CREDIT NUMBER 2102 PAK

Sindh Primary Education Program Agreement

(Sindh Primary Education Development Program)

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROVINCE OF SINDH

Dated May 18, 1990

CREDIT NUMBER 2102 PAK

SINDH PRIMARY EDUCATION PROGRAM AGREEMENT

AGREEMENT, dated May 18, 1990, between INTERNATIONAL DEVELOPMENT ASSOCIATION (the Association) and PROVINCE OF SIND (SINDH), acting by its Governor.

WHEREAS by the Development Credit Agreement of even date herewith between Islamic Republic of Pakistan (the Borrower) and the Association, the Association has agreed to make available to the Borrower an amount in various currencies equivalent to eighty-five million two hundred thousand Special Drawing Rights (SDR 85,200,000), on the terms and conditions set forth in the Development Credit Agreement, but only on condition that Sindh agree to undertake such obligations toward the Association as are set forth in this Agreement;

WHEREAS Sindh, in consideration of the Association's entering into the Development Credit Agreement with the Borrower, has agreed to undertake the obligations set forth in this Agreement;

NOW THEREFORE the parties hereto hereby agree as follows:

ARTICLE I

Definitions

Section 1.01. Unless the context otherwise requires, the several terms defined in the Development Credit Agreement, the Preamble to this Agreement and in the General Conditions (as so defined) have the respective meanings therein set forth.

ARTICLE II

Execution of the Program

- Section 2.01. (a) Sindh declares its commitment to the objectives of the Program as set forth in Schedule 2 to the Development Credit Agreement, and, to this end, shall carry out the Program with due diligence and efficiency and in conformity with appropriate administrative, financial, engineering and educational practices, and shall provide, or cause to be provided, promptly as needed, the funds, facilities, services and other resources required for the Program.
- (b) Without limitation upon the provisions of paragraph (a) of this Section and except as the Association and Sindh shall otherwise agree, Sindh shall carry out the Program in accordance with the Implementation Arrangements set forth in Schedule 2 to this Agreement.
- Section 2.02. Except as the Association shall otherwise agree, procurement of the goods, works and consultants' services required for the Program and to be financed out of the proceeds of the Credit shall be governed by the provisions of Schedule 1 to this Agreement.
- Section 2.03. Sindh shall carry out the obligations set forth in Sections 9.03, 9.04, 9.05, 9.06, 9.07 and 9.08 of the General Conditions (relating to insurance, use of goods and services, plans and schedules, records and reports, maintenance and land acquisition, respectively) in respect of the Sindh Agreement.
- Section 2.04. (a) Sindh shall, at the request of the Association, exchange views with the Association with regard to the progress of the Program, the performance of its obligations under this Agreement and other matters relating to the purposes of the Credit.
- (b) Sindh shall promptly inform the Association of any condition which interferes or threatens to interfere with the progress of the Program, the accomplishment of the purposes of the Credit, or the performance by Sindh of its obligations under this Agreement.

ARTICLE III

Financial Covenants

Section 3.01. (a) Sindh shall maintain records and accounts adequate to reflect in accordance with sound accounting practices its resources and expenditures with respect to the Program.

(b) Sindh shall:

(i) have the records and accounts referred to in paragraph (a) of this Section for each fiscal year audited, in accordance with appropriate auditing principles consistently applied, by independent auditors acceptable to the Association;

- (ii) furnish to the Association as soon as available, but in any case not later than nine months after the end of each such year the report of such audit by said auditors, of such scope and in such detail as the Association shall have reasonably requested; and
- (iii) furnish to the Association such other information concerning said records and accounts as well as the audit thereof, as the Association shall from time to time reasonably request.

ARTICLE IV

Effective Date; Termination; Cancellation and Suspension

Section 4.01. This Agreement shall come into force and effect on the date upon which the Development Credit Agreement becomes effective.

Section 4.02. (a) This Agreement and all obligations of the Association and of Sindh thereunder shall terminate on the earlier of the following two dates:

- (i) the date on which the Development Credit Agreement shall terminate in accordance with its terms; or
- (ii) the date 20 years after the date of this Agreement.
- (b) If the Development Credit Agreement terminates in accordance with its terms before the date specified in paragraph (a) (ii) of this Section, the Association shall promptly notify Sindh of this event.

Section 4.03. All the provisions of this Agreement shall continue in full force and effect notwithstanding any cancellation or suspension under the General Conditions.

ARTICLE V

Miscellaneous Provisions

Section 5.01. Any notice or request required or permitted to be given or made under this Agreement and any agreement between the parties contemplated by this Agreement shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand or by mail, telegram, cable, telex or radiogram to the party to which it is required or permitted to be given or made at such party's address hereinafter specified or at such other address as such party shall have designated by notice to the party giving such notice or making such request. The addresses so specified are:

For the Association:

International Development Association 1818 H Street, N.W. Washington, D.C. 20433 United States of America

Cable address: Telex:

INDEVAS 197688 (TRT)
Washington, D.C. 248423 (RCA)
64145 (WUI) or
82987 (FICC)

For Sindh:

Planning and Development Department Government of Sindh (Tughlaq House) Karachi, Pakistan

Cable address: Telex:

DEVELOPMENT SINDH 952-23950

Karachi, Pakistan

Section 5.02. Any action required or permitted to be taken, and any document required or permitted to be executed, under this Agreement on behalf of Sindh, may be taken or executed by the Secretary, Department of Education of Sindh or such other person or persons as said Secretary shall designate in writing, and Sindh shall furnish to the Association sufficient evidence of the authority and the authenticated specimen signature of each such person.

Section 5.03. This Agreement may be executed in several counterparts, each of which shall be an original, and all collectively but one instrument.

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names in the District of Columbia United States of America, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ H. E. Kopp
Acting Regional Vice President
Europe, Middle East and North Africa

PROVINCE OF SINDH

By /s/ M. Afzal Authorized Representative

SCHEDULE 1

Procurement and Consultants' Services

Section I: Procurement of Goods and Works

Part A: International Competitive Bidding

Papers and materials for textbooks shall be procured under contracts awarded in accordance with procedures consistent with those set forth in Sections I and II of

the "Guidelines for Procurement under IBRD Loans and IDA Credits" published by the Bank in May 1985 (the Guidelines).

Part B: Preference for Domestic Manufacturers

In the procurement of goods in accordance with the procedures described in Part A.1 hereof, goods manufactured in Pakistan may be granted a margin of preference in accordance with, and subject to, the provisions of paragraphs 2.55 and 2.56 of the Guidelines and paragraphs 1 through 4 of Appendix 2 thereto.

Part C: Other Procurement Procedures

- 1. Contracts for (i) civil works, and (ii) printing and publishing shall be awarded in accordance with competitive bidding, advertised locally under procedures satisfactory to the Association.
- 2. To the extent practicable, contracts for civil works shall be grouped in bid packages estimated each to cost the equivalent of \$2,000,000 or more.
- 3. Books estimated to cost the equivalent of not more than \$100,000 per contract and \$4,200,000 in the aggregate may be procured on the basis of contracts to be negotiated with the suppliers thereof.
- 4. Sundry items (including furniture) estimated to cost not more than the equivalent of \$50,000 per contract and not more than the equivalent of \$700,000 in the aggregate, may be procured, on the basis of an evaluation of price quotations obtained from not less than three qualified suppliers.
- Part D: Review by the Association of Procurement Decisions
- 1. Review of invitations to bid and of proposed awards and final contracts:
- (a) With respect to each contract for papers and materials for textbook production estimated to cost the equivalent of \$1,000,000 or more, the procedures set forth in paragraphs 2 and 4 of Appendix 1 to the Guidelines shall apply. Where payments for such contract are to be made out of the Special Account, such procedures shall be modified to ensure that the two conformed copies of the contract required to be furnished to the Association pursuant to said paragraph 2 (d) shall be furnished to the Association prior to the making of the first payment out of the Special Account in respect of such contract.
- (b) With respect to each contract not governed by the preceding paragraph, the procedures set forth in paragraphs 3 and 4 of Appendix 1 to the Guidelines shall apply. Where payments for such contract are to be made out of the Special Account, such procedures shall be modified to ensure that the two conformed copies of the contract together with the other information required to be furnished to the Association pursuant to said paragraph 3 shall be furnished to the Association as part of the evidence to be furnished pursuant to paragraph 4 of Schedule 3 to the Development Credit Agreement.
- 2. The figure of 15% is hereby specified for purposes of paragraph 4 of Appendix 1 to the Guidelines.

Section II: Employment of Consultants

In order to assist Sindh in the carrying out of the Program, Sindh shall employ consultants whose qualifications, experience and terms of reference shall be satisfactory to the Association. Such consultants whose employment shall be financed from the proceeds of the Credit shall, in addition, be selected in accordance with principles and procedures satisfactory to the Association on the basis of the "Guidelines for the Use of Consultants by World Bank Borrowers and by The World Bank as Executing Agency" published by the Bank in August 1981.

SCHEDULE 2

Implementation Program

Sindh shall ensure the carrying out of the Program in accordance with arrangements and time-schedules satisfactory to Sindh and the Association, including the following;

A. Financing and Review of the Program

Sindh and the Association agree that the Program shall be implemented through annual development programs (ADPs) for primary education in Sindh, each covering a twelve-month period from July 1 to June 30. For this purpose:

1. Sindh and the Association:

- (a) shall review annually, starting in 1990, progress in achieving the objectives of the Program under the on-going ADP; and
- (b) determine, on the basis of such review, the components of the Program to be carried out under the following ADP and the financing requirements therefor.
- 2. Sindh shall ensure that all financing required on its part under each ADP shall be met by appropriate allocations in its budget.

B. Part A of the Program

1. Sindh shall:

- (a) assign the responsibility for management of the construction and maintenance work under Part A of the Program to its Directorate of Education Engineering Works (DEEW); and
- (b) maintain the existence of DEEW, at least until the implementation of Part A of the Program, and ensure its expansion, in accordance with an appropriate staffing plan, not later than June 30, 1991.
- 2. In the selection of classrooms to be constructed under Part A of the Program, Sindh shall require the availability of a suitable site with a space for appropriate future expansion to accommodate at least five classrooms, and shall adopt the following order of priority in such selection:
 - (a) reconstruction of unsafe school buildings;
- (b) construction of classrooms in areas with no school building but with not less than 30 children in a shelterless school;
- (c) construction of additional classrooms to accommodate fourth and fifth graders in mosque schools

enrolling more than 50 children in grades 1-3; and

- (d) construction of new schools, where there is no school (including a shelterless school) available within a distance of $2.5\ km$ for boys and $1.5\ km$ for girls.
- 3. For purposes of Part A (4) of the Program, Sindh shall:
- (a) implement its decision to change the school year so as to start on August 1 and to end on May 30, as of the start of the academic year 1990-1991;
- (b) for a period of two years, starting in the school year 1990-1991, and in three selected districts:
 - (i) experiment with flexible school hours to suit local conditions in selected rural schools (about 150 schools in total);
 - (ii) abolish the requirement of school uniform for primary school students in rural areas; and
 - (iii) abolish end of year examination for grades 1 and 2, provide automatic promotion between grades 1 and 3 and develop and introduce achievement testing as part of the curriculum to monitor individual and cohort student achievement; and
 - (c) (i) by June 30, 1992, complete and furnish to the Association a study evaluating the impact of the measures referred to in paragraph (b) above on enrollment, attendance and retention of students; and
 - (ii) following an exchange of views with the Association thereon, proceed with the introduction of said measures in all districts of Sindh by the beginning of the school year 1992-1993, if and to the extent such introduction is warranted on the basis of said study and exchange of views.

C: Part B of the Program

1. As part of the measures, referred to in Part B (1) of the Program, to increase the supply of female teachers and to improve the career prospects of the primary teaching profession, Sindh shall adopt regulations which shall: (i) permit the local recruitment of primary teachers and require the assignment of female teachers as near as possible to their homes; (ii) enlarge the age range for entry to the primary teaching profession; (iii) require assignment of assistant teachers, should qualified teachers not be available in any girls' school and provide an opportunity for such assistant teachers to qualify as certified teachers; and (iv) provide an opportunity for qualified primary school teachers for promotion to supervisory positions.

2. Sindh shall:

- (a) starting with the school year 1992-1993, assign all training places at the GCETs to new entrants to the teaching profession; and
 - (b) by December 31, 1991, adopt regulations which

shall enable qualified and experienced individuals from the primary education stream to compete for \mbox{GCET} faculty positions.

3. Sindh shall:

- (a) carry out the pilot in-service teacher training program, referred to in Part B (2) of the Program, through the Bureau of Curriculum and Extension (the Bureau) of its Education Department;
- (b) constitute a steering group, with representatives from the Bureau, the Education districts concerned and AIOU, to provide general guidance in the carrying out of such programs; and
- (c) ensure the preparation by said steering group by September 30, 1990, and annually thereafter, and the furnishing to the Association, of a report on the activities and expenditures under such programs.

4. Sindh shall:

- (a) by December 31, 1990, complete in a manner satisfactory to the Association the reorganization measures, referred to in Part B (4) of the Program, including the assignment of the staff required thereunder; and
- (b) carry out the training, referred to in Part B (4) (d) of the Program, in accordance with terms of references and time- schedules satisfactory to the Association.

D. Part C of the Program

Sindh shall ensure that all new primary education textbook manuscripts developed during the implementation of the Program shall be tested prior to their publication.