching and learning.

Balochistan's response to the above QAR II recommendations was as follows:

1- The Alternative Learning Path component has been removed and will be implemented separately by UNICEF, while the ECE component is simplified and merged with teacher training as the trainings will mostly focus on the early grades (k-5).
2- SED will play an integral role in all activities, however, the kind of reporting requirements that development partners, LEG members and supervision entity will have for this project mean a substantive PMU structure is required in the Balochistan context. The Education department will identify key district focal points in the existing District Education Departments, and notify them as support and monitoring personnel for the project activities. PMU and the District education teams will hold monthly coordination meetings on program implementation. Further details will be included in the Operations Manual (OM).
3- Review of the recent budget trends shows a steady increase in the provincial education budget. The Government has included 4,000 contract teachers in the previous year and does not consider 4,000 teachers to be included in the government teacher payroll over the span of 3 years a huge fiscal burden.
4- The project costs have been finalized and Component 3 now accounts for 14 percent of the costs. Additionally monitoring and support activities, especially capacity development, are part of the components as well.
5- The expansion of access is a key activity in the Balochistan Education Sector Plan (BESP). The Government has expressed strong commitment for this activity, BESP (and its costing) has also been approved by the Balochistan Parliament, and therefore the commitment to improve access through supporting infrastructure as well as human resource has been provided at the highest level. The Balochistan Government's share form the National Finance Commission (NFC[12]) award has also increased (ref. page 11 para 2 of PAD) thereby providing access to improved resourcing for the province.
6- The program proposes cost-effective schools models as well as utilization of easily accessible spaces to expand school access. The low-cost structures will use the material and methods applicable in the community thereby, making their maintenance much easier. Structures will be

[12] The NFC oversees federal allocations to provinces.

planned with environmental and disaster risk considerations and are not expected to be poorly built. The Government of Balochistan has already initiated research work on low-cost structures, using local materials that have been used for housing in certain flood hit areas.

CONCLUDING REMARKS

The Secretariat finds that the proposed project has been developed in a transparent and collaborative manner. The application and supporting documents are complete, with some data gaps and inconsistencies reflecting the capacity weaknesses of Balochistan's Education Management Information System (BEMIS). The application package is ready for assessment by the Country Grants and performance Committee (CGPC).

The GPE Balochistan Education Project is well aligned with the BESP and GPE strategic objectives. It has been designed taking into account ongoing and planned support through other partners and projects. The financing modality is through an expanded project management unit (PMU), already in place for the implementation of PGEB under World Bank supervision. This financing modality is considered appropriate for the context of Balochistan, with significant risks in terms of security and governance; the overall risk is rated as 'high' by the SE which precludes at this stage the use of more aligned modalities. In interviews carried out by GPE Secretariat, the SED acknowledged the important of building capacity in SED's long-term institutions.

The project design has been somewhat simplified based on comments made by GPE Secretariat in QAR II. The largest portion of the project, covering the expanded access through community schools, is an ongoing activity in the PGEP project. This US$ 10 million three-year project, effectively started in September 2012, had a disbursement rate of 37 percent in October 2013 with still work to be done on the establishment and construction of schools. The US$ 34 million grant will imply a significant increase in the implementation capacity of the PMU, which has been factored in the application through a sizeable portion on component 3. The implementation will also have to rest on building capacity in both the district education offices and PTSMCs. In terms of implementation readiness, the project will be able to count on the existing capacity within the PMU and lessons learned from PGEB. The SE does not anticipate major problems in terms of implementation readiness, even if the projected start date (June 2014) can be deemed optimistic. An effective start date around the second half of 2014 seems more realistic.

PAKISTAN – SINDH
Quality Assurance Review - Phase III
Final Readiness Review

Proposed Grant Amount: US$ 66 million
Implementation period : 3 years
Projected implementation start date: 30 September 2014

COUNTRY BACKGROUND

The Islamic Republic of Pakistan is the world's sixth most populous country, with an estimated 179 million people (2012) and the world's 36th largest country in terms of area. Bordered by Afghanistan, India, Iran, and China, and with a coastline along the Arabian Sea, Pakistan is strategically located at the crossroads of South Asia, Central Asia, and Western Asia. It is a lower-income country, with a per-capita income of US$ 1,260 in 2012. The country's economic rebound from the global financial crisis has been slow and fragile. Its average GDP growth rate for the past four years has been around 3.5 percent, which is half of its levels five decades ago. Several factors contribute to its declining growth, including worsening and more volatile macroeconomic, political, and security conditions, combined with recent catastrophic natural shocks. Pakistan has a very low rate of revenue collection, currently at only 10 percent of the GDP. Expenditure in public services –notably education and health – is correspondingly low. Spending on education relative to GDP in 2012 was estimated at 2.1 percent[13]. Pakistan has committed to increase this progressively to 4 percent by 2018. Pakistan is ranked 146th out of 186 in the 2012 Human Development Index.

Sindh province is located in the southeast of the country, with Balochistan province to the west and India to the east. It has a population of 40 million. Agricultural activities are concentrated along the Indus River and industrial and commercial activities are centered in Karachi, the capital. While it has the highest per-capita income (second highest income) amongst the four provinces of Pakistan, its economic potential is undermined by a dual urban/rural economy, social and economic segmentation, and poor law-and-order conditions. In 2010 and 2011, unprecedented floods and devastating rain destroyed 14 percent of public schools in Sindh.

[13] In comparison, India is estimated to have spent 3.2 percent of GDP on education in 2011

EDUCATION SECTOR

Pakistan joined the Global Partnership for Education (GPE) in 2012. The 18th Amendment to the Constitution of Pakistan, approved in 2010 devolved responsibility for education delivery and spending to provincial governments. Article 25A enshrined the right for free and compulsory education to all children between the ages of 5 and 16.

Sindh's Education Sector Plan (SESP 2014-2018) is a response to this mandate, and represents the first such document prepared by the province. With assistance from the GPE Education Plan Development Grant and UNICEF acting as the Managing Entity (ME), SESP was developed under the leadership of the Education and Literacy Department (ELD), Government of Sindh (GoS). It was appraised and endorsed by the Local Education Group (LEG) in 2014. The main objectives of the SESP are as follows: (i) strengthening sector governance and service delivery by improving capacity at the school, district and provincial levels; (ii) increasing equitable access to quality early childhood education, primary and secondary education; (iii) improving the quality of learning outcomes; (iv) improving the quality of teachers; and (v) enhancing the equity of resource allocation and (vi) improving the fiscal sustainability and effectiveness of educational expenditure.

Despite concerted attempts by the GoS to address low levels of participation and quality, education outcomes remain weak, and Sindh will fall significantly short of the Millennium Development Goal (MDG) of universal primary education by 2015. Sindh also underperforms comparing to the national norms: its primary gross enrolment rate (GER, 84 percent in 2012) and net enrolment ratio (NER) are below the national average by 7-8 percent points and 3-4 percent points respectively. It is estimated that nearly 4.1 million children (or 40 percent) of basic schooling age (5-16 years old) are currently out of school. Of these, the larger share – nearly two-thirds – never enrolled in school at all; the remaining third enrolled at some stage but dropped out. Girls are much more likely to be out of school in all districts of the province, and Sindh reports a Girl Parity Index (GPI) of .68 in 2013.

The SESP addresses both access to education and quality of learning outcomes through the prism of equity consistent with its broader socioeconomic development strategy, which highlights the need to reduce poverty and regional income inequality. The Sindh government has initiated several fiscal reforms to increase its tax base and improve the delivery of social services. The Plan

also focusses on improving educational governance through a number of key actions. The appraisal of SESP highlighted several strengths, including its detailed sector analysis, identification of challenges and its focus on a classroom-based approach to reform. The appraisal also highlighted areas of attention that could be addressed during implementation, among which the mapping of anticipated policy decisions, the dissemination of an abridged version of the final SESP to assure stakeholder involvement and the preparation of a comprehensive annual financial reporting format for the Local Education Group to be able to monitor implementation during the joint sector reviews. This point was highlighted in a meeting with the LEG, notably to build capacity in the joint monitoring of the provincial budget process.

The overall cost to implement the SESP from 2014 to 2018 is PKR 940 billion (US$ 9.58 billion). PKR 186 billion (US$ 1.9 billion) is the additional financing required for full implementation over and above what is projected in the Medium Term Budget Framework (MTBF). Funding commitments from development partners including GPE during the period of SESP implementation is expected to be PKR 84 billion (US$ 856 million), leaving a funding gap of around US$ 1 billion, or just under 11 percent of the total estimated cost of the SESP. Government commitment to increase domestic resources through increasing the education sector budget is reflected by the endorsement by the Sindh Chief Minister of the SESP, including its financial plan. In addition, SESP aims to mobilize increased private sector funding through strengthened public-private partnerships for education provision. The GPE funding would account for 10 percent of the education sector's external funding in the period of 2014-2017.

Both the SESP and Sindh-GPE (S-GPE) Project were developed in a consultative manner with the newly established Sindh Local Education Group (LEG), which is led by the Education and Literacy Department (ELD). The Department for International Development (DFID) and USAID are jointly designated as the Federal level Coordinating Agency (CA). For the Sindh LEG, the European Union (EU) acted as the CA and supported the application to GPE. A hand-over was recently enacted, with UNICEF taking over the role of CA. The Sindh LEG includes 35 members including representatives from ELD, Canada, DFID, JICA, UNESCO, UNICEF, USAID, the World Bank, private sector and civil society organizations.

APPLICATION SUMMARY

This is Pakistan Sindh's first GPE Program Implementation Grant application. The requested grant of US$ 66 million is part of the US$ 100 million indicative grant amount for Pakistan derived from the GPE Needs and Performance Framework (NPF). The original indication allocation for Sindh province was US$ 65.9 million and US$ 34.1 million was allocated to Balochistan province. The amounts were later rounded off by mutual agreement between the two provinces. The World Bank was selected as the Supervising Entity (SE), and thus the Bank's internal guidelines and procedures will be utilized.

The World Bank is currently financing the US$400 million Second Sindh Education Sector Reform Program (SERP II 2013-2017), which seeks to build on the efforts and successes of SERP I (2008-2011). The objective of SERP II is to raise school participation by improving sector governance and accountability and strengthening administrative systems, and measure student achievement. Based on the experience with SERP I, the GoS has agreed to link the disbursement of US$393 million in SERP II to results measured and verified using disbursement linked indicators (DLIs) and Eligible Expenditure Programs corresponding to specific budget lines in Sindh's annual education budget. This results based approach is favored as it makes full use of provincial Public Financial Management capacity to facilitate structural disbursements across the education system. It is also more conducive to provincial ownership and focuses the dialogue on results. The proposed S-GPE project is aligned with SERP II both in terms of modality and overall objective[14].

The S-GPE project aims to achieve structural improvements in the government's ability to ensure effective and efficient service delivery through strengthening monitoring, management and accountability mechanisms. The Project Development Objective is to strengthen the Sindh Education and Literacy Department (ELD) capacity to generate, disseminate and use information to support the implementation of key reforms under SESP. The following components are proposed:

[14] The terms SERP and SEP are used interchangeably in several documents. The former refers to the reform program; SEP refers to the IDA funded project that finances the reform program.

Component 1 supports interventions in three identified reform areas through a results-based disbursement approach. The three reform areas are i) Sindh School Monitoring System (SSMS) to collect, analyze, disseminate, and promote the effective use of data on key school-level indicators, including student enrolment and teacher presence, ii) Human Resources Management and Information System (HRMIS) to address the substantial weaknesses constraining effective management of teaching and non-teaching staff, and iii) communications strengthening to promote the design, implementation, and monitoring of key structural reforms under S-GPE and SESP.

Component 2 will finance technical, advisory, and capacity-building support to develop, implement, and monitor the focus areas under the proposed S-GPE project.

In addition to close alignment with the SESP, the project is expected to address all GPE priorities over time through the strengthening of governance, accountability, and decision making mechanisms. The interventions of the proposed project aim to support inclusion and improved service delivery to the poor and marginalized, including girls. The project could also contribute to improving education outcomes by ensuring the effective design, monitoring, and implementation of education sector reforms and activities.

	Program Component	**Amount (US$)**	**% of total**
1	Systems strengthening through DLIs	**59,000,000**	**89.4**
	Sub-component 1.1: Sindh School Monitoring System (SSMS)	29,000,000	44.0
	Sub-component 1.2: Human Resource Monitoring and Information System (HRMIS)	15,000,000	22.7
	Sub-component 1.3: Communications strengthening	15,000,000	22.7
2	Program support through Technical Assistance (TA), advisory services and capacity building	**7,000,000**	**10.6**
	TOTAL	**66,000,000**	**100.0**

	Agency Fees*		1.75

*Other Agency fees not included in the total grant requested: 1.75 percent of the GPE grant.

** Note that the Supervising Entity has requested a supervising fee of US$ 150,000 per year, for a total of US$ 600,000 over four years.

The ELD will be the overall implementing entity. The ELD Directorate General Monitoring and Evaluation (DGM&E) will be responsible for policy formulation, coordination, and monitoring of the SSMS, while the ELD Reform Support Unit (RSU) will be responsible for policy formulation, coordination, and monitoring of the HRMIS and Communications initiatives under the S-GPE project. RSU also manages the capacity building component (procurement of technical expertise and services) as well as monitoring the DLIs and compliance with World Bank supervision processes.

Similar to SERP II, close to 90 percent of grant funds will be disbursed through Component 1 upon achievement of the annual values of pre-determined DLIs, which are tied to the specific reform areas and interventions supported by the proposed project. The amount that will be disbursed upon achievement of particular DLIs in each year of implementation varies, and has been determined based on an assessment of both the effort and the expected positive impact associated with achieving the result. Disbursements will be made against expenditures that are made in selected ELD budget lines ("Eligible Expenditure Programs"). Essentially, the GoS carries out its expenditure as per normal procedures and cash management; RSU will track expenditure reports on the selected set of budget lines associated with Eligible Expenditure Programs and report on the achievement of each DLI. On the basis of achieved DLI targets and actual expenditure incurred on the selected budget lines, the SE will reimburse the treasury (Provincial Consolidated Fund).

The disbursement of grant funds based upon results achieved as well as agreed expenditure from selected ELD budget items shows strong similarities with sector budget support, but offers additional controls for the Supervising Entity. Experience in recent education sector projects in Sindh shows that this approach generates benefits through bolstering country ownership, providing incentives to perform, and facilitating policy dialogue. The ELD is familiar with and supports the proposed modality.

Risks to effective and efficient implementation of the project are assessed to be substantial. They include risk of external shocks such as climate and security, fiscal and policy instability, weaknesses in implementation capacity, and reform resistance from potential stakeholders. In order to mitigate key risks, activities will be built upon lessons learned from earlier reform activities of GoS supported by the SE. In addition, consultations with stakeholders to build ownership and facilitate implementation will be conducted regularly. The SE also plans to provide regular fiduciary supervision and implementation support. Implementation readiness is deemed to be strong. In terms of organizational and modality readiness, with the proposed grand aligned on the current arrangement for SEP II, conditions are set for rapid commencement. The SE has already prepared draft project and grant agreements. There could conceivably be some delays for these agreements to be signed by the Federal level, but there are no indications at this stage that this is likely.

QUALITY ASSURANCE PROCESS SUMMARY

The initial Quality Assurance Review (QAR I) mission conducted by the Secretariat in July 2013 concluded that the project concept and identification of activities followed a transparent and participatory process. Although clear sector prioritization had not been finalized at the time of QAR I, the proposed program components and activities were derived directly from the draft Sector Plan and appeared to be consistent with the main education goals of GoS. QAR I also concluded that four of the five GPE strategic objectives have been included in the project, while the fifth strategic objective is taken up by the SESP. Finally, QAR I emphasized the need to clearly define the specific results which S-GPE will achieve, especially in improving learning outcomes and the measurement of these outcomes.

The main recommendations of QAR Phase II are summarized as follows:

1. Ensure effective communication about and management of institutional changes in ELD and elicit buy-in from other departments in the provincial administration, most importantly the Finance and Planning and Development Departments.
2. Make more explicit the linkages between the S-GPE project implementation structure and the devolved structures of the education department.

3. Explain how the information to be generated and disseminated through the proposed interventions will be used by specific managers at different levels. DLIs for 2016/17 should include this aspect of information use for decision making.
4. Formulate indicators to measure how information from both the SSMS and HRMIS is actually used to demonstrate project outcomes, i.e. changed behavior, practice or performance.
5. Provide more information about RSU's existing monitoring capability and performance and explain how it will be strengthened to ensure monitoring of project indicators, including DLIs. It would also be useful to know the proposed DLI verification protocols.
6. Provide details of subcomponent activities and costs, including unit costs, particularly regarding the Program Support component (TA).
7. Explain more clearly how student assessment results will be utilized both at the school and system levels for decision making purposes and how these results will be communicated to the various stakeholders.
8. We have noted that the SSMS and HRMIS are also expected to operate in parallel to a revitalized Sindh Education Management Information System (SEMIS). For this reason, it is important to clarify the specific functions of each of these information systems, how each will be managed, and how they will be linked if, in fact, that is the intention.

The responses to the QAR Phase II recommendations are as follows:

1- Existing and planned coordination mechanisms have been incorporated in the design, including Region Reform Oversight Committees and technical working groups in support of HRMIS. Developments in the devolution of power and responsibility in the education sector from the federal government to the provinces are being closed followed.
2- GoS is still in the process of finalizing these structures. System strengthening and project implementation activities under S-GPE will take into account current administrative structures with the District level as the main "point of contact" for ELD.
3- These aspects will be described in the SSMS Operations Manual and the Basic HRMIS Manual. The Communications Strategy to be developed under the S-GPE will also include types, uses, and users of different information to be generated.
4- The Project Development Objectives (PDO) and PDO Indicators take into account that SSMS and HRMIS will be new systems that take time to become operational, generate data that is used and subsequently has an impact on behavior and performance. Taking this into account, PDO has been revised to explicitly focus on strengthening institutional capacity.

5- DLI verification protocols have been completed in Table A1.2 in Annex 1 of the project document. GoS and SE expect to use the time period up to negotiations to ensure implementation readiness including appropriate monitoring capacity. S-GPE Component 2 would provide technical assistance and fund third party verification where deemed appropriate.
6- An indicative cost table has been added in Annex 2 of the project document. Before negotiations, a Procurement Plan with tenders and cost estimates will be available.
7- Student achievement testing is not part of the S-GPE Project.
8- Further explanation has been added in the project document.

CONCLUDING REMARKS

The Secretariat finds that the proposed project has been developed in a transparent and collaborative manner, that the application and supporting documents are internally consistent (with minor exceptions) and complete, and that the application package is ready for assessment by the Country Grants and Performance Committee (CGPC).

The Government of Sindh has demonstrated strong efforts to strengthen governance and accountability through the Sindh Education Sector Reform Program (SERP), which was initiated in FY2007/08 and integrated in the Sindh Education Sector Plan (SESP) in 2014. The strengthened availability and effective use of information could positively impact equity in education, access and participation, sustainable sector financing, education quality, and student learning outcomes. Development partners within the LEG are widely supportive of the S-GPE project.

The S-GPE project is well-aligned with the SESP and GPE strategic objectives. It has been designed taking into account ongoing and planned support through other partners and projects. The project focuses on systems strengthening, with the aim of supporting SESP implementation. Key GPE priorities on girls' education, fragility and learning outcomes are clearly addressed in the SESP. Support to children with disabilities is also mentioned in the SESP, in line with constitutional Article 25A commitments to the right to free basic education for all. The financing modality is considered appropriate since it combines a results-based disbursement approach (Component 1) with targeted technical assistance activities to address identified capacity gaps and support project implementation (Component 2). In addition, the financing modality

creatively combines elements of sector budget support with specific fiduciary risk management measures.

The implementation of both SERP II and S-GPE rests heavily on the Reform Support Unit (RSU), which is a hybrid structure within ELD, set up originally to support the reforms backed up by the IDA funded SERP and now SERP II. On the one hand, RSU is embedded in and structurally aligned to the system, figuring as a spending unit within the Education Department Budget. On the other hand, the RSU was set up as an exceptional unit for the implementation of SEP I and SEP II and combines a wide range of operational and fiduciary control functions. It also constitutes a significant footprint in the Department, with 104 government staff and recurrent costs of about US$ 1.4 million in 2013/2014. RSU has extended its coverage, notably through cross-sectorial support to the Sindh Financial Department (with the creation of an Economic Reform Unit) and, more recently, the creation of RSU extension offices at district level (the Local Support Units).

In interviews carried out by GPE, it was fully acknowledged that the longer term aim is to transfer responsibility and capacity to the traditional institutions and units within ELD. This hybrid and transitional institutional arrangement reflects both the entrenched weak capacity of ELD institutions and the challenge of sustained political support to improving governance across the system. One sub-component of S-GPE constitutes a first step towards this capacity transfer: the SSMS sub-component will not be directly under the responsibility of RSU but under DG M&E, with extensions through District Monitoring Offices (DMO) that will report back directly to DG M&E.

The overall risk for the implementation of the project is rated as ‘substantial’ by the SE. This explains the recourse to a project implementation unit in the form of the RSU. At the same time, the project is significantly aligned on provincial Public Financial Management systems, with corresponding risk management experience through long-standing project supervision by the World Bank (SEP I and SEP II). The degree of implementation readiness is deemed to be positive, with organizational arrangements already in place and draft agreement documents ready between the SE and Government.

TOGO
Quality Assurance Review - Phase III
Final Readiness Review

Proposed Grant Amount: US$ 27.8 million
Implementation period : 3 years
Projected implementation start date: 01 November 2014

COUNTRY BACKGROUND

The Togolese Republic has a population of approximately 6.7 million. Its economy remains highly dependent on agriculture, Foreign Direct Investment, and Overseas Development Assistance. Togo reached the completion point of the Enhanced Heavily Indebted Poor Countries (HIPC) Initiative in December 2010 and was granted debt relief from several multilateral and bilateral creditors. It has a per capita GDP of US$ 500, and the country ranks 159 out of 186 countries in the 2012 UNDP Human Development Index.

The decade of the 1990s and the first half of the 2000s were marked by political and social tensions. The death of President Eyadéma in 2005, followed by the election of his son, Faure Gnassingbe, as president, triggered renewed civil unrest. Lengthy negotiations culminated in a comprehensive political agreement in August 2006. The first democratic parliamentary elections (2007) and the presidential elections of 2010 were considered fair by the international community and led to donors' reengagement after more than 15 years of very limited assistance. Since 2013, the government has engaged in a process of reforms aimed at pursuing economic development and poverty reduction, which has resulted in an easing of political and social tensions, but the country is still considered as fragile.

EDUCATION SECTOR

Togo joined the Global Partnership for Education (GPE) in March 2010, on the basis of a 10-year Education Sector Plan (ESP) (2010-2020). Based on a new education sector diagnosis conducted in 2012 and lessons learned from the first phase of its implementation (2010-2012), the ESP was revised in 2013 and now covers the period 2014-2025. The ESP aims to achieve universal primary education by 2022, and i) to ensure quality primary education for all, ii) to move progressively towards a 10-year basic education cycle, and iii) to regulate the flow of

students and improve the relevance and quality of post-basic training provision to improve students' employability to contribute effectively to economic and social development.

The ESP was endorsed by the development partners of the Local Education Group (LEG): UNICEF (which serves as the Coordinating Agency), France, the World Bank (WB), UNESCO, Handicap International, World Food Program (WFP), Bornefonden, Plan Togo, Terre des Hommes and Aide et Action. Civil society representatives (National EFA coalition, teacher union, parents association) have been consulted at each stage through the national dialogue system and the process has been particularly inclusive with consultations at the national and regional levels. The first three years of the revised ESP are supported by a comprehensive three-year action plan whose activities are coordinated by the Technical Permanent Secretariat (STP), and results are monitored through annual joint sector reviews.

In terms of results at the sector level, the gross enrollment ratio (GER) increased from 6.6 percent in 2006/07 to 17.4 percent in 2012/13 at the preschool level; it has remained well above 100 percent[15] at the primary level, and increased from 59 to 68.9 percent between 2007 and 2012 at the lower secondary level. The Primary Gross Intake Rate (GIR) stands above 100 percent since 2006/07, and the Primary Completion Rate (PCR) has grown from 69.4 percent to 79 percent over the last 6 years; nevertheless, major challenges remain regarding rural areas and poor families. Despite a GIR above 100 percent, all children are not enrolled in school; at the primary school level about 7 percent of school age children do not have access to school[16], and nearly 23 percent of those who do have access drop out before completing the primary cycle. Beyond traditional supply and demand policies, inclusive education is also considered to help to generalize access to education. A model supported by UNICEF and Handicap International is currently tested in 2 regions and could be scaled up during the third phase of the ESP (2017-2019) if preliminary results are deemed satisfactory.

If the enrollment ratio between boys and girls at the primary level is about the same (94 percent for boys and 90 percent for girls), the disparity widens as students move through the education system. In 2011/12, while the primary completion rate for boys was above 82 percent, only 67

[15] 134.5 percent in 2011/12 and 117.5 percent in 2012/13, as a result of the school fee abolition policy launched in 2008/09.

[16] Based on the probabilistic access rate profile (cf. Country Status Report)

percent of girls completed primary education (in four prefectures, the girls' primary completion rate was below 40 percent); 28 percent completed lower secondary education (vs. 51 percent for boys); and 9 percent completed the upper secondary education (vs. 24 percent for boys).

Regarding efficiency, repetition remains high (21.5 percent in 2010/11), which has contributed to the high dropout rate. To address this issue, the Ministry of Primary and Secondary Education (MEPS) approved in 2012/2013 a decree for re-organizing the primary cycles into three sub-cycles in order to reduce repetition and dropout rates.

Over the period of 2000 to 2012, Government expenditures for education (largely recurrent) as a percentage of GDP increased from 3.8 to 4.6 percent. In 2011, education represented 27.6 percent of total government recurrent expenditures (above the Sub-Saharan Africa average of 22.1 percent); about 48 percent was dedicated to primary education.

However, non-salary expenditures represent only 10 percent of current primary education expenditures, leaving little leeway for the development of activities to improve quality. Learning outcomes remain a major concern as different assessments show low levels of performance at the primary level, and that there has been a declining trend since 2000[17]. Higher enrollment, inadequate curricula, lack of pre-service training for community teachers and in-service training for all teachers, scarcity of textbooks, and inadequate school infrastructure (that hampers school time in the rainy season), are some of the leading factors. The issue of pre and in-service teacher training has been partly addressed recently, as well as the lack of textbooks.

PERFORMANCE UNDER PREVIOUS GRANTS

Togo benefited from a previous Fast Track Initiative (FTI) Catalytic Fund of US$ 45 million that was approved in May 2010. The Program Development Objective of the EFA-FTI operation (called PERI 1) was to increase coverage and retention of primary education, support improvements in the quality of teaching, and strengthen institutional and communities' capacity in implementation and management through the three components presented, along with lessons learned, below:

[17] Average PASEC (Programme d'Analyse des Systèmes Educatif de la CONFEMEN) score in grade 5 were around 50 in Math and French in 2000. They fell to around 30 in 2010 and continued to slightly decrease in 2013.

(i) Access and retention (US$ 22.6 million) aimed to build 815 new classrooms and related facilities. This was delegated to a Contract Management Agency for construction in urban areas, and to local communities via School-based management committees (COGEP) for construction in rural areas. The delegation to COGEPs was successfully implemented[18] while the construction delegated to the Contract Management Agency lagged. It has since April 2013 gained momentum.

(ii) Inputs for Quality (US$ 14.7 million) to:

a. Provide textbooks in core subjects (mathematics and reading) for public and community (EDIL) primary schools (all grades); more textbooks were provided than planned in the project (2.9 million vs. 1.6 million due to good negotiations with publishing firms), which made the ratio of textbooks to students in French and mathematics exceed the target.
b. Provide school grants to COGEP for quality enhancement at the school level and support the school fee abolition policy; based on this first experience, the school grant design will evolve to focus on the most deprived prefectures and COGEP's responsibility will be increased to avoid delays observed in the first phase of the school grant disbursements in some inspectorates.
c. Build three regional teacher training institutes (ENI) and to support the new curriculum reform; Construction of ENIs faced the same difficulties as the construction in urban area (also delegated to the Contract Management Agency). In regards to curriculum, a competency-based curricula and new textbooks for the first grade are being developed and put through a pilot experimentation.

(iii) Institutional Strengthening (US$ 5.8 million): the capacity building plan, including COGEP training and skill transfer from project unit consultants to national counterparts, has been implemented satisfactorily (through a learning-by-doing approach).

[18] This approach is seen as a best practice by many West African countries (e.g. Guinea, Côte d'Ivoire and Madagascar), as they are now using Togo's model; Based on the experience of PERI1, AFD will use the same approach of training and delegation to school management committees for building 30 lower secondary schools.

The program has been rated[19] as moderately satisfactory mainly due to delays observed in the construction component in an urban area and the ENIs. It should close in May 2014 but the government has requested an additional 6-month extension to finalize the program and meet the targets. The program will thus close by the end of October 2014 with a disbursement rate at 96.6 percent as of March 2014.

APPLICATION SUMMARY

The requested amount of US$ 27.8 million is in line with the indicative amount derived from the GPE Needs and Performance Framework (NPF). The World Bank was selected by the LEG to serve as the Supervising Entity (SE) and a project modality will be used. Togo is a donor orphan, meaning that GPE financing would represent 24 percent of the overall external support to education. The program is fully aligned with the objectives of the Sector Education Plan (ESP) and focuses on reducing disparities and improving quality and management. The program has three components:

Component 1: Improving the quality of pre-primary and primary education through:

Sub-component 1: New curriculum, provision of textbooks[20] and teachers' guides including the pilot experimentation for the curricula in pre-school education, the full implementation of the new curricula for grades 1 and 2, the development and experimentation of the curriculum for grade 3, the revision of the curriculum of ENIs, and the development of a textbook policy for primary education

Sub-component 2: Teacher training through in-service training to ensure the implementation of new competency-based curricula and adequate utilization of guides and textbooks, as well as awareness of government policy on reduction of repetition.

Sub-component 3: School Grants in about 1,650 primary schools and 360 preschools in the 18 deprived prefectures to acquire needed learning materials; primary schools that receive more than US$ 800 will sign a results-based contract linked to school improvement plans ('projets d'école'), with the Inspectorate.

[19] Last Implementation Status Report based on a World Bank mission that took place in Lomé in August 2013.

[20] Textbooks generally have a life span of four years. The new program will thus progressively replace the first textbooks provided with PERI 1, but also supports the implementation of the new curricula.

Sub-component 4: Research grants will be available to gain a deeper understanding of factors that positively impact the quality of education.

Coordination with other Partners: activities in support of ENIs will be implemented complementarily with the new AFD project (PAREC), which will support improvement of management and coordination of the six ENI[21]. Activities related to school grants will be implemented in close collaboration with UNICEF, AFD and Aide et Action, which support (or have supported recently) the preparation of school improvement plans, as well as the GPE-Global Regional Activities (GRA) funded project on schools/inspectorates profiles implemented by UNICEF.

Component 2: Strengthening Access and Equity in Primary Education through:

Sub-component 1: School construction, equipment, latrines and *boreholes* in areas with low educational achievement and low girls' completion rate, delegated to school-based management committees (COGEPs) building on results achieved with the PERI1.

Sub-component 2: Promoting girls' schooling with communication and awareness campaigns; provision of uniforms and sanitary kits in 4 selected prefectures where girls' PCR is below 40 percent.

Coordination with other Partners: the construction component has been articulated with other projects supporting access (community development projects supported and/or financed by IDA, Plan Togo, Bornefonden and the Islamic Development Bank). There will be a partnership with UNICEF under their Global Sanitation Program for boreholes to be built in the Savanes region. Activities promoting girls schooling will be coordinated with similar activities supported by the same Partners, as well as UNICEF and UNGEI with the GPE/GRA funded project on school-related gender-based violence.

Component 3: Strengthening education service delivery through:

Sub-component 1: Capacity building of COGEPs: the same approach as PERI1 will be used[22] as well as literacy training to ensure proper program and ESP implementation.

[21] Three ENIs were built by the previous FTI program, three others by the previous AFD project

[22] Grassroots Management Training method

Sub-component 2: Capacity Building of the Education ministry: grants will be provided for the 63 Inspectorates linked to performance-based contracts to improve the frequency of school visits and strengthen the impact of the overall quality improvement at the school level, girls schooling, and reduction of repetition.

Coordination with other Partners: the school improvement plan preparation and results-based contracts will be developed with the support of UNICEF and UNESCO-IIEP Pôle de Dakar through the GPE/GRA funded project on information feedback systems and tools for increasing accountability, and in close collaboration with the Non-Governmental Organizations (NGOs) supporting the "Projets d'écoles"; the literacy module preparation and implementation will be contracted out to NGOs selected on a competitive basis. The training of inspectorates will build upon the work achieved by the previous AFD project (EPTT) and upon the work achieved by UNICEF regarding the preparation of inspectorates' education plans (including the use of the bottleneck analysis tool embedded in the inspectorates' profiles).

	Program Component	**Amount (million US$)**	**% of total**
A	**Improving the quality of pre-primary and primary education**	**13.8**	**49.5**
	- New curricula and textbooks	4.4	15.7
	- Teacher training and awareness for reduction of repetition	5.0	17.9
	- School grants and research grants for quality improvement in primary schools	4.4	15.9
B	**Strengthening Access and Equity in Primary Education**	**7.8**	**28.1**
	- Construction of schools with boreholes in 18 deprived prefectures	6.0	21.5
	- Promoting girls' schooling in 4 selected prefectures	1.8	6.6
C	**Strengthening education service delivery**	**6.2**	**22.4**

	- Capacity building of the COGEP	0.8	2.8
	- Capacity building of Education Ministries, Monitoring and Evaluation and Accountability	5.5	19.6
	TOTAL	**27.8**	**100**
	Agency Fees*		1.75
	Supervision Fees**	0.75	

*Other Agency fees that are not included in the total grant requested.

**Supervision fees requested comply with the GPE guidance on Supervision Allocation (considering the GPE indicative allocation and the context)

The capacity-building approach with i) provision of technical expertise to support curriculum reform and teacher training; ii) training to reinforce all levels of the ministry (central and regional, district, school) and COGEPs has been deemed essential to mitigate the implementation risk initially rated as substantial by the SE.

In addition, social accountability measures, such as the participation of COGEPs and the community at the school level for all expenditures decisions, large awareness campaigns, internal audits, Public Expenditures Tracking Surveys (PETS) are other measures included to mitigate the risk of misuse of funds.

The modality chosen for the GPE-funded program reflects the current public financial context in Togo. The results of the last Public Expenditures and Financial Accountability (PEFA) and Public Expenditure Management and Financial Accountability Review (PEMFAR) reports[23] released in 2009 underscored continued weakness. AFD and the WB are the only partners that intervene through the Ministry via a Project Coordination Unit (PCU); other partners directly manage their own funds in support of the sector. The first attempt to set up a joint AFD/FTI PCU for the PERI1 failed due to discrepancies in timelines, but an agreement is already underway for this program with a single PCU. All financial operations are the direct responsibility of the Directorate of Administration and Finance (DAF). Several positions[24] in the PCU have been, or will be in the

[23] PEFA report concludes that Predictability and control of the implementation of the budget is a major concern (rated D+), as well as the accounting, recording information and financial reports (rated between C and D); Furthermore, there is no real control (internal or external)

[24] Financial Management, M&E, Grassroots Management Training and Regional coordinators

joint PCU, held by trained national counterparts. The consultant-national counterpart system will remain in order to continue building capacity, but stronger responsibilities will be given to the Ministry Directorates. The Ministry's General Secretary will ensure the overall supervision.

SUMMARY OF THE QUALITY ASSURANCE REVIEW PROCESS

The Quality Assurance Review (QAR) Phase I process was launched in August 2013 and concluded that the process to identify activities to be financed by GPE support had been collaborative and fully transparent, and that activities are aligned on the ESP priorities and objectives.

Three main recommendations of QAR Phase I are summarized as follows:

1. There were no activities identified to address gender issues; the report recommended that, where possible, the program document should note if the issues were being addressed by other donor support or national resources. In response, activities to address gender issues were incorporated.
2. In terms of modality to implement the GPE program, recommendations were made to (i) consider the possibility of merging the AFD and GPE PCU, and (ii) to pave the way to build a more harmonized and aligned modality before the end of the program. As a result, AFD and WB agreed and worked on merging the two PCU. On the second aspect, AFD has recruited a technical assistant specialized in public financing systems. He is committed to devoting part of his time to the establishment of a pool fund by 2017.
3. The previous FTI grant was lagging far behind schedule (the disbursement rate stood at 53 percent in August 2013) and the report warned the government that a new request could not be submitted without first addressing the sources of the delays observed in the FTI grant. In response, the Ministry and the WB took action to solve the problems, which had been mainly linked to the school construction program delegated to the Contract Management Agency. The pace of implementation increased, and the disbursement rate currently stands at 96.6 percent.

The QAR phase II was conducted in January 2014. The main recommendations are summarized as follows:

1. Provide a more comprehensive assessment of the previous phase, during which several projects funded by different partners supported setting up activities that the program proposes to continue.
2. Take stock of the PERI 1 results in terms of capacity building and specify whether execution processes used for PERI 1 have been satisfactory, or mention if adjustments are needed.
3. Detail how the program is articulated with other partners' contributions.
4. Consider and strengthen COGEPs in a broader perspective than purely fiduciary.
5. Integrate indicators of quality that will reflect improvement in early learning outcomes and strengthen the link between teaching practices and student achievement and its monitoring.
6. Monitor the evolution of repetition and retention rates desegregated by gender in prefectures targeted by the program.
7. Describe more precisely the role of all stakeholders at the regional and local levels for activities that involve transfer of resources to the periphery of the system.
8. Integrate communication and awareness activities to mobilize parents and civil society in the monitoring of equity and quality challenges.

These recommendations have been mostly taken into account, and the new program document considers more extensively i) lessons learned from the previous FTI and other partners' education programs and take stock of skill transfer between external experts of the PCU and national homologues, and execution processes that need to be revised, ii) the articulation between foreseen external support and the GPE program, iii) extending the expected role of COGEPs and the support provided, iv) integrating an indicator on learning assessment at the end of grade 2, v) integrating a follow-up on repetition rates in the 18 most deprived prefectures targeted by the program, vi) assessing more precisely the role of the different stakeholders within the system and vii) integrating communication and awareness campaigns.

CONCLUDING REMARKS

The Secretariat finds that the program has been developed in a transparent and particularly collaborative manner and that the application and supporting documents are internally consistent and complete. The application package is thus ready for assessment by the Country Grant and Performance Committee.

The process of dialogue, planning, and sectoral monitoring is good in Togo; quality data are produced on a regular basis (including on learning assessment[25]), and are reinvested in regularly updating the diagnosis of the education sector. Coordination of donor support is effective and relies on the national three-year action plan that is monitored through the annual Joint Sector Reviews.

The mobilization of national resources for education is above what is generally expected. Efficiency (through the specific activities to reduce repetition and dropout rates), equity (through the focus on less deprived prefectures and girls issues) and learning outcomes (through the curriculum, school grants and support to inspectorates) are identified as key issues and are addressed through the program and the ESP, which makes the country aligned with the discussions initiated to design the new GPE funding model.

The modality considered is consistent with the country's context (Public Financing Management system and fragility); it presents some improvements compared to the previous grant (harmonization between AFD and the GPE coordination unit as well as greater empowerment of Ministry Directorates; currently, there is not a more aligned modality). As the first attempt to merge the two PCU in 2008 failed, the Secretariat will follow very closely the process to ensure that it will be successful this time. The next steps (establishment of a pool-fund, or a more aligned modality more generally) are already set up and should be ready by 2017. The next release of the Public Expenditure Review (partially targeting the education sector) should also help to move this forward.

In terms of implementation readiness, the program builds on the previous FTI program and other partners' experience, which should allow a quick start of the program. The revision of the implementation manual is already underway (to take into account the new activity relating to girls schooling and the merging of the two PCU) and should be completed by mid-July. The recruitment of the financial management specialist has already been launched (financed by AFD); the terms of references for the consultants to support the Ministry technical directorates

[25] The strategy of the Government relating to learning assessment is to (i) analyze the exams' results yearly; (ii) carry out a national learning assessment using the PASEC/SDI methodology every four years; and (iii) use the new PASEC formula in the same way as international assessments (also planned every four years).

and the coordinator of the PCU should be finalized by the end of May and recruitments effective no later than September.

The program targets, supports, and relies on all levels of the system: central and district administration, school, and community. It is fully aligned with GPE strategic objectives. The main focus is thus on learning outcomes, which remain a major challenge to the Togolese education system, and also proposes meaningful activities to improve equity and support to teachers.

UZBEKISTAN
Quality Assurance Review - Phase III
Final Readiness Review

Proposed Grant Amount: US$ 49.9 million
Implementation period: 3 years
Projected implementation start date: 1 October 2014

COUNTRY BACKGROUND

Uzbekistan is a lower middle income country[26] located in Central Asia with growth that has averaged 8 percent annually since the mid-2000s. Uzbekistan represents about one third of Central Asia's population, with 29.78 million inhabitants in 2012, and is the 5th largest country (by landmass) in the former Soviet Union. Uzbekistan gained independence in 1991, and since that time authorities have chosen a gradual path to reform, aimed at social stability with an emphasis on national independence, centralized government control and self-sufficiency.

Despite high growth rates, the Gross Domestic Product (GDP) per capita was US$ 1,717 in 2012[27], one of the lowest in the region, and in 2010, an estimated 19.5 percent of the population was unable to meet their basic needs[28]. In 2005, 74.7 percent[29] of those below the poverty line lived in rural areas of the country, where 48.8 percent[30] of the overall population lives. Uzbekistan is ranked 114th in the 2012 Human Development Index. Given the country's young population, with 28.8 percent was under the age of 15 in 2012, the Government of Uzbekistan (GoU) is keen to invest in education. Universal Primary access is achieved in Uzbekistan, but access to other levels of education, including the provision of quality early childhood education still need to be addressed. In addition progress on quality and equity is still a major challenge. This is part of the Government strategy to promote a smooth and gradual transition to a market-oriented economy across the entire country.

[26] According to the World Bank Atlas (based on the Gross National Income – GNI - per capita). Lower middle income countries have GNI per capita between US$ 1,036 and US$ 4,085.

[27] Data from World Bank EdStats database.

[28] Official data as cited in *Country Partnership Strategy for the Republic of Uzbekistan for the Period of FY12-FY15*. Poverty, or ability to meet basic consumption needs, is measured by a "national food-based norm of 2,100 kilocalories per person per day".

[29] The year 2005 is the most recent year with available data. Welfare Improvement Strategy for Uzbekistan (2007).

[30] According to the State Statistic Committee.

EDUCATION SECTOR

Uzbekistan joined Global Partnership Education (GPE) in September 2013 when its Education Sector Plan 2013-2017 (ESP) was endorsed by the Local Education Group (LEG). Key relevant national priorities for education as articulated in the ESP are:

- Development and support of services on early childhood development, expansion of the network of one-year programs for short-term stay of children, as well as methodic provisions for parents;
- Development of favorable conditions for teaching children at schools, increasing the quality of teaching and learning;
- Improving the qualification while taking the professional challenges and educational needs of teachers;

Uzbekistan's economic strategy emphasizes the maintenance of basic public services, including investments in education. The Law on Education N-464-I proclaims education as a priority of the state and guarantees equal rights to education for all. The primary Gross Enrolment Rate (GER) was 95 percent in 2011 and the Gender Parity Index (GPI) was 0.97. To achieve high levels of access, the GoU increased public expenditure on education from 5.6 percent of GDP in the mid-1990s to 8 percent of GDP in 2010, dedicating an estimated 35 percent of the total annual budget to education in 2012. While this level of spending is considerably higher than the Organization for Economic Cooperation and Development average, there are questions as to the efficiency and labor market relevance of the current education sector at all levels. The GPE funding estimated for 2015 is US$ 24.5 million (around 30 percent of the estimated funding gap of the Uzbekistan ESP). The total funding gap for the 2014-2017 period is 32.9 percent.

The LEG and the Development Partner Group (DPG) were formed in February 2012 to represent key stakeholders. The LEG is chaired by the Minister of Public Education and has members representing the Ministries of Specialized Secondary and Higher Education, Health, Finance, Economy, and the Cabinet of Ministers. In addition, nine non-governmental organizations (NGOs), the trade union coalition, which represents teachers' interests, and ten donor agencies are represented. UNICEF serves as the Coordinating Agency.

APPLICATION SUMMARY

The requested program implementation grant of US$ 49.9 million is in line with the indicative amount derived from the GPE Needs and Performance Framework (NPF). The World Bank was selected as the Supervising Entity (SE). In each phase of project preparation, the SE conducted broad consultations with the LEG members to gather ideas on how to address the challenges identified in the ESP. The proposed project modality incorporates the use of existing structures of the Ministry of Primary Education (MoPE) as proposed activities to be financed are part of the everyday work of its staff. The Ministry has taken ownership of the project by preparing the draft version of the Project Operations Manual, which includes processes, roles and responsibilities on technical and fiduciary areas. The draft has been shared with the SE. Once the grant is approved, under the direction of the Ministry, to enhance capacity, a small team of local consultants would be hired to assist MoPE with day-to-day project management, and make sure it is implemented in accordance with the procedures set forth in the Grant Agreement and the Project Operations Manual. Capacity building would be financed using project funds and the operational procedures would be regularly updated to reflect lessons learned during implementation.

The proposed Project is clearly aligned with the strategic objectives of the GPE to increase the number of children learning and demonstrating mastery of basic literacy and numeracy skills by Grade 3, as well as to improve teacher effectiveness by training, recruiting and retraining teachers and supporting them to provide a good quality education. It aims to increase access of children aged 3-6 to quality early childhood care and education in rural pre-primary institutions and to improve conditions for better learning outcomes of students of rural general educational secondary schools (Grades 1-9). It is also aligned with ongoing education activities of other international development partners, including the World Bank, UNICEF, and the Asian Development Bank (ADB). Activities of partners, including the half-day pre-primary education model, improvements to the teacher training systems, and provision of Information and Communications Technology (ICT) equipment, provide a good foundation for the interventions in this project.

The Project is to be implemented over a period of three years, between 2014 and 2017, and is organized around three components: improved access to quality early childhood education opportunities, improved learning conditions for students of general secondary education and

strengthened capacity to monitor the education system. The Project would be financed by a GPE grant of US$ 49.9 million plus US$ 4.2 million from the GoU to finance distribution of all goods to be purchased by the Project, from Tashkent city to schools.

Component 1 will improve access to early learning opportunities and quality pre-primary education in rural areas of Uzbekistan, by supporting the development and implementation of flexible models of Early Childhood Care and Education (ECCE) service provision, including the training of pre-primary teachers to deliver those models.

Component 2 will improve teacher effectiveness by training, retraining and supporting teachers to provide a good quality education.

Component 3 will strengthen the capacity of the Ministry to monitor the education system by improving the existing management information system, by financing the third standardized student assessment and by providing technical assistance to strengthen the Ministry's capacity.

	Program Component	**Amount (US$)**	**Percent of total (%)**
1	Improving Access to Quality Early Childhood Education	**20,700,000**	**41.5**
	Sub-component 1.1: Developing More Flexible and Efficient ECCE Service Provision	1,000,000	2.1
	Sub-component 1.2: Implementing Quality Early Childhood Education Opportunities	19,700,000	39.4
2	Improving Conditions for Better Learning Outcomes in General Educational Secondary Schools	**23,100,000**	**46.3**
	Sub-component 2.1: Supporting Training Programs for Teachers and School Managers	5,300,000	10.6
	Sub-component 2.2: Supporting	17,800,000	35.7

	the Implementation of Minimum School Standards		
3	Strengthening the Capacity to Monitor the Education System	**6,100,000**	**12.2**
	Sub-component 3.1: Strengthening the Education System Monitoring Capacity	5,000,000	10.0
	Sub-component 3.2:Project Management	1,100,000	2.2
	TOTAL	**49,900,000**	**100.0**
	Agency Fees*	**873,250**	**1.75**

*Other Agency fees not included in the total grant requested: The requested amount of US$873,250 represents 1.75 percent of the GPE grant.

** Note that the Supervising Entity fee of US$ 100,000 per year totaling to US$ 400,000 is not included in the total grant requested.

This is the second time Uzbekistan has submitted an application for the Program Implementation Grant. The first occasion was in September 2013. While the Secretariat deemed the application package ready for Financial Advisory Committee (FAC) review at that time, discussion during the FAC highlighted emerging evidence from the country-level that alleged state-condoned child labor was taking place. Since that time, efforts have been made by the GoU and the broader LEG to respond to the Board's recommendations/decision (refer to the *Summary of the Quality Assurance Review Process* section for more specific details). Such efforts have resulted in the revision of the project's social assessment and the identification of the risk mitigation measures outlined here.

The GoU is a signatory of several International Labor Organization (ILO) conventions related to child and forced labor, but the enforcement of these conventions, as well as of existing national laws reflecting international agreements has continued to be a challenge, specifically during the cotton harvest. Forced child labor in cotton harvesting used to be widespread, but it has declined in recent years[31]. While good progress on child labor has recently been recorded, there

[31] ILO High Level Mission Report on the Monitoring of Child Labor, 2013. ILO concluded in its report that there was no systematic recourse to forced child labor.

are indications that forced child labor has been substituted with forced adult labor organized by local authorities and administrators of public institutions. Given these concerns, the proposed Project will mitigate the use of child and forced labor through the establishment of Third Party Monitoring (TPM) and a Grievance Redress Mechanism (GRM). To compliment these arrangements, communication campaigns have been included to raise awareness on the legislation on child and forced labor. Additionally teacher training activities will include a module on the legislation on child and forced labor, and on the TPM and GRM.

Generally the proposed TPM and GRM mechanisms are well regarded by development practitioners. The World Bank will also be able to draw from its experience of designing and applying the tools from various countries. However, the adequacy and strength of the mechanisms can only be fully confirmed during project implementation. Moreover even with appropriately sound tools, their utility may be limited by prevailing social norms as social and citizen engagement in Uzbekistan does not always mean advocating for rights and/or being critical of government services and practices. These cautions are balanced by the fact that in Uzbekistan Government policy is the primary driver of change and as a result current labor and broader economic policies pledged by the Government are likely to be the primary factor of positive change.

During a GPE Country Support Team mission (March 25-29) to Uzbekistan, it was observed that in-country development partners maintain that the situation is evolving towards a progressive realization of rights. This view is not shared, however, by some prominent civil society voices who assert that "in 2013 the Uzbek government systematically mobilized (to pick cotton) children aged 16 to 17 and adults throughout the country and 15-year old children in many regions"[32].

SUMMARY OF THE QUALITY ASSURANCE REVIEW PROCESS

[32] Cotton Campaign comments concerning the ranking of Uzbekistan by the United States Department of State in the *2014 Trafficking in Persons Report*, submitted by the Cotton Campaign, January 30, 2014. Another prominent voice on this issue has been Education International. Despite attempts, GPE has not been successful in obtaining clarifying detail from Education International with respect to the current dialogue around the progress on child labor and on the proposed mitigation measures child and forced labor.

The Quality Assurance Review (QAR) Phase I conclusions found the program was developed through a transparent and participatory process, but recommended expanding the LEG to include all education stakeholders, including civil society organizations and the private sector. While the proposed concept was consistent with the main government education goals proposed in the draft ESP and with three of GPE's strategic objectives, QAR Phase I recommendations called for: (i) clear sector prioritization (ii) cost-effective activities to be supported with regard to teacher training and (iii) an emphasis on girls' education. Likewise, more reflection was proposed on the use of national systems and financing modality to ensure country ownership and harmonization.

The following recommendations were submitted to Uzbekistan in the QAR Phase II report and replies from the country are summarized below:

1. Clarify linkages between student learning outcomes and the activities proposed by the project. In response, it was stated that international experience demonstrates that better conditions in schools may contribute to increased learning outcomes. Concerning the linkages between investments in ICT equipment and learning outcomes, findings based on settings comparable to the existing conditions in Uzbekistan's classrooms show that ICT equipment can create learning gains when computer-assisted learning programs reinforce skills learned in the classroom, or when computer use is directly linked to pedagogy, which is part of the comprehensive approach adopted by the education sector policy,

2. Clarify the project's monitoring and evaluation (M&E) arrangements and formulate better outcomes and indicators for children's school readiness, the effectiveness of teacher training, and the effectiveness of the management system implementation. In response, the project document was revised to reflect a more detailed description of the proposed assessments of the ECCE service provision and the investments in quality teacher training activities. Regarding the general secondary education interventions, the proposed project would support classroom and training observations in two stages to assess teaching quality. The effectiveness of the management systems improved by the project would be assessed during implementation.

3. It was recommended to ensure the goal to provide quality training to 300,000 teachers and school managers is realistic and to explain how the project would become sustainable. In response, the goal was revised to provide quality training for 200,000 teachers and school

managers, while project sustainability will be addressed mainly with central and local government resources, while providing cost savings to parents estimated at US$ 10.4 million over three years.

4. Include lessons learned from previously implemented ECCE projects and provide a more complete overview of the education sector including other donor and government programs. In response, lessons learned from previous ECCE projects, such as the initiative piloted by UNICEF in six regions of Uzbekistan, were included in the project document, as well as a summary of the most relevant initiatives supported by other donors (including the Asian Development Bank (ADB)).

5. It was suggested that needs of the ethnic minorities in Uzbekistan be considered in preparing learning materials, as nearly a quarter of Uzbekistan's population consists of ethnic minorities. In addition, access and equity issues could be explored further. In response, changes were made to include providing storybooks and teaching and learning materials for the ECCE component in Russian, Uzbek and Karakalpak languages. Moreover, the general secondary education component was revised to support the development and production of teaching materials for training institutes in Uzbek, Russian and Karakalpak languages. In regards to special needs children, the teacher-training program for children enrolled in the half-day model would include the topic of identifying and supporting children with special needs in the classroom. For further details about how the language and equity issues have been addressed, please see the Attachment.

6. Since Uzbekistan is ranked 170th out of 176 countries by Transparency International it was requested that the proposal explain its accountability and transparency procedures to prevent any misuse of funds. In response, it was agreed that the Ministry of Public Education (MoPE) would have overall responsibility for procurement under the proposed Project. The MoPE has a local Procurement Consultant, experienced in procurement management under other Bank-financed projects. The World Bank Task Team will supervise the project to verify all procurement procedures, and to ensure fair competition, economy, efficiency, quality, and transparency. Concerning the detailed budget breakdown of sub-components and unit costs, a comprehensive Project Implementation Plan (see separate application document) was completed and agreed upon with MoPE and the LEG, at the appraisal stage. This Project Implementation Plan clearly

shows all planned activities with respective costs, implementation timeline, fiduciary and M&E arrangements, responsibilities and linkages with the ESP.

CONCLUDING REMARKS

The Secretariat finds that the proposed program was developed in a transparent and collaborative manner, and that the application and supporting documents are consistent and complete. The Secretariat finds that the application is ready for assessment by the Country Grants and Performance Committee (CGPC).

The complete application package indicates the proposed project is based on a careful assessment of the unmet needs of the education sector, is well aligned with the recently prepared ESP, and is the result of close collaboration between the government and education partners in Uzbekistan. As this is the first grant for Uzbekistan, GPE processes at the country level have contributed to bringing together government, civil society, and donor partners to plan and monitor the sector jointly.

GPE's support will be catalytic in expanding access to quality early childhood education opportunities and improved learning conditions for students of general secondary education. The project reflects GPE's strategic objectives on learning and will strengthen synergies with key sector partners such as UNICEF.

In terms of implementation readiness, given that the conceptualization and implementation arrangements of the project were drawn from a recently completed World Bank project, delays are not expected. The Ministry has taken ownership of the project by preparing the draft version of the Project Operations Manual, which includes processes, roles and responsibilities on technical and fiduciary areas. The draft has been shared with the SE.

The drivers of change in Uzbekistan are the government, in-country development partners, and CSOs who have contributed their voices to draw attention to child and forced labor issues. Over time, increased dialogue and collaboration has led to progress in addressing the issue of child labor. While there is no consensus on the degree of progress made, there is space for collaboration in addressing both child and forced labor. Imbedded in the project, the TPM and GRM mechanisms will verify compliance with applicable laws and regulations on child and forced labor.

ATTACHMENT 1:

Response to GPE Financial Advisory Committee Comments and Recommendations

A. Status of Child Labor Practices in Uzbekistan

Uzbekistan applied for a GPE grant in September 2013, but significant issues arose at the FAC discussion relating to the use of child labor for cotton harvesting. In its November 2013 meeting, the GPE Board of Directors requested that the FAC review a revised proposal from Uzbekistan, which addresses the issues raised by the FAC. The Board of Directors would then consider the recommendations of the FAC.

Based on its monitoring of the Uzbekistan 2013 cotton harvest, the International Labor Organization (ILO) determined there was no systematic recourse to child labor. In its February 2014 report, ILO found that the Government of Uzbekistan had made progress in enforcing the 2012 Ministerial Order that prohibits children less than 18 years of age from participating in the cotton harvest. The ILO position that Uzbekistan has made progress in addressing child labor concerns is widely shared by in-country development partners.

Another meaningful signal of the Government's commitment to addressing this issue is the return of the International Labor Organization (ILO), which is in the process of articulating a work program in Uzbekistan. As the recognized specialized agency on labor rights, ILO has the mandate and expertise to assess, monitor and offer technical assistance to the government in order to continually strengthen the Uzbekistan child and forced labor policy environment.

B. Recommendations on Technical Aspects of the Project

FAC's Comment: "a large part of the budget was funding the purchase of equipment and it is unclear how this will improve learning outcomes".

The proposed Project intends to improve learning conditions in general educational secondary schools over the short duration of its activities (three years) to lay the foundation for improving learning outcomes over the medium and long-term. The PAD is based on lessons learned from

other countries that education inputs leading to an improved learning environment have been positively linked with higher learning outcomes.

FAC's Comment: "the utility of distribution of picture books for parents is questioned".

With this strong evidence-based foundation, the PAD has been revised to clarify that the Project would support the development and implementation of an early reading program, rather than a "distribution of picture books for parents". This program would benefit children aged 3 to 6 not enrolled in formal ECCE and living in rural areas, to engage in early reading in the home. To compliment in home reading story hours at which teachers would model positive parent-child interactions and emergent literacy strategies are planned to encourage early reading activities with parents. The establishment of small ECCE libraries at participating pre-primary education schools to encourage sustained and diverse participation and access to storybooks.

FAC's Comment: "there are concerns about the lack of inclusion of ethnic minority languages in the curriculum".

According to Uzbekistan's Education Law, children are entitled to education in their mother tongue. In pre-primary education schools, according to an existing policy, parent committees vote and decide on the language of instruction. Data from the Ministry of Public Education (MoPE) show that Uzbek, Russian and Karakalpak languages together account for 98 percent of all children enrolled in pre-primary education in Uzbekistan (Russian-speakers are considered a language minority in Uzbekistan and account for much of the reported language minority). As a result of an extensive discussion with the Government of Uzbekistan (GoU), the proposed project design shows that the storybooks and teaching and learning materials for the ECCE component would be produced in Russian, Uzbek and Karakalpak languages. Moreover, the general secondary education component was revised to support the development and production of teaching materials for training institutes in Uzbek, Russian and Karakalpak languages. The new modules would be integrated into the regular courses of the training institutions.