



RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF THE
EDUCATION QUALITY REFORM PROJECT
APPROVED ON JUNE 6, 2014
TO
MONGOLIA

EDUCATION
EAST ASIA AND PACIFIC

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ABBREVIATIONS AND ACRONYMS

CMP	Child Money program
COVID-19	Coronavirus Disease
DA	Designated Account
DLI	Disbursement Linked Indicator
EA	Environmental Assessment
ECD	Early Childhood Development
EEC	Education Evaluation Center
EGMA	Early Grade Mathematics Assessment
EGRA	Early Grade Reading Assessment
EQRP	Education Quality Reform Project
ESIS	Education Sector Information System
FA	Financing Agreement
FM	Financial Management
GOLWS	General Office for Labor and Welfare Services
GoM	Government of Mongolia
GPE	Global Partnership for Education
HSES	Household Socio-Economic Survey
ICT	Information and Communication Technologies
ILO	International Labor Organization
IPF	Investment Project Financing
ISR	Implementation Supervision Report
ITPD	Institute for Teacher Professional Development
M&E	Monitoring and Evaluation
MECSS	Ministry of Education, Culture, Science and Sport
MESP	Mongolia Employment Support Project
MLSP	Ministry of Labor and Social Protection
MNT	Mongolian currency Tugrug
MOF	Ministry of Finance
NLA	National Learning Assessment
PBC	Performance Based Conditions
PDO	Project Development Objectives
PISA	Programme for International Student Assessment
SDR	Special Drawing Rights
SOE	Statement of Expenditures
SWF	Social Welfare Fund
TA	Technical Assistance
TOT	Time on Task
TSA	Treasury Single Account
UNICEF	United Nations Children's Fund
WHO	World Health Organization



BASIC DATA

Product Information

Project ID P148110	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 06-Jun-2014	Current Closing Date 31-Dec-2020

Organizations

Borrower Mongolia	Responsible Agency Ministry of Education, Culture, Science and Sport, Ministry of Labor and Social Protection
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Project Development Objective (PDO)

Original PDO

The Project Development Objectives are to improve the quality of education for primary school children in Mongolia, with particular emphasis on improving native language and mathematical skills, and strengthen school-level planning.

Summary Status of Financing

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
IDA-54880	06-Jun-2014	18-Jun-2015	17-Aug-2015	31-Dec-2020	30.00	16.52	10.34

Policy Waiver(s)

Does this restructuring trigger the need for any policy waiver(s)?

No



I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

A. Rationale for Restructuring

1. **An outbreak of the coronavirus disease (COVID-19) has been spreading rapidly across the world since December 2019, following the initial cases in Wuhan, Hubei Province, China.** On March 11, 2020, the World Health Organization (WHO) declared a global pandemic. The disease has reached almost all countries in the world with major disruptions to social and economic life everywhere. The COVID-19 diagnoses in Mongolia have been attributed to imported cases (up to 140 to date) with no deaths reported.
2. **Mongolia took stringent measures early on to prevent an outbreak and this has largely been successful to date.** Mongolia was one of the first countries to start facing the economic impacts of COVID-19 due to its close linkage with the Chinese economy, particularly in trade, tourism and foreign investments. On January 27, 2020, Mongolia closed its borders with China and also closed all schools and kindergartens. Since then more measures were taken, including banning public gatherings, limiting public transportation, closing public places such as gyms, shortening opening hours of cafes and restaurants and making the wearing of masks in public mandatory. Travel has also been severely limited, including a complete ban on any international travel by air and road.
3. **A crisis that started as a supply-side shock for labor markets has rapidly evolved into a joint supply and demand crisis.** With travel restrictions imposed to contain the spread of the disease, global and local supply chains have been disrupted; businesses have been closed or remain open only for limited hours. The ongoing crisis, and the uncertainty surrounding its duration and impacts, has deterred investments and lowered labor demand. Permanent business closures, school closures, rising unemployment and loss of livelihoods are big concerns for long term impact. Early estimates from International Labor Organization (ILO) suggest increases in global unemployment by up to 22 million. Mongolia, along with many countries, is also expected to face negative growth and employment consequences. The global nature of the crisis has led to a reduction in capital flows in Mongolia; commodity prices have fallen; and global demand for Mongolian exports and tourism have fallen and will continue to do so as the crisis deepens. Early estimates suggest that Mongolia's economic growth in 2020 is likely to be between 1 percent to 2.4 percent – a significant downgrade from previous estimates. As the global crisis deepens, the economic prospects for Mongolia will further worsen.
4. **Impact on Human Development.** The current measures are already having a serious impact on the socio-economic situation of the country. The current situation puts children's safety, security, education, health (including mental health) and nutrition at risk. For example, because of the school and kindergarten closure, all children in Mongolia (over 900,000 attending 2200 schools) receive little to no education. Students are not expected to return to school until September 2020. The Ministry of Education, Culture, Science and Sports (MECSS) launched TV-remote learning in January whereby teacher-led instruction is offered for every class, every grade daily through several broadcasting networks. However, for those households without access to TV, school instruction has been limited to worksheet handouts provided by teachers on a weekly basis. However, many children are without proper care during the day when parents need to go to work. Normally the children receive lunch at kindergarten and primary school which is no longer happening. Many people are losing income and jobs. It is very likely that poverty will sharply increase in the coming months which will affect children's health and nutrition with short and long-term impacts. Therefore, the Government has introduced an increased monthly allocation (top up) to the Child Money Program (CMP) to improve social welfare of children from MNT 20,000 (US\$7) to MNT 100,000 (US\$36) from April through September 2020.



5. **Given the current challenges, there is a need to reorient activities to address the COVID-19 emergency and, by doing so, to support strategic activities to help the Education Quality Reform Project (EQRP) achieve its Development Objectives.** The restructuring proposal seeks to reallocate available undisbursed resources to respond to the immediate needs of government efforts to address the COVID-19 crisis and rely on reallocations to continue implementing the strategic (modified as necessary) education activities under the EQRP. **The activities planned under the restructuring are directed to support primary school children (through the CMP and through remote, distance education) and the continuation of the EQRP in-school learning activities (both those that support COVID emergency response and those that support longer term recovery for the education sector).**
6. **Introducing a new component- Support for child welfare during COVID-19 emergency:** The Government of Mongolia (GoM) announced a relief package of US\$1.8 billion that includes increased social transfers (to families with children) aimed at supporting poor households to help offset the current income shocks. There are indications of a financing gap of around US\$550 million for the total fiscal stimulus. Therefore, support is being solicited from development partners to fill this gap. The Asian Development Bank is planning to support social welfare interventions through a new project with some financing earmarked for the CMP (amount to be determined). Other World Bank projects are being restructured to reallocate funds to support the fiscal stimulus and social welfare mechanisms. The EQRP has been requested to contribute up to US\$5 million for the additional top up for child cash transfers under the CMP for children aged 0-18.¹ Combined with contributions from other Development Partners (e.g., ADB) the support helps to enable the Government to meet its financing requirements. The additional top up of MNT 80,000 (US\$29 per child/per month) would be made available to over 1.19 million children at an estimated cost of an additional US\$32 million per month. This program is an important safety net for lower income households. According to the Household Socio-Economic Survey (HSES 2018), the CMP covers 87 percent of poor households. In terms of share of household income, CMP benefits are important for lower-income households, in particular the bottom 10 percent of households who rely on this monthly transfer as more than 10 percent of their income. The restructuring will introduce a (new) component to support the government efforts to increase cash support for school-age children during the COVID-19 quarantine period.
7. **COVID-responsive education activities under the EQRP through reallocation:** An emergency plan for education is being developed with leadership from UNICEF (and financial support from the Global Partnership for Education) mapping the key activities and potential sources of financing. One of the key areas is the continued roll out and production of TV lessons for all grades and all subjects, especially math, native language and science subjects. The EQRP has been requested to support the expansion and distribution of these lessons and other remote learning materials to remote areas, students with disabilities and ethnic minorities. In addition, the EQRP has been requested to utilize the additional round of school grants (Cycle 5) to support project schools on determining and overcoming the learning lag accrued as a result of the COVID-19 pandemic.

¹ Initially, the request to the Bank was to support the additional MNT 10,000 (US\$7) per child/per month. US\$5 million would have been used to cover this additional MNT 10,000 per child/per month for a whole month and even a portion of another month's additional child money. The Bank proceeded with restructuring based on this understanding and agreement with government counterparts. However, during Bank processing of the government request, the government decided to increase the child money by another MNT 70,000 (US\$25) per child/per month resulting in total of MNT 100,000 (US\$36) per child/per month. This increase from MNT 20,000 (US\$7) to MNT 100,000 (US\$36) is a significant outlay to protect children during the COVID-19 crisis. Therefore, the Bank's contribution would not be sufficient to even cover one month of CMP.



8. **While the project restructuring helps Mongolia respond to the immediate COVID-19 crisis, the activities planned within the project will also support the medium-term and longer-term recovery as schools re-open.** The Government has requested that the EQRP continue to focus on the early grade reading and mathematics teacher training and assessment which are areas critical for sustainability of learning improvements introduced under the EQRP. The additional time is especially welcomed given the impact of the COVID-19 delays in rolling out the assessment training, coaching for teachers and early grade reading and math surveys and thus greatly increases the chances of successful achievement of two of the PDO-level outcomes related to improvement of reading and math skills. Continued support to teachers to conduct formative assessments will be critical as students return to school after missing significant classroom instruction. The methodologies conveyed through professional development of teachers would help with remedial instruction as needed. The EQRP would also continue supporting the provision of learning materials to all schools, especially materials for special needs children. A fifth cycle of school grants would continue building on school management capacity to improve teaching and learning. This additional cycle would focus on school opening safety, ICT, and school connectivity to ensure education technologies are more widely available and accessible for supporting students.
9. **Two-year extension of the EQRP:** An extension of the project will solidify the impact of learning activities that have been introduced under the project including those related to improving native language and mathematical skills. The additional implementation period will allow Mongolia to participate in the Programme for International Student Assessment (PISA) 2021 and continue supporting the Education Evaluation Center (EEC) in institutionalizing their learning assessment systems.

B. Project Status

10. **The EQRP was approved by the World Bank Board, supported by an IDA credit of about US\$30 million (SDR19.5 million) on June 6, 2014 and became effective a year later on June 18, 2015.** Mongolia's lengthy in-country procedures for signing and ratification of the Financing Agreement (FA) caused this delay. As an issue affecting the country's overall portfolio at that time, a Level 2 restructuring was conducted in June 18, 2015 to address the delayed project effectiveness. The closing date for the Project was extended by 12 months (to December 31, 2020). No modifications were made to the original Project Development Objective (PDO) or project components at that time.
11. **A second restructuring of the EQRP has been requested in a letter dated April 28, 2020 to support Mongolia's efforts to lessen the economic and education impacts of the COVID-19 emergency.** The restructuring would include a no-cost extension of the Project closing date to December 31, 2022, the addition of several strategic education activities including distance learning, and the revision of the PDO to include support for the CMP.
12. The current **PDO** aims to improve the quality of education for primary school children in Mongolia, with particular emphasis on improving native language and mathematical skills and to strengthen school-level planning. Progress is being made as measured by achievement of two out of the three PDO indicators. Improvement in reading at the end of grade 2 and successful achievement of school grant implementation reflect the successful delivery of reading books and materials in all targeted classrooms through an innovative voucher scheme combined with the roll out of training to primary teachers; and the implementation of four rounds of school grants. Seventy percent of the 450 recipient schools have successfully achieved the school proposal objectives and targets agreed in the school financing. However, the project has yet to show improvements in mathematics since the planned roll out for the math training and assessment has been delayed. With regard to the intermediate indicators, 8 out of 11 indicators have been met. The effectiveness of the third cycle of school support grants in contributing



to EQRP's objective of strengthening school-level planning was assessed by an independent review conducted in April 2019.

13. **Project Ratings.** Progress towards the achievement of the PDO was recently upgraded to Moderately Satisfactory in December 2019 because the Education Sector Information System (ESIS)² was finally able to report on two of the three PDO indicators. Prior to 2019, the data was not available to determine progress against grade 2 reading and math results. Overall Project Implementation Progress is currently rated Moderately Satisfactory. After the delayed effectiveness, the Project saw several changes in leadership. While these did not result in any substantive changes of direction for the Project, it significantly delayed implementation as new management familiarized themselves with the Project. The Project often suffered from staffing vacancies in the project management unit. In addition, the Disbursement Linked Indicators category under the project was not fully utilized as a results-based financing disbursement method. While the results were in fact met annually, disbursements continued to follow Investment Project Financing (IPF) guidelines based on Statement of Expenditures (SOE). This created an additional layer of supervision, validation and reporting without the commensurate results payment. Project Implementation Status Reports reflected the slow pace of progress; and more recently the unsatisfactory performance (for about 9 months during 2018-2019) when the Government failed to take a decision on Project extension or restructuring which significantly limited activities being executed.
14. **Uneven implementation progress has limited disbursement against project activities.** The EQRP currently has US\$10.3 million (SDR7.54 million) undisbursed. US\$5 million (SDR3.7 million) was disbursed in CY2019. The cost savings from the underpayment of DLI results have been identified for reallocation across categories (and components) to support ongoing successful core activities in addition to a few new activities being proposed. The ongoing core activities reflect the EQRP's focus on improving native language and mathematical skills for primary students, i.e., the activities planned for teacher training, provision of materials and development and validation of assessment methodologies which are critical for project performance. The training on teaching reading skills and using formative assessment was conducted in November 2018 and November 2019. While the evaluation of the training (using the Early Grade Reading Assessment-EGRA) did not find significant impacts, teacher reporting through the ESIS indicates that students are seeing some improvements in reading skills. In the absence of direct observations of teachers while they teach reading in classrooms, it is difficult to assess the extent to which these positive responses reflect real teaching practices or stem from teachers' desire to give what they know to be the "right" answers. Given these issues, the MECSS plans to improve the next round of training to teachers and develop tools for classroom observation as well as self-assessment by teachers. The roll out of the training for the Early Grade Math Assessment (EGMA) had been delayed but was finally on track for January 2020, so it will be postponed to August/September 2020 once schools reopen. The team is currently discussing the option of conducting online training for the EGMA tool with teachers. The EQRP has demonstrated improved school-level planning through financing school support grants over the past three years. Seventy percent of the 450 recipient schools have successfully achieved their school proposal objectives and targets. The fourth cycle of grants was progressing well until school closures in January 2020. The COVID-19 shutdown has impeded the implementation of the planned activities/projects under this cycle, therefore an extension for utilizing the grants would be required through the start of the next academic year.
15. **Fiduciary, disbursements, safeguards and legal issues:** There are no procurement or financial management issues at the project level, nor outstanding audit reports. A Financial Management implementation and supervision review was conducted in October 2019 and a procurement post review report was prepared in June

² The ESIS is now replaced (as of 2020) by the Education Information Technology Center (EITC).



2019. Overall, management of all fiduciary aspects remains satisfactory. The safeguards risk rating is low and there are no issues to date. The MECSS has complied with all legal covenants under the FA.

16. **Monitoring and Evaluation:** Training was provided during the September/October 2019 mission to strengthen understanding of the monitoring and evaluation arrangements. The MECSS has hired a part-time M&E consultant for the project to strengthen the technical skills in this area and regularly update the project results indicators. The results framework was updated December 2019. Several indicators would be revised, and others dropped as part of the proposed restructuring.

II. DESCRIPTION OF PROPOSED CHANGES

A. No cost extension of two years

17. **The extension of the EQRP would allow the completion of ongoing project activities after the re-opening of schools. The additional time would deepen and strengthen the impact of the project's development objective.**
An extension would give additional time for implementing the new learning mechanisms introduced, especially given the COVID-19 postponement of many activities slated for 2020. Government's adoption of the EGRA, EGMA and lesson observation tools will be strengthened by the extended implementation period giving more time for the teacher training and classroom use of the EGRA and EGMA to support students. This support is critical for addressing the gaps in learning after half of the school year was lost. The completion of activities related to support for inclusive education will also go a long way towards ensuring successful results under the EQRP. In addition, supporting Mongolia's participation in the Programme for International Student Assessment (PISA) 2021 marks a major milestone in the establishment of Mongolia's assessment system and would be the first international assessment conducted. Significant work has already been carried out to create a National assessment center within the EEC to comply with the OECD timeline and requirements. After the project completion, these methodologies/instruments are planned to be institutionalized by primary school teachers for improving teaching and learning. The inclusion of these methods in the curriculum (a new activity under the restructuring) reflects the EQRP focus on sustainability of project interventions. The additional cycle for school grants would also lay the foundation for improving digital literacy and technology solutions for ensuring access to quality schooling, even in times of remote learning.

B. Cancellation of DLI instrument- Disbursement Category 2 would be frozen and undisbursed funds will be reallocated to Category 3

18. The DLI expenditure approach was never fully utilized as a results-based financing disbursement method in that actual disbursements were not in the amounts specified in the DLI table based on achievement of indicators. While the results were in fact met annually (only year 5 targets remain outstanding for one DLI), disbursements continued to follow IPF guidelines based on Statement of Expenditures (SOE). The reluctance of the government to pay for results in the full amounts specified in the FA was likely due to unfamiliarity with the DLI approach as well as limited expenditures that were used for documenting withdrawal applications. This created an additional layer of supervision (independent verification), validation and reporting without the commensurate reward of DLI valued payments as originally planned. MOF and MECSS have indicated that they are not inclined to continue using a results-based disbursement approach. Therefore, it was agreed to cancel the DLI approach, freeze Category 2 and reallocate undisbursed funds to Category 3.



C. Reallocation of remaining undisbursed funds in Disbursement Category 1 to new Category 3

19. This change would combine all remaining funds under Components 1, 2, 3 and 4 into Category 3 (except for SDR3.7 million (US\$5 million equivalent) which will be allocated to Category 4). Category 3 eligible expenditures would include “goods, non-consulting services, consultants’ services, training, incremental operating costs and school grants for Parts 1,2,3 and 4 of the Project”. Category 1 would be frozen to indicate disbursements made prior to the restructuring only.

Table 1: Revised Withdrawal of the Proceeds of the Financing

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, non-consulting services, consultants' services, Training, and Incremental Operating Costs for Parts 2 and 4 of the Project (<i>Pro memoria</i>)	1,095,979.70	100 %
(2) DLI Expenditures (<i>Pro memoria</i>)	6,917,108.30	100%
(3) Goods, non-consulting services, consultants' services, Incremental Operating Costs, and Training for Parts 1, 2, 3, and 4 of the Project	7,786,912.00	100%
(4) SWF Expenditures	3,700,000	100% of amount disbursed
TOTAL AMOUNT	19,500,000	

D. Introduction of New Category 4 for New Component “Support for child welfare during the COVID-19 emergency”

20. A new Category would support a component that tops up cash transfers under the CMP in the amount of SDR3.7 million (US\$5 million equivalent). Other donors (e.g., ADB) are also contributing to the CMP during the April-September period. The EQRP support will contribute to the top up payments to the CMP for all children receiving benefits (approximately 1.19 million children). The CMP, as of January 2020, is universal to all children (who are enrolled), with an original benefit size of MNT 20,000 per child/per month. Under the National COVID stimulus package the GoM will top up the benefit by MNT 80,000 per child/per month for a period of 6 months (April-September), bringing the total monthly benefit to MNT 100,000/per child. Direct financial support to vulnerable children is critical to minimize the secondary impacts of COVID-19 on children’s health and nutrition. The proposed top up transfer of MNT 80,000 (US\$29) per child/per month uses the existing Government system of social assistance for children that includes beneficiary databases, payment systems, human resources and monitoring mechanisms. Such cash assistance programs reach households quickly, with minimal administrative costs.

E. Changes to the PDO and Results Indicators

21. The PDO will be revised to include the addition of the COVID emergency response activities. The revised PDO would be “to improve the quality of education for primary school children in Mongolia, with particular emphasis



on improving native language and mathematical skills, strengthen school-level planning and increase support for child welfare transfers during the COVID-19 emergency.”

22. The results framework is modified to add indicators to reflect the new activities and revise existing indicators to reflect actual achievements and future trends as well as the additional years of implementation. The DLI indicators for Year 5 have been dropped with the closing of the DLI category.

F. Changes to Project Components

23. **Component 1: Improving Learning Outcomes:** There are significant savings under this component from the underpayment of DLI results. These savings will be used to support ongoing and additional activities across all components. The key revisions to this component are the addition of the following activities: (i) support to the production and distribution of filmed lesson plans for remote teaching and learning, including the TV lessons for special needs students and ethnic minority students. Due to the COVID-19 emergency, herders’ children living in remote areas without internet connection or without TV will face greater learning lags. UNICEF is conducting a study on the quality of the TV lessons. The recommendations of this study will be taken into consideration as the EQRP continues to support distribution of the filmed lessons and other remote learning materials; (ii) the provision of inclusive education resources in each aimag to facilitate inclusion of special needs children; and (iii) support to Mongolia’s participation in the PISA 2021 as part of the capacity building for the Education Evaluation Center (EEC). The project has been supporting the EEC through a multi-year contract to deliver the PISA package, including: (i) organizing the translation, reconciliation and approval of OECD assessment materials in Mongolian language; (ii) capacity building for EEC staff and national experts on data collection, coding, and data management; and (iii) conducting the field trial and main study at the sampled schools and submitting the final data to OECD. The PISA 2021 will be computer based and is planned to be rolled out in April 2021 and results and data would be reported by end of 2022. Unfortunately, there is a risk that the COVID-19 crisis may force the assessment to be postponed. The other change to this component is the revision to sub-component 1.2 (b) Support to the national rollout of the national primary education quality assessment for grade 5. The restructuring drops 1.2 (b) (ii)- the development and validation of the standardized assessment test for grade 5 as this activity was conducted with Government funding. In addition, the government recently introduced a Minister order to alternate the grades for standardized assessment each year (2019), so support for EEC primary assessment would now cover other grades introduced.
24. **Component 2: Pre- and In-Service Professional Development of Teachers:** With only half a year of school in the 2019-2020 academic year, planned 2020 training activities are also being delayed under the project (e.g., EGMA). Additional activities will support teacher training to improve special education methodologies; revise the teaching curriculum to integrate EGRA and EGMA methodologies; develop on-line training modules for EGRA and EGMA methodologies; and provide in-school support and coaching for teachers on EGRA and EGMA usage. The inclusion of these instruments and formative assessment methodologies in the curriculum contributes to the ensured sustainability of the EQRP investments.
25. **Component 3. Implementation of a School Support Program (school grants)** aims to improve and strengthen school level planning. An additional round of school grants (Cycle 5) will be implemented by following the general school grant guidelines for Cycle 4 with additional guidance for addressing COVID-19 impact on learning lag and for education technology options to connect schools, expand access to digital content, and support access to online resources. The funds will also allow schools to strengthen emergency preparedness, address hygiene and their COVID-19 response activities as needed when schools reopen. Schools will help choose the kinds of technology solutions to their challenges (e.g., catch up courses; teacher resources; self-guided study; open source



practice; Khan Academy, Singapore Math, tablets, distribution of printed materials supplemental materials, on-line and offline enrichment). The new cycle of school grants would help provide sorely needed funding for schools on addressing the expected learning lag issues and improving technology use as the system develops its remote learning. Progress on the education technology is key to sustainability.

26. **Component 4. System Management, Monitoring and Evaluation** will drop 4.1 (b), provision of consulting services to the working groups established for the project as these groups were not instituted. Otherwise, the component will retain the same scope of activities financing the Project technical staff and a team of experts to support implementation of the project. Savings from delayed staffing, cancelled studies and reduced monitoring and evaluation costs are being reallocated to components 3 and 5.
27. **NEW: Component 5: Support for child welfare during COVID-19 emergency** has been added to respond to the immediate needs of the GoM to provide temporary relief to families with children during the COVID-19 crisis. The component budget is US\$5 million, absorbing savings from Components 1-4. The component will support a reimbursement to the Social Welfare Fund, Child Money Program for the top-up payments up to US\$5 million. The EQRP contribution to the top up payments of MNT 80,000 (US\$28) per child/per month would be transferred to reimburse GoM funding for these top up payments during the emergency period (April-September). This component is described in a new Part 5 in the project description of the FA.
28. **Implementation arrangements:** The implementation arrangement for Components 1, 2, 3 and 4 remain unchanged. Component 5 will be managed by another implementing agency – the Ministry of Labor and Social Protection (MLSP) with support from the General Office for Labor and Welfare Services (GOLWS) which directly manages the Social Welfare Fund through which the CMP money gets disbursed to enrolled children. The CMP is governed by the Mongolian Government Resolution No.18 dated January 18, 2017. Related government procedure for implementation of the above-mentioned resolution has fed into the preparation of the disbursement arrangement.³ MLSP together with GOLWS is already implementing the World Bank financed Mongolia Employment Support Project (MESP) and is quite familiar with the Bank's fiduciary and operational requirements. MLSP's fiduciary performance in regards with the implementation of the MESP project has been deemed satisfactory and, therefore, the Bank fiduciary team concludes that MLSP will be able to sufficiently implement the Component 5 activities under the EQRP.
29. **Financial Management and Disbursement of Component 5:** The Bank FM team has carried out an assessment to inform the project restructuring and the summary of findings is as follows:
 - (a) **Budgeting.** The EQRP Workplan was reviewed and US\$5 million (SDR3.7 million) was re-allocated to the new Component 5. The final amount was derived as a result of a careful assessment of the current and planned project activities. The allocated amount will cover monthly cash transfers to all enrolled children under the CMP during April-September to the extent of the allocated amount. Furthermore, the World Bank financing will be applied toward the additional MNT 80,000 per month/ per child cash transfer portion which was approved under the National COVID stimulus package.
 - (b) **Disbursement and funds flow.** A new disbursement category "SWF Expenditures" will be created to accommodate the fund transfer from the project to the SWF. The SWF transfer will be made in the form of a Reimbursement from the project Designated Account (DA) to the state Treasury account specified by the

³ For details of the procedure in Mongolian, please see: <https://www.legalinfo.mn/annex/details/7585?lawid=12429>



government based on a monthly child money disbursement report for the month being requested to be submitted to the Bank by the MLSP. This will be done through Reimbursement disbursement method because the child money gets transferred to individual children's registered bank accounts by the 20th of each month and the Bank funding may not become available before the request for child money disbursement. Therefore, the government would pay out from its own funds the cash transfers under the CMP and will get reimbursed from the project proceeds in the amount up to US\$5 million.

- (c) The monthly disbursement reports will be prepared by GOLWS based on actual cash transfer data for the month submitted and will be reviewed by the MLSP. MLSP will then officially submit this report to the Bank. The monthly disbursement report will contain information on the number of enrolled children who have actually received their monthly cash transfers under the CMP and the total amount of such cash transfers disbursed. The SWF expenditure will be reimbursed from the project DA account directly to a local currency account at the Treasury Single Account (TSA) as specified in the government request for reimbursement. The funds may not necessarily get transferred to the SWF account as the Treasury Department will coordinate and allocate the reimbursed funds from the Bank. Once the funds get reimbursed from the project DA account to the TSA account based on the monthly disbursement reports, disbursement will be recorded and corresponding expenditure will be recognized under the project.
- (d) The SWF expenditure will only cover some of the additional child money for the month requested. The SWF reimbursement from the project DA to the TSA account will be made on a one-time basis based on the government's reimbursement request. When the MLSP submits the monthly disbursement report to the Bank, it will also provide the TSA account information to the Bank that will be used to receive the SWF reimbursement. As the SWF reimbursement will be made from the project DA account contingent on the MLSP provision of the monthly disbursement report and in the form of reimbursement, no prior advances will be made to the SWF account from the project. The one-time SWF reimbursement from the project is expected to be completed by September 2020. The new component and category information will be reflected in the amendment to the FA.
- (e) **Fiduciary oversight.** To ensure that the transferred funds have been received by the intended account, the MLSP, with support from the Treasury Department of MOF, will provide the Bank with documentation showing evidence of the deposit of the reimbursed sum into the intended account. The specified TSA account statement showing the deposited amount of the transfer from the project DA account will be sufficient for this purpose.
- (f) **Accounting and financial reporting.** The project will record SWF reimbursement in its accounting and financial records as an expenditure as soon as the transfer is made out from the project DA account to the intended account with the TSA and upon receiving corresponding document on completion of the transfer to that account. The relevant expenditure will be recognized under "SWF Expenditures" category in the project financial statements. The main documentations for the basis of the accounting will be the monthly disbursement report to be provided by the MLSP as well as the TSA account statement receiving the funds.
- (g) **Audit.** The audited SWF consolidated financial statements for 2019 were reviewed. The audit opinion was unqualified, and no audit findings were noted. Audited SWF consolidated financial statements for 2020 will be obtained and reviewed by the Bank to ensure that the fund has disbursed the monthly child money as reported in the monthly disbursement report and that the fund's overall fiduciary environment remains acceptable. The audit report will be reviewed by the Bank within 12 months after the end of the reporting



year 2020 as part of the project's FM supervision. The transfer of funds to the specified TSA account will be confirmed by obtaining the account statement. This documentation should be provided to the Bank as soon as the transfer is made, and it will be a required document for the audit of the project financial statements.

- (h) The eligibility criteria and procedures for monitoring, reporting and verification of the SWF expenditures will be included as a sub-section in the Project Operations Manual to be revised by MECSS and adopted by Ministry of Labour and Social Protection by June 30, 2020.

30. **Safeguards.** The overall safeguard performance rating for this project has been satisfactory (as updated in December 2019). For the restructuring, a new component will support a reimbursement to the Social Welfare Fund, CMP. No civil works or land acquisition will be incurred for the project restructuring. The restructuring will not trigger any new safeguard policy and the EA category of the project will not change; thus, no new or additional or supplemental instruments need to be prepared for the restructuring. The project will continue to use the MECSS' grievance management system (GRM). The chief technical advisor of the project will maintain close collaboration with the ministry and ensure grievance and feedback related to project will be registered and responded to accordingly. Information and awareness on existing GRM will be widely disseminated via different means of communication method by the project. The Integrated Safeguards Datasheet has been updated for the proposed restructuring.

III. SUMMARY OF CHANGES

	Changed	Not Changed
Implementing Agency	✓	
Project's Development Objectives	✓	
Results Framework	✓	
PBCs	✓	
Components and Cost	✓	
Loan Closing Date(s)	✓	
Reallocation between Disbursement Categories	✓	
Disbursements Arrangements	✓	
Disbursement Estimates	✓	
Overall Risk Rating	✓	
Legal Covenants	✓	
Institutional Arrangements	✓	
Financial Management	✓	
Implementation Schedule	✓	
DDO Status		✓



Cancellations Proposed		✓
Safeguard Policies Triggered		✓
EA category		✓
Procurement		✓
Other Change(s)		✓
Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓

IV. DETAILED CHANGE(S)

IMPLEMENTING AGENCY

Implementing Agency Name	Type	Action
Ministry of Education, Culture, Science and Sport	Implementing Agency	No Change
Ministry of Labor and Social Protection	Implementing Agency	New

PROJECT DEVELOPMENT OBJECTIVE

Current PDO

The Project Development Objectives are to improve the quality of education for primary school children in Mongolia, with particular emphasis on improving native language and mathematical skills, and strengthen school-level planning.

Proposed New PDO

The Project Development Objectives are to improve the quality of education for primary school children in Mongolia, with particular emphasis on improving native language and mathematical skills, strengthen school-level planning and increase support for child welfare transfers during the COVID-19 emergency.

COMPONENTS

Current Component Name	Current Cost (US\$M)	Action	Proposed Component Name	Proposed Cost (US\$M)
	0.00	New	Support for child welfare during the COVID-19 emergency	5.00
Improving learning outcomes	14.90	Revised	Improving learning outcomes	11.40



Pre- and in-service professional development of teachers	3.30	Revised	Pre- and in-service professional development of teachers	3.10
Implementation of a school support program	6.10	Revised	Implementation of a school support program	8.60
System management, monitoring and evaluation	5.70	Revised	System management, monitoring and evaluation	1.90
TOTAL	30.00			30.00

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-54880	Effective	31-Dec-2019	31-Dec-2020	31-Dec-2022	30-Apr-2023

REALLOCATION BETWEEN DISBURSEMENT CATEGORIES

Current Allocation		Actuals + Committed	Proposed Allocation	Financing % (Type Total)	
				Current	Proposed
IDA-54880-001 Currency: XDR					
iLap Category Sequence No: 1		Current Expenditure Category: GDs/nonCSs/CSs/TRN & IOC for Pt.2,4			
5,900,000.00		1,095,979.70	1,095,979.70	100.00	100.00
iLap Category Sequence No: 2		Current Expenditure Category: DLI Expenditures			
13,600,000.00		6,917,108.26	6,917,108.30	100.00	100.00
iLap Category Sequence No: 3		Current Expenditure Category: GDs/nonCSs/CSs/TRN & IOC for Parts 1,2,3,4			
0.00		0.00	7,786,912.00		100.00
iLap Category Sequence No: 4		Current Expenditure Category: SWF Expenditures for Part 5			
0.00		0.00	3,700,000.00		100.00



Total	19,500,000.00	8,013,087.96	19,500,000.00
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DISBURSEMENT ESTIMATES			
Change in Disbursement Estimates			
Yes			
Year	Current		Proposed
2014	0.00		0.00
2015	0.00		0.00
2016	2,520,000.00		3,000,000.00
2017	7,600,000.00		5,870,800.00
2018	9,000,000.00		400,000.00
2019	7,000,000.00		2,250,000.00
2020	3,920,000.00		5,000,000.00
2021	0.00		6,100,200.00
2022	0.00		5,300,000.00
2023	0.00		2,079,000.00

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)		
Risk Category	Rating at Approval	Current Rating
Political and Governance		● Substantial
Macroeconomic		● Substantial
Sector Strategies and Policies		● Moderate
Technical Design of Project or Program		● Moderate
Institutional Capacity for Implementation and Sustainability		● Moderate
Fiduciary		● Low
Environment and Social		● Low
Stakeholders		● Moderate
Other		



Overall

● Moderate

LEGAL COVENANTS

Loan/Credit/TF	Description	Status	Action
IDA-54880	Finance Agreement :Verification of Achievement of DLI Target for the DLI Period Description :No withdrawal shall be made in respect of DLI Values allocated to DLIs for the DLI Period until and unless the Recipient has furnished evidence satisfactory to the Association that the DLI Target for the respective DLI Period has been fully achieved or is in process of being achieved. Frequency :Yearly	Complied with	Marked for Deletion
IDA-54880	The Recipient shall update the Project Operations Manual in a manner satisfactory to the Association by no later than June 30, 2020	Not yet due	New
IDA-54880	The Recipient shall prepare and furnish the monthly disbursement reports on the Child Money Program for the Association's review prior to reimbursement.	Not yet due	New



Results framework

COUNTRY: Mongolia

Mongolia Education Quality Reform Project

Project Development Objectives(s)

The Project Development Objectives are to improve the quality of education for primary school children in Mongolia, with particular emphasis on improving native language and mathematical skills, and strengthen school-level planning.

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	PBC	Baseline	Intermediate Targets								End Target
			1	2	3	4	5	6	7	8	
Improved learning outcomes											
The average number of words read correctly per minute at end of grade 2 (oral reading fluency). (Text)		44.00	44.00	44.00	44.00	44.00	46.00	46.00	46.00	50.00	50.00
Action: This indicator has been Revised	Rationale: <i>This indicator has been revised for comparability among EGRA assessments conducted at baseline and midline (by dropping "with comprehension" which required merging two subtasks) and for simplicity in ongoing government collection of this indicator. The indicator is measured by sample survey at baseline, midline and endline. Therefore the intermediate indicators may not show progress in some years since measurement is not conducted in every year. Revisions also reflect new closing date.</i>										
The average number of words read correctly per minute at end of		40.00	40.00	40.00	40.00	40.00	42.00	42.00	42.00	48.00	48.00



Indicator Name	PBC	Baseline	Intermediate Targets								End Target
			1	2	3	4	5	6	7	8	
Grade 2 by Males (oral reading fluency) (Text)											
Action: This indicator is New	Rationale: <i>This indicator has been revised for comparability among EGRA assessments conducted at baseline and midline (by dropping "with comprehension" which required merging two subtasks) and for simplicity in ongoing government collection of this indicator. Measurement by sample survey is conducted at baseline, midline and endline only. Therefore the intermediate indicators may not show progress in some years since measurement is not conducted in every year.</i>										
The average number of word read correctly per minute at the end of Grade 2 by Females (oral reading fluency) (Text)		47.00	47.00	47.00	47.00	47.00	50.00	50.00	50.00	52.00	52.00
Action: This indicator is New	Rationale: <i>This indicator has been revised for comparability among EGRA assessments conducted at baseline and midline (by dropping "with comprehension" which required merging two subtasks) and for simplicity in ongoing government collection of this indicator. Measurement by sample survey is conducted at baseline, midline and endline only. Therefore the intermediate indicators may not show progress in some years since measurement is not conducted in every year.</i>										
The average number of correct additions per minute at the end of grade 2. (Text)		14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	16.00	16.00
Action: This indicator has been Revised	Rationale:										



Indicator Name	PBC	Baseline	Intermediate Targets								End Target
			1	2	3	4	5	6	7	8	
	This indicator was revised to simplify the collection of the data by using one subtask as a proxy for performance in grade 2 mathematics (dropping subtraction). The revision reflects reduced scope of the measurement, the extended project closing date and revised endline target. Measurement by sample survey is conducted at baseline and endline only. Because of the delays in rolling out this assessment (baseline collected in 2017), the midline assessment was dropped. Therefore the intermediate indicators do not show progress since measurement is only conducted at baseline and endline.										
The average number of correct additions per minute at end of Grade 2 for Males (Text)		14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	16.00	16.00
Action: This indicator is New	Rationale:										
	This indicator was revised to simplify the collection of the data by using one subtask as a proxy for performance in grade 2 mathematics (dropping subtraction). Measurement by sample survey is conducted at baseline and endline only. Measurement by sample survey is conducted at baseline and endline only. Because of the delays in rolling out this assessment (baseline collected in 2017), the midline assessment was dropped. Therefore the intermediate indicators do not show progress since measurement is only conducted at baseline and endline.										
The average number of correct additions per minute at end of Grade 2 for Females (Text)		14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	16.00	16.00



Indicator Name	PBC	Baseline	Intermediate Targets								End Target
			1	2	3	4	5	6	7	8	
Action: This indicator is New	Rationale: <i>This indicator was revised to simplify the collection of the data by using one subtask as a proxy for performance in grade 2 mathematics (dropping subtraction). Measurement by sample survey is conducted at baseline and endline only. Measurement by sample survey is conducted at baseline and endline only. Because of the delays in rolling out this assessment (baseline collected in 2017), the midline assessment was dropped. Therefore the intermediate indicators do not show progress since measurement is only conducted at baseline and endline.</i>										
Strengthened school-level planning											
Of the total number of school financing recipient schools in the project, the percentage that have successfully achieved the school proposal objectives and targets agreed in the school financing (Percentage)		0.00	0.00	0.00	30.00	40.00	50.00	60.00	70.00	70.00	70.00
Action: This indicator has been Revised	Rationale: <i>The indicator endline reflects revised closing date and updated intermediate targets.</i>										
Support to child welfare funds in response to COVID-19 emergency (Action: This Objective is New)											
Social Welfare Fund top up allocated to children during COVID-19 emergency (Amount(USD))		0.00	0.00	0.00	0.00	0.00	0.00	5,000,000.00	0.00	0.00	5,000,000.00



Indicator Name	PBC	Baseline	Intermediate Targets								End Target
			1	2	3	4	5	6	7	8	
Action: This indicator is New	Rationale:										
	This new indicator is included to monitor the utilization of the reallocated project funds to supporting the Government's COVID-19 emergency response stimulus package. The funding would support the Government's increase in the Child Money Program payments being rolled out from April-September 2020. therefore the result is expected to be achieved in 2020.										

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets								End Target
			1	2	3	4	5	6	7	8	
Improving learning outcomes											
Number of schools benefiting from full set of reading books available in the classrooms (Number)		0.00	0.00	0.00	200.00	500.00	500.00	550.00	550.00	550.00	550.00
Action: This indicator is New	Rationale:										
	This is a new indicator introduced to capture one of the significant achievements of the project in ensuring availability of books in classrooms.										
Primary National Assessment conducted annually (Yes/No) (Yes/No)		No	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes
Action: This indicator has been Revised	Rationale:										



Indicator Name	PBC	Baseline	Intermediate Targets								End Target
			1	2	3	4	5	6	7	8	
	This indicator was revised to better reflect Government's new policy (introduced 2019) for introducing additional grade assessments each year (e.g., Grades 3,4,5) and EQRP's support to overall assessment preparation by EEC .										
System for learning assessment at the primary level (Yes/No)		No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Action: This indicator has been Revised	Rationale: This required indicator was updated to reflect revised closing date.										
Utility of the learning assessment system (Number)		1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Action: This indicator has been Revised											
Mongolia participation in PISA 2021 assessment (Yes/No)		No	No	No	No	No	No	Yes	Yes	Yes	Yes
Action: This indicator is New	Rationale: This new indicator is introduced to monitor Mongolia's participation in the 2021 PISA assessment.										
Number of schools received distance		0.00	0.00	0.00	0.00	0.00	0.00	100.00	200.00	300.00	300.00



Indicator Name	PBC	Baseline	Intermediate Targets								End Target
			1	2	3	4	5	6	7	8	
learning materials for distribution during COVID-19 emergency (Number)											
Rationale: Action: This indicator is New This new indicator would measure Government actions to provide supplementary materials for remote learning as well as support for addressing learning lag once schools re-open. About half of all primary schools (located in the remote areas) are targeted.											
Number of inclusive education resource rooms available (Number)		0.00	0.00	0.00	0.00	0.00	0.00	11.00	21.00	22.00	22.00
Rationale: Action: This indicator is New This indicator reflects introduction of the new activity to support inclusive education by establishing resource rooms in all aimags.											
Pre- and in-service professional development of teachers											
Percentage of grade 2 teachers reporting native language assessments results (Percentage)		0.00	0.00	0.00	0.00	80.00	90.00	91.00	92.00	93.00	93.00
Rationale: Action: This indicator has been Revised This indicator was updated to reflect revised closing date and revised targets. The intermediate indicators may not show progress in some years since there was a delay in rolling out this training for teachers and measurement is not conducted in every year.											



Indicator Name	PBC	Baseline	Intermediate Targets								End Target
			1	2	3	4	5	6	7	8	
Percentage of grade 2 teachers reporting assessment results on: (a) additions and subtractions; and (b) identification of missing numbers in a sequence (Percentage)		0.00	0.00	0.00	0.00	80.00	86.00	87.00	88.00	89.00	89.00
Action: This indicator has been Revised	Rationale:										
	This indicator was updated to reflect revised closing date and revised targets. The intermediate indicators may not show progress in some years since there was a delay in rolling out this training for teachers and measurement is not conducted in every year.										
Of the total number of primary school teachers to be trained during the project life, the average % that improved their knowledge in native language assessment methodology (Percentage)		0.00	0.00	0.00	0.00	35.00	40.00	45.00	55.00	65.00	65.00
Action: This indicator has been Revised	Rationale:										
	This indicator was revised to change "cumulative" percentage to "average" percentage of primary teachers showing improvement and reflects revised closing date. Collection of this data is based on teacher assessment for which baseline was conducted only in 2018.										



Indicator Name	PBC	Baseline	Intermediate Targets								End Target
			1	2	3	4	5	6	7	8	
Of the total number primary school teachers to be trained during the project life, the average % that improved their knowledge in early grade mathematical skills assessment (Percentage)		0.00	0.00	0.00	0.00	0.00	0.00	50.00	60.00	65.00	65.00
Action: This indicator has been Revised	Rationale: <i>This indicator was revised to change "cumulative" percentage to "average" percentage of primary teachers showing improvement and reflects revised closing date and targets. Collection of this data is based on teacher assessment after training on EGMA. This training has not been rolled out, was scheduled for January 2020 but has been delayed by COVID-19 restrictions. Therefore the intermediate indicators reflect that no measurement has happened yet.</i>										
Average percentage of the school year allocated for instruction in the classroom. (Percentage)		69.00	69.00	69.00	69.00	69.00	69.00	69.00	69.00	75.00	75.00
Action: This indicator has been Revised	Rationale: <i>This indicator was updated to reflect revised closing date. Measurement is only conducted at baseline and endline. Therefore the intermediate indicators do not show progress since measurement is not conducted in every year.</i>										
Implementation of a school support program											



Indicator Name	PBC	Baseline	Intermediate Targets								End Target
			1	2	3	4	5	6	7	8	
The percentage of schools under the project, used school grant funding for pedagogical-related activities (as defined in the School Support Handbook) (Percentage)		0.00	0.00	0.00	30.00	30.00	35.00	40.00	50.00	60.00	60.00
	Rationale:										
Action: This indicator has been Revised	This indicator was revised to reflect revised closing date and intermediate targets. The intermediate indicators may not show progress in some years since measurement was not conducted in those years.										
System management, monitoring and evaluation											
Direct project beneficiaries (Number)		0.00	0.00	50,000.00	96,000.00	200,000.00	330,000.00	390,000.00	450,000.00	520,000.00	520,000.00
	Rationale:										
Action: This indicator has been Revised	This indicator was revised to reflect new closing date and revised targets.										
Female beneficiaries (Percentage)		0.00	0.00	52.00	52.00	52.00	52.00	52.00	52.00	52.00	52.00



Indicator Name	PBC	Baseline	Intermediate Targets								End Target
			1	2	3	4	5	6	7	8	
Action: This indicator has been Revised											
Number of additional qualified primary teachers resulting from project interventions. (CRI, Number)		0.00									7,400.00
Action: This indicator has been Marked for Deletion	Rationale: <i>This indicator is being deleted since the project did not hire new teachers or certify new teachers. The intermediate targets are empty as the system does not allow revisions or inputs for deleted indicators.</i>										
Students benefiting from direct interventions to enhance learning (CRI, Number)		0.00	0.00	96,000.00	206,000.00	266,000.00	326,000.00	386,000.00	446,000.00	506,000.00	506,000.00
Action: This indicator has been Revised	Rationale: <i>This indicator is revised to reflect new closing date and revised targets.</i>										
Students benefiting from direct interventions to enhance learning -		0.00	40,000.00	47,000.00	100,000.00	130,000.00	150,000.00	180,000.00	200,000.00	240,000.00	240,000.00



Indicator Name	PBC	Baseline	Intermediate Targets								End Target
			1	2	3	4	5	6	7	8	
Female (CRI, Number)											
<i>Action: This indicator has been Revised</i>											

Performance-Based Conditions Matrix				
PBC 1		Improved learning outcomes		
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Text	14,900,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No actions completed			
Year 1	MES has prepared TORs and selected TAs for early grade native language assessment and development of reading books ("Books TA")		1,500,000.00	See under "Description of DLI"
Year 2	Initial early grade native language testing has been completed and national baseline established. MES has prepared TORs and selected TAs for early grade mathematical skills assessment		4,000,000.00	See under "Description of DLI"



Year 3	Initial analysis of early grade native language assessments results disseminated and discussed. Initial early grade mathematical skills assessment testing has been completed and national baseline established	4,500,000.00	See under "Description of DLI"
Year 4	Full set of new reading books available in 80% of schools in country	3,500,000.00	See under "Description of DLI"
Dropped	Early grade native language and mathematical skills assessments have become grades 1 and 2 teacher's tools to assess progress in learning outcomes in reading and math in at least 50% of the primary schools in the country.	1,400,000.00	See under "Description of DLI"

Action: This PBC has been Revised. See below.

PBC 1	Improved learning outcomes			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Text	13,500,000.00	40.74
Period	Value		Allocated Amount (USD)	Formula
Baseline	No actions completed			
Year 1	MES has prepared TORs and selected TAs for early grade native language assessment and development of reading books ("Books TA")		1,500,000.00	See under "Description of DLI"
Year 2	Initial early grade native language testing has been completed and national baseline established. MES has prepared TORs and selected TAs for early grade mathematical skills assessment		4,000,000.00	See under "Description of DLI"



Year 3	<i>Initial analysis of early grade native language assessments results disseminated and discussed. Initial early grade mathematical skills assessment testing has been completed and national baseline established</i>		4,500,000.00	See under "Description of DLI"
Year 4	<i>Full set of new reading books available in 80% of schools in country</i>		3,500,000.00	See under "Description of DLI"
Dropped			0.00	
PBC 2	Implementation of a school grants program			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Text	6,100,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No actions completed			
Year 1	MES has adopted a final School Support Handbook. MES has prepared TORs and contracted TA to support the implementation of the school support program ("School Support TA")		500,000.00	See under "Description of DLI"
Year 2	First batch of schools (200) are implementing their school proposal		1,600,000.00	See under "Description of DLI"
Year 3	Second batch of schools (450) are implementing their school proposal		2,000,000.00	See under "Description of DLI"
Year 4	Third, and last batch of schools (450) are implementing their school proposal		1,500,000.00	See under "Description of DLI"



Dropped	School support completion reports have been submitted to MES	500,000.00	See under "Description of DLI"
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Action: This PBC has been Revised. See below.

PBC 2	Implementation of a school grants program			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Text	6,100,000.00	67.21
Period	Value		Allocated Amount (USD)	Formula
Baseline	No actions completed			
Year 1	MES has adopted a final School Support Handbook. MES has prepared TORs and contracted TA to support the implementation of the school support program ("School Support TA")		500,000.00	See under "Description of DLI"
Year 2	First batch of schools (200) are implementing their school proposal		1,600,000.00	See under "Description of DLI"
Year 3	Second batch of schools (450) are implementing their school proposal		2,000,000.00	See under "Description of DLI"
Year 4	Third, and last batch of schools (450) are implementing their school proposal		1,500,000.00	See under "Description of DLI"
Dropped	School support completion reports have been submitted to MES		500,000.00	See under "Description of DLI"



Verification Protocol Table: Performance-Based Conditions

PBC 1	Improved learning outcomes
Description	<p>DLI achievement measure:</p> <ul style="list-style-type: none"> • TORs for EGRA and EGMA TA no-objected by the Bank • Contracts signed by the EGRA and EGMA consultant(s) • EGRA and EGMA baselines • Sample of EGRA and EGMA findings (school reports) • Evidence of implementation of corrective and/or preventive measures by grades 1 and 2 primary school teachers to improve learning outcomes in reading and math • Bidding documents for the acquisition of new books no objected by the World Bank • Procurement process for the acquisition of new books in progress • New books in schools <p>Disbursement rule:</p> <p>Y1: allocate US\$1.5 million</p> <p>Y2: allocate US\$4.0 contingent on verification of 100% compliance with Y1 DLI (early grade native language assessment TA and Books TA contracts have been signed); if selection of early grade native language assessment TA and/or Books TA is in process, allocate 50% of the US\$4.0 million;</p> <p>Y3: allocate US\$4.5 million if initial early grade native language assessment testing has been completed, national baseline established and the early grade mathematical skills assessment TA contract is signed; if the selection of the early grade mathematical skills assessment TA is in process but contract is not yet signed, allocate 65% of the US\$4.5 million;</p> <p>Y4: allocate US\$3.5 million if initial analysis of early grade native language assessment results</p>
Data source/ Agency	Third-party verifier assessment
Verification Entity	The DLIs and project activities will be monitored through independent validation conducted by a third party verifier hired by MES.
Procedure	While DLIs have annual targets, verification will be done semi-annually. MES will report to the Bank no later than July 1 of each year on the status of the results framework and the DLIs (covering DLIs achieved from July 1 to December 31 of the



	<p>previous year), as will a third-party verifier for selected DLIs. MES will also report to the Bank no later than December 1 of each year on DLI achievement, covering the first six months of that year (January 1 to June 30).</p> <p>Verification procedure:</p> <ul style="list-style-type: none"> • Review of TORs and contracts; • Review of bidding documents; • School EGRA and EGMA reports; • On sight observations in a random sample of primary schools to observe (a) new books utilization; (b) administration of the EGRA and EGMA instruments; and (c) implementation by grades 1 and 2 teachers of corrective and/or preventive measures to improve learning outcomes in reading and math.
PBC 1	Improved learning outcomes
Description	<p>DLI achievement measure:</p> <ul style="list-style-type: none"> • TORs for EGRA and EGMA TA no-objected by the Bank • Contracts signed by the EGRA and EGMA consultant(s) • EGRA and EGMA baselines • Sample of EGRA and EGMA findings (school reports) • Evidence of implementation of corrective and/or preventive measures by grades 1 and 2 primary school teachers to improve learning outcomes in reading and math • Bidding documents for the acquisition of new books no objected by the World Bank • Procurement process for the acquisition of new books in progress • New books in schools <p>Disbursement rule:</p> <p>Y1: allocate US\$1.5 million</p> <p>Y2: allocate US\$4.0 contingent on verification of 100% compliance with Y1 DLI (early grade native language assessment TA and Books TA contracts have been signed); if selection of early grade native language assessment TA and/or Books TA is in process, allocate 50% of the US\$4.0 million;</p> <p>Y3: allocate US\$4.5 million if initial early grade native language assessment testing has been completed, national baseline established and the early grade mathematical skills assessment TA contract is signed; if the selection of the early grade mathematical skills assessment TA is in process but contract is not yet signed, allocate 65% of the US\$4.5 million;</p> <p>Y4: allocate US\$3.5 million if initial analysis of early grade native language assessment results</p>



Data source/ Agency	Third-party verifier assessment
Verification Entity	The DLIs and project activities will be monitored through independent validation conducted by a third party verifier hired by MES.
Procedure	<p>While DLIs have annual targets, verification will be done semi-annually. MES will report to the Bank no later than July 1 of each year on the status of the results framework and the DLIs (covering DLIs achieved from July 1 to December 31 of the previous year), as will a third-party verifier for selected DLIs. MES will also report to the Bank no later than December 1 of each year on DLI achievement, covering the first six months of that year (January 1 to June 30).</p> <p>Verification procedure:</p> <ul style="list-style-type: none"> • Review of TORs and contracts; • Review of bidding documents; • School EGRA and EGMA reports; • On sight observations in a random sample of primary schools to observe (a) new books utilization; (b) administration of the EGRA and EGMA instruments; and (c) implementation by grades 1 and 2 teachers of corrective and/or preventive measures to improve learning outcomes in reading and math.
PBC 2	Implementation of a school grants program
Description	<p>DLI achievement measure:</p> <ul style="list-style-type: none"> • TORs for TA no-objected by the Bank • Contracts signed by the consultant • School Grant Handbook adopted by the MES • Orientation to participating schools completed/batch • Evidence of implementation of school proposals • School grants completion reports/school <p>Disbursement rule: Y1: allocate US\$0.5 million</p>



	<p>Y2: allocate US\$1.6 million contingent on the official adoption by the MES of the School Support Handbook and School Support TA contract has been signed; if selection of the School Support TA is in process, allocate 50% of the US\$ 1.6 million;</p> <p>Y3: allocate US\$ 2.0 million if the first batch of schools are implementing their school proposal or are about to start the implementation of their approved school proposal; 50% of the US\$ 2.0 million if the first batch are in the process of preparing their school proposal to be submitted for approval to MES; 20% of the US\$ 2.0 million if the orientation on how to use the School Support Handbook has been or is being provided to the first batch of participating schools.</p> <p>Y4: allocate US\$1.5 million if at least 10% of the first batch of school has satisfactorily completed the implementation of their school proposal and if the second batch of schools are implementing their school proposal or are about to start the implementation of their approved school proposal and; if the second batch are in the process of preparing their school proposal to be submitted for approval, allocate 50% of the 1.5 million; if the orientation on how to use the School Support Handbook has been or is being provided to the second batch of participating schools, allocate 20% of the US\$ 1.5 million.</p> <p>Y5: allocate US\$0.5 million if 100% of the school support completion reports required have been submitted to MES.</p>
Data source/ Agency	Third-party verifier assessment
Verification Entity	The DLIs and project activities will be monitored through independent validation conducted by a third party verifier hired by MES.
Procedure	<p>While DLIs have annual targets, verification will be done semi-annually. MES will report to the Bank no later than July 1 of each year on the status of the results framework and the DLIs (covering DLIs achieved from July 1 to December 31 of the previous year), as will a third-party verifier for selected DLIs. MES will also report to the Bank no later than December 1 of each year on DLI achievement, covering the first six months of that year (January 1 to June 30).</p> <p>Verification procedure:</p> <ul style="list-style-type: none"> • Review of TORs and contracts • On sight observations in a random sample of primary schools • School completion reports
PBC 2	Implementation of a school grants program
Description	<p>DLI achievement measure:</p> <ul style="list-style-type: none"> • TORs for TA no-objected by the Bank



	<ul style="list-style-type: none"> • Contracts signed by the consultant • School Grant Handbook adopted by the MES • Orientation to participating schools completed/batch • Evidence of implementation of school proposals • School grants completion reports/school <p>Disbursement rule: Y1: allocate US\$0.5 million Y2: allocate US\$1.6 million contingent on the official adoption by the MES of the School Support Handbook and School Support TA contract has been signed; if selection of the School Support TA is in process, allocate 50% of the US\$ 1.6 million; Y3: allocate US\$ 2.0 million if the first batch of schools are implementing their school proposal or are about to start the implementation of their approved school proposal; 50% of the US\$ 2.0 million if the first batch are in the process of preparing their school proposal to be submitted for approval to MES; 20% of the US\$ 2.0 million if the orientation on how to use the School Support Handbook has been or is being provided to the first batch of participating schools. Y4: allocate US\$1.5 million if at least 10% of the first batch of school has satisfactorily completed the implementation of their school proposal and if the second batch of schools are implementing their school proposal or are about to start the implementation of their approved school proposal and; if the second batch are in the process of preparing their school proposal to be submitted for approval, allocate 50% of the 1.5 million; if the orientation on how to use the School Support Handbook has been or is being provided to the second batch of participating schools, allocate 20% of the US\$ 1.5 million. Y5: allocate US\$0.5 million if 100% of the school support completion reports required have been submitted to MES.</p>
Data source/ Agency	Third-party verifier assessment
Verification Entity	The DLIs and project activities will be monitored through independent validation conducted by a third party verifier hired by MES.
Procedure	<p>While DLIs have annual targets, verification will be done semi-annually. MES will report to the Bank no later than July 1 of each year on the status of the results framework and the DLIs (covering DLIs achieved from July 1 to December 31 of the previous year), as will a third-party verifier for selected DLIs. MES will also report to the Bank no later than December 1 of each year on DLI achievement, covering the first six months of that year (January 1 to June 30). Verification procedure:</p> <ul style="list-style-type: none"> • Review of TORs and contracts • On sight observations in a random sample of primary schools



- School completion reports



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