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Report No: PAD3053

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED CREDIT

IN THE AMOUNT OF SDR 7.3 MILLION (US\$10 MILLION EQUIVALENT)

AND A

PROPOSED GRANT FROM THE IDA18 SUB-WINDOW FOR REFUGEES AND HOST COMMUNITIES

IN THE AMOUNT OF SDR 3.7 MILLION

(US\$5 MILLION EQUIVALENT)

WITH CO-FINANCING FROM THE

GLOBAL PARTNERSHIP FOR EDUCATION TRUST FUND IN THE AMOUNT OF US\$9.25 MILLION

TO THE

REPUBLIC OF DJIBOUTI

FOR A

EXPANDING OPPORTUNITIES FOR LEARNING PROJECT

September 9, 2019

Education Global Practice  
Middle East And North Africa Region

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## CURRENCY EQUIVALENTS

(Exchange Rate Effective April 30, 2019)

Currency Unit: Djibouti Franc (DJF)

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US\$1: 178 DJF

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US\$1: SDR 0.72162568

## FISCAL YEAR

January 1 - December 31

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Country Director: Marina Wes

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## ABBREVIATIONS AND ACRONYMS

ACIGEF	Strengthening Institutional Capacity and Management of the Education System Project ( <i>Projet d'appui des capacités institutionnelles et de gestion de l'éducation et de la formation</i> )
AFD	French Development Agency ( <i>Agence française de développement</i> )
AS	Annual Education Statistical Tables ( <i>Annuaire Statistique</i> )
AWP	Annual Work Plan
BD	Bidding Document
BEF	Basic education certificate exam ( <i>brevet de l'enseignement fondamental</i> )
BEPE	Project Implementation Unit ( <i>Bureau d'exécution des projets d'éducation</i> )
CFEF	Personnel Training Center for National Education ( <i>Centre de Formation des Enseignants de l'Enseignement Fondamental</i> )
COT	Classroom observation tool
CP	Local education advisor ( <i>conseiller pédagogique</i> )
CPD	Continuous Professional Development
CPF	Country Partnership Framework
CRIPEN	National Education Research and Information Production Center ( <i>Centre de recherche, d'information, et de production pour l'éducation nationale</i> )
DA	Designated Account
DFIL	Disbursement and Financial Information Letter
DGA	Directorate for Central Administration ( <i>Direction générale de l'Administration</i> )
DGE	Directorate for General Education ( <i>Direction générale de l'Enseignement</i> )
DHU	Department of Habitat and Urbanism
DISED	Directorate for Statistics and Demographics ( <i>Direction de la Statistiques et des Etudes Démographiques</i> )
DJF	Djibouti Franc
DLI	Disbursement Linked Indicator
DLR	Disbursement Linked Result
DP	Directorate for Planning ( <i>Direction de la Planification</i> )
EAA	Education Above All
EAC	Educate a Child (Program of Foundation)
ECE	Early Childhood Education
EDAM4	Fourth (2018) round of the Household Survey ( <i>Enquete djiboutienne auprès des ménages 4</i> )
EEP	Eligible Expenditures of the Program
EFA	Education for All
EGMA	Early Grade Mathematics Assessment
EMIS	Education Management Information System
EMP	Environmental Management Plan
ESCP	Environmental and Social Commitment Plan
ESMF	Environment and Social Management System
ESMP	Environmental and Social Management Plans
FM	Financial Management
FMR	Financial Management Report

GDP	Gross Domestic Product
GER	Gross Enrollment Rate
GLPE	Local Donor Partner Group ( <i>Groupe local des partenaires pour l'éducation</i> )
GoD	Government of Djibouti
GPE	Global Partnership for Education
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
ICB	International Competitive Bidding
ICT	Information and Communications Technology
IDA	International Development Association
IFR	Interim Financial Report
IGAD	Intergovernmental Authority on Development
IPF	Investment Project Financing
IRI	Intermediate Result Indicator
IRR	Internal Rate of Return
M&E	Monitoring and Evaluation
MENA	Middle East and North Africa Region
MENFOP	Ministry of National Education and Vocational Training ( <i>Ministère de l'éducation nationale et de la formation professionnelle</i> )
MENSUR	Ministry of Higher Education and Research ( <i>Ministère de l'enseignement supérieur et de la recherche</i> )
MFF	Ministry of Women and Family ( <i>Ministère de la Femme et de la Famille</i> )
MOEFP	Ministry of Economy, Finance and Planning ( <i>Ministère de l'Economie et des Finances chargé de l'Industrie</i> )
MOP	Manual of Operational Procedures
MTEF	Medium Term Expenditure Framework
NCB	National Competitive Bidding
NPV	Net present Value
OOSC	Out of School Children
OTI	Second- and fifth-year primary school exams ( <i>Objectifs terminaux d'intégration</i> )
PA	Pedagogical Advisor
PDO	Project Development Objective
PAE	Education Action Plan ( <i>Plan d'action de l'éducation</i> )
PAEQ	Access to Quality Education Project ( <i>Projet d'accès à une éducation de qualité</i> )
PFS	Project Financial Statements
PIP	Project Implementation Plan
POM	Project Operations Manual
PPSD	Project Procurement Strategy for Development
PRSP	Poverty Reduction Strategy Paper
PSU	Project Service Unit
RBF	Results-based Financing
RBM	Results-based Management
RF	Results Framework
RFP	Request for Proposal
RSW	Refugee Sub-Window
SA	Special Account

SAWP	Staff Annual Work Plan
SCD	Systematic Country Diagnostic
SCE	Stakeholder and Citizen Engagement
SEP	Stakeholder Engagement Plan
SGP	Directorate for Central Administration ( <i>Service de la gestion des projets</i> )
SOE	Statement of Expenditures
STEP	Systematic Tracking of Exchanges in Procurement
TOR	Terms of Reference
TVET	Technical and Vocational Education Training
UIS	UNESCO Institute for Statistics
UNDP	United Nations Development Program
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Fund
UNHCR	United Nations High Commission for Refugees
USAID	United States Agency for International Development
WDR	World Development Report
WFP	World Food Program



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## DATASHEET

### BASIC INFORMATION

Country(ies)	Project Name	
Djibouti	Expanding Opportunities for Learning	
Project ID	Financing Instrument	Environmental and Social Risk Classification
P166059	Investment Project Financing	Moderate

### Financing & Implementation Modalities

<input type="checkbox"/> Multiphase Programmatic Approach (MPA)	<input type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input checked="" type="checkbox"/> Fragile State(s)
<input checked="" type="checkbox"/> Disbursement-linked Indicators (DLIs)	<input checked="" type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made Disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	

Expected Approval Date	Expected Closing Date
30-Sep-2019	15-Dec-2024

Bank/IFC Collaboration

No

### Proposed Development Objective(s)

The project development objective is to increase equitable access to basic education, improve teaching practices, and strengthen MENFOP's management capacity.

### Components

Component Name	Cost (US\$, millions)
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Component 1: Establishing foundations for quality preschool education	3.00
Component 2: Expanding access to and improving retention in primary and lower secondary education	14.75
Component 3: Building capacity to support teaching and learning	7.75
Component 4: Strengthening MENFOP's management capacity and data systems	2.55

**Organizations**

Borrower:	Republic of Djibouti
Implementing Agency:	Ministry of Education and Vocational Training

**PROJECT FINANCING DATA (US\$, Millions)****SUMMARY**

Total Project Cost	28.05
Total Financing	28.05
of which IBRD/IDA	15.00
Financing Gap	0.00

**DETAILS****World Bank Group Financing**

International Development Association (IDA)	15.00
IDA Credit	10.00
IDA Grant	5.00

**Non-World Bank Group Financing**

Trust Funds	13.05
Education for All - Fast Track Initiative	9.25
Free-standing Single Purpose Trust Fund	3.80



**IDA Resources (in US\$, Millions)**

	Credit Amount	Grant Amount	Guarantee Amount	Total Amount
<b>Djibouti</b>	10.00	5.00	0.00	15.00
National PBA	10.00	0.00	0.00	10.00
Refugee	0.00	5.00	0.00	5.00
<b>Total</b>	<b>10.00</b>	<b>5.00</b>	<b>0.00</b>	<b>15.00</b>

**Expected Disbursements (in US\$, Millions)**

WB Fiscal Year	2019	2020	2021	2022	2023	2024	2025
<b>Annual</b>	0.00	2.00	3.80	7.60	6.60	4.35	3.70
<b>Cumulative</b>	0.00	2.00	5.80	13.40	20.00	24.35	28.05

**INSTITUTIONAL DATA**
**Practice Area (Lead)**

Education

**Contributing Practice Areas**
**Climate Change and Disaster Screening**

This operation has been screened for short and long-term climate change and disaster risks

**Gender Tag**
**Does the project plan to undertake any of the following?**

a. Analysis to identify Project-relevant gaps between males and females, especially in light of country gaps identified through SCD and CPF	Yes
b. Specific action(s) to address the gender gaps identified in (a) and/or to improve women or men's empowerment	Yes
c. Include Indicators in results framework to monitor outcomes from actions identified in (b)	Yes

**SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)**

Risk Category	Rating
1. Political and Governance	● Substantial
2. Macroeconomic	● Substantial
3. Sector Strategies and Policies	● Moderate
4. Technical Design of Project or Program	● High
5. Institutional Capacity for Implementation and Sustainability	● Substantial
6. Fiduciary	● Substantial
7. Environment and Social	● Moderate
8. Stakeholders	● Moderate
9. Other	● Moderate
10. Overall	● Substantial

**COMPLIANCE****Policy**

Does the project depart from the CPF in content or in other significant respects?

☐ Yes   ☒ No

Does the project require any waivers of Bank policies?

☐ Yes   ☒ No



## Environmental and Social Standards Relevance Given its Context at the Time of Appraisal

E & S Standards	Relevance
Assessment and Management of Environmental and Social Risks and Impacts	Relevant
Stakeholder Engagement and Information Disclosure	Relevant
Labor and Working Conditions	Relevant
Resource Efficiency and Pollution Prevention and Management	Relevant
Community Health and Safety	Relevant
Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Relevant
Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Not Currently Relevant
Cultural Heritage	Not Currently Relevant
Financial Intermediaries	Not Currently Relevant

**NOTE:** For further information regarding the World Bank’s due diligence assessment of the Project’s potential environmental and social risks and impacts, please refer to the Project’s Appraisal Environmental and Social Review Summary (ESRS).

## Legal Covenants

### Sections and Description

#### Schedule 2, I.D.1

The Recipient shall, not later than three (3) months after the Effective Date, recruit one or more organizations with experience, independence, and capacity and under terms of reference acceptable to the Association (“Independent Verification Agent(s)” or “IVA”) to verify the data and other evidence supporting the achievement of one or more DLI/DLR as set forth in the DLR Verification Protocol and recommend corresponding payments to be made.

### Sections and Description

#### Schedule 2, I.A.2.1

The Recipient shall, not later than three (3) months after the Effective Date, establish, and thereafter maintain at all times during Project implementation, a Project Steering Committee (“PSC”), with a composition, mandate and resources satisfactory to the Association, to provide policy guidance and oversight for the Project.



#### Sections and Description

##### Schedule 2, I.A.1.2

The Recipient shall,

- (a) not later than three (3) month after the Effective Date, install, and thereafter maintain throughout Project implementation, an accounting software for the Project acceptable to the Association;
- (b) not later than six (6) month after the Effective Date, recruit, and thereafter maintain throughout Project implementation, an independent external auditor with qualifications, experience and terms of reference acceptable to the Association.

#### Sections and Description

##### Schedule 2, III.B.1.b

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:

- (a) for payments made prior to the Signature Date;
- (b) under Category (2) , unless and until the Recipient has furnished evidence, including verification reports from the Independent Verification Agent, certifying the achievement of the DLI/DLRs in accordance with the DLR Verification Protocol, satisfactory to the Association that (i) payments for the Eligible Expenditures Program have been made in accordance, and in compliance with the procedures set forth in the POM; and (ii) the DLI/DLRs, set forth in the Annex to this Schedule 2, for which payment is requested have been met and verified in accordance with the DLR Verification Protocol.

#### Conditions

##### Type

Effectiveness

##### Description

- (a) The GPE Grant Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of the Financing Agreement) have been fulfilled.
- (b) The Association is satisfied that the Recipient has an adequate refugee protection framework.
- (c) The Recipient has adopted the Project Operation Manual in accordance with Section I.B of Schedule 2 to the Financing Agreement.



## I. STRATEGIC CONTEXT

### A. Country Context

1. **Djibouti is a lower-middle-income economy with a Gross Domestic Product (GDP) equivalent to US\$1.85 billion in 2017 and a population estimated at approximately one million**, mainly concentrated in and around Djibouti Ville where an estimated 75 percent of the population lives. It has experienced significant economic growth in recent years, mainly spurred by capital intensive activities in port and transport services. It is also experiencing notable growth of its services in banking, logistics, and tourism. GDP real growth averaged 8 percent between 2013–2016, surpassing growth in comparable countries. With less than one percent of all land being arable and average annual rainfall of 0.8 inches, Djibouti has almost no natural resources. It relies instead on its geo-strategic location: its ports serve as an economic gateway to Ethiopia and the region, and its military bases provide allies with access to the Gulf and East Africa.
2. **However, this recent growth spell has had a limited effect on eradicating poverty in the country as inequality remains relatively high<sup>1</sup>.** Despite relatively high per capita income of US\$1,862 in 2015, 30 percent of the population lives in poverty and 21 percent lives in extreme poverty according to the fourth (2018) round of household survey (EDAM4). The same survey also found that: (a) 36 percent of Djibouti's population is under 14 years old and 51 percent under 24; (b) its human development indicators indicate a life expectancy of 62 years and an infant mortality at birth rate to be 54/1,000; and (c) the adult literacy rate is only 53 percent. In terms of employment opportunities, Djibouti's national unemployment rate in 2017 stood at 47 percent for people aged 15 and older, and 22 percent for those aged 15-24, with significant variations in unemployment rates across gender, region and age<sup>2</sup>. And while there exists a slight positive correlation between employment rates and education levels, attaining higher levels of education does not guarantee more opportunities in the labor market.
3. **To address these issues, Djibouti has developed a national strategy (Vision 2035) based on five key pillars** that aim to: (a) strengthen unity, peace and solidarity, (b) reinforce good governance and democracy, (c) promote competitive and healthy economic growth, (d) invest in human capital, and (e) increase trade and commerce with regional partners. A key underlying principle of Vision 2035 is the inclusion of all Djiboutians.

### Refugee context

4. **Djibouti is home to a large refugee population.** According to the United Nations High Commission for Refugees (UNHCR) records, in February 2019 the country hosted 29,214 refugees and asylum seekers as well as a significant population of economic migrants and pastoral nomads (for which population estimates vary). There are four groups of refugees: Somalis (43 percent), Yemenis (16 percent), Ethiopians (36 percent) and Eritreans (3 percent). Somalis from South and central Somalia and Yemenis receive *prima facie* refugee status, while Somalis from Somaliland, Puntland, Ethiopians and Eritreans become asylum-seekers. There are refugee camps (called villages) that host 80 percent of the refugee population: two for Somalis in the south

<sup>1</sup> Djibouti's Gini coefficient stood at 44.1 in 2013.

<sup>2</sup> Unemployment average for males is 38 percent, compared to 63 percent for females, for populations aged 15 years and above. Source: (2019). *World Bank Poverty and Equity Assessment (calculations using EDAM4 IS)*



of the country and one in the north for Yemenis. Many refugees make their way to Djibouti Ville where numbers are not easy to estimate once disperse into the general population. The refugee population, which had grown significantly between 2015-2018, has stabilized to some extent. Conscious of its responsibility to these populations, the Government of Djibouti (GoD) is working in a coordinated manner to address their needs with support from the international community.

5. **Djibouti has demonstrated its openness and commitment to providing adequate protection to refugees over the last forty years, but the management of this situation is constrained by challenging economic and political concerns.** In terms of a legal and institutional framework, Djibouti is party to several international conventions and has enacted national laws related to addressing refugee issues. The World Bank in consultation with UNHCR has confirmed that Djibouti's protection framework is adequate for the purposes of receiving financial support through the refugee sub-window (RSW).
6. **In line with the approach of the Global Compact on Refugees, the government has committed to several new progressive reforms<sup>3</sup>,** which highlight three priority areas for action, including: (a) institutional and legislative strengthening, (b) improving access to basic services, particularly education and health, and (c) promoting social protection and economic prosperity. To this end, the government has put into place a multisectoral committee under the Minister of Finance and Economy that collaborates closely with the UNHCR, the World Bank, United Nations Children's Fund (UNICEF), and the European Union. In 2017, a new National Refugee Law came into force and decrees were enacted that ensure the integration of refugees into national systems such as health, education and the labor market. Progress is being made on several fronts, in line with the Global Compact, including:
  - Since January 2018, refugees have been integrated into the national health system through an agreement between the Ministry of Health and the UNHCR. They have access to all medical facilities in the country, like Djiboutian nationals.
  - In 2018, 7,198 identity papers were issued to refugees and 7,307 certificates to asylum-seekers. 15,071 refugees gained the right to work and gained access to the Labor market.
  - Refugees may also open bank accounts and request credit. The refugee card acts as a residence permit and a work permit. They are free to engage in independent activity or salaried work and thus have access to self-sufficiency.
  - Other sustainable solutions offered include voluntary return to countries of origin when the situation permits. In 2016/17, 538 refugees were voluntarily repatriated (and 138 in 2018).
7. In addition to the proposed project, three other IDA-financed operations benefit from the RSW and support the government in these efforts: in urban development (Djibouti Integrated Slum Upgrading Project - P162901), health (Improving Health Sector Performance Additional Financing - P131194), and social protection (Integrated Cash Transfer and Human Capital Project - P166220). Together, these projects will provide significant complementary assistance to refugees<sup>4</sup>.

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<sup>3</sup> Djibouti also ratified the "Djibouti Declaration on the Rights of Education" on December 14, 2017.

<sup>4</sup> Please refer to paragraph 36 regarding the project's alignment with the Higher-Level Objectives of the Refugee Sub-Window,



## B. Sectoral and Institutional Context

8. **Over the past two decades, the government has placed education at the center of its development policies, with education reforms focusing on improving quality, access and relevance.** Djibouti's public education system is free and is composed of three levels: basic education, secondary education and tertiary education. Basic education includes preschool, primary and lower secondary education. In principle, there are two years of preschool, five years of primary school and four years of lower secondary school. Only primary and lower secondary schools are compulsory while pre-primary remains voluntary, and as a result, underdeveloped. At the secondary level, students can follow two tracks: the general track consisting of three years and ending with students sitting for their national baccalaureate exam, and the technical and vocational track, with a duration of one, two or three years depending on the area of specialty.
9. **There are 54 public and private preprimary schools serving 4,388 students. 187 primary schools, of which 141 are public and 38 are private, serve 66,508 students.** 67 lower secondary (middle) schools, of which 39 are public and 25 are private, serve 40,857 students. In terms of teachers, 38 serve in public preschools, 1,125 in public primary school and 1,112 in public lower secondary schools. At the primary school level, 19 percent of teachers have at least completed their lower secondary cycle, 39 percent their baccalaureate, 8 percent a university degree while 32 percent have not declared their educational background. As for refugees, there are three refugee preschools that serve a total of 686 students, and three primary refugee schools and five accelerated learning centers that serve 3,529 students. At the lower secondary level, there are 743 refugee students enrolled in three schools.
10. **Access to education at all levels continues to be one of the country's major challenges.** The gross enrollment rate stands at only 14 percent for pre-primary, 89 percent for primary and 63 percent for lower secondary, according to the Ministry of National Education and Professional Training (MENFOP). Findings from the latest household survey in 2018 suggests updated figures for Net Enrollment Rates for primary at 74 percent nationally, 79 percent for Djibouti Ville, and ranges between 60.6 percent and 74.6 percent in the regions (Arta and Ali-Sabieh respectively).
11. **Enrollment in preschool has witnessed slight growth in the past five years but remains low.** The preschool sub-sector is nascent and is currently being provided for five-year-olds through few public schools, community and private preschools as MENFOP is taking a gradual approach to expansion of public preschool education. For 2017-2018 school year, MENFOP reported 42 private and 12 public preschools in operation, with the majority of public classrooms located in the interior regions and serving 585 students overall, while the private sector is mostly concentrated in Djibouti Ville and serves 2,440 students. There are also 26 community preschools: 14 in Djibouti Ville and 12 in the regions, serving a total of 677 students. These community preschools fall under the Ministry of Women and Family (MFF) and target mostly children under four.
12. **The quality of preschool education is one of the major factors that hinder school readiness.** A test administered in 2018 to a sample of 733 students in the first grade across all five regions of Djibouti and Djibouti Ville pointed to weak school readiness, even for those students who had attended preschool. Among those who had attended preschool, only four percent were able to complete the task correctly, while none of those of who had not attended preschool were able to achieve a perfect score. Because the language of instruction in schools is French and only 23 percent of students speak French at home, the existing preschool



curriculum would benefit from efforts to appropriately integrate French language exposure and instruction.

13. **To increase access to primary education, MENFOP has resorted to large class sizes and double-shifting.** The teacher/student ratio at the primary school level is 1:39 nationally, though the ratio of students to pedagogical division (or classroom) is 1:38 with variations between Djibouti Ville and regions<sup>5</sup>. Due to the lack of physical classrooms, double-shifting is widespread, with the most prevalent use being in Djibouti Ville where 43 percent of classes operate in double shifts.
14. **Vulnerable populations, including refugees, girls, special needs children and students out of school are disadvantaged in terms of access to education.** In regard to refugee education, on December 14, 2017, GoD signed the “Djibouti Declaration on the Education of Refugees in Intergovernmental Authority on Development (IGAD) Member States” affirming its responsibility for the education of all school-age children within its borders. In line with this, MENFOP is currently taking over the operation of all refugee village/camp schools and is working to develop long-term sustainable education services for refugee children in Djibouti. MENFOP has developed a roadmap for this transition and a committee, presided over by the minister, follows up on progress. In the southern refugee villages, where Somalis had been following a Kenyan curriculum in English, MENFOP is transitioning to the Djiboutian curriculum in English (under development). In the north, Yemeni students can follow the Djibouti curriculum which exists in Arabic (that is in use in Djiboutian Arabic-language schools). On January 15, 2019, the Minister opened a new Arabic-speaking public school in Markazi destined to address Yemeni students’ needs. Teacher training for these schools was carried out in 2018/19. The recognition of former education as well as the need for identification to enroll in schools is being addressed. Since 2017/18, pertinent refugee-related data are included in MENFOP’s yearly educational statistical tables. In terms of enrolment, the latest out of school children (OOSC) survey 2019, suggests that 42 percent of 6-10-year-old refugees and 40 percent of 11-14-year-old refugees are enrolled in schools nationally. In rural regions that host over 80 percent of refugees, the same survey suggests that 44 percent of 6-10-year-olds and 38.7 percent of 11-14-year-olds are out of school.
15. **Data from a survey on the schooling of refugee children conducted by MENFOP’s planning department, the OOSC 2019 and the EDAM4 provide some information on the differential experiences of refugee and host students.** The most commonly cited reason by refugees for not attending school is the need to help the family (36 percent females; 21 percent males), while among host communities, the most common reason was the lack of interest in school (39 percent females; 36 percent males). Around 20 percent of host communities indicated that girls having to stay home as a reason for not attending school, compared to 14 percent of refugee respondents. Although food insecurity is common among both refugee households and rural host communities, the lack of school canteens is cited more frequently by refugees as a reason for non-school attendance. Data on the prevalence of disability among refugee and host community children is unavailable; however, 1 percent of host community respondents and 1.4 percent of refugee respondents cite disability as a reason for not attending school.
16. **Focus group discussions with various stakeholder groups (school administrators, teachers, parents, and students) in Ali-Addeh, Holl-Holl, and Markazi confirm the quantitative indicators and provide additional information on refugee school needs,** which include school canteens, school kits, improving the school environment, and accelerating implementation of the national program (which would allow certification to access to higher levels of education), and increased teacher support. A study underway by the World Bank

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<sup>5</sup> One school in Djibouti Ville was observed to have an average class size of 1:44





will provide additional information on needs for refugee schooling.

17. **Girls' enrollment is lower at all education levels.** Girls make up 49 percent of preschool, 46 percent of primary, and 45 percent of lower secondary school students. Even though girls' repetition rates are lower at primary and that their primary school national examination scores are slightly better than boys', girls experience higher dropout rates in fifth grade, which partially accounts for the disparities in enrollment in lower secondary. According to the initial results of the OOSC 2019, the average percentage of out-of-school girls in lower secondary is 18 percent while it stands at 13 percent for boys. In the first year of lower secondary, the percentage for out of school girls stands at 15 percent (compared to 9 percent for boys) and increases to reach 21 percent in the last year of lower secondary (compared to 15 percent for boys). The lower enrollment rates for girls in lower secondary are especially prevalent in rural areas. Indeed, the average percentage of out-of-school girls in lower secondary is 47 percent while it stands at 31 percent for boys. The top two reasons listed for the non-schooling of girls according to the study are: (a) their lack of interest; and (b) their parents' refusal to send them to school because they are girls. Therefore, renewed and targeted efforts need to be undertaken to reach gender parity especially in lower secondary.
18. **MENFOP is committed to accommodating special needs students at school. However, this requires additional financial, human and technical capabilities, currently lacking at MENFOP.** Stigma continues to be attached to various disabilities in Djibouti. To address this, MENFOP has set up an Office for Special Needs, has a basic strategy, and classes for visually- and hearing-impaired students at the primary level. In 2017-18, the first cohort of hearing-impaired students graduated from a specialized Technical and Vocational Education Training (TVET) program. MENFOP has set targets in their Education Sector Plan (*Plan d'Action de l'Education – PAE 2017-20*) of enrolling 600 students in the next three years, which presents significant challenges due to the overall constraints within MENFOP. A costed plan would allow for a harmonized approach and mobilization of the necessary resources to ensure sustainability.
19. **At least one out of five school-age students have never been to school.** Data vary for numbers of out of school children: while the United Nations Educational, Scientific and Cultural Organization (UNESCO) Institute for Statistics (UIS) puts the number at 41,062 (2018), and Djibouti's national statistical institute (DISED) puts it at 32,750, the latest EDAM4 household survey suggests that approximately 20,880 children from 6-14 years old are out of school, which represents 19 percent nationally (though this figure is greater than 30 percent in four regions). These regional disparities suggest that there may be some correlation between access to services and the percentage of children out of the school system. According to the survey, the main reasons cited by parents for not schooling their children are 'lack of interest', age ('children are too young'), opportunity costs ('children need to work'), access, quality of education and lack of necessary documentation (birth certificates, etc.).
20. **MENFOP has outlined three priority actions to improve access: reduce class size, eliminate double shifting, and achieve universal primary education.** Targets are given in the PAE 2017-20 for the number of new classes needed by year but often the resources allocated in the national budget are not adequate. School expansion plans are usually for the immediate short term and become possible only when funding is identified. Longer term planning that can provide various hypothetical planning scenarios (depending on MENFOP's choice of priority or priorities to be addressed), is not available. The procedure for selecting sites depends on location: in the capital city and especially in high density areas like Balbala (a peri-urban neighborhood bordering Djibouti Ville), MENFOP works with the Ministry of Habitat to select sites, while in



rural areas, sites are chosen in response to community needs or to those expressed by the prefecture. A national school mapping exists but it is not tied to a geographic information system that can be used for planning. School construction is sometimes constrained by limitations in the size of the construction sector, the need to import all materials, and the high turnover of engineers to oversee construction.

21. **Food insecurity in Djibouti affects about 20 percent of the capital's population and three-quarters of rural households, hitting poor households and pastoralists especially hard.** This leads to chronic malnutrition in 30 percent of children aged 6-59 months and leads, with other factors, to stunting. Among other programs, the World Food Program (WFP) provides school meals in targeted rural community preschools, primary and lower secondary schools combining WFP internationally-purchased commodities and fresh food purchased locally with complementary funds allocated by the GoD. A take-home ration of oil is provided to families of school girls as an incentive to keep them in school through the ninth grade. WFP is supporting the capacity of the GoD towards the establishment of a sustainable national school feeding program. Currently, 62 percent of public primary schools have canteens (urban: 18 percent; rural 95 percent), while only 44 percent of public lower secondary schools do (urban: 22 percent; rural: 92 percent).
22. **As for the quality of education, several national and international quality indicators show that it remains quite low.** At the end of the second year (first cycle) and fifth year (second cycle) of primary school, students sit for the *Objectifs Terminaux d'Intégration* (OTI) exams. To transition to lower secondary, students must pass their fifth year OTIs. Twenty-seven percent of students repeat grade five. Similarly, at the end of the lower secondary school, ninth graders sit for the basic education certificate exam (*Brevet de l'enseignement fondamental* - BEF). Grade nine has a high repetition rate of 29.9 percent. These examinations represent structural barriers to progression in the educational system, which is also constrained by the capacity at lower secondary and secondary schools. A 2015 analysis of the grade 9 end of cycle *brevet* exam results showed that there was a large disparity in success rates between public and private schools with public schools achieving a 58 percent success rate compared to 79 percent for private schools. The overall lower secondary level repetition rates are higher for male students than female students. Drop-out rates rose sharply from 3.7 percent to 7 percent between 2013 and 2015 and are higher for female students. In terms of learning outcomes, the 2018 Early Grade Mathematics Assessment (EGMA) test results showed that on average, grade two students were only able to solve 1 out of 6 mathematics problems, and almost 60 percent had zero scores. Although they represent slight improvements over the 2017 EGMA scores, weak performance in mathematics remains a major concern.
23. **Assessment systems are not fully utilized for learning and policy decision-making and need to be redesigned to capture student performance against learning standards.** Fifth grade OTI results are managed at the national level while the second-grade results are managed at the school level. Currently, only basic analysis is conducted for the fifth grade OTI and BEF exam results. Strengthened MENFOP capacity to analyze and use assessment data would optimize the feedback systems to inform teaching practices.
24. **A process of curriculum modernization has begun.** The existing curriculum was introduced in 2011, and a revision is currently underway. The revision aims to make appropriate adjustments, additions and improvements to introduce innovative pedagogical practices, focus on mathematics, languages and science, integrate Information, Communication and Technology (ICT) into curricula, and develop digital and 21st century skills. Revisions have started, and work related to materials development, trialing and production will begin in September 2019.



25. **The vision of MENFOP's ICT strategy is to enhance the quality of teaching and learning and to significantly improve students' performance.** As part of the ICT strategy, GoD's president initiated the "One Child, One Tablet" project which aims to generalize the use of tablets in classrooms starting in first grade. At this stage, coverage has reached grades one, two, three and four. Free applications, programs by subject matter and interactive content have been developed and come with the tablets. A teacher training module on the usage of tablets has also been developed. Furthermore, while ICT education will only be introduced into basic education with the curriculum revisions that are currently underway, MENFOP has already incorporated the study of ICT into the high school curriculum starting in 2013. It also introduced the use of "smart classrooms", which are now present in 10 high schools and in the largest technical high school; and a training module has been developed for teachers on their use. In terms of internet connectivity, schools in Djibouti Ville are connected through ADSL while the regions use Wimax, a system that piggybacks on existing telephone coverage thereby making it suitable for remote communities. Additionally, several initiatives have been launched to equip schools with high speed internet, multimedia rooms and digital manuals and textbooks. Nevertheless, regular internet and electricity access remains a challenge, and the effectiveness of using tablets in schools has not been evaluated but anecdotal evidence suggests that effective use of ICT tools varies greatly.
26. **The teacher professional development system is highly centralized and has limited impact on teacher practices.** There are 85 primary school pedagogical advisors and 13 inspectors. Pedagogical advisors (PAs) are former teachers who pass a national examination to assume their new role. Their main responsibilities include conducting classroom visits and giving feedback to individual teachers. Inspectors conduct two formal classroom observations a year to evaluate a teacher's performance. In terms of teachers' professional development, the Training Center for Teachers of Basic Education (*Centre de Formation des Enseignants de l'Enseignement Fondamental* - CFEEF) is the training center in Djibouti Ville in charge of delivering the initial training for basic education and secondary school teachers. Based on the needs identified by the inspectors and the pedagogical advisors during their field visits, CFEEF also delivers specific modules for the ongoing training (*formation continue*) of teachers. These ongoing trainings take place three to four times a year during school holidays and are conducted mostly by training inspectors or consultants at CFEEF. The current centralized in-service teacher training approach is burdensome to many teachers from the regions and MENFOP is looking to increase access to professional development opportunities at the regional and school levels. Furthermore, best practice suggests that frequent on-site observations and feedback along with opportunities for practice are essential for teachers to improve. MENFOP does not yet have a system in place to record and track professional development activities of its teachers, which limits inspectors' and PAs' ability to follow up and observe impact in the classroom.
27. **School leadership is evolving but requires support.** MENFOP has taken concrete actions to strengthen the role of the school leader. A decision to move to merit-based recruitment and selection of school leaders was taken in January 2019. All school leaders must successfully pass the "*Certificat d'Aptitude de Formation de Maître d'Application* - CAFMA), a diploma demonstrating competence in pedagogical support (that all PAs must possess), thereby reinforcing the school director's ability to offer support to their teaching team in school in coordination with the PAs and Inspectors. In the previous IDA-financed "Access to Education Quality Project" (PAEQ P145323; 2014-2018), school leaders were trained in school management, community relations, pedagogy, and finance, and 60 percent of school directors implemented at least three management practices in which they had received project-supported training. School leaders have also received training



on improving school climate. A number of school leaders have also had experience in developing school improvement plans and managing school grants. These efforts have been fragmented and the impact of these interventions on improving school performance is unclear.

28. **Data collection tools are slow, not always reliable and need improvement.** Even though school directors collect data digitally through the OPAD application (*outil de pilotage d'aide à la décision* - decision support tool), the MENFOP statistics office still has to manually enter this data into its system because of data system incompatibility to ensure the accuracy of the information provided. As a result, the statistical yearbook is published with an average delay of seven months. The planning committee uses the ED-ASSIST software to automatically generate the school statistics report. This tool does not currently include features such as multi-year databases and the geographic information system. Without reliable and timely data, MENFOP's has limited ability to utilize data for decision-making and resource allocation.
29. **Education budget allocations are mostly used to cover recurrent salary expenditures, crowding out capital expenditures on infrastructure, professional development and education innovation.** In 2018, the education budget stood at US\$130 million, of which 45.1 percent was allotted to primary education (grades 1-6). Education spending represented 19 percent of the national budget. In 2016, investment spending as a percentage of the total national investment spending stood at 6 percent while recurrent education spending as a percentage of overall recurrent national spending stood at 17.3 percent. Salaries, transfers and subsidies accounted for 93.4 percent of recurrent education expenditures in 2016.
30. **The project is designed to support the government in addressing major challenges in basic education by directing resources towards key areas that can have a transformative impact.** The project interventions will focus on expanding access to quality basic education especially for vulnerable populations, improving retention, reinforcing learning assessments and teachers' skills, and strengthening sector management capacity and data systems. Based on the principle that real improvement in education quality can only come from within the school, the project will aim to empower school leaders and instructional staff to work collaboratively to raise student achievement and other dimensions of school quality. This change is expected to result from a set of activities, including the establishment of competency frameworks for teachers, school directors, pedagogical advisors, teacher trainers and inspectors along with a classroom observation mechanism and the provision of effective and relevant professional development programs for each function. The establishment of a reliable and robust student assessment system for the purposes of monitoring learning against specific standards and the identification and remediation of low performing schools and at-risk students is expected, in the long term, to lead to gains in efficiency and effectiveness. The project will also help accelerate the government's efforts to exploit the use of digital tools throughout the education system (for professional development, classroom instruction, and for monitoring and reporting).
31. **The project will also incentivize a gradual shift from financing of inputs to financing based on results.** Using Disbursement-linked indicators (DLIs) will help shift the policy dialogue toward results, especially in the initial years as they will be used to institutionalize a culture of measurement and utilization of results.

### C. Relevance to Higher Level Objectives

32. **The World Bank Group's Systematic Country Diagnostic (SCD) 2018 suggests that a multi-pronged approach**



**is needed in education.** Comprehensive reforms are needed to improve learning at all levels, by: (a) promoting early childhood development and particularly preschool, (b) use teacher incentives and accountability tools, (c) strengthen tertiary education and TVET, and (d) adopt ICT-enabled education to serve remote and rural schools. Furthermore, the World Bank Group's upcoming Country Partnership Framework (which will be presented to the Board of Executive Directors later this fiscal year) will focus on multi-pronged interventions in education. The World Bank will focus on strengthening basic as well as tertiary and vocational education to enhance human capital and better align skills to job opportunities. With its focus on improving access to and quality of education, the proposed project is aligned with the goals of the Human Capital Project and responds to a Government request to scale up and prioritize engagement on human capital. The project also directly contributes to the World Bank Group's twin goals of ending extreme poverty and boosting shared prosperity in a sustainable manner by building Djibouti's human capital by investing in quality preschool education thus contributing to children's increased readiness to learn. By focusing on refugees and other vulnerable populations, the project fosters resilience and can contribute to stability, in turn promoting an environment conducive to tackling poverty and supporting economic growth for all. Finally, supporting teachers and school leaders with new skills also improves what and how students learn, equipping them with the necessary skills and knowledge to participate in the labor market.

33. **The project aligns well with the 2018 World Development Report on education** which recommends to: (a) assess learning, (b) act on evidence, and (c) align actors. **The project is also well-aligned with the recommendations laid out in *Expectations and Aspirations***, a recent Middle East and North Africa (MENA) region education publication. The project's investments will drive learning that starts early for all children regardless of background, with qualified and motivated educators, that leverages technology and uses modern approaches and monitors learning.
34. The project's interventions also contribute to implementation of the enlarged Middle East and North Africa's (MENA) Regional Strategy (March 2019), particularly its focus on renewing the social contract and addressing MENA's learning crisis. In addition to providing better educational services and strengthening knowledge transfer, the project supports the shift from the old social contract of "little voice and accountability" to a focus on delivering results and addressing MENA's learning crisis.
35. **The project aligns with the Global Partnership for Education (GPE)'s 2016-2020 strategic plan** that puts an emphasis on education sector planning and results-based financing to work with partners towards achieving the strategic goals: (a) improved and more equitable student learning outcomes through quality teaching and learning, (b) increased equity, gender equality and inclusion for all in a full cycle of quality education, targeting the poorest and most marginalized, including by gender, disability, ethnicity, and conflict or fragility, and (c) effective and efficient education systems delivering equitable, quality educational services for all.
36. **The project also aligns well with government objectives**, as seen in the PAE 2017-20, which include: (a) one year of preschool is developed, (b) universal inclusive access is attained by 2025, (c) the quality of teaching and learning improves in basic education, and (d) results-based management (RBM) is expanded.
37. **Finally, the Project aligns well with the Higher-Level Objectives of the IDA Refugee Sub-Window.** Not only does Djibouti adhere to an adequate framework for the protection of refugees and have in place a long-term strategy that benefits refugees and host communities, the Project also supports the commitments of the



Government to enact policy change and address the social and economic dimensions of refugee situations. By working to absorb student-aged refugees into the national education system while recognizing and addressing the needs of the host communities, the Project promotes the higher-level objectives of the RSW of “more effective, equitable and sustainable solutions for both refugees and their host communities”.

## **II. PROJECT DESCRIPTION**

### **A. Project Development Objective**

#### **PDO Statement**

38. The project development objective is to increase equitable access to basic education, improve teaching practices, and strengthen MENFOP’s management capacity.

#### **PDO Level Indicators**

39. The PDO-level results indicators are as follows:
- a. Additional primary school-level OOSC enrolled, disaggregated by gender and vulnerable populations (girls, refugees, rural students, and special needs students);
  - b. Gender parity index in lower secondary enrollment (disaggregated by urban/rural);
  - c. Percentage of basic education teachers demonstrating improved skills, disaggregated by primary and preschool;
  - d. Learning assessments are revised and administered.

### **B. Project Components**

40. The proposed project was prepared with a view to leverage different sources of funding that are uniquely suited to address specific challenges. As a result, the proposed activities will be supported by a US\$10 million IDA credit, a US\$5 million grant from the IDA18 sub-window for refugees and host communities and a US\$9.25 million grant from GPE. The project will also benefit from an additional US\$3.8 million from the “Education Above All - EAA” foundation, and respective agreements between the Foundation and the World Bank are being finalized and expected to be signed within the coming months<sup>6</sup>.

**Component 1. Establishing foundations for quality preschool education** (US\$3 million: US\$1.5 million IDA credit (to be fully disbursed against DLIs), US\$0.5 million IDA grant and US\$1 million GPE grant)

41. The main objectives of this component are to establish quality standards for preschool education and to improve preschool classroom pedagogy through the following activities: (a) revising the preschool curriculum and associated teaching and learning materials, and (b) strengthening preschool teacher capacity to

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<sup>6</sup> Funds from the EAA are expected to be available within the first year of implementation and used only to finance results-based activities related to OOSC under sub-component 2.2, for which verification is scheduled at the beginning of year two of implementation. Therefore, moving ahead with the project while awaiting the availability of the US\$3.8 million would not impede initial project implementation but instead allow for the implementation of preliminary activities. In the unlikely event that the funds do not materialize, the project would be restructured.





implement a play-based approach<sup>7</sup> to learning.

**Sub-component 1.1: Improving the quality of and access to preschool education**

42. The project will directly finance expenditures related to establishing quality standards, improving preschool classroom pedagogy, and expanding access to preschool through the following activities:

(a) Provision of technical assistance for:

- (1) establishing a policy framework and quality standards for preschool education for key dimensions of operation of preschool establishments, which may include but are not limited to characteristics such as staff qualifications and training, group size, child: staff ratios, health and safety, environmental requirements, curriculum, parental participation, child protection, quality assurance and inspection, and reporting and accountability. The standards will be developed using a participatory approach including the private sector, NGOs, and the MFF. An adapted version of the standards could be applied to community-based preschool centers. This sub-component will also include the development of a quality assurance mechanism to ensure compliance against standards and to drive improvements in quality, which would include training of preschool assessors;
- (2) revising the preschool curriculum and strengthening preschool teacher capacity to implement such reforms. This will include the revision of the preschool curriculum towards a play-based approach to learning and integration of life skills, and the production and/or purchase of associated teaching and learning materials. The preschool curriculum reform will promote good practice on introduction of French language skills to prepare students for successful transition to primary school. The new curriculum will also integrate environmental education and a focus on sustainability through age-appropriate content and activities;
- (3) developing new teaching and learning materials and training and professional development programs for teachers and other preschool staff. This will include the development of a new preschool teacher competency framework that defines what preschool teachers are expected to know and be able to do. This competency framework will serve as the basis upon which the pre-service and in-service programs will be designed. In addition, the project will support the design of comprehensive training programs/modules for the preparation of new teachers and professional development of existing preschool teachers and the training of trainers. The objectives of the training programs would be to increase capacity to implement the new curriculum through a play-based learning approach. The activity will also support the development of a customized program for community preschool teachers, who have lower levels of formal education and as such will require a differentiated approach. The CFEEF will be responsible for the delivery of the programs; and
- (4) adopting a preschool classroom teacher observation tool to assess improvements in preschool teacher skills to be utilized by inspectors and/or PAs. The tool will be used as a mechanism to provide feedback and coaching.

(b) carrying out a feasibility study to explore the possibilities of private-public partnership in ECE service delivery to expand access to preschool beyond public sector provision. This study will assess the

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<sup>7</sup> Play-based learning is shown to encourage the development of language and pre-literacy skills, mathematical skills, social and emotional skills, and creativity.



suitability of various modalities to the Djiboutian education sector; and

- (c) construction of new classrooms and rehabilitation of existing classrooms and provision of relevant equipment and furniture to such classrooms to support the expansion of public preschool classrooms. Forty-one new classrooms in total will be added to the existing 19 through rehabilitation or construction, for a total of 60 preschool classrooms by project end. Preschool classrooms will be connected to existing primary schools where possible. Construction standards and guidance for preschool design, including outdoor space, latrines, and water points, will be developed.

- 43. As MENFOP's experience with managing the preschool sub-sector has been limited, technical expertise for the design of activities is required to strengthen MENFOP capacity and inform decision-making related to improving quality of and gradually expanding access to preschool education.

### **Sub-component 1.2 Results-based financing for strengthening preschool quality**

- 44. To incentivize policy changes and implementation of key activities, disbursement-linked indicators have been selected in a manner that demonstrates progressive achievement of certain milestones towards outcome-level indicators. For strengthening preschool quality, the start of implementation will be verified through a signed Ministerial memo detailing the quality standards that MENFOP has adopted, the methodology for their measurement, and the implementation team and resources. Subsequent DLRs measure progress in implementation and outcomes.
- 45. Using results-based financing, the project will finance eligible expenditures in support of strengthening preschool quality through the carrying out of activities to assess preschools against the approved quality standards and the carrying out of activities to observe and report on preschool teacher classroom performance.
  - DLR 1.1: Quality standards for preschool approved by MENFOP through a signed ministerial memo (*note de service*)<sup>8</sup>;
  - DLR 1.2: At least 30 percent of public and private preschools meeting the approved quality standards;
  - DLI 2: At least 40 percent of public preschool teachers with improved competencies, as observed through classroom observation tools (COT).

**Component 2. Expanding access to and improving retention in primary and lower secondary education** (US\$14.75 million: US\$5.25 million IDA credit (to be fully disbursed against DLIs), US\$2.7 million IDA grant (of which US\$1.2 million will be disbursed against DLIs), US\$3 million GPE grant (of which US\$2 million will be disbursed against DLIs) and US\$3.8 million EAA grant (to be fully disbursed against DLIs))

- 46. The main objectives of this component are to expand access to primary and lower secondary education and improve retention of vulnerable and underserved populations, including refugees, girls, rural students and special needs students.

### **Sub-component 2.1: Expanding access to primary and lower secondary education and improving retention of vulnerable and underserved groups**

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<sup>8</sup> For the purposes of the PAD, ministerial memo is being used as the English translation for "*note de service*", which is what is required in Djibouti to officially approve new standards, plans, frameworks or assessment levels.





47. The project will directly finance select expenditures related to ensuring that all children, including refugees, have access to education and improving retention in primary and lower secondary education. The following activities will be financed using an investment financing approach, including consulting services, goods, and works:
- (a) provision of technical assistance for:
    - (1) developing a medium-term school expansion plan to modernize school infrastructure, and to monitor construction quality. It will map needs to locations to match supply to demand, including the needs of refugee students to access school. In order to provide the greatest climate co-benefits and to modernize school infrastructure, a review of current school blueprints will be carried out so that newly constructed schools reflect environmental principles in line with climate change considerations. Climate co-benefits are further discussed in Annex 2;
    - (2) supporting the inclusion of refugees in the national education system, including MENFOP's operation of schools in refugee camps formerly run by NGOs or UNHCR. This will include technical and institutional support for MENFOP (in terms of the translation of the curriculum, the provision of training for teachers of refugee students) in order for the Ministry to assume operation of schools in refugee villages in line with the pledge in the Education Action Plan of the Djibouti Declaration;
    - (3) establishing a strategy for including children with special needs by carrying out a situation analysis of inclusive education in Djibouti and developing and carrying out an awareness campaign to promote a more inclusive education; and
    - (4) developing sub-regional plans to promote enrollment and reduce drop-outs, which include locally-identified solutions in collaboration with local communities in all five regions. These interventions, to be piloted on a trial basis, are expected to benefit vulnerable populations, particularly girls, refugees, special needs and rural students.
  - (b) rehabilitation of existing schools. This activity will support the rehabilitation of rural primary and lower secondary schools to have adequate facilities including a water point, latrines and an electrical or solar power source. It will also support the operationalization of primary and lower secondary school canteens.
48. Technical assistance for the activities described above is expected to provide expertise to strengthen MENFOP's capacity for school planning design to meet growing demand for education for diverse populations. This expertise will inform decision-making related to how best to expand access to education for all and reduce constraints that are preventing students from continuing their education.

**Sub-component 2.2. Results based financing for expanding access and improving retention in primary and lower secondary education**

49. Informed by technical expertise in planning, MENFOP will implement a plan to expand access, with the first step of implementation being a signed Ministerial memo approving and detailing the school expansion plan, a timeline, and the implementation team and resources. Similarly, the first step in implementation of the sub-regional plans will be a signed Ministerial memo approving and describing implementation details.
50. Using results-based financing, the project will finance eligible expenditures in support of the expansion of



access to schooling to out of school children, and particularly vulnerable groups such as refugees, girls, rural students and special needs students, and the strengthening of demand and improvement in retention through the carrying out of activities to scale-up successful pilots. It is also expected that increased retention from the scaling of successful pilots will improve the gender parity index in lower secondary; and, finally, through the carrying out of activities that improve sector efficiency (such as improved teaching and remedial instruction in component 3) there is expected to be a reduction in the repetition rate in year 5. Disbursement will be linked to achievement of the following results:

- DLR 3.1. A medium-term school expansion plan is approved by MENFOP through a signed ministerial memo (*note de service*);
- DLR 3.2. 35,000 primary school-level OOSC<sup>9</sup> students enrolled;
- DLR 4.1. Sub-regional plans to promote enrollment and reduce dropout are approved by MENFOP through a signed ministerial memo;
- DLR 4.2. Decrease in grade 5 repetition rate between Year 1 and Year 5 of project implementation from 24.4 percent to 14.4 percent;
- DLR 4.3. Increase in gender parity index for gross enrollment in lower secondary education.

**Component 3. Building capacity to support teaching and learning** (US\$7.75 million: US\$3.25 million IDA credit (to be fully disbursed against DLIs), US\$1 million IDA grant and US\$3.5 million GPE grant (of which, US\$1 million to be disbursed against DLIs))

51. The main objectives of this intervention are to (a) improve and increase the use of learning assessments and establishing learning standards, (b) strengthen the competence of MENFOP's staff and school-level staff and the overall system for such staff's professional development, and (c) improve pedagogical resources, including teaching and learning materials, all through, *inter alia*, the provision of technical assistance, consultant services for competence building activities and designing a tool for online access to training and reference materials.

### **Sub-component 3.1 Improving the quality of learning assessments, professional development, and pedagogical resources**

- Improving and increasing the use of learning assessments and establishing learning standards

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<sup>9</sup> Out-of-school children (OOSC) are children of the official primary school age-range who are not participating in a primary or secondary level education program; and children over the official primary school age-range, who have not received, and are currently not participating in, a primary level education program. The working definition of out-of-school children builds on the UNESCO Dimensions of out-of-school children, expanded to include the following groups or types of out-of-school children:

- Children who **do not have access** to a school: These children will never attend unless they gain access.
- Children who have access to school but who are **not enrolled**: These children either never enter school or will **enter school late**.
- Children who have access and have enrolled in school but who do not attend.
- Children who have **dropped out** of the education system.
- Children who are in emergency **and/or crisis situations** and not participating in any organized education program. These children may be displaced and in temporary living conditions with no schools or organized educational opportunities available.



52. MENFOP will benefit from strengthened capacity to design and use learning assessments to monitor student learning and improve pedagogical practices. An improved assessment system will yield more actionable data that can provide feedback to education stakeholders and drive improvements in education processes and outcomes. The project will improve two types of assessments currently administered in the system: (a) national learning assessment (sample-based) for monitoring and providing policymakers and practitioners with relevant information on overall performance levels in the system (*evaluations indépendantes* administered by the *service d'évaluation*). Eventually, the national learning assessment will be administered digitally through tablets to allow for faster and more accurate data processing and sharing of results; and (b) examinations for making decisions about an individual student's progress through the education system (OTIs administered by the *Direction des Examens*). Results of the revised assessment will show the percentage of students reaching learning levels, or benchmarks. In addition, the project will introduce (c) an evaluation of digital competencies. The activity will introduce for the first time an evaluation of digital competencies at primary school for Grade 4 students. This evaluation will serve as a baseline measure that will guide subsequent reflection in building relevant digital skills.
53. The following activities will be financed:
- a. Development of curriculum-based learning standards, and the development of examinations and independent assessments.
  - b. Development of training modules for capacity building of key staff working in learning assessment and evaluation, and other selected MENFOP staff in key skills, including but not limited to the design, implementation, analysis, interpretation, and use of learning assessment results. These activities will focus on the following topics: (a) curriculum competencies measured by the assessment, (b) analysis and reporting of assessment results, and (c) developing pedagogical strategies to support students, with a focus on supporting low performers. Training delivery is expected to involve face-to-face sessions, independent self-study activities, and technology-enhanced approaches (training videos, follow-up calls, online resource center, etc.).
  - c. The administration of a revised *Brevet* (9<sup>th</sup> year national assessment).
  - d. The design of tools to share assessment results and information to stakeholders (e.g., parents, teachers, school directors, and inspectors).
- Strengthen the competence of key and school-level MENFOP staff and school-level staff and the overall system for such staff professional development.
54. To align with the forthcoming curriculum revision, the professional competency standards for teachers, school directors, and pedagogical advisors will be reviewed and updated to align them with the revised curriculum. Professional competency standards for inspectors and trainers may also be updated.
55. The following activities will be financed:
- a. Development of competency standards.
  - b. Establishment of a policy and medium-term plan for professional development for teachers, school principals, and PAs, to reinforce the acquisition of required competencies.
  - c. Revision of existing classroom observation tools to align with revised teacher competency standards, and establishment of a database to capture this "baseline" data of existing teacher competencies (supported through component 4) to facilitate teacher management, follow-up and performance



evaluation. Participatory consultations will be used to ensure teacher input in the design of the tools. Development of specialized training on use of revised classroom observation tool.

- d. Capacity building for the training of trainers and developers on the integration of ICT in teaching and learning
  - e. Development of training content and related training materials, including digital content.
  - f. Support for the creation of teacher professional networks and school director leadership networks (professional communities of practice).
  - g. Development of professional development for school directors on topics such as: (a) instructional planning, (b) data-driven instruction (working with teachers on re-teaching strategies or differentiated instruction in response to learning assessment data), (c) classroom observation and giving feedback to teachers, and (d) school self-evaluation; other technical expertise to support capacity building for school leadership.
  - h. Development of a digital resource platform/portal focused on teacher professional development content. This resource portal would: (a) house the electronic versions of the revised materials developed by MENFOP as part of the curriculum revision such as textbooks and teachers' guides, (b) include best practice examples of lesson plans and classroom observation videos, and (c) links to the self-guided training modules and other professional development resources.
- Improving pedagogical resources, including teaching and learning materials

56. The technical assistance listed above is required to strengthen MENFOP's capacity and inform decision-making related to improving the quality and design of learning assessments, professional development, and pedagogical resources.
57. The project will support updating teaching and learning materials (print and digital) to assist implementation of the revised curriculum focusing on mathematics, science and technology through the provision of technical assistance, consultants' services for competence building activities and designing a tool for online access to training and reference materials. This activity will build on support provided under the previous project (Strengthening Institutional Capacity and Management of the Education System Project - ACIGEF) in terms of capacity building for CRIPEN (National Education Research and Information Production Center - *Centre de recherche, d'information, et de production pour l'éducation nationale*) staff on development of e-learning applications. It will also support necessary capacity building for key staff responsible for creating printed and digital instructional materials.
58. The project will provide priority funding for the development and printing of science/mathematics/technology and languages (with exception of French in basic education<sup>10</sup>) learning materials for the "experimental phase" of the revision of the basic curriculum.

### **Sub-component 3.2 Results-based financing for improvements in learning assessments and professional development**

59. Informed by technical assistance related to learning assessment design, MENFOP will implement changes to

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<sup>10</sup> These are part of MENFOP's priority subjects – French will not be included in primary school given that USAID will focus on early grade reading and language.



learning assessments, with the first step of implementation being a signed Ministerial memo approving the assessment levels. Subsequent DLRs focus on implementation of assessments, and eventually, an improvement in measured learning outcomes. Similarly, the first step of implementation of training for improved teacher competencies is the approval of competency frameworks and a plan for provision of training, with subsequent DLRs focusing on delivery of training to teachers.

60. Using results-based financing, the project will finance eligible expenditures (as indicated in Annex 1) in support of improving quality and increased use of learning assessments, professional development of school staff and instructional materials through a program of activities carried out by MENFOP relating to administration of assessments, dissemination of results and training of MENFOP staff and school-level staff on such topics.
61. Disbursement will be linked to achievement of the following results:
- DLR 5.1(a): Assessment levels at the first cycle of primary school in math and at least one language are approved by MENFOP through a signed ministerial memo (*note de service*);
  - DLR 5.1(b): National primary learning assessment administered by Evaluation Department of MENFOP;
  - DLR 5.2 Assessment levels at the second cycle of primary school and lower secondary school in math and the languages French and Arabic are approved by MENFOP through a signed ministerial memo (*note de service*);
  - DLR 5.3(a): Revised year 2 OTI assessment is administered by MENFOP;
  - DLR 5.3(b): Revised year 5 OTI assessment is administered by MENFOP;
  - DLR 5.4: Establishment of baseline percentage of year 2 students reaching the minimum acceptable threshold learning level;
  - DLR 5.5 (a): Schools receive detailed reports on results of learning assessments and guidelines for their use to improve teaching and learning;
  - DLR 5.5 (b): From baseline established under DLR 5.4, increase in percentage of year 2 students reaching the minimum acceptable threshold learning level in the following years;
  - DLR 6.1: At least three competency frameworks approved by MENFOP through a signed ministerial memo (*note de service*);
  - DLR 6.2: 2,000 teachers trained on the new competencies/training modules.

**Component 4: Strengthening MENFOP's management capacity and data systems** (US\$2.55 million: US\$0.8 million IDA grant and US\$1.75 million GPE grant)

**Sub-component 4.1: Modernization of the education management information systems**

62. This subcomponent will finance the provision of: (a) technical assistance to support the modernizing of MENFOP's education information management systems to improve MENFOP's management capacity, such systems to include human resource management, professional development data at individual level and a tracking system at student-level and (b) training of MENFOP staff and school-level staff on such enhanced systems. The objective of this subcomponent is to ensure that MENFOP's data systems are systematically reviewed and modernized so that data can be collected, stored, managed, and distributed securely and in a standardized format within a single, integrated data warehouse architecture.



63. **Technical assistance.** The activity will finance international technical assistance required for the technical assessment and needs analysis of the current data collection system that will provide recommendations for the most appropriate technical solutions to the problems identified, including data security and disaster recovery mechanisms. Other key enhancements include:
- a. The introduction of unique student identifiers with student-level descriptors so that students can be tracked throughout their schooling.
  - b. The creation of an open data portal that will make real time education management information system (EMIS) data available to relevant stakeholders (students, parents of students, teachers, school leaders, MENFOP personnel, and so on).
  - c. The development of a human resource management sub-portal. This will include all information on teachers and staff, including numbers, deployment to schools, and salaries and benefits. It would also include individualized professional development data with such details as professional development courses, training, certification for teachers, allowing inspectors and PAs to follow up on an individual basis with all staff.
64. **Training.** Relevant MENFOP staff will be trained on the use of these enhanced data systems and on use of the available data for decision making purposes. The activities will include: (a) training for staff in the directorate of planning and statistics, and the directorate for ICT, and (b) training in data interpretation and use for policy making for select MENFOP staff, including ministry directors and their staff, inspectors, school leaders and their staff.

#### **Sub-component 4.2: Support to project management and M&E**

65. The objective of this sub-component is to support MENFOP in the areas of project management and coordination, monitoring and evaluation (M&E), verification of the achievement of the DLI/DLRs by the Independent Verification Agent, communication, and procurement, all through provision of technical assistance, goods and services for the required purposes. Support to MENFOP will be provided in the form of capacity building (training) at the central levels around leadership, management, communications, and planning, to support project implementation and improving overall sector performance. Given that the background of most director generals and managers is in teaching, reinforcement of project management skills will be also essential to achieving project objectives and improving overall sector performance.

#### **Gender**

66. Education is cited as one of the key determinants of poverty in Djibouti, determining whether somebody is likely to be poor: based on the poverty assessment (2019), poverty rates of people with at least primary education is 13 percent for people 25 years and older, and 87 percent for those who have not completed primary school or never attended school at all. It is therefore clear that school attendance and completion is critical for poverty reduction. Although Djibouti has made significant progress of getting girls into schools, they still are less likely to stay in school and complete primary school (grade 5) and continue to lower secondary school as evidenced by a higher ratio of boys compared to girls. The project aims to address these inequalities through: (a) rehabilitation of schools with enough gender-segregated toilets; (b) classroom observation focusing (among other things) on gender stereotypes and support teachers in addressing them; and (c) local initiatives to address local constraints and to encourage girls to continue schooling and stay in



school. To this end, the Government will study what local solutions are best suited to each area of the country in order to create sub-regional plans. These local solutions will be piloted and assessed. The results framework includes an indicator to measure gender parity at lower secondary school and additional students enrolled (disaggregated, inter alia, by gender).

### C. Project Costs and Financing

67. As mentioned above, the administrative process to secure US\$3.8 million from EAA is underway and funds are expected to be available during the first year of implementation. As a result, the project has been prepared and appraised for a full amount of US\$28.05, including the EAA's expected contribution. The US\$3.8 million will finance exclusively activities related to OOSC under sub-component 2.2 (DLR 3.2), for which verification is expected at the beginning of year two of implementation. In the unlikely event that this financing does not materialize, the project will be restructured. The total project cost of US\$28.05 million includes US\$18 million results-based financing disbursed against DLIs, including US\$3 million GPE Variable Part, disbursed against quality, efficiency, and equity "stretch" indicators (see Annex 3), and the US\$3.8 million from the EAA, proposed to be disbursed against the enrollment of out-of-school children.

**Table 1: Project Financing**

Project Components	Project Cost (US\$ million)	IDA credit financing (US\$ million)	IDA grant financing (US\$ million)	GPE grant financing (US\$ million)	EAA (expected) (US\$ million)
Component 1	<b>3.0</b>	1.5	0.5	1.0	0
Of which RBF	1.5	1.5	0	0	0
Component 2	<b>14.75</b>	5.25	2.7	3.0	3.8
Of which RBF	12.25	5.25	1.2	2.0	3.8
Component 3	<b>7.75</b>	3.25	1.0	3.5	0
Of which RBF	4.25	3.25	0	1.0	0
Component 4	<b>2.55</b>	0	0.8	1.75	0
Total Project Costs	28.05	10.0	5.0	9.25	3.8
Total Financing Required	28.05				

### D. Project Beneficiaries

68. The following groups are project beneficiaries:





- a. Preprimary, primary and lower secondary students, particularly those in vulnerable groups (refugees, rural students, girls, special needs students); and, indirectly, their families;
- b. Teachers, school leaders, PAs, inspectors, and teachers' trainers who will benefit from professional development

## E. Results Chain

**Table 2: Results Chain**

Challenge	Proposed Interventions	Leveraging technology	Outcome	Impact
Children unprepared for primary school; preschool subsector underdeveloped	<p>Establishing policy and quality frameworks for preschool education</p> <p>Improving preschool classroom pedagogy through curricular reform and teacher training</p> <p>Increasing access to preschool through the construction and rehabilitation of classrooms</p>		Strengthened capacity for delivery of quality preschool education	Improved learning opportunities for all basic education students
<p>Out-of-school children excluded from learning opportunities</p> <p>Lower enrollment rates for vulnerable populations, including refugees</p> <p>Girls dropout of lower secondary at higher rates than boys</p>	<p>Increase access to primary and lower secondary especially for vulnerable populations, including refugees, through incentives for the enrollment of OOSC and other interventions.</p> <p>Address demand-side constraints through customized local interventions for girls and other vulnerable populations, including refugees, in all five regions</p>	Levering technology to reduce exclusionary measures by developing an online student identification system	<p>Increased enrollment rates for OOSC</p> <p>Increased transition rates from primary to lower secondary school</p> <p>Decreased dropout rates</p> <p>Increased gender parity in lower secondary</p>	





Learning assessments do not inform classroom practice or policymaking	Improving measurement of learning and use of results	Technology for better capture of learning results	Improved learning assessments are revised and administered	
Teacher practices do not effectively support learning for all	School-based and continuous professional development for teachers	Technology for providing continuous professional development to teachers	Improved teaching practices	
Outdated teaching and learning resources	Improving teacher and learning resources in math, science, and technology	Digital learning resources		
School leaders unprepared for leadership roles	Capacity building for better school management and the establishment of professional communities of practice	Technology to share best practices and portals setup to access resources	Improved school leadership	
Weak organization and management of education sector data	Modernizing EMIS	Technology for data collection and use	Sector data, including student identification and human resource data, is better managed and utilized	

## F. Rationale for Bank Involvement and Role of Partners

69. **The rationale for public sector provisioning/financing is strongly justified in Djibouti, particularly in disadvantaged areas.** The public sector remains the sole source of education provision in most areas of the country, except in Djibouti Ville where there is some private sector presence. The economic and social returns to public investment in basic education are well established. Other benefits to increasing access to early childhood education and quality primary and secondary education, especially to disadvantaged populations, include improvements in health outcomes and greater equity and social welfare. These positive social externalities of the project provide an additional rationale for investment.



70. **The value added of the World Bank's support comes in two forms.** First, the World Bank has been able to mobilize significant resources through IDA and the IDA refugee sub-window financing, which has harnessed additional GPE multiplier funding and has led other donors, like the Education for All Foundation (Qatar), to be interested in contributing to project financing. Second, the World Bank, recognized for its experience in education and in Djibouti, will help introduce innovative global solutions and an ability to mobilize international expertise.
71. **The World Bank's support is complementary to development partners' areas of intervention.** All donors active in education in Djibouti work in line with the sectoral results laid out in the PAE 2017-2020. United States Agency for International Development (USAID) is investing US\$11 million in improving early grade literacy. This support includes assessing early grade reading outcomes, improving teacher practices, and providing schools and classrooms with reading materials and classroom libraries. UNICEF is active in pre-primary and primary, leads the local education partner group, and as coordinating agency for the GPE is helping oversee the development of the new education sector strategy 2020-2035. UNICEF's contribution is US\$1 million in parallel financing. WFP works to complement MENFOP's school canteen program. UNHCR coordinates on the educational needs of refugees. The Japanese International Cooperation Agency currently sends experts in mathematics instruction and school management committees. The French Development Agency, also active in the sector, works in TVET and Higher Education. Finally, the EAA Foundation is collaborating with the World Bank on their Educate A Child program for out of school children. They are contributing US\$3.8 million with results-based funding aimed at helping the GoD enroll OOSC in the project.

## G. Lessons Learned and Reflected in the Project Design

72. **The proposed project will benefit from the technical and policy dialogue in education conducted with the GoD on an ongoing basis since 2000.** It will also benefit from the World Bank's strong analytical understanding of contemporary education issues in Djibouti that is based on: (a) the Systematic Country Diagnostic (2018), (b) the EDAM4 Household Survey (2018), and (c) the support to MENFOP in their revision of their Education Action Plan for 2017-2020. The World Bank has also recently completed a SABER-ECD study (2019) and is currently studying the educational needs of refugees (expected 2019). The project will also draw on lessons from the UNICEF-supported revision to the Out of School Children Survey (2019), which focuses on refugees, girls, and school leavers.
73. The following table highlights lessons from the two previous projects, PAEQ (P145323) and ACIGEF (P123315), that will be incorporated into the new Project.

**Table 3: Lessons learned from previous IDA-financed projects in education**

Lessons	Mitigation Measures in this Project
When developing a sub-sector in which there has been limited activity, like preschool, it is important to consider whether the legislative and regulatory framework is in place and is needed as a first step	In the pre-primary sub-sector, the policy and quality framework will be developed first by incentivizing MENFOP to invest in the creation of an enabling environment through a DLI.



The approach to improving teaching adopted in the PAEQ project was effective.	Linking the assessment of students and the observation of teacher practices together allows for the determination of teacher training needs. This is followed by training based on those identified needs, followed by re-observation of teacher practices and re-assessment of students. This effective model was the approach used in the EGMA cycle of the PAEQ Project. It will be used in the proposed project.
<p>Sufficient support needs to be programmed when introducing new concepts, like teacher observations</p> <p>Long-term capacity building requires sustained inputs of specific expertise.</p>	In past projects, the Ministry has benefitted from hiring international experts who work within the ministry to accompany them, such as in carrying out EGMA or in developing capacity. The same arrangements will be proposed in the proposed project.
<b>Institutional Arrangements</b>	
Effective project steering committees must be cognizant of and able to influence decision-making authorities.	In past projects, the project steering committee was not sufficiently empowered to resolve significant issues and would often defer to the Minister, which led to delays in making key decisions. In the new project, a project implementation arrangement with directors responsible for related project activities will be put in place with the Secretary General, who will be overseeing project progress.
To achieve a fundamental institutional change (i.e., RBM), it is important to plan for a long-term endeavor and ensure that incentives are aligned with that change	The use of Investment Project Financing (IPF) with DLIs in this proposed project is expected to provide incentives.

74. **Lessons learned from projects that have addressed the educational needs of refugees:** The project incorporates several lessons from successful experiences in addressing refugee education needs, such as the importance of strengthening inclusive national systems, supporting teachers, and ensuring multiyear funding for education programming. Specifically, the project aims to strengthen the inclusivity of the national education system instead of a parallel system of service delivery. For example, the project will provide support for the translation and implementation of the national curriculum in refugee settlements (where the preferred language of instruction had been English). This will allow refugee students to obtain recognized end-of-cycle certificates and continue their schooling. Teachers in refugee settlements, who are currently untrained, will receive specialized pedagogical training to improve the quality of instruction, in addition to coaching and mentoring. Project financing will supplement MENFOP's own contributions, allowing for multiyear planning based on predictable flows.

75. **Lessons learned from IPF with DLIs:** The project incorporates several lessons learned from results-based



financing in education<sup>11</sup>, including the importance of strong political will, robust measurement systems, the quality of DLIs, and the importance of flexibility and adaptivity in implementation. First, there is a strong commitment to the use of IPF with DLIs, which has been endorsed by MENFOP and aligns with their emphasis on improved internal performance and accountability. Results are aligned with MENFOP's Education Action Plan and have been validated by development partners. Second, the project invests in strengthening measurement systems to provide feedback loops for course correction and to ensure the veracity of results reported. It is expected to improve the EMIS and the learning assessment systems and strengthen capacity for system measurement and monitoring. Third, in alignment with lessons learned on RBF, the project includes a mix of output, process, and outcome DLIs that reward incremental improvements in priority areas. Finally, the project incentivizes local responses to community-level constraints to schooling, promoting a flexible approach to address realities on the ground.

76. **The project design will also incorporate the following lessons learned.** In terms of project content, it would include:

- a. **Expanding access to quality preprimary education to improve early skill formation is critical.** The benefits of early childhood education are well-known. For the moment, however, there is no explicit regulatory framework for pre-primary, only a small pre-primary unit within MENFOP, and only limited pre-primary provision. Pre- and in-service training opportunities and pedagogical support constrain the sub-sector's expansion and ability to structure learning around age-appropriate and play-based activities that stimulate child development and early socioemotional skills. These deficits limit preschool education's contributions to children's school readiness. Thus, expanding access to quality preprimary education is key to transforming Djiboutian students' entire learning trajectory.
- b. **Establish a valid and reliable student assessment and examinations system consistent with the present curriculum revision.** Assessments that reflect the true level of a student's mastery of competences are essential. Used in a formative capacity, they inform teachers of the extent to which their students are learning throughout the year, so that necessary action can be taken. There must be a stronger relation between assessment and teaching, something that was demonstrated by the EGMA cycle in the recent PAEQ project. The results of summative assessments can help policy makers take the necessary action at a sectorial level to address learning and teaching challenges. A thorough re-evaluation of the assessments used in the education sector in Djibouti is critical.
- c. **Provide teachers and education leaders with timely and relevant professional development within the framework of a continuous professional development (CPD) model.** An effective teacher (and school leader) is one that is motivated, competent, and well-supported. Efforts to develop a professional development strategy to improve their effectiveness should be based on a model of continuous professional development. Rather than one-off trainings and activities held "off-site" and far from the location of daily teaching and learning, these efforts should be delivered as close to the classroom and school as possible. A CPD framework strategy and plan is needed for teachers and

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<sup>11</sup> Lee, Ling Jessica Diana; Medina Pedreira, Octavio. 2019. Results-Based Financing in Education: Learning from What Works (English). Washington, D.C.: World Bank Group. <http://documents.worldbank.org/curated/en/915061548222619389/Results-Based-Financing-in-Education-Learning-from-What-Works>



school leaders (as well as CPs, inspectors, and ministerial staff). The CPD would be evaluated not through simple participation in training but by the impact it is having on practice. For teachers, this would be through in-class observations and for school leaders, through evaluations. Other evaluations would be needed for other staff.

- d. **Modernize the EMIS to become a sector-wide platform that manages all education data.** For the moment, various sorts of education data exist but are not readily available or useable because of the format in which they are found. Schools use different ICT solutions for their school level data and the Ministry has several different incompatible platforms holding different sorts of data. A unified comprehensive system needs to be developed that allows all data to be managed in one platform.

77. **In terms of project implementation arrangements, it would include the following:**

- a. **The Ministry has adopted a results-based approach to sector management that deserves to be sustained.** All ministerial units now develop annual work plans (AWP) that reflect the results outlined in the Education Action Plan 2017-2020. In so doing, activities financed by the project are mainstreamed into their regular duties. Further, the development of the Minister's dashboard, which monitors progress on all AWP, holds units accountable to their results in line with the broader sector strategy.
- b. **There will be new institutional arrangements within MENFOP to manage the project (discussed in detail in section III A).** The directorates within the Ministry that are involved in the new project will become responsible for the technical aspects, with the PIU providing financial management (FM) and procurement support to these directorates when necessary. The directors of each of these units will report regularly to the Secretary General who, in conjunction with a project management committee, will oversee project progress.

### III. IMPLEMENTATION ARRANGEMENTS

#### A. Institutional and Implementation Arrangements

78. The project will be implemented by the MENFOP with the Secretary General acting as the project leader. Project-financed activities will be mainstreamed within the AWP of the relevant departments, which will be responsible for project activities within their mandate. For instance, the General Directorate of Education (*Direction générale de l'enseignement*) and the department for pre-primary (*Service de l'enseignement préscolaire*) will be responsible for Component 1 (establishing foundations for quality preschool education). Each department director will be responsible for the timely implementation and results of activities under its responsibility.
79. FM and procurement will be overseen by specialized officers in the Directorate for Central Administration within MENFOP. The Directorate for Central Administration (*Direction générale de l'Administration – DGA*) will be the focal point responsible for liaising with all concerned departments and for results monitoring and reporting. The Projects Service Unit (PSU or *service de la gestion des projets*) has prior experience managing IDA-financed projects and will manage fiduciary aspects of the project. Additional staff may be recruited to support the financial officer as needed with guidance and capacity building from the World Bank.



80. A project Steering Committee will be established to provide overall strategic direction to project implementation and oversight in the context of the overall sector reform program. The steering committee will coordinate and review implementation progress. The Secretary General will chair committee meetings which will include all concerned directorates.
81. Achievement of DLIs will be verified by an independent verification agent with terms of reference acceptable to the World Bank. Some DLIs will be verified by the World Bank, as indicated in the verification protocol. The verification protocol will be set forth, in detail, in the Project Operation Manual (POM). A POM will be prepared to guide project implementation, which will be a condition for effectiveness and include a financial management and accounting chapter.

## **B. Results Monitoring and Evaluation Arrangements**

82. **Monitoring and evaluation is an integral part of the design of a project that includes results-based financing, such as this project.** M&E will focus on inputs, processes, intermediate and final outcomes, as detailed in the results framework (RF) and the DLIs (see section VII). There will be two main M&E tasks that MENFOP must ensure: (a) data collection and analysis, and reporting related to the RF; and (b) management of the third-party entity that is responsible to verify select DLRs. To fulfil this, the director responsible for M&E within MENFOP will need to develop the M&E system and protocols that will be outlined in the operations manual. The M&E system will detail the roles and responsibilities for data collection and data access to ensure timely and regular reporting, including any clearances or approvals required to conduct surveys or field visits. The project will systematically use data to assess whether project implementation is on track and whether modifications are needed. Under component 4, two sub-components will help this: the modernization of the EMIS and the development of a student-identification number for all children on Djiboutian soil (which will improve tracking of student enrollment).
83. The PAE was revised from 2017-2019 to 2020, so that the first targets in the project align with those of the sector. As the project begins, the MENFOP will also be developing the new Education Sector Plan for 2020-2035 which will further extend those results.

## **C. Sustainability**

84. **The proposed project aims to transform the sector by focusing on the key elements for education quality.** Following evidence found in the literature and principles laid out in the World Development Report 2018, this includes (a) investments in early childhood education, which is recognized for the benefits it confers on *learning over the long run*; (b) improving the capacity of the system to enroll and retain students; (c) evaluation mechanisms that allow key stakeholders to assess learning and act on that evidence at the classroom and sectoral level; and (d) help in the alignment of all actors by strengthening the results-based approach already in use in the Ministry and in the government's education action plan. The project's sustainability will be strengthened through developing and establishing modern M&E systems within the Ministry, which focus on learning and linking the financing to results. Project activities will be mainstreamed into the regular work plans for the concerned directorates. Finally, the project's full alignment with the PAE also ensures ownership and sustainability of project interventions.



## IV. PROJECT APPRAISAL SUMMARY

### A. Technical, Economic and Financial Analysis

85. The project is expected to have a transformative and significant development impact. By increasing access to quality basic education with a special focus on vulnerable populations including refugees as well as strengthening the professional development and assessment system for teachers, school leaders, inspectors and PAs, it is expected that the project will contribute to improvements in student learning outcomes, which in turn decrease repetition rates and raise future employability and wages of students. In this analysis, this focus is placed on monetary private returns. The total benefit of the project is however likely to be much higher when accounting for non-monetary returns for beneficiaries, as well as social returns, such as increased aggregate productivity (over and above the direct effect on individual productivity), reduced crime, better health and nutrition, and greater integration and socio-economic inclusion of refugee children.
86. The results of the economic analysis based solely on the impact of the qualitative improvements of basic education lead to an internal rate of return (IRR) of 21 percent and a net present value (NPV) of US\$12.94 million. These estimates are based on the following assumptions about the expected impact of the Project: a 38.5 percent reduction in fifth year repetition, 15 percent reduction in lower secondary school repetition (thus improving resource allocation efficiency), 5 percent reduction in dropouts (improving the productivity of primary school leavers as measured by the income differential). At the end of the project, a decrease of at least 9.4 percentage points in fifth grade repetition rate (from 24.4 percent to at least 15 percent), a 0.81 percentage point decrease in the lower secondary education repetition (5.4 percent to 4.59 percent) and 0.2 percentage point decrease dropout rate from (4 percent to 3.8 percent) are expected.
87. The following table presents the main assumptions and results of the economic benefits resulting from the impact of the project in terms of improving the quality of education measured by improving the internal efficiency of basic education. The benefit of the project is measured in two ways: (a) greater efficiency of public expenditure resulting from the reduction of repetition, and (b) income levels of would be school leavers who stay in school.

**Table 4: Main Assumptions and Results of the Economic Analysis**

	Average for 2019-2031	
	Without Project	With Project
<b>Impact of decreased repetition</b>		
<b>Repetition rate (fifth grade)</b>	<b>24.40%</b>	<b>15.00%</b>
Number of repeaters in fifth grade	8,448	5,444
Unit cost in primary education (DJF/ student)	105,026	105,026





Annual cost of repetition (DJF)	887,260,970	571,742,357
Advantage: annual budget savings (DJF)		<b>315,518,613</b>
<b>Repetition rate (lower secondary education)</b>	<b>5.40%</b>	<b>4.59%</b>
Number of repeaters in lower secondary education	2,290	2,000
Unit cost in lower secondary education (DJF/ student)	103,046	103,046
Annual cost of repetition (DJF)	235,954,577	206,042,911
Advantage: annual budget savings (DJF)		<b>29,911,666</b>
<b>Impact of decreased dropout and increased enrollment</b>		
<b>Dropout rate</b>	<b>4.00%</b>	<b>3.80%</b>
Number of dropouts in first four years of primary education	3,975	3,777
<b>Annual Income</b>		
Incomplete Primary Education (DJF)	10,106,520	10,106,520
Secondary education (DJF)	12,742,440	12,742,440
Advantage: annual income/ year (DJF)		<b>523,946,004</b>

88. The table shows that the persistence of a repetition rate of 24.4 percent at fifth grade (2017-2018 level) and 5.4 percent in lower secondary is associated with an estimated annual average cost of DJF887 million and DJF236 million respectively. Assumptions of a gradual reduction in the fifth-grade repetition rate by 9.4 percentage points while maintaining the same level of the unit operating cost (DJF105,026 per student per year) reduces this cost to DJF572 million, a savings of almost DJF316 million per year. Similarly, assumptions of a gradual reduction in the repetition rate at the lower secondary level by 0.81 percentage points while maintaining the same level of the unit operating cost of 2017-2018 (DJF103,046 per student per year) reduces this cost to DJF206 million, a savings of almost DJF30 million per year.
89. The reduction in dropout (from 4 percent to 3.8 percent) will improve the average qualification levels and future income levels of the education system's leavers. The income differential between future workers who have not completed primary education and those who have reached secondary school is estimated at about DJF2.6 million per year, a difference of almost 26 percent. Reducing dropout will allow an average of 198 students per year to benefit from this additional income.
90. The calculation of the IRR is based on the project direct costs of US\$28.05 million and its recurrent costs of annually US\$1 million (such as maintenance of schools, professional development programs, standardized national assessment) and considers the financial benefits resulting from the decreased repetition and economic benefits from the income stream of future graduates over the period of 2019-2031. The calculation of the NPV uses a discount rate of five percent.

## B. Fiduciary

### Financial Management

91. The MENFOP will be the implementing agency. The PSU within the ministry will be handling the FM aspects





of the project but additional FM staff may be recruited/assigned to support the financial officer as needed. The PSU is a department related to the General Directorate of Administration. A fiduciary assessment conducted during appraisal rated the FM risk as Substantial. Proposed mitigating measures, detailed in Annex 1, will enable MENFOP to put in place an acceptable FM system that is aligned with financial management requirements of the World Bank Policy/Directive on IPF. With the proposed mitigating measures MENFOP will have met financial management requirements as per World Bank directives/guidelines.

92. Two segregated DAs in US Dollars will be opened at a commercial bank in Djibouti acceptable to the World Bank. DA-A will cover expenditures related to goods, works, consulting and non-consulting services of the project (category 1 of the financing and grant agreements) and DA-B will cover expenditures related to the results-based portion of the project through “Eligible Expenditure Programs – EEPs” (category 2 of the financing and grant agreements). Payments and withdrawal of eligible expenditures under DA-A will be made based on SOE whereas for DA-B, withdrawal applications will be accompanied by Interim unaudited Financial Reports (IFRs), confirmation statement/letter for achievement of DLIs following the applicable procedures and the World Bank's disbursement arrangements detailed in the Disbursement and Financial Information Letter (DFIL). MENFOP will be responsible for submitting withdrawal applications to claim the funds. All disbursements will be subject to the terms of the Financing Agreement and to the procedures defined in the DFIL.
93. The general accounting principles for the project will be as follow: (a) project accounting will cover all sources and uses of project funds, including payments made and expenses incurred. Project accounting will be based on accrual accounting; and (b) project transactions and activities will be separated from other activities undertaken by MENFOP.
94. The project financial reporting will include unaudited IFRs and yearly Project Financial Statements (PFS): (a) IFRs should include data on the financial situation of the project. These reports should include: (1) a statement of funding sources and uses for the period covered and a cumulative figure, including a statement of the bank project account balances; (2) a statement of use of funds by component and by expenditure category; (3) a reconciliation statement for the DA; (4) a budget analysis statement indicating forecasts and discrepancies relative to the actual budget; and (5) a comprehensive list of all fixed assets; (b) PSU will produce the IFRs every quarter and submit to the World Bank within 45 days at the end of each quarter. The annual PFS should include: (1) a cash flow statement; (2) a closing statement of financial position; (3) a statement of ongoing commitments; (4) analysis of payments and withdrawals from the grant account; and (5) a complete inventory of all fixed assets acquired under the project; and (c) IFRs and PFSs will be produced based on the accounting system and submitted for an external financial audit.
95. The PSU will be responsible for preparing periodic reports and maintaining the project bookkeeping and will produce annual PFS and quarterly Unaudited IFRs.
96. The PFS will be audited annually and will cover all aspects of the project, uses of funds and committed expenditures. The audit will also cover the financial operations, internal control and financial management systems and a comprehensive review of statement of expenditures. The annual audit report will include: (a) the auditor's opinion on the project's annual financial statements; (b) a management letter on the project internal controls; and (c) a limited yearly review opinion on the IFRs. The annual reports will be submitted to the World Bank within six months from the closure of each fiscal year and the limited review opinion will also



be submitted to the World Bank with the IFRs.

### **Procurement**

97. The project will be implemented by MENFOP with fiduciary management and procurement conducted by specialized officers within the DGA (in the *Service de la gestion des projets (SGP)*) with prior experience managing World Bank projects. Even though the performance of this unit was perfectible while under the old guidelines, the arrangement would facilitate capacity building based on a solid foundation.
98. Based on this agreed implementation arrangement and taking into consideration lessons learned during implementation of previous IDA-financed projects, the procurement risk assessment revealed some risks mainly related to weak institutional capacity and staffing as well as proper and timely procurement processing, contract signing and execution. The identified mitigation measures will include Ministry to avail staff dedicated to procurement management and World Bank to assure capacity building as well as due diligence for contract execution. More details on procurement risk assessment are in Annex 1.
99. The project's procurement plan developed by the client based on the outcome of the Project Procurement Strategy for Development (PPSD) is available. The initial procurement plan covers the 18 first months and will be registered and reviewed by the World Bank through Systematic Tracking of Exchanges in Procurement (STEP) once project is approved and effective.
100. The project will be closely supervised by the World Bank on procurement planning, conducting regular capacity building on the new procurement regulations, annual procurement review and sharing findings with the client, procurement participation in the semi-annual implementation support mission.
101. All goods, works, non-consulting and consulting services required for the project, and to be financed out of the proceeds of the Financing, shall be procured in accordance with the requirements set forth or referred to in the "Procurement Regulations for IPF Borrowers" dated July 2016, revised in November 2017 and August 2018 ("Procurement Regulations"), and the provisions of the Procurement Plan. The Borrower shall ensure that the project is carried out in accordance with the provisions of the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011 and as of July 1, 2016 ("Anti-Corruption Guidelines").

### **C. Legal Operational Policies**

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

### **D. Environmental and Social**



The Environmental and social risks of the project are deemed moderate. Project activities will be confined to small civil works interventions (rehabilitation of school classes and construction of school buildings) within the facilities of existing schools or on confined public land. Other Risks/impacts are linked to operational phase of canteens, water points and latrines funded by the project.

102. **Impacts/Risks.** Project operations will cover both urban and rural settlements of the entire country, including high income and low-income neighborhoods. Component 1: Establishing foundations for quality preschool education, may induce land acquisition for rehabilitation or construction of new classrooms. Impacts/risks under subcomponents 1.1 and 2.1: increasing access to preschool and schooling are linked to classroom construction and rehabilitation. These risk impacts include occupational health and safety hazards, community health and safety risks, especially related to school children, and some environmental risks due to solid waste generation, noise and vibration, wastewater discharges and dust. Other risks impacts are related to operational phase and are linked mainly to Occupational Health and Safety of schoolchildren and school employees using new infrastructures as canteens, water points, and latrines. To address the risks highlighted above and comply with the Environmental and Social Framework requirements, the government has agreed on environmental and social mitigation measures and actions outlined in the environment and social commitment plan (ESCP) and an environmental the environmental and social management framework (ESMF). The ESCP was disclosed in-country on April 28, 2019, and on the World Bank's website on May 6, 2019<sup>12</sup>. A resettlement policy framework was also developed and disclosed in-country on April 28, 2019, and on the World Bank's website<sup>13</sup> on May 5, 2019.

103. **ESMF.** As the geographical areas of intervention are not known, an ESMF was prepared and disclosed in-country on April 28, 2019, and on the World Bank's website<sup>14</sup> on May 5, 2019. The ESMF has included a negative list of subprojects that will not be eligible for financing, those with a potential substantial/high risk (e.g. in critical habitats or ecosystems), even if the overall project risk is moderate. The ESMF contains provisions to ensure labor aspects, including child labor and labor influx, are properly addressed in the documents prepared during project implementation, including construction Environmental and Social Management Plans (ESMPs), bidding documents, and civil works contracts. The ESMF ensures proper consultation with project beneficiaries. The ESMF contains guidelines to comply with international norms and standards regarding hygiene and health of school children and other users in canteens and use of water points and latrines. The implementing agency will prepare construction ESMPs during project implementation. The implementing agency will prepare detailed guides for management of Environmental Health and Safety in canteens, water points and latrines. Any associated facilities, including those required to meet DLIs but not financed by the project, are covered by the ESMF. The definition of associated facilities is facilities or activities that are not funded as part of the project and, in the judgment of the World Bank, are: (a) directly and significantly related to the project; (b) carried out, or planned to be carried out, contemporaneously with the project; and (c) necessary for the project to be viable and would not have been constructed, expanded or conducted if the project did not exist. For facilities or activities to be Associated Facilities, they must meet all

<sup>12</sup> Link to ESCP: <http://documents.worldbank.org/curated/en/316261557203902337/Environmental-and-Social-Commitment-Plan-Expanding-Opportunities-for-Learning-P166059>

<sup>13</sup> Link to Resettlement Plan: <http://documents.worldbank.org/curated/en/958841557226260123/Cadre-de-Politique-de-Reinstallation>

<sup>14</sup> Link to ESMF: <http://documents.worldbank.org/curated/en/901281557210075964/Cadre-de-Gestion-Environnementale-et-Sociale>



three criteria.

104. **Stakeholder Engagement.** The project recognizes the critical role beneficiaries and key stakeholders can play in improving the development outcomes in the sector. The project is therefore designed to increase stakeholder and citizen engagement (SCE) activities at the school level by improving communication regarding the selection of new schools and school expansion, any construction activities and the level and quality of engagement of parents, school teachers, and administrative personnel in monitoring of school performance. Project preparation entailed consultations with key stakeholders, including a public consultation meeting organized by MENFOP on April 14, 2019 with 27 representatives from national and local level government agencies and local populations. Additional consultations will be conducted at several local levels in all new or expanded schools financed by the project.
105. **To that effect, MENFOP has prepared a Stakeholder Engagement Plan (SEP) for the project,** which has been disclosed on its website as well as the World Bank website.<sup>15</sup> The SEP calls for regularly consulting key stakeholders, such as parents, teachers, community members, school administrative personnel, members of other ministries and local representatives, to inform them of project activities, including on the social and environmental risks and get their key concerns and feedback into consideration. The project is thus expected to build MENFOP's capacity to manage and disseminate data and create feedback loops with the beneficiaries, schools and communities.
106. **In addition, the project will include specific activities to engage stakeholders in monitoring school performance.** As part of strengthened SCE, under sub-component 3.1 the project will introduce a new process whereby information on assessment results are shared through specially designed tools that respond to different stakeholder information needs (including ensuring assessment results are made available to parents). Currently, assessment results such as Year 2 or 5 OTI are rarely communicated to the wider school community or parents, which limits their involvement in improving learning outcomes. This information sharing could be followed by discussions or scorecards with parents, teachers and the school management committee on an action plan to improve performance. Although each school has a committee which includes parents, their level of engagement varies significantly, and an objective of this work would be to improve the engagement of beneficiaries such as parents. A relevant indicator has been included in the results framework to that effect and will be an integral part of routine implementation monitoring. This activity will be integrated into an updated version of the SEP during project implementation.
107. **Finally, the project includes the requirement to put in place a grievance redress mechanism (GRM)** for all stakeholders within and beyond the school level to voice their questions or grievances and ensure potential complaints are handled effectively.
108. **Climate Change.** The climate change and disaster screening instrument reveals that the country is susceptible to extreme weather events. Djibouti experiences high temperatures and flooding has occurred in the capital city, both of which could re-occur and affect the progress of the project. These risks are well understood and expected to be limited in impact.

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<sup>15</sup> Accessible at <http://www.education.gov.dj/index.php/projet-d-elargir-les-possibilites-d-apprentissage> and <http://documents.worldbank.org/curated/en/326791557220676116/Stakeholder-Engagement-Plan-SEP-Expanding-Opportunities-for-Learning-P166059>.



## V. GRIEVANCE REDRESS SERVICES

109. Communities and individuals who believe that they are adversely affected by a World Bank-supported project may submit complaints to existing project-level grievance redress mechanisms or the World Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the World Bank's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of World Bank non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and World Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate GRS, please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

## VI. KEY RISKS

110. **The overall risk is substantial.** The project will adopt an RBF approach, which is new to a Ministry whose institutional capacity has been uneven in the past. Risk mitigation measures include the provision of expert technical assistance across project components and sustained implementation support. The key risks rated high or substantial include:
111. **Political & Governance risk is substantial.** The current minister, in place since 2016, has created a coherent, effective team in the ministry. However, cabinet reshuffles do occur and the consequence on the composition and effectiveness of the ministry could be significant and potentially adverse for the project. Political commitment for the project is strong and the project has been prepared with significant input from permanent technical leads to ensure buy-in.
112. **Macroeconomic risk is substantial.** Economic growth in the country remains stable, though it is open to exogenous shocks such as fluctuations in the global economy. Downturns could potentially undermine reform efforts in the sector. Tight fiscal space will require the prioritization of sector goals, and the availability and prices of key imported inputs may affect the PDO. The project has leveraged US\$10 million of IDA credit financing to access US\$18 million in grant financing, which should ease strain on public resources and debt levels while guaranteeing investments in human capital.
113. **Technical design risk is high.** The achievement of the PDO will depend on the government's ability to adopt new approaches, both in terms of project financing and project activities, which fundamentally require behavior change throughout the educational chain. The design (components 1 and 3 in particular) relies on new processes, which do not yet have a track record. For some components, the analytical base is still being developed. The client has limited experience with disbursement-linked indicators. To mitigate against this risk, technical assistance has been included in the project design and sustained implementation support from the Bank will be carried out.
114. **Institutional capacity is substantial.** Weak institutional capacity for implementing the operation may adversely affect the PDO. Although MENFOP has experience with the World Bank and other multilateral



development partners, the use of a results-based financing approach will be new. MENFOP will need external consultants for certain tasks. Monitoring and evaluation arrangements will need to be strengthened. Ministry of Education capacity can be uneven across directorates. This new project of US\$28.8 million, four to six times the amount of the last two projects (PAEQ of US\$3.8 million and ACIGEF of US\$6 million), will require a sustained level of serious effort and commitment. The World Bank and MENFOP have agreed to conduct a functional review of MENFOP project management operations, and recommendations to reinforce the project team in terms of human or other resources will be implemented at project effectiveness.

115. **Fiduciary risk is substantial.** There are limited internal controls within MENFOP and Ministry of Budget. Ministry officials are not familiar with financial management and disbursement practices for a results-based financed project. The public audit and oversight institutions have limited capacities (both in personnel terms and timing) to undertake the yearly audit of the program. The IT infrastructure at MENFOP and the Ministry of Budget may not be adequately provisioned to handle the accounting requirements of the program and produce the financial reports. Risk mitigating measures include: (a) MENFOP will recruit/assign additional staff to support the financial officer working at the PSU with Bank support and training on World Bank FM procedures for IPF with DLIs operations; (b) MENFOP will utilize the current accounting software used in the service unit by introducing a new module for the project; (c) MENFOP will recruit an independent verification agent to validate the results of certain DLIs; (d) MENFOP will develop a project operations manual (POM), which will contain a FM chapter describing in detail the FM procedures, including internal controls; and (e) MENFOP will enter into a contract with an independent external auditor using Terms of Reference (ToRs) acceptable to the World Bank to audit the PFS.
116. **Another risk is related to refugee protection, but it is rated moderate.** Under the Refugee Sub-window, a country's protection framework must remain adequate regardless of how a sub-window operation performs. Despite Djibouti's proactive engagement on this issue, with which it continues to act in line with its commitments to refugees, despite the challenging circumstance, external shocks could potentially undermine this engagement. The risk would be mitigated, however, at the country level through regular dialogue between the World Bank, UNHCR, and other partners to identify and anticipate potential protection-related concerns. As part of this dialogue, the World Bank would coordinate regularly with UNHCR to monitor the adequacy of the protection framework in Refugee Sub-window countries. The risk associated with the expected US\$3.8 million from the EAA has also been identified and rated as moderate. The funds are expected to be available during the first year of implementation, with a first disbursement against achieved results not expected before the beginning of year two of implementation. As a result, this is not expected to affect year 1 implementation or progress towards achieving project objectives. In the unlikely event that these funds do not materialize, the project will be restructured.



## VII. RESULTS AND DISBURSEMENT-LINKED INDICATOR FRAMEWORKS AND MONITORING

### Results Framework

COUNTRY: Djibouti

Expanding Opportunities for Learning

#### Project Development Objectives(s)

The project development objective is to increase equitable access to basic education, improve teaching practices, and strengthen MENFOP's management capacity.

#### Project Development Objective Indicators

Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Increased equitable access to basic education							
PDO #1: Additional primary school-level OOSC enrolled, disaggregated by gender and vulnerable populations (girls, refugees, rural students, and special needs students) (Number)	DLI 3	0.00					35,000.00
PDO #2: Gender parity index in lower secondary enrollment (disaggregated by urban/rural) - Gender Results Indicator (Number)	DLI 4	0.82					0.90
Improved teaching practices							
PDO #3: Percentage of basic		0.00	Primary: 35%	Primary: 50%	Primary: 65%; Preschool:		75% of all public primary





Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
education teachers demonstrating improved skills, disaggregated by primary and preschool (Text)					20%		school and 30% of public preschool teachers demonstrate improved classroom practices
<b>Strengthened MENFOP's management capacity</b>							
PDO #4: Learning assessments are revised and administered (Text)	DLI 5	No	National primary learning assessment frameworks are officially approved and national primary learning assessment administered	Year 2 and year 5 OTIs evaluation frameworks officially approved	Revised year 2 and year 5 OTI administered	Revised year 2 and year 5 OTI administered	Revised OTIs (years 2 and 5) and at least one national learning assessment are administered

### Intermediate Results Indicators by Components

Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Establishing foundations for quality preschool education							
Preschool quality standards approved (Text)	DLI 1	No	No	Quality standards are approved	Instrument to measure quality standards is piloted	Instrument to measure quality standards is piloted	At least 30 percent of public and private preschools meeting quality standards (as measured by quality audit)
Number of preschool teachers trained on the new curriculum (CRI) (Text)	DLI 2	No	A competency framework for preschool teachers is adopted	Training programs for public and community school teachers are approved	25 public preschool teachers are trained	35 public preschool teachers are trained	60 public preschool teachers are trained





Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Additional public preschool classrooms built or rehabilitated (Number)		0.00	0.00	11.00	15.00	15.00	41.00
<b>Expanding access to and improving retention in primary and lower secondary education</b>							
Percentage of rural primary and lower secondary schools that have adequate facilities (water point, latrines, electrical or solar power source) (Percentage)		47.00	50.00	60.00	70.00	80.00	90.00
Number of school canteens operationalized (Text)		0.00	0.00	10 canteens in primary and 5 canteens in lower secondary	20 canteens in primary and 10 in lower secondary	33 canteens in primary and 15 in lower secondary	43 canteens in primary and 20 canteens in lower secondary
Sub-regional plans to promote enrollment and reduce dropout are approved (Text)		No strategy	Sub-regional plans to promote enrollment and reduce dropout are approved	Pilot interventions in five sub-regions	Evaluation study of the pilot interventions	Scale up of adapted interventions in all five regions	Adapted interventions in all five regions are implemented
Decrease in grade 5 repetition rate (Percentage)		24.40	22.00	20.00	18.00	16.00	14.40
<b>Building capacity to support teaching and learning</b>							
Assessment levels in math and at least one language are officially approved in primary and lower secondary education (Text)		No	Assessment levels for the first cycle of primary education in math and at least one language is officially approved	Assessment levels for the second cycle of primary and lower secondary education in math and the languages French and Arabic are officially approved	Primary and lower secondary assessment levels in math and at least one language are officially approved	Primary and lower secondary assessment levels in math and at least one language are officially approved	Primary and lower secondary assessment levels in math and at least one language are officially approved
Administration of a digital evaluation of digital literacy		No	Digital evaluation framework is developed	Administration of the digital literacy skills	Development of an action plan based on the		Development of an action plan based on the results



Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
skills (Text)				evaluation	results of the evaluation		of the evaluation
Administration of a revised Brevet (9th year national assessment) (Text)		No	No	No	No	Yes; administration of a revised Brevet	Yes; administration of a revised Brevet
Percentage of primary schools that receive detailed reports on results of learning assessments and guidelines for their use to improve teaching and learning (Percentage)		0.00	0.00	0.00	20.00	70.00	100.00
Improved learning outcomes for year 2 students (Text)		0.00	Not applicable	Not applicable	Not applicable	Baseline percentage of year 2 students reaching the minimum acceptable threshold learning level established	From baseline established, increase in the percentage of year 2 students reaching the minimum acceptable threshold learning level
Percentage of primary and lower secondary school management committees that conduct participatory process with parents to design, meet and implement action plans based on learning assessments (Text)		No	No	No	School management committees meet, and provide scorecard including parents input and develop an action plan based on learning assessments	50% of school management committees: (1) do an assessment of the previous year's action plan; and (2) update/develop an action plan based on learning assessments, and provide scorecard including parents input	80% of school management committees: (1) do an assessment of the previous year's action plan; and (2) update/develop an action plan based on learning assessments, and provide scorecard including parents input
Competency frameworks officially approved (Text)		No	At least 3 competency frameworks officially approved by MENFOP	At least 3 competency frameworks officially approved by MENFOP	At least 3 competency frameworks officially approved by MENFOP	At least 3 competency frameworks officially approved by MENFOP	At least 3 competency frameworks for teachers, school leaders, pedagogical advisors officially approved by MENFOP



Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Teachers Trained (CRI) (Number)	DLI 6	0.00	0.00	200.00	600.00	1,200.00	2,000.00
Reinforcing the use of ICT for learning (Text)		No	Situation analysis of the use of ICT for learning in Djibouti primary and lower secondary schools	Situation analysis of the use of ICT for learning in Djibouti primary and lower secondary schools	(1) Number of trained trainers on ICT for learning; and (2) Number of trained developers of software and pedagogical resources	(1) Number of trained trainers on ICT for learning; and (2) Number of trained developers of software and pedagogical resources	Percentage of year 4 students who used an ICT tool for learning
Percentage of PAs and inspectors conducting classroom observations using an updated tool (Percentage)		0.00	0.00	20.00	30.00	50.00	80.00
Percentage of school directors who participate in professional community of practice (Percentage)		0.00	0.00	0.00	20.00	40.00	60.00
<b>Strengthening MENFOP's management capacity and data systems</b>							
Improved methods for data collection (Text)		No	No	At least 80% of public primary schools and at least 50% of private primary schools in districts 1-2 (Djibouti Ville) transmit their data via the application on time	At least 80% of public primary schools and at least 50% of private primary schools in districts 3-4 (Balbala) transmit their data via the application on time	60% of primary schools in the regions and in the refugee villages transmit their data via the application on time	70% of public and 50% of private primary schools transmit their data via the application on time
Modernization of the EMIS (Text)		No	Evaluation report of existing data systems and recommendations for strengthening EMIS performance	Student information system is developed	Student information system is developed	Student information system is developed	Student information system is developed



**Monitoring & Evaluation Plan: PDO Indicators**

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
PDO #1: Additional primary school-level OOSC enrolled, disaggregated by gender and vulnerable populations (girls, refugees, rural students, and special needs students)	<p>MENFOP will monitor the number of newly enrolled, formerly out of school children (OOSC). To do this, each student must have a unique identifier which, in the EMIS, includes descriptors to indicate gender, grade, and geographic location (urban/rural), and status (refugee).</p> <p>Once OOSC return to a structured learning environment, they are monitored in the following cycle. MENFOP is expected to report on:</p> <ul style="list-style-type: none"><li>• number of previously OOSC enrolled who remain in the primary education program from one year to the next;</li><li>• number of</li></ul>	Annually	MENFOP	Calculated based on the preceding annual statistical tables	Director of Planning and Statistics



	<p>previously OOSC enrolled who dropout or leave education from one year to the next; and</p> <ul style="list-style-type: none"> <li>• number of previously OOSC enrolled who have completed a full cycle of the education program.</li> </ul>				
PDO #2: Gender parity index in lower secondary enrollment (disaggregated by urban/rural) - Gender Results Indicator	<p>MENFOP will calculate this figure for lower secondary enrollment (disaggregated by urban and rural) based on its yearly statistical tables, using the index from the AS 2017/18 as baseline for year 1.</p>	Annually	MENFOP	Calculated based on the lower secondary enrollment index from the AS	Director of Planning and Statistics
PDO #3: Percentage of basic education teachers demonstrating improved skills, disaggregated by primary and preschool	<p>Classroom observation tools will be developed based on the initial and continuous professional development programs. The tools will define rubrics to help measure performance against specific skills. Inspectors and/or pedagogical advisors will be providing continuous coaching and follow up in schools, including regular observation of teacher classroom practices using</p>	Annually	Annually	Yearly reports of teacher classroom practices will be collected from inspectors and pedagogical advisors by MENFOP	General Inspection



	these measurement tools. Yearly reports of teacher classroom practices will be collected by MENFOP from inspectors and pedagogical advisors. To report on this indicator, a random sample of trained primary and preschool teachers will be selected and the percentage of teachers from this sample demonstrating new skills learned through the trainings will be reported.				
PDO #4: Learning assessments are revised and administered	Evaluation frameworks for the national learning assessments are officially approved in the first year. The pilot national learning assessment will be administered in the first year of the project. Year 2 and year 5 OTIs evaluation frameworks officially approved in the second year of the project. Revised year 2 and year 5 OTIs will be administered starting the third year of the project.	Annually	MENFOP	Reported and implemented by MENFOP	General inspection, Examination service, evaluation service within MENFOP

**Monitoring & Evaluation Plan: Intermediate Results Indicators**

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Preschool quality standards approved	MENFOP will establish quality standards, for key dimension of operations for both public and private preschool classrooms. These quality standards will be developed following a participatory approach and will be piloted to ensure the feasibility of their implementation within the Djiboutian context. A quality assurance mechanism to check compliance against the approved standards will be tested and rolled out. The percentage of public and private preschools conforming to the quality standards will be measured through a quality audit.	Annually	MENFOP	Implemented and reported by MENFOP	Preschool division within MENFOP/Quality Observatory
Number of preschool teachers trained on the new curriculum (CRI)	MENFOP will approve a new competency framework for preschool teachers. It will also develop the curriculum, teachers' guides and content for the professional development programs	Annually	MENFOP	The competency framework, curriculum and teachers' guides will be implemented and reported by MENFOP	Preschool department within MENFOP/ CFEEF



	aimed at public and community preschool teachers. Inspectors and PAs will be trained on the new curriculum. Preschool teachers will be trained through both face-to-face and distance trainings, in addition to continuous coaching from inspectors and/or pedagogical counselors				
Additional public preschool classrooms built or rehabilitated	Classrooms built or rehabilitated: MENFOP will build or rehabilitate 41 public preschool classrooms. Whenever possible, the preschools will be connected to primary schools. MENFOP will also equip preschool classrooms and will build playgrounds. The construction and rehabilitation must conform to the newly developed quality standards.	Annually	MENFOP	Reported by MENFOP in the yearly statistical report	DGA
Percentage of rural primary and lower secondary schools that have adequate facilities (water point, latrines, electrical or solar power source)	MENFOP will rehabilitate public primary and lower secondary rural schools so that by project end, 90 percent of rural schools have water points,	Annually	MENFOP	Reported by MENFOP in the yearly statistical report	DGA





	sanitation, solar or electric power sources.				
Number of school canteens operationalized	MENFOP will build or rehabilitate canteens that respect the approved standards in public primary and lower secondary schools.	Annually	MENFOP	Reported by MENFOP	DGA
Sub-regional plans to promote enrollment and reduce dropout are approved	MENFOP will develop a set of plans for each one of the 12 sub-regions to promote enrollment and reduce dropouts, especially for vulnerable populations including girls, refugees, rural students and special needs students, in consultation with local communities. MENFOP will pilot 5 interventions in 5 regions. After evaluating the results of the pilot, MENFOP will scale up the interventions in all five regions.	Annually	MENFOP	Reported by MENFOP	DGA (MENFOP)
Decrease in grade 5 repetition rate	MENFOP will continue to report the number of repetition rates in its statistical report, disaggregated by gender and region.	Annually	MENFOP	Reported by MENFOP in their annual statistical report	Director of Planning and Statistics



Assessment levels in math and at least one language are officially approved in primary and lower secondary education	MENFOP will approve the different assessment levels of student learning in math, and at least one language (French or Arabic) for the first cycle of primary school in Year 1 of the project and for the second cycle of primary and lower secondary in Year 2.	First year	MENFOP	Reported by MENFOP	General Inspection within MENFOP
Administration of a digital evaluation of digital literacy skills	MENFOP will develop a digital literacy evaluation framework and will administer a digital evaluation for digital literacy skills. Based on the results of the evaluation, MENFOP will develop an action plan to reinforce primary students' digital literacy skills.	Annually	MENFOP	Implemented and reported by MENFOP	Executive Secretary within MENFOP
Administration of a revised Brevet (9th year national assessment)	The Brevet exam will be revised and administered in Year 5.	Once	MENFOP	Reported by MENFOP	Evaluation Service within MENFOP
Percentage of primary schools that receive detailed reports on results of learning assessments and guidelines for their use to improve teaching and learning	The percentage of primary schools that receive detailed reports on results of learning assessments in math and languages, and guidelines for their use to improve teaching and learning.	Annually for the last three years of the project	MENFOP	Reported by MENFOP	General inspection within MENFOP



Improved learning outcomes for year 2 students	The revised year 2 OTI examinations administered will provide students with information on the learning level met. The baseline percentage of year 2 students reaching the minimum acceptable threshold learning level will be established in the third or fourth year of the project. The project will measure whether an increase in the percentage of year 2 students reaching this minimum acceptable threshold learning level has been met in the last year of the project.	Last two years of the project	MENFOP	Reported by MENFOP	Evaluation Service within MENFOP
Percentage of primary and lower secondary school management committees that conduct participatory process with parents to design, meet and implement action plans based on learning assessments	School management committees (SMC), at the primary and lower secondary school level, meet and develop action plans based on learning assessments. The percentage includes the committees who assess the action plan of the previous year and update it based on the most recent assessments.	Annually	MENFOP	Reported by MENFOP through minutes of SMC meetings	School life inspectors and general inspection



Competency frameworks officially approved	These competency frameworks will outline at least the expected competencies from teachers, school leaders, and pedagogical advisors.	First year.	MENFOP	Reported by MENFOP	General inspection, CFEEF
Teachers Trained (CRI)	Number of teachers trained on new competencies/training modules starting in year 2 of the project.	Annually starting Year 2	MENFOP	Collected from the teachers' training center (CFEEF)	CFEEF
Reinforcing the use of ICT for learning	On the basis of a diagnostic conducted in the first year on the use of ICT for learning, training of trainers on ICT for learning as well as training for the developers of software and pedagogical resources will be conducted. In Year 3, the number of trained trainers and developers will be measured. At the end of the project, the percentage of Year 4 students who have used an ICT tool for learning will be measured.	Annually	MENFOP	Reported by MENFOP	Executive Secretary within MENFOP
Percentage of PAs and inspectors conducting classroom observations using an updated tool	Percentage of PAs and inspectors who use an updated observation tool (COT) when conducting their classroom observation. The	Annually	MENFOP	Reported by MENFOP	General inspection within MENFOP



	updated COT will incorporate the revised professional development programs and the use of ICT for learning.				
Percentage of school directors who participate in professional community of practice	School directors will create professional communities of practice to exchange good practice, observe, and give feedback to improve school quality.	Annually	MENFOP	Reported by MENFOP	General inspection within MENFOP
Improved methods for data collection	MENFOP will develop a digital application to improve data quality for private and public primary schools and ensure the timely publication of the statistical yearbook.	Annually	MENFOP	Reported by MENFOP	ICT unit within MENFOP
Modernization of the EMIS	MENFOP will perform a diagnosis on the existing data platforms (EMIS, Human Resource Management) and will work on recommendations for the setup of a student's information systems and an electronic procurement system.	Annually	MENFOP	Reported by MENFOP	ICT unit within MENFOP



**Disbursement Linked Indicators Matrix**

<b>DLI 1</b>	Quality assurance mechanism for preschool education established			
<b>Type of DLI</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Intermediate Outcome	Yes	Text	1,000,000.00	3.57
<b>Period</b>	<b>Value</b>		<b>Allocated Amount (USD)</b>	<b>Formula</b>
Baseline	No baseline			
Year 1: 19/20			0.00	
Year 2: 20/21	DLR #1.1: Quality standards for preschools approved by MENFOP through a signed ministerial memo (note de service)		500,000.00	Please refer to Verification Protocol Table for details
Year 3: 21/22			0.00	
Year 4: 22/23			0.00	
Year 5: 23/24	DLR #1.2: At least 30 percent of public and private preschools meeting the approved quality standards		500,000.00	Please refer to Verification Protocol Table for details
<b>DLI 2</b>	Public preschool teachers with improved competencies linked to trainings (as measured by a classroom observation tool as defined in the POM ("COT"))			
<b>Type of DLI</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Outcome	Yes	Percentage	500,000.00	1.78
<b>Period</b>	<b>Value</b>		<b>Allocated Amount (USD)</b>	<b>Formula</b>



Baseline	0.00		
Year 1: 19/20		0.00	
Year 2: 20/21		0.00	
Year 3: 21/22		0.00	
Year 4: 22/23	20.00	250,000.00	Please refer to Verification Protocol Table for details
Year 5: 23/24	40.00	250,000.00	Please refer to Verification Protocol Table for details
<b>DLI 3</b>	Expanding access to primary and lower secondary education		
<b>Type of DLI</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>
Output	Yes	Text	9,950,000.00
<b>Period</b>	<b>Value</b>	<b>Allocated Amount (USD)</b>	<b>Formula</b>
Baseline	No plan		
Year 1: 19/20	DLR #3.1: A medium-term school expansion plan is approved by MENFOP through a signed ministerial memo (note de service)	1,200,000.00	Please refer to Verification Protocol Table for details
Year 2: 20/21		0.00	
Year 3: 21/22		0.00	
Year 4: 22/23		0.00	



Year 5: 23/24	DLR #3.2: 35,000 primary school-level OOSC students enrolled		8,750,000.00	Please refer to Verification Protocol Table for details
<b>DLI 4</b>	Strengthen demand and improve retention of students in primary and lower secondary schools			
<b>Type of DLI</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Outcome	Yes	Text	2,300,000.00	8.20
<b>Period</b>	<b>Value</b>		<b>Allocated Amount (USD)</b>	<b>Formula</b>
Baseline	No plan			
Year 1: 19/20	DLR #4.1: Sub-regional plans to promote enrollment and reduce dropout are approved by MENFOP through a signed ministerial memo (note de service)		300,000.00	Please refer to Verification Protocol Table for details
Year 2: 20/21			0.00	
Year 3: 21/22			0.00	
Year 4: 22/23			0.00	
Year 5: 23/24	DLR #4.2: Decrease in grade 5 repetition rate between year 1 and year 5 of project implementation from 24.4 percent to 14.4 percent; DLR #4.3: Increase in gender parity index for gross enrollment in lower secondary education		2,000,000.00	Please refer to Verification Protocol Table for details





<b>DLI 5</b>	<b>Improve learning assessments</b>			
<b>Type of DLI</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Outcome	Yes	Text	2,750,000.00	9.80
<b>Period</b>	<b>Value</b>		<b>Allocated Amount (USD)</b>	<b>Formula</b>
Baseline	No assessment levels			
Year 1: 19/20	DLR #5.1(a): Assessment levels at the first cycle of primary school in math and at least one language are approved by MENFOP through a signed ministerial memo (note de service); DLR #5.1(b): National primary learning assessment administered by Evaluation Department of MENFOP		400,000.00	Please refer to Verification Protocol Table for details
Year 2: 20/21	DLR #5.2: Assessment levels at the second cycle of primary school and lower secondary school in math and the languages French and Arabic are approved by MENFOP through a signed ministerial memo (note de service)		150,000.00	Please refer to Verification Protocol Table for details
Year 3: 21/22	DLR #5.3(a): Revised year 2 OTI assessment is administered by MENFOP; DLR #5.3(b): Revised year 5 OTI assessment is administered by MENFOP		700,000.00	Please refer to Verification Protocol Table for details
Year 4: 22/23	DLR #5.4: Establishment of baseline percentage of year 2 students reaching the minimum acceptable threshold learning level		500,000.00	Please refer to Verification Protocol Table for details



Year 5: 23/24	DLR #5.5(a): Schools receive detailed report on results of learning assessments and guidelines for their use to improve teaching and learning; DLR #5.5(b): From baseline established under DLR #5.4, increase in percentage of year 2 students reaching the minimum acceptable threshold learning level in the following years		1,000,000.00	Please refer to Verification Protocol Table for details
<b>DLI 6</b>	Systematic update of teachers' professional development program.			
<b>Type of DLI</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Output	Yes	Text	1,500,000.00	5.35
<b>Period</b>	<b>Value</b>		<b>Allocated Amount (USD)</b>	<b>Formula</b>
Baseline	No frameworks			
Year 1: 19/20	DLR #6.1: At least three competency frameworks approved by MENFOP through a signed ministerial memo (note de service)		500,000.00	Please refer to Verification Protocol Table for details
Year 2: 20/21			0.00	
Year 3: 21/22			0.00	
Year 4: 22/23			0.00	
Year 5: 23/24	DLR #6.2: 2,000 teachers trained on new competencies/ training modules		1,000,000.00	Please refer to Verification Protocol Table for details



**Verification Protocol Table: Disbursement Linked Indicators**

<b>DLI 1</b>	Quality assurance mechanism for preschool education established
<b>Description</b>	DLR #1.1: MENFOP will develop quality standards for public and private preschools. DLR #1.2: The quality observatory within MENFOP will assess preschools using the newly developed quality assurance measurement tools. Results from the evaluations will be communicated at the school, region, and central levels to be used to inform policy.
<b>Data source/ Agency</b>	MENFOP
<b>Verification Entity</b>	World Bank/IVA
<b>Procedure</b>	For <b>DLR #1.1</b> : The World Bank will verify official approved standards issued by MENFOP. <b>Disbursement formula</b> : US\$500,00 disbursed upon approval of quality standards. For <b>DLR #1.2</b> : The independent verification agency will review each preschool quality assurance evaluation report collected at the central level to ensure that the tools have been completed as per the quality assurance system adopted. The verification agency will also verify for a sample of preschools as agreed with the World Bank and MENFOP that the reports were disseminated to the preschool. <b>Disbursement formula</b> : US\$250,000 for each 15 percent of public and private preschools meeting the approved quality standards, up to a maximum of US\$500,000, with a minimum payment threshold of US\$250,000.
<b>DLI 2</b>	Public preschool teachers with improved competencies linked to trainings (as measured by a classroom observation tool as defined in the POM ("COT"))
<b>Description</b>	At least 40 percent of public preschool teachers with improved competencies as observed through COT. MENFOP will develop and approve the use of a classroom observation tool for this purpose.
<b>Data source/ Agency</b>	MENFOP
<b>Verification Entity</b>	IVA
<b>Procedure</b>	The independent verification agency will review the observation reports of a sample of teachers and review the calculations for the number of observations carried out. <b>Disbursement formula</b> : US\$125,000 for each additional 10 percent of such teachers with improved competencies, as observed through COT, up to a maximum of US\$500,000, with a minimum payment threshold of US\$250,000.



<b>DLI 3</b>	Expanding access to primary and lower secondary education
<b>Description</b>	<p>For DLR #3.1: MENFOP will approve a mid-term (5 year) plan, based on feasibility studies of different construction scenarios reflecting MENFOP's priorities (eliminating double-shifting, reducing class-size, achieving universal primary enrollment). The plan must include an infrastructure maintenance plan. DLR #3.2 will be an indicator for the EAA-EAC TF (Qatar). For each new enrolled primary school student that meet the definition of "out-of-school", the EAA-EAC Foundation will pay an amount which will be matched by the WB, for a total sum of US\$250 per student, for up to a maximum of 35,000 students. MENFOP will monitor the number of newly enrolled, formerly out of school students (OOSC). To do this, each student must have a unique identifier which, in the EMIS, includes descriptors to indicate gender, grade, and geographic location (urban/rural), and status (refugee). Once OOSC return to a structured learning environment, they are monitored in the following cycle MENFOP is also expected to report on: • number of previously OOSC enrolled through the project who remain in the primary education program from one cycle to the next; • number of previously OOSC enrolled through the project who drop out or leave education from one year to the next; and • number of previously OOSC enrolled through the project who have completed a full cycle of the education program.</p>
<b>Data source/ Agency</b>	MENFOP
<b>Verification Entity</b>	DLR #3.1: World Bank. DLR #3.2: IVA
<b>Procedure</b>	<p>DLR #3.1: The World Bank will verify that the approved plan includes various construction scenarios and an infrastructure maintenance plan. The independent verification agency will also check that the plan has been approved. <b>Disbursement formula:</b> US\$1.2 million disbursed upon approval of plan.</p> <p>DLR #3.2: The independent verification agent will check that the student level IDs have been developed and that additional descriptors for gender, grade, geographic location and status exist. It will also ensure that the data collection protocol has been followed and that reporting includes information reporting that the student remains in school, has dropped out, or has completed a full cycle of primary. Verification will take place annually in January. <b>Disbursement formula:</b> US\$250,000 (US\$141,430 from IDA and US\$108,570 from EAA) for every 1,000 OOSC enrolled, up to a maximum of US\$8,750,000 and 35,000 students, with a minimum payment threshold of US\$568,000.</p>
<b>DLI 4</b>	Strengthen demand and improve retention of students in primary and lower secondary schools
<b>Description</b>	DLR #4.1: MENFOP will approve these sub-regional plans for all 12 sub-regions in all five regions in consultation with local



	communities. DLR #4.2: MENFOP calculates this annually from its statistical tables. The baseline repetition rate considered for the project is 24.4 percent. The project end target is 14.4 percent in year 5. DLR #4.3: MENFOP will calculate the improvement in gender parity index for gross enrollment in lower secondary education annually from its statistical tables. The index will be disaggregated by urban and rural. Please note that DLR #4.2 is the GPE variable part indicator for efficiency and DLR #4.3 is the GPE variable part indicator for equity.
<b>Data source/ Agency</b>	DLR #4.1: MENFOP; DLR #4.2: MENFOP/Statistical Tables; DLR #4.3: MENFOP/Statistical Tables
<b>Verification Entity</b>	DLR #4.1: WB. DLR #4.2 and 4.3: IVA
<b>Procedure</b>	<p><b>DLR #4.1:</b> The World Bank will verify that sub-regional plans are based on locally gathered evidence and address local constraints to enrollment and retention, especially for vulnerable populations. <b>Disbursement formula:</b> US\$300,000 disbursed upon approval of plans.</p> <p><b>DLR #4.2:</b> The independent verification agent will review figures of reported repetition rates. <b>Disbursement formula:</b> US\$500,000 for every five percentage points of reduction in repetition rate in grade 5, up to a maximum payment of US\$1,000,000 with a minimum threshold of US\$500,000.</p> <p><b>DLR #4.3:</b> The independent verification agent will review figures of reported gender parity index in lower secondary enrollment, disaggregated by urban/rural. <b>Disbursement formula:</b> From the baseline of 0.82, US\$250,000 for every 0.02 increase, up to a maximum payment of US\$1,000,000, with a minimum payment threshold of US\$250,000.</p>
<b>DLI 5</b>	Improve learning assessments
<b>Description</b>	DLR #5.1(a): MENFOP will approve the assessment levels for mathematics and at least one language (French or Arabic) for the first cycle of primary education in the first year of the project. DLR #5.1(b): MENFOP will administer a national learning assessment for primary starting year 1 of the project. DLR #5.2: Assessment levels in the second cycle of primary and lower secondary in math and languages (Arabic and French) are officially approved in the second year of the project. DLR #5.3(a): MENFOP will administer revised year 2 OTI annually starting year 3 of the project. DLR #5.3(b): MENFOP will administer revised year 5 OTIs annually starting year 3 of the project. DLR #5.4: These baseline percentage of year 2 students reaching the minimum acceptable threshold learning level are calculated based on the result of the revised year 2 OTI administered in year 3 or year 4 of the project. DLR #5.5(a): The assessment results are analyzed and disaggregated. MENFOP conducts workshops to communicate results to education stakeholders, including schools. DLR #5.5(b): This is a GPE part variable indicator for quality and measures the percentage of year 2 students reaching the minimum acceptable threshold learning



	level. The statistically significant increase will be calculated based on the results of the revised year 2 OTIs administered in year 5 as compared to the baseline (calculated in year 4 of the project).
<b>Data source/ Agency</b>	MENFOP
<b>Verification Entity</b>	DLR #5.1(a) ,DLR #5.1(b), DLR #5.2: WB DLR #5.3(a), DLR #5.3(b), DLR #5.4, DLR #5.5(a), DLR #5.5(b): IVA
<b>Procedure</b>	<p>DLR #5.1(a): The World Bank will review and verify the approved learning standards to see that they cover the disciplines and grades in question, in addition to verification of the approval of these learning standards. <b>Disbursement formula:</b> US\$150,000 disbursed upon approval of assessment levels at the first cycle of primary school in math and at least one language.</p> <p>DLR #5.1(b): The World Bank will verify that a national primary learning assessment is administered annually starting year 1 of the project but only first year assessment administration will result in a disbursement. <b>Disbursement formula:</b> US\$250,000 disbursed upon the administration of the national primary learning assessment in the first year of the project.</p> <p>DLR #5.2: In the year 2 of the project, the World Bank will review and verify the approved assessment levels to see that they cover the disciplines and grades in question, in addition to verification of the approval of these assessment levels. <b>Disbursement formula:</b> US\$150,000 disbursed upon the approval assessment levels at the second cycle of primary and lower secondary school in math and the languages French and Arabic.</p> <p>DLR #5.3(a): The verification agent will check that a revised year 2 OTI examination is being administered in year 2 of the project. <b>Disbursement formula:</b> US\$350,000 disbursed upon the administration of revised year 2 OTI assessment.</p> <p>DLR #5.3(b): The verification agent will check that a revised year 5 OTIs are being administered in year 3 of the project. <b>Disbursement formula:</b> US\$350,000 disbursed upon the administration of revised year 5 OTIs.</p> <p>DLR #5.4: The verification agent will check the reported figures against year 2 OTI results. <b>Disbursement formula:</b> US\$500,000 disbursed upon the establishment of the baseline percentage of year 2 students reaching the minimum acceptable threshold learning level.</p> <p>DLR #5.5(a): The verification agent will verify with MENFOP, and through spot checks in a sample of schools (as agreed with MENFOP and the World Bank) that results are disseminated to all participating primary schools and that schools have received guidelines on the use of the assessment results to improve teaching and learning. <b>Disbursement formula:</b> US\$100,000 for every 28 schools, up to a maximum of US\$500,000, with a minimum payment threshold of US\$100,000.</p> <p>DLR #5.5(b): The verification agency will check the reported figures against year 2 OTI results. <b>Disbursement formula:</b> US\$100,000 for every percentage point of increase of year 2 students reaching established minimum learning levels, up to</p>



	a maximum payment of US\$500,000, with a minimum payment threshold of US\$100,000.
<b>DLI 6</b>	Systematic update of teachers' professional development program.
<b>Description</b>	DLR #6.1: MENFOP will approve competency frameworks for at least 3 groups of MENFOP staff: (a) teachers; (b) school leaders; and (c) pedagogical advisers. DLR #6.2: MENFOP will train teaching staff on the new competencies and training modules.
<b>Data source/ Agency</b>	DLR #6.1: MENFOP; DLR #6.2: MENFOP/CFEEF
<b>Verification Entity</b>	DLR #6.1: WB; DLR #6.2: IVA
<b>Procedure</b>	DLR #6.1: The World Bank will check that each of the 3 competency frameworks are approved. <b>Disbursement formula:</b> US\$500,000 disbursed upon approval of at least 3 competency frameworks. DLR #6.2: The verification agency will review training reports and conduct spot checks with teachers listed in reports to confirm their participation. <b>Disbursement formula:</b> US\$100,000 for every 200 teachers trained, up to a maximum of US\$1,000,000, with a minimum payment threshold of US\$200,000.



## **Annex 1. Implementation Arrangements and Support Plan**

117. Project implementation is the responsibility of MENFOP with targeted and continuous implementation support from the World Bank and technical assistants. Other development partners also provide technical assistance that supports implementation of the overall PAE. Within MENFOP, the Secretary General will be the overall project lead, with project coordination, fiduciary management, and monitoring and evaluation support provided by the DGA and the PSU. Technical directorates will prepare Annual Work Plans with line item budgets that detail specific activities and timelines for work to be undertaken, following a standard format approved at project effectiveness. The PSU will work closely with the directorates to ensure timely preparation of AWP and implementation of project activities. AWP will be approved by the SG and will be monitored monthly by the M&E officer(s) in the PSU. As this is the first results-based project, the PSU will be strengthened following recommendations of an ongoing functional review designed to help improve organizational performance.

### **Strategy and Approach for Implementation Support**

118. The implementation support plan takes account of project-specific challenges and risks defined in the SORT. Implementation support mechanisms that are expected to enhance timely and effective monitoring include (a) regular implementation support missions, (b) regular technical meetings and field visits by the World Bank between formal review missions, (c) independent third-party verification, and (d) internal audit and FM reporting. Implementation support will consist of:
- Capacity building activities to strengthen the implementation capacity, covering the technical, fiduciary and environmental and social dimensions
  - Provision of technical advice and implementation support towards the achievement of the DLIs, intermediate results indicators, and PDO.
  - Identification of bottlenecks, monitoring risks and identification of corresponding mitigation measures
  - Close coordination with other DPs to leverage resources and technical support, and to avoid duplication
119. The World Bank's semi-annual implementation support missions will cover technical and non-technical aspects of the project, including project results, financial management, procurement, implementation arrangements and safeguards. The implementation support plan will be reviewed once a year and adapted to ensure that it meets the implementation support needs. Joint reviews will be held with the Government and the Local Education Group to assess project progress to coincide with the period of presentation of the project's annual work plans. The reviews will aim at providing implementation support of project activities and to engage discussions on strategic issues that will contribute to the development of the sector. Financial and procurement reviews will be part of the review process. Main issues, agreements, and action plans emerging from the meetings will be recorded in minutes and/or *aide-memoires*, which will be used for discussion and monitoring in subsequent meetings.





Table A1. Implementation Support Plan

Time	Focus
First 6 months	Project start-up and launch
	Preparation of AWP by project teams to achieve Year 1 objectives and DLIs
	Capacity building in fiduciary matters, execution of PP, and FM requirements
	Support MENFOP in launch of key project tenders; recruitment of individual consultants and/or technical assistance firms under various components (including preschool quality and infrastructure; EMIS; learning assessment; independent verification agent)
	Capacity building in execution of safeguards plans
6–12 months	Support MENFOP to launch remaining key project tenders
	Implementation support and field visits
12–48 months	Support MENFOP to implement sub-regional plans to increase student enrollment
	Support the MoE to undertake classroom/canteen/latrine construction
	Continued implementation support and field visits



## Resource Requirements

120. Table A2 lists the skills mix required for staff for the initial implementation period.

Table A2. Skills Mix Required

Skills Needed	Staff Weeks (SWs)	Number of Trips	Comments
Task Team Leader(s)	30 SWs annually	3 trips first year, then 2 trips annually	
Senior Operations Officer	10 SWs annually	3 trips first year, then 2 trips annually	
Operations Analyst	20 SWs first year, then 15 SWs annually in the following years	Field visits as required	Country office based
Operational Support	4 SWs annually	Field visits as required	Country office based
Social Safeguards Specialist	3 SWs annually	1 trip annually	
Environmental Specialist	3 SWs annually	1 trip annually	
Financial Analyst	3 SWs annually	1 trip annually	
Procurement Specialist	6 SWs first year, then 2 SWs annually in the following years	Field visits as required	Country office based
Financial Management Specialist	4 SWs annually	Field visits as required	
Organizational performance Specialist	4 SWs	1 trip	
ECE Specialist	4 SWs annually	2 trips annually	
Architect	4 SWs in Y1	2 trips annually	
Learning Assessment Specialist	6 SWs annually	2 trips annually	
School Leadership Specialist	4 SW annually	1 trip annually	
EMIS Specialist	4 SWs	1 trip	

## Financial Management Assessment

121. The World Bank reviewed the financial management arrangements and conducted a FM assessment at MENFOP. The ministry has been implementing several IDA-financed IPF operations through the PSU at the ministry. The unit is a department under the General Directorate of Administration. The PSU has acquired substantial experience in handling the fiduciary aspects of the IDA-financed projects. The current project fiduciary aspects will be handled by



the PSU which includes a financial officer, a procurement officer, a monitoring and evaluation officer and is supervised by a director. The results of the assessment showed that the FM risk, as a component of the fiduciary risk, is rated substantial but with the proposed mitigating measures mentioned below, MENFOP will have acceptable financial management requirements as per World Bank guidelines.

122. Identified risks: (a) MENFOP does not have any prior experience in implementing IPF with DLI projects with World Bank financing, which will entail using Interim Un-Audited Financial Reports (IFRs) as a disbursement mechanism which may be complicated; (b) MENFOP has limited financial management human resource capacities; (c) the effectiveness of internal controls procedures at MENFOP is limited; and (d) MENFOP falls under the oversight and audit of the Supreme Audit Institution, which may have the technical know-how but limited human resource capacities. As a result, the project might not be audited on a yearly basis, limiting the assurance about the project's appropriate use of funds.
123. Mitigation measures to reduce the FM risk to moderate: (a) MENFOP will recruit/assign additional staff to support the financial officer working at the PSU with World Bank support and training on World Bank FM procedures for IPF with DLIs operations; (b) MENFOP will utilize the current accounting software used in the service unit by introducing a new module for the project. The software will be customized for the new project. MENFOP will utilize the software to record the daily transactions and produce the IFRs in a format agreed upon with the World Bank. The IFRs will be submitted to the World Bank no later than 45 days after the end of each quarter; (c) MENFOP will recruit an independent verification agent to validate the results of certain DLIs; (d) for the purpose of the project, MENFOP will develop a project operations manual (POM), which will contain a FM chapter describing in detail the FM procedures, including internal controls; and (e) MENFOP will enter into a contract with an independent external auditor using Terms of Reference (ToRs) acceptable to the World Bank to audit the PFS.

### **Financial Management and Disbursement Arrangements**

124. Staffing: In addition to the personnel mentioned above, additional FM staff may be recruited/assigned to support the financial officer as needed with guidance and capacity building from the World Bank. The unit will be working under the overall supervision of the Secretary General of MENFOP.
125. Budgeting: MENFOP prepares its budget on an annual basis and it forms part of the overall national budget. The budget is prepared after receiving inputs from the various departments. The PSU will be preparing a separate annual budget and disbursement plan for the purposes of the project. The project budget will be prepared on an annual basis and submitted to the World Bank in November/December of each year covering the subsequent year. The disbursement plan will cover each fiscal year and will be divided by quarter and submitted with the quarterly IFRs. PSU will monitor the variances in the disbursement plan and provide justification for any major divergence(s). The budget plan will be made public through the website created for the purpose of the project.
126. Project accounting system: MENFOP does not have a ministry-wide accounting software but the PSU had acquired a software to implement previous IDA-financed operations. To support the proposed project, the software license will be renewed, and additional modules will be added to accommodate the reporting requirement under an IPF with DLIs. The software will be utilized to record daily transactions and produce IFRs for all categories and components and will have a specific module to track salaries, enabling the PSU to produce detailed salary reports with data aggregated by individual, amount paid, region, department and school. The module will enable the PSU to track this category of expenditures and report back on a quarterly basis. The project Financial Officer will be responsible for



preparing the IFRs before their transmission to the director for approval and the periodic reconciliation between accounting statements and the IFRs.

127. The general accounting principles for the project are as follows: (a) project accounting will cover all sources and uses of project funds, including payments made and expenses incurred; (b) the International Public-Sector Accounting Standards cash basis will be followed; and (c) all transactions related to the project will be entered into the accounting system.
128. Disbursements: Disbursements will be made from a project Designated Accounts (DA) opened in a commercial bank in Djibouti acceptable to the Bank and will be entered into the project accounting system. Also, project transactions and activities will be separated from other activities undertaken by PSU which will use the IFRs to summarize commitments, receipts, and expenditures made under the project on a quarterly basis using the templates established for this purpose. The project chart of accounts will comply with the classification of expenditures and sources of funds indicated in the project cost tables, as well as with the general budget breakdown in addition to the POM. The chart of accounts should allow for data entry to facilitate the financial monitoring of project expenditures by component, subcomponent and category.
129. Reporting: As mentioned above, project financial reporting will cover all categories and will includes quarterly IFRs and yearly Project Financial Statements (PFS). The project IFRs should be produced by the PSU every quarter and sent to the Bank within 45 days from the end of each quarter and report on the financial situation of the project, including:
- A Statement of Cash Receipts and Payments by category and component; and
  - Accounting policies and explanatory notes including a footnote disclosure on schedules: (1) “the list of all signed Contracts” showing Contract amounts committed, paid and unpaid under each contract, (2) a Reconciliation Statement for the balance of the project’s DA, (3) a Statement of Cash payments by activity and component, (4) a budget analysis statement indicating forecasts and discrepancies relative to the actual budget, and (5) a comprehensive list of all fixed assets.
130. The PFS should be produced annually and should include: (a) a cash flow statement; (b) a closing statement of financial position; (c) a statement of ongoing commitments; (d) an analysis of payments and withdrawals from the project’s account; (e) a statement of cash receipts and payments by activity, category and component; (f) a reconciliation statement for the balance of the Project’s Designated Account; (g) a statement of cash payments; and (h) the yearly inventory of fixed assets acquired under the project. The IFRs will be made public through the website created for the project.
131. Internal control: As mentioned above, the PSU will prepare the POM, which will define the roles, functions and responsibilities for the implementing agency and include a separate chapter detailing the financial management, accounting and internal controls procedures. The POM will need to be finalized and approved by the World Bank and will be a condition of effectiveness.



### DLIs and EEP

132. The funds will be distributed across a set of disbursement-linked indicators/results (DLIs/DLRs). These DLIs are pre-identified indicators that once achieved by MENFOP and the results (disbursement-linked results – DLRs) verified by a third party or the World Bank (depending on the DLR), MENFOP will receive a set amount which will be pre-determined for that specific DLI. Specifically, disbursements up to a capped amount will be made against specific line items (eligible expenditure programs -EEPs) in the annual budget. These EEPs will consist of: salaries (including consultancy services), operational cost, training and workshops. The full set of DLIs and their allocated amounts are listed in Section VII. Eligible expenditures under the project to achieve the DLIs will cover salaries, operational cost and training in three departments: (a) Directorate of Foundational Education; (b) General Secretariat; and (c) Department of Preschool Education.
133. The expenditures will be streamlined within the budget line items of these three departments. The allocated budget for 2019 covering salaries, operational cost and training for these three departments are as follows:

### Ministry of Education – Budget Items for 2019

Budget Line Item code	Department	Salaries in DJF	Salaries in US\$
10-02-21	Directorate of Basic Education ( <i>Direction de l'enseignement fondamentale</i> )	8,647,250,273	48,716,903
10-02-00	General Secretariat	862,352,564	4,858,324
<b>Total</b>		<b>9,509,602,837</b>	<b>53,575,227</b>

Budget Line Item code	Department	Operational Cost in DJF	Operational Cost in US\$
10-02-21	Directorate of Basic Education ( <i>Direction de l'enseignement fondamentale</i> )	125,114,000	704,867
10-02-00	General Secretariat	64,050,000	338,309
10-02-24	Department of Preschool Education	2,700,000	15,211
<b>Total</b>		<b>191,864,000</b>	<b>1,080,923</b>



Budget Line Item	Department	Training in DJF	Training in US\$
10-02-00	General Secretariat	6,000,000	33,802
<b>Total</b>		<b>6,000,000</b>	<b>33,802</b>

134. DLIs comprise scalable and non-scalable DLRs. An independent verification agent will be recruited to verify the results for a select number of DLIs. The verification process for the DLIs could follow steps outlined below but will be finalized as part of the POM:

- MENFOP achieves results linked to the DLIs, at least the level equivalent to the minimum threshold amount eligible for disbursement and verifies internally and issues a report.
- If applicable, the independent verification agent verifies the results at the request of MENFOP and counter verifies and submits report to MENFOP.
- MENFOP reviews and accept/request revision of report.
- Final report submitted by MENFOP to the World Bank for review.
- World Bank validates the results based on the report and releases the related funds.

Funds will be transferred from the World Bank to DA-B.

135. Audit of the project financial statements: An annual external audit of the PFS will cover the financial transactions of all categories, internal controls and financial management systems and an external auditor will be recruited for this purpose according to Terms of References acceptable to the World Bank. The auditor will prepare an audit report and management letter (including a limited review opinion), which will be submitted to the World Bank no later than six months after the end of each fiscal year. The audit should be conducted in accordance with international auditing standards and should produce: (a) an annual audit report including an opinion on the project's annual financial statements; (b) a management letter on the project internal controls; and (c) a limited review opinion of the IFRs on a yearly basis. MENFOP will ensure that the recruitment of the external auditor will be done no later than six months from project effectiveness. This will enable the auditor to start field work early so to deliver the audit report and management letter within the deadlines, thereby avoiding any delays in this regard.

136. Flow of information: MENFOP will be responsible for preparing periodic reports on project implementation progress, as well as on both physical and financial achievements. These reports will be based on project activity progress (by component and expenditure category), including technical and physical information reported on a quarterly basis.



### Summary of Actions to be Taken

Actions	Deadline
Recruit an independent verification agent	No later than three months from effectiveness
Prepare a FM chapter as part of the POM detailing the FM and accounting procedures	By effectiveness
Acquire an accounting software with specifications acceptable to the World Bank	No later than three months from effectiveness
Hire an external auditor with ToRs acceptable to the World Bank	No later than six months from effectiveness

### Disbursement Arrangements <sup>16</sup>

137. The IDA funds and trust funds will be disbursed according to the World Bank guidelines and should be used to finance project activities and will be made based on statement of expenditures for DA-A and IFRs for DA-B submitted on a quarterly basis. For DA-B each withdrawal application will be accompanied with an IFR which includes an EEP Statement and a confirmation of results achieved and verified in line with the verification protocols agreed with IDA. Detailed disbursements procedures and arrangements are specified in the Disbursement and Financial Information Letter (DFIL).

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<sup>16</sup> Disbursement arrangements for the expected US\$3.8 million from the EAA will be recorded separately in the relevant grant agreement and associated DFIL once the funds are available.



### Allocation of the IDA proceeds

Category	Amount of the Credit Allocated (US\$)	Amount of the IDA Grant Allocated (US\$)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, and consulting services for Part 1.1, 2.1, 3.1 and 4 of the Project	0	3,800,000	100 %
(2) Eligible Expenditures Program under Part 1.2, 2.2 and 3.2 of the Project	10,000,000	1,200,000	Up to 100% of the Amount of Financing allocated to the DLRs, as set forth in the table in the Annex to Schedule 2 of the Financing Agreement.
<b>TOTAL AMOUNT</b>	<b>10,000,000</b>	<b>5,000,000</b>	

### Allocation of GPE proceeds

Category	Amount of the Grant Allocated (expressed in US\$)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, and consulting services for Part 1.1, 2.1, 3.1 and 4 of the Project	6,250,000	100%
(2) Eligible Expenditures Program under Part 2.2 and 3.2 of the Project	3,000,000	Up to 100% of the Amount of Financing allocated to DLRs 4.2, 4.3, 5.4 and 5.5(b), as set forth in the table in the Annex to Schedule 2 of the Grant Agreement.
<b>TOTAL AMOUNT</b>	<b>9,250,000</b>	





### **Designated Account and flow of funds**

138. On behalf of the MENFOP, the Department of External Financing at the Ministry of Finance will open the required two segregated DAs (DA-A to cover category 1 and DA-B to cover category 2 of the project) in a Commercial Bank in Djibouti acceptable to the World Bank in US Dollars to receive the funds and finance its share of eligible project expenditures as previously discussed. Funds will be channeled from the World Bank through the two segregated DAs in US Dollars, and a sub-account in Djibouti Francs will be opened for each DA to make payments for the various activities. The authorized signatories to sign on checks/transfers from the sub-account will be the Secretariat General of MENFOP, the Director of the External Financing Department at the Ministry of Finance and the Director of the Public Debt Department at the Ministry of Budget. Funds will be claimed from the World Bank through withdrawal applications that will require the same three signatures.
139. For advances and reimbursements made from the DA-A for category 1 of the project, the following documents will be required:
- Statement of Expenditures (SOE) in the format provided as attachment to the DFIL;
  - World Bank reconciliation statement in the format provided as an attachment to the DFIL.
140. For requesting funds when achieving a DLI (or more) under category 2 of the project, the following documents will be required:
- Summarized Statement of Payment in the format provided in the DFIL;
  - World Bank notification confirming that (a) one or more DLIs/DLRs (as referred to under the Annex to Schedule 2 of the Financing Agreement) have been achieved, and (b) indicating the amounts payable for such DLIs/DLRs.

### **Governance and Anti-corruption**

141. Fraud and corruption: Fraud and corruption may affect project resources, thereby negatively impacting project outcomes. As a result, the World Bank developed an integrated understanding of possible vulnerabilities and agreed on actions to mitigate the risks. The proposed fiduciary arrangements, including POM with a detailed FM chapter, utilization of an independent verification agent, reporting and auditing and review arrangements are expected to address the risks of fraud and corruption.
142. Supervision Plan: The financial management of the project will be supervised by the World Bank in conjunction with its overall implementation support of the project and conducted at least three times a year.
143. Supporting Documentation and Record Keeping: All supporting documentation will be obtained to support the conclusions recorded in the FM Assessment.

### **Procurement Arrangements**

144. Applicable procurement rules and procedures: All goods, works, non-consulting and consulting services required for the project, and to be financed out of the proceeds of the Financing, shall be procured in accordance with the requirements set forth or referred to in the "Procurement Regulations for IPF Borrowers" dated July 2016, revised in November 2017 and August 2018 ("Procurement Regulations"), and the provisions of the Procurement Plan. The Borrower shall ensure that the project is carried out in accordance with the provisions of the "Guidelines on



Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016 (“Anti-Corruption Guidelines”).

145. Compliance of IPF-DLI activities with procurement rules: From the project design, all identified activities linked to DLIs have non-procurable items. For all procurable items, the World Bank’s procurement rules apply to all contracts financed wholly or in part by the World Bank.
146. Institutional arrangements: The project will be implemented by MENFOP with fiduciary management and procurement overseen by specialized officers in the DGA (service de la gestion des projets) with prior experience managing IDA-financed projects. Even though the performance of this unit was perfectible while under the old guidelines, this arrangement would facilitate capacity building based on a solid foundation.
147. Procurement risk assessment: Based on the agreed implementation arrangement and taking into consideration lessons learned during implementation of previous IDA-financed projects, an update of the procurement risk assessment conducted in November 2018 was done by the World Bank. The assessment revealed the following main risks : (a) institutional capacity and staffing is weak due to limited capacity and turnover of procurement staff; (b) inappropriate procurement planning and delay in procurement cycle and contract signing; (c) small size of the market can expose procurement to the risk of lack of transparency and competition; (d) poor quality of works/services, including noncompliance to technical specifications/bill of quantities; and (e) inappropriate procurement record keeping as revealed by post reviews of the previous projects. Based on these risk factors, the project procurement overall risk is assessed as substantial. The associated mitigation measures will include: (a) Ministry to avail staff dedicated to procurement management and World Bank to assure capacity building on new procurement regulations for the core team of the implementing unit; (b) STEP will be the basis for close monitoring of procurement planning and contract execution; (c) open the procurement process as much as possible by advertising procurement plans, specific procurement notices and publishing contract award; (d) World Bank should include the quality aspects appropriately in technical assessment and implementation support; and (e) proper procurement documents filing.
148. Project procurement strategy for development (PPSD) for delivery value of value for money: The client has prepared the PPCSD with support from the World Bank. It showed that procurement will cover all the three categories i.e. works (construction and/or rehabilitation of schools and classrooms, etc.), goods (computers, school furniture, etc.) and non-consulting services (printing of school manuals and documents), and consulting services (diverse technical assistance). In total, 30 contracts were identified (21 for consultants, 5 for works, 3 for goods and 1 for non-consulting services) with estimated amount per contract ranging from US\$25,000 to US\$325,000. Most contracts will be procured using the national market, except some consulting services that require international expertise. Also, given the less complexity and low value of contracts, there is no need for hands-on expanded implementation support, no contract will require OPRC review, no use of negotiations or competitive dialogue.
149. Procurement plan: The project’s procurement plan was developed by the Borrower based on the outcome of the PPCSD. The initial procurement plan covers the first 18 months and has been reviewed and formally approved by the World Bank during financing negotiations. The procurement plan is legally binding on the Borrower and any update shall be submitted to the World Bank for its review and approval.
150. Systematic Tracking of Exchanges in Procurement (STEP): Procurement reviews and approvals will be carried out through STEP. It is an online system to help the World Bank and the client plan and track procurement activities under the project. STEP enables auto publication of approved procurement plan, publication notices and contract award



information in the World Bank's external website, UNDB online, World Bank Finances App, and World Bank Procurement App.

151. Procurement implementation support arrangements: The project support will include procurement planning, conducting regular capacity building on the new procurement regulations, annual procurement review and sharing findings with the client, procurement participation in the semi-annual implementation supervision mission.
152. Record keeping: The client shall keep records of all proceedings of the procurement process in accordance with the requirements of the Financing Agreement.



## **Annex 2. Climate Co-Benefits**

### **Step 1: Vulnerability Context**

153. Climate change and its impact can jeopardize the WBG's mission in Djibouti and thus directly affect efforts made under this project towards improving education and any other activities in the country. Djibouti is highly vulnerable to four types of natural disasters: coastal flooding exacerbated by sea level rise; extreme heat; wildfires; and volcanos. In addition, it is also prone to drought. These threats to economic development and poverty alleviation, which are already probable, will grow in frequency and severity as temperatures increase, precipitation shifts, and sea levels rise. Low income populations, especially the 23 percent of Djiboutians who live below the national poverty line (2014), are particularly vulnerable, as they lack the capacity to adapt to climate-induced shocks.
154. The country is experiencing extreme weather events more often. There was a cyclone and the risk of a second cyclone hitting in 2018. The capital city, with more than 75 percent of the population, sits in part on low-lying coastal areas and experienced severe flooding in 2018. Other areas of the country experience sudden flooding, as well, as the arid terrain cannot absorb any rainfall. This flash flooding can cut off schools. Most of all, Djibouti, like the rest of the MENA region, suffers from water insecurity. As highlighted in *Beyond Scarcity: Water Security in the Middle East and North Africa*<sup>17</sup>, water shortages will reduce MENA region's GDP growth by 6 to 14 percent by 2050. Climate change, in short, will exacerbate these pre-existing vulnerabilities, and amplify fragility as it gets hotter dryer and more prone to natural disasters.
155. The impact of these adverse conditions is likely to become more severe considering ocean temperatures are warming, thus adding to the magnitude of storm intensity. Sea levels are also rising and threatening low-lying areas of the country. Djibouti's climate action plan, the Intended Nationally Determined Contribution (2016), recognizes the challenge of climate change and calls for an ambitious response, including US\$6.5 billion in adaptation and mitigation funding. Djibouti's Country Partnership Strategy, 2014-2017, notes the nation's extreme vulnerability to climate change, lack of resilience capacity and suggests projects consider climate change in project design.

### **Step 2: Specific Intent**

156. This operation has been screened for short- and long-term climate change and disaster risks, and extreme temperature and drought have been identified as having high potential for impact on project implementation. Such climate change effects could negatively impact the project's efforts to strengthen education outcomes especially for women and children living in poverty. People's livelihoods and lifestyles are affected through different pathways. The last major drought claimed nearly four percent of GDP annually between 2008 and 2011 and impacted more than half of Djibouti's population. In the short term, impacts of extreme weather events contribute to absenteeism from school and children leaving school without completing the curriculum to support their family economically. Flooding, which can lead to water borne diseases, also affect attendance at school.
157. Developing resilience to climate change and creating awareness of its threats plays a critical role in the fight against poverty and in sustainable development. For this reason, this project has intentionally identified activities to be included in all components

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<sup>17</sup> <https://www.worldbank.org/en/topic/water/publication/beyond-scarcity-water-security-in-the-middle-east-and-north-africa>



### **Step 3: Activity Linkage**

#### **Adaptation Co-Benefits**

158. Several components of this project include activities that contribute to climate co-benefits. For instance, sub-component 1.1(c) and sub-component 2.1(b) will ensure that the constructed education facilities will be built outside of the flood line to reduce the impact of flooding and drainage structures will carry water away from the facilities and dispose of it safely to ensure it does not stagnate and lead to vector-borne disease. The facilities will also have north facing windows to ensure that the maximum amount of natural light is permitted in the classrooms and that there is no need for the constant use of electricity. Where electricity is used, the use of solar panels is strongly recommended for efficient electricity generation and little reliance on electricity supplied by the Electricity Authority. In addition, quality standards under sub-component 1.1(a)(1) would include environmental requirements to ensure energy-efficient and safe pre-schools. Moreover, newly constructed facilities will use the aspect of “sustainable campuses” and use rain water harvesting tanks to collect water (which is a scarcity in many parts of the country) for irrigating playgrounds, flushing toilets and washing hands. Component 1.1(a)(2) regarding curriculum revisions would also include age-appropriate sustainability education and environmental activities covering content on climate change adaptation and/or mitigation awareness, as well as projects like tree planting. In addition, activities under sub-component 1.1(a)(3) regarding new teaching and learning materials, as well as pre- and in-service teacher training for pre-school teachers, will be updated to promote age-appropriate instruction regarding climate change, conservation and mitigation. Finally, the project would support the implementation of age appropriate signage (preschool and primary school) to conserve energy and water that will be erected across the campuses to raise awareness of the importance of conserving these scarce resources.
159. To alleviate heat, the construction design will recommend roofs that are not pitched but flatter to reduce the surface area for heat absorption during heatwaves but still allow for rain water harvesting. In addition, the buildings will be painted in white to reflect the heat, making classrooms cooler during hot dry periods combined with the augmented presence of windows that will contribute to increased cooling ventilation during heatwaves. The roof material used will be robust enough to allow the roofs to sustain strong winds and rains during cyclone periods.
160. Any new appliances, equipment, and technologies used as part of the new constructions will be required to be substantially more energy-efficient than the previous versions and will exceed the prevailing energy standard. A building maintenance plan will be supported under sub-component 2.1(a), thereby improving enforcement of these new standards and ensuring that schools remain structurally sound, and so better capable of withstanding extreme weather events and reduce energy wastage.
161. Sub-component 3.1 will include several climate change-related activities. For instance, the sub-component will include training and awareness raising in existing and future accreditation training programs for primary school teachers focusing on increasing awareness of the climate vulnerabilities Djibouti faces and provides climate adaptation activities included in the school and parent projects that are envisaged at the school level. The idea being that the educators are trained parents informed to facilitate providing educational material for learners on climate change awareness who can exercise these at school and at home (e.g. water and energy saving techniques, smart-agriculture, resource use).
162. Sub-component 3.1 will also include building climate change and disaster risk management capacity through training of the school leaders and include this in the required competency test for school directors and link it to the required building maintenance plan for the schools that is envisaged. Through awareness raising and capacity



building, the schools shall be equipped to confront the challenge of climate and disaster risks in Djibouti.

163. Finally, component 4 will focus on making the information system secure against potential disasters or adverse weather conditions by using cloud services to store data, which would minimize the risk to losing data and facilitate post-disaster information recovery.



### Annex 3. GPE Variable Part Indicators

164. The project is funded in part by a GPE allocation of US\$9.25 million which, following the new funding model introduced in May 2014, includes a 'variable part' of 30 percent of the allocation (US\$3 million) intended to incentivize action through a results-based financing mechanism. The aim of this approach is to encourage the government to undertake fundamental reforms in three areas: (a) efficiency, (b) equity, and (c) quality in basic education.
165. Access to the variable part resources will be granted subject to the achievement of the targets identified in the relevant indicators within the agreed deadlines. These indicators are selected based on their transformative character in each of the three areas (of quality, equity, and efficiency) and may be linked to process, outcome or output indicators. Each of the three chosen indicators will be 'stretch' indicators, that is, be priorities for the government that will require a concerted effort to achieve (a stretch to reach). The Local Education Partners Group is part of the selection process and has endorsed the indicators chosen by the government.
166. In this Project, the three variable part indicators are:
- a. **For Efficiency:** DLR 4.2: Decrease in grade 5 repetition rate between year 1 and year 5 of project implementation from 24.4 percent to 14.4 percent
  - b. **For Equity:** DLR 4.3: Increase in gender parity index for gross enrollment in lower secondary education
  - c. **For Quality:** DLR 5.4 Establishment of baseline percentage of year 2 students reaching the minimum acceptable threshold learning level; and DLR 5.5(b): From baseline established under DLR 5.4, increase in the percentage of year 2 students reaching the minimum acceptable threshold learning level in the following years

#### EFFICIENCY (GPE Variable Part Allocation of US\$1 million)

167. **Challenge:** The internal efficiency of primary is weakened by very high repetition rates in year 5. While repetition rates for years 1-4 stand at between 2-5 percent, in year 5 primary it rises to 24.4 percent (AS 2017/18), meaning that 1 out of every 4 students repeats in that year.
168. **This concern is reflected in the PAE** where improving the internal efficiency of primary is listed as a priority. MENFOP intends to make significant efforts to improve student learning throughout the cycle and to reduce the repetition rate in year 5.
169. **General objective targeted.** Improve internal efficiency by reducing repetition in year 5 by 10 percentage points from 24.4 percent to 14.4 percent.
170. **In what way is this a 'stretch' to achieve?** Achieving this reduction in year 5 repetition rate will require a series of coordinated actions to be put in place. It is an ambitious but achievable goal.
171. **Response:** Through more rigorous follow-up of student learning, better remediation to students in difficulty, and improvements in teaching reading and mathematics. This entails all component 3 sub-components and activities to come into play. Improvements in learning will result from:



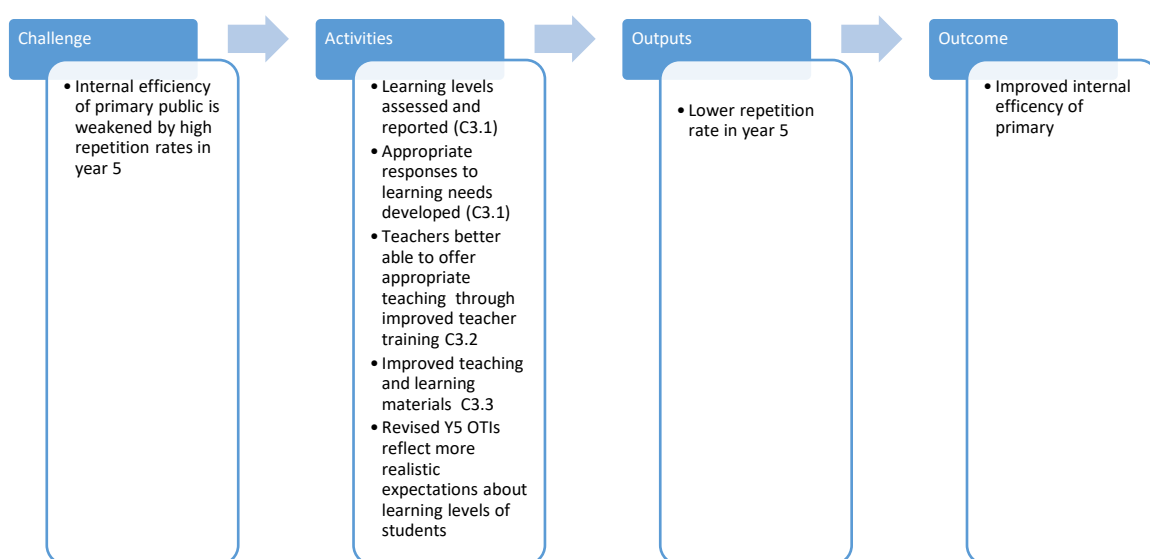
- a. a better understanding of student learning levels through refinements in assessment tools and better analysis and use of assessment results;
- b. based on these assessment findings, more appropriate teaching measures for the learning level of students through improved teacher practices); and
- c. better support to teaching and learning through availability of suitable pedagogical materials.

172. **Contributions from other donors:** USAID is launching a new five-year project in 2019 devoted to improving reading in primary years 1-5, which will provide a considerable complementary boost towards improved student learning outcomes, which will in turn help reduce repetition rates.

173. **Indicator: DLR 4.2** Decrease in grade 5 repetition rate between year 1 and year 5 of project implementation from 24.4 percent to 14.4 percent

174. **Allocation formula.** For every 5-percentage points reduction in repetition rate in grade 5 (from baseline of 24.4 percent), US\$500,000 will be disbursed, up to US\$1 million, with a minimum threshold of US\$500,000.

### Theory of change



### EQUITY (GPE Variable Part Allocation of US\$1 million)

175. **Challenge:** Gender parity in lower secondary school is troubling. Although girls repeat less than boys in primary and do slightly better than boys at the year 5 OTI, they are less likely than boys to advance to lower secondary school. In urban lower secondary school, new girls' enrolment represents 46 percent of year 6 students and remains at that level for all lower secondary school years. However, in rural lower secondary school, while girls' enrolment in year 6 rural public school stands at 46 percent, this drops to 39 percent for all lower secondary school years. Gender parity for year 6 rural lower secondary school is .86 but drops, on balance, to .65 for all lower secondary school.





176. **This concern is reflected in the Statistical Yearbook 17/18** where the following is presented:

Gender Parity (AS 2017/18)					
	Public	Private	Urban public	Rural public	Total
Primary					
Gender Parity	0.85	0.94	0.88	0.73	0.86
% Girls	46%	49%	47%	42%	46%
Gender Parity for new enrollment	0.83	0.85	0.75	0.83	0.85
% Girls in new enrollment	45%	46%	43%	45%	46%
Lower Secondary					
Gender Parity	0.82	0.91	0.84	0.65	0.83
% Girls	45%	48%	46%	39%	45%
Gender Parity for new enrollment (in Year 6)	0.86	0.88	0.87	0.86	0.86
% Girls in new enrollment (in Year 6)	46%	47%	47%	46%	46%

177. **Target:** Increase gender parity index in lower secondary from 0.82 to 0.9 (baseline established by Statistical Year book 2017/18).

178. **In what way is this a ‘stretch’ to achieve?** Equitable access to lower secondary school for girls is a priority for the government that will require a set of complementary interventions to succeed. While it is ambitious, it is realizable.

179. **Response:** While the Project will invest in improvements in latrines, water, and electricity for all rural schools, in coordination with local communities, prefectures and regional education authorities, a MENFOP team will develop a set of sub-regional plans to address under-enrolment and drop out. These are expected to be local solutions to address unique, local challenges. Successful interventions from other countries such as school transport, lower secondary boarding facilities for girls, school canteens, girls’ latrines, as well as incentives such as cash transfers, uniforms, or reducing exclusionary measures such as lack of identity papers will be considered for support under this project. The focus will be to work with local stakeholders to identify local solutions in recognition of the fact that communities have a better sense of what can achieve the biggest impact.

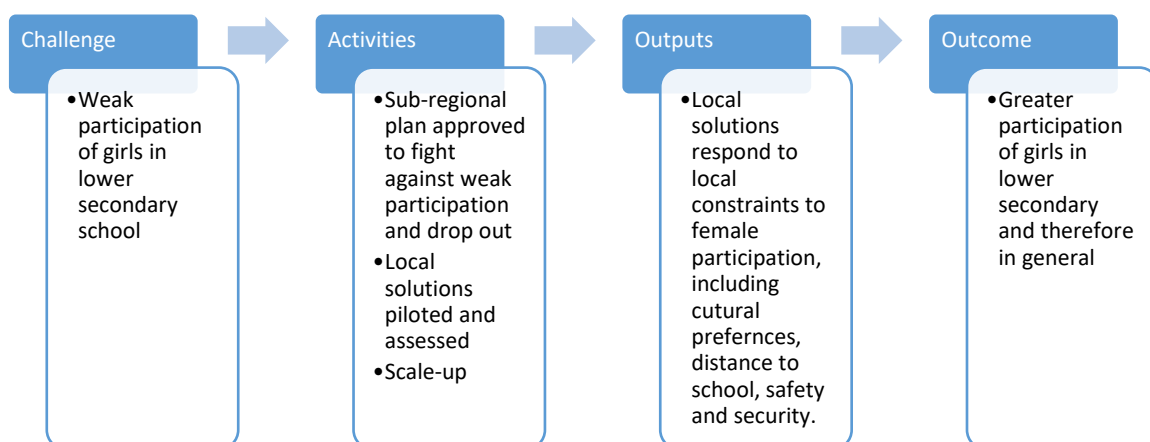
180. **Contributions from other donors:** The World Food Program works with MENFOP to support school feeding programs and provides incentives to reward girls’ participation. UNICEF offers school kits.



**Indicator: DLR 4.3:** Increase in gender parity index for gross enrollment in lower secondary education

**Allocation Formula:** For every 0.02 increase from the 0.82 baseline, US\$250,000 will be disbursed up to a maximum of US\$1 million, with a minimum threshold of US\$250,000.

### Theory of change



### QUALITY (GPE Variable Part Allocation of US\$1 million)

181. **Challenge:** Current national assessment systems do not provide adequate detail on levels of student learning, and so cannot help decision makers at the school and central level develop specific strategies to improve learning.
182. **This concern is reflected in the PAE.** The PAE acknowledges the importance of OTI results to better analyze the quality of learning, while also underscoring the limitations of the statistical yearbook to provide detailed information on OTI results (the information remains rather general). The PAE explains what has been started to correct this but also, more importantly, what remains to be done.
183. **General objective targeted:** Improve assessment systems to provide useful data on learning that can serve teachers and policy makers in improving learning.
184. **In what way is this a 'stretch' to achieve?** A coherent and systematic revision of national learning assessments in primary and lower secondary is a significant task to accomplish; to then provide schools with their results so that they may then identify appropriate responses is ambitious, yet realizable.
185. **Response:** The response in Component 3 of the project is to (a) develop and have approved basic education assessment levels in math and at least one language (French or Arabic); (b) have learning assessments revised and administered; and (c) ensure that primary schools receive school reports on their results in math and languages by



learning levels.

186. **Contributions from other donors:** USAID are launching a new five-year project in 2019 devoted to improving reading in primary years 1-5, which will provide a considerable complementary boost towards improved student learning outcomes.
187. **Indicators:** While several IRIs measure the steps needed to establish the necessary assessment tools and indicators, the GPE Variable Part allocation is through **DLR 5.4, as well as DLR 5.5 (b)**.
188. **Allocation Formula:** Year 3 or 4: For the establishment of a baseline of year 2 students reaching minimum acceptable threshold learning level, US\$500,000 will be disbursed; Year 5: For every 1 percentage point increase of year 2 students reaching established minimum learning levels, up to a maximum payment of US\$500,000, with a minimum payment threshold of US\$100,000 will be disbursed.

### Theory of change

