

# IEG ICR Review

Independent Evaluation Group

<b>1. Project Data:</b>		<b>Date Posted :</b> 04/27/2012	
<b>Country:</b>	Timor-Leste		
<b>Project ID:</b>	P104340	<b>Appraisal</b>	<b>Actual</b>
<b>Project Name :</b>	Tp-fti Program	<b>Project Costs (US\$M):</b>	4.9
<b>L/C Number:</b>		<b>Loan/Credit (US\$M):</b>	4.9
<b>Sector Board :</b>	Education	<b>Cofinancing (US\$M):</b>	0
<b>Cofinanciers :</b>		<b>Board Approval Date :</b>	12/15/2008
		<b>Closing Date :</b>	06/30/2010
<b>Sector(s):</b>	Primary education (100%)		
<b>Theme(s):</b>	Education for all (100% - P)		
<b>Prepared by :</b>	<b>Reviewed by :</b>	<b>ICR Review Coordinator :</b>	<b>Group:</b>
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## 2. Project Objectives and Components:

### a. Objectives:

This project represents financing from the Education -For-All Timor-Leste Fast Track Initiative (FTI) Catalytic Fund. The Catalytic Fund operates as a fast-disbursing line of annual financing for which significant upfront documentation of project design is not required. In lieu of the standard project appraisal documents for the traditional Bank projects, a Project Proposal was prepared. Earlier allocations from the FTI Catalytic Fund were approved and disbursed in 2006 and 2008, respectively, which aimed to increase access to primary education by expanding the supply of school facilities and educational inputs, as well as promoting the capacity of the Ministry of Education (MoE) to manage the system.

According to the Project Proposal, the project objectives were :

- (i) to expand access to education by marginalized groups ; and
- (ii) to improve the quality of the learning experience for the same groups to increase participation in learning and retention rates.

With regards to the "marginalized groups" targeted by the first objective, Section 5 of the Project Proposal specifically states "isolated and under-performing areas" and "children currently excluded from the formal education system." While the second objective is targeted to "the same groups", Section 5 of the Project Proposal specifically identifies 20 schools in 5 districts "associated with extreme poverty" for the related component.

The Grant Agreement does not provide a statement of project objectives .

### b. Were the project objectives/key associated outcome targets revised during implementation?

No

### c. Components:

**1: Non-Formal/Distant Primary Schools** (Appraisal: US\$1.50 million; Actual: US\$1.34 million): This component

aimed to expand access to primary education for children in remote communities . Activities included establishing schools in remote areas by recruiting a local individual to be the teacher and utilizing an existing local facility as the school classroom .

**2: Focus on Literacy** (Appraisal: US\$1.50 million; Actual: US\$1.70 million): This component aimed to develop positive reading practices among young students . Activities included conducting of an Early Grade Reading Assessment (EGRA) to inform reading policies and teacher training; and provision of books along with teacher training to encourage reading .

**3: Community Engagement in Supporting "Schools of the Future "** (Appraisal: US\$1.50 million; Actual: US\$1.35 million): This component aimed to pilot a new concept in school participation, through engaging students' families and communities . The pilot was to be carried out in 20 schools in 5 districts associated with extreme poverty . Activities included the establishment of Parent Teacher Associations, improvement of school infrastructure (i.e. kitchens and playgrounds); extension of schools to full-time; testing of new services such as health checks and conditional cash transfers; and strengthening capacity of school leadership .

**4: Inclusive Education** (Appraisal: US\$0.25 million; Actual: US\$0.24 million): This component aimed to support development of a national inclusive education system . Activities included development of the Inclusive Education Strategic Plan; establishment of a National Office of Inclusive Education and a Resource Center; and awareness training for staff and the general public .

#### **d. Comments on Project Cost, Financing, Borrower Contribution, and Dates:**

##### **Project Cost :**

- The final project cost of US\$4.90 million was equivalent to the appraised cost . According to the ICR (page 36), Bank supervision costs were met from Trust Funds, not Bank Budget .

##### **Financing :**

- The Fast Track Initiative Catalytic Fund provided US\$ 4.9 million in grants . Actual disbursement was US\$4.86 million and US\$35,572 was cancelled at closing .

##### **Borrower Contribution :**

- There was no planned Borrower contribution .

##### **Dates:**

- The project closing date was extended by three months . This allowed for completion of activities which were delayed due to the late international delivery of learning materials .

### **3. Relevance of Objectives & Design:**

#### **a. Relevance of Objectives:**

**Substantial .** The first objective to increase access by marginalized groups (primarily identified as remote communities) was substantially relevant, given that less than 50% of six year olds were estimated to be enrolled in Grade 1, with considerable differences in enrollment between urban and rural populations . The second objective to improve the quality of the learning environment (especially for the 20 pilot schools in districts associated with extreme poverty) was also substantially relevant, given the longer-term priorities of the country's "Strategic Plan to Achieve Universal Primary Completion by 2015" to improve quality of primary education and improve school management, including for the poorest households . The Bank's corporate priorities include achieving universal primary education, similarly identified by the Bank's Interim Strategy Note for the country (FY2010-2011) as a priority to improve quality of primary education . However, there is no specific mention of the targeted populations in the Bank strategies for the education sector .

#### **b. Relevance of Design:**

**Substantial .** Project activities were reasonably expected to lead to the goal of increased access, even given the very short time frame of the implementation period . Specifically, Components 1 and 3 were to be implemented among the targeted populations to increase access and improve quality . While the project design originally aimed to establish non-formal schools in the most remote areas that were not being reached by the formal system, Component 1 was changed to support "filial" schools instead - the smallest and most distant element within the formal education system . According to the project team, this revised focus was due to the government's concern about the sustainability of resources for these most remote communities . Despite these significant changes in Component 1, the activities remained relevant to the project objectives, as these filial schools served populations still considered to be remote and under-served . The Bank's ongoing Education Sector Support Project (ESSP, 2007-2013, US\$12 million) complemented these activities by focusing on more traditional supply -side interventions

such as capacity and system building .

#### **4. Achievement of Objectives (Efficacy):**

##### **Objective 1: To expand access to education by marginalized groups . Substantial .**

There was increased enrollment in actual numbers in remote areas, although improvements in access as measured by coverage (i.e. enrollment *rates*) in the target areas is not clear .

##### **Outputs**

- Provision of community grants to 145 schools to perform small works and furnish schools, and provision of furniture to an additional 163 schools. These schools that received project support represented all 308 "filial schools", which comprised the smallest and most distant element of the formal school network . (Note: This activity replaced the original activity to establish 200 non-formal schools.)
- The establishment of an Inclusive Education Resource Center and Inclusive Education Office . The ICR (page 18) reports that there are concerns about sustainable staffing of the office .
- The convening of an international conference on inclusive education, and conducting of several national communication campaigns to increase public awareness .
- As the original activity to establish 200 non-formal school was not carried out, the recruitment of 200 teachers in remote locations was also not carried out, in part due to concerns at that time over funding sustainability for teacher salaries beyond the limitation of one year of grant support .

##### **Outcomes**

- 3,239 additional children in Grades 1-3 enrolled in 2008/9-2010 in the remote schools supported by the project, surpassing the target of 3,000. This represents 34% of the total increase in enrollment nationwide . The total enrollment in grades 1-3 in remote areas increased 13.2%, compared to 8% nationwide .
- The net intake rate for Grade 1 increased from 46% in 2008 to 49% in 2010; however, this represented nationwide increases, not specifically for the marginalized groups .

##### **Objective 2: To improve the quality of the learning experience for the same groups to increase participation in learning and retention rates . Modest .**

Although it is likely that the project outputs led to some improvements in participation and retention rates nationwide, there is a lack of information on outcomes for the targeted groups .

##### **Outputs**

- The completion of an Early Grade Reading Assessment (EGRA) to inform the development of policies for reading and for the training of teachers to support the development of reading .
- The provision of books and literacy resources for young readers in all 1,100 schools nationwide .
- The participation of 146 trainers and all 308 filial school principals in an awareness program related to the new learning materials. The ICR (page 19) reports that the teacher training in the use of literacy materials "has been recognized as high quality training", although no source is cited .
- The implementation of a pilot program to establish "schools of the future" in 26 schools (original target of 20 schools), which introduced participatory planning approaches to school management . Each school established community working groups and received grants to improve school facilities and /or equipment .
- The development of a Basic Schools Quality Standards framework .

Some project activities related to this objective were dropped when the country was deemed, temporarily, ineligible for further FTI grants (In 2010, the country's oil and gas revenues led to a decrease in its IDA eligibility and disqualified it from further FTI funding. However, the FTI Board subsequently reversed this decision in late 2010). These activities included : extension of school programs to full-day, piloting testing of new services such as health checks and conditional cash transfers .

##### **Outcomes**

- The primary grade-specific dropout rates decreased nationwide from 10-11% in 2008-09 to 3-4% in 2010. There is no data provided on the targeted groups . Attribution of this result to the project's support is not strong given the numerous factors that could influence dropout rates .
- The net repetition rate decreased slightly nationwide from 14.1% in 2008-09 to 13.9% in 2010. There is no data provided on the targeted groups . Attribution of this result to the project's support is not strong given the numerous factors that could impact retention rates .
- The ICR (page 19) reports that the "schools of the future" pilot program achieved its expected outcome of "rethinking the concept of public school in Timor -Leste and reshaping the standards of quality of educational services provided, with the development of a new paradigm of school standards and organization ." Legislation

was passed to adopt the "schools of the future" participatory school management approach and expand it nationwide. There is no indication in the ICR of whether the pilot activities were formally evaluated prior to being adopted nationwide.

#### 5. Efficiency:

**Modest**, due to lack of sufficient evidence. Neither the Project Proposal nor the ICR provided an economic analysis of the project. The ICR (page 19) suggests that the project costs (under US\$5 million) as well as preparation and supervision costs were low, compared to the achieved benefits (increased enrollment and quality), although no specific data are reported. The "schools for the future" program was implemented in 26 schools, compared to the planned 20 schools, at lower than planned cost; it was also implemented as a pilot program before being scaled up, although there was no indication of whether the program was formally evaluated as a pilot. The project was also effective in leveraging existing field-based partnerships.

**a. If available, enter the Economic Rate of Return (ERR)/Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation :**

	Rate Available?	Point Value	Coverage/Scope*
Appraisal	No		
ICR estimate	No		

\* Refers to percent of total project cost for which ERR/FRR was calculated.

#### 6. Outcome:

The overall outcome is rated **Moderately Satisfactory**, due to substantial relevance of objectives and design, and substantial achievement of the objective to expand access for marginalized groups. However, there was modest achievement of the objective to improve the quality of the learning experience, due to the lack of information on outcomes for targeted groups. There was also insufficient evidence regarding efficient use of project resources.

**a. Outcome Rating :** Moderately Satisfactory

#### 7. Rationale for Risk to Development Outcome Rating:

A number of critical activities, such as the school management program and support for early grade reading practices and assessment, are being continued under the ESSP. Project management responsibilities were integrated within the MoE, in part to build capacity for subsequent activities. The ICR (page 12) notes that the MoE's Infrastructure Facilities Unit in particular was judged by an external consulting firm to be "highly competent" and is being considered as a model for similar structures in other Ministries.

However, the ICR notes (page 8) that the change in FTI eligibility status, and the subsequent uncertainty in funding, "threatened the sustainability of some of the interventions and was a reason for some minor changes of focus". While the country has been deemed eligible again for further FTI funding, government funding for the education sector (particularly with regards to staffing) remains extremely volatile, and capacity is still in formative stage with national staff.

**a. Risk to Development Outcome Rating :** Significant

#### 8. Assessment of Bank Performance:

**a. Quality at entry:**

The project design was based on the available knowledge and indicators outlined in the country's education strategic plan (which had been endorsed by donor partners), as well as on stakeholder and donor consultations. As noted previously, significant upfront documentation of project design was not required for this project. Preparation of the Project Proposal was based on the FTI preparation process, rather than the Bank's standard project preparation requirements, and was completed in three months without dedicated funding from the Bank for preparation. The use of international and national consultants was critical in supplementing local capacity in the rapid delivery of services and results in a low-capacity context. The timetable for implementation was detailed and realistic, with potential risks addressed by mitigation measures.

However, key performance indicators for the project were not identified in the project design. Indicators from the

national primary education strategic plan - namely enrollment rates - were to be used to monitor achievements, although no provision was made for monitoring outcomes among the project's target groups. Indicators for the second objective were not clearly defined. There was limited analysis of the critical quality-at-entry elements such as institutional capacity and fiduciary arrangements.

**Quality-at-Entry Rating :** Moderately Unsatisfactory

**b. Quality of supervision:**

The intention for the project to serve as "bridge funding" until the next grant allocation faced difficulties when, in 2010, the country's oil and gas revenues led to a decrease in its IDA eligibility and disqualified it from further FTI funding. However, this decision was subsequently reversed and the country was re-authorized for additional FTI funding in late 2010, although the uncertainty in funding raised concerns about sustainability of some of the interventions and led to some minor changes of focus. Active supervision was critical in this low-capacity context and was effectively carried out by country-based, region-based, and HQ staff. Most planned activities were carried out, with no major fiduciary problems reported. However, the M&E framework remained inadequate as outcomes were not tracked for the project's target groups.

**Quality of Supervision Rating :** Moderately Satisfactory

**Overall Bank Performance Rating :** Moderately Satisfactory

**9. Assessment of Borrower Performance:**

**a. Government Performance:**

The government was overall in compliance with project covenants and agreements. However, the ICR notes (page 24) that "a major concern with government commitment is that the allocation of public resources to education is insufficient". In addition, there was a significant bottleneck created when the government decided to outsource hiring of new staff to the Public Service Commission, resulting in excessive delays for hiring new staff for the Inclusive Education Unit of the MoE.

**Government Performance Rating** Moderately Unsatisfactory

**b. Implementing Agency Performance:**

The ICR reports (page 24) that the MoE was strongly committed to the project, as demonstrated by its level of involvement in project preparation. Although the redesign of some project activities required additional material and human inputs from the MoE, most of these issues were resolved with only minor delays. Although the project initially relied on international consultants due to low public sector capacity, the project worked towards training national staff (i.e. pairing national consultants with international experts at all levels) and, as noted above, the MoE's Infrastructure Unit was particularly noted for good performance. There were no major fiduciary issues reported.

**Implementing Agency Performance Rating :** Satisfactory

**Overall Borrower Performance Rating :** Moderately Satisfactory

**10. M&E Design, Implementation, & Utilization:**

**a. M&E Design:**

As noted in the ICR (page 14), the project design "provided benchmarks but did not define specific monitoring and evaluation arrangements beyond the MoE's own mechanism for monitoring sector performance." Instead, monitoring arrangements for each component were included in the Project proposal, with a detailed risk matrix and implementation schedule. There were no mechanisms for tracking outcomes among the project's target groups. Outcomes for the second objective were not clearly identified.

**b. M&E Implementation:**

The ICR (page 14) reports that there were weekly coordination meetings and close monitoring of specific activities against the risk matrix and implementation schedules . The MoE was able to report on sector-wide indicators during the project period, and a key evaluative activity - the EGRA - was implemented and results were made available .

**c. M&E Utilization:**

There is limited information provided on the specific use of M&E to inform policy or programs .

**M&E Quality Rating :** Modest

**11. Other Issues**

**a. Safeguards:**

There were no safeguard policies triggered by the project .

**b. Fiduciary Compliance:**

Procurement: The ICR reports (page 15) that procurement specialists monitored the project regularly and found procurement to be consistently satisfactory . One incident noted was that vehicles were inappropriately procured second-hand instead of new, which deviated from O.P./B.P. 11.00.

Financial management: The ICR reports (page 15) that financial management staff monitored the project regularly and found financial management to be consistently satisfactory . Audits were unqualified, and the MoE's internal control system was found to be functioning properly and in full compliance with Bank guidelines .

**c. Unintended Impacts (positive or negative):**

None reported in the ICR.

**d. Other:**

<b>12. Ratings :</b>	<b>ICR</b>	<b>IEG Review</b>	<b>Reason for Disagreement /Comments</b>
<b>Outcome:</b>	Satisfactory	Moderately Satisfactory	There was modest achievement of the objective to improve the quality of the learning experience, due to the lack of outcomes reported on target groups . There was also insufficient evidence regarding efficient use of project resources.
<b>Risk to Development Outcome:</b>	Significant	Significant	
<b>Bank Performance :</b>	Satisfactory	Moderately Satisfactory	There were shortcomings in the M&E framework. There was limited analysis of critical quality-at-entry elements such as institutional capacity and fiduciary arrangements.
<b>Borrower Performance :</b>	Moderately Satisfactory	Moderately Satisfactory	
<b>Quality of ICR :</b>		Satisfactory	

**NOTES:**

- When insufficient information is provided by the Bank for IEG to arrive at a clear rating, IEG will downgrade the relevant ratings as warranted beginning July 1, 2006.
- The "Reason for Disagreement/Comments" column could cross-reference other sections of the ICR

Review, as appropriate.

### 13. Lessons:

The ICR offers the following lessons:

- Core capacity should be in place prior to implementation, as there are risks in moving from preparation to implementation without the requisite capacity in the implementation agency. The analysis of the core capacity should also serve as a basis for building additional capacity during implementation.
- The M&E framework should include provisions for tracking outcomes for the project's target groups so that the project's impact can be properly assessed.
- In a context of low public sector capacity and a short project time frame, international consultants can be utilized for effective implementation. However, they should be paired with national staff at all levels in order to contribute to strengthening national capacity.
- Participation of local communities in school management activities can increase a project's credibility with target groups.

14. Assessment Recommended?  Yes  No

### 15. Comments on Quality of ICR:

The ICR quality is rated Satisfactory. The ICR is candid about shortcomings in the project monitoring and evaluation, and provides some data beyond the project's planned indicators. However, the overall evidence base remains only marginally sufficient to allow proper assessment of the project's outcomes (i.e. outcomes for project target groups compared to nationwide).

The ICR reports that the government's formal comments on the ICR were not made available until after the Bank deadline had passed.

**a. Quality of ICR Rating :** Satisfactory