

1. Project Data:		Date Posted : 02/16/2010	
PROJ ID : P082378		Appraisal	Actual
<b>Project Name :</b> Free Primary Education Support Project	<b>Project Costs (US\$M):</b>	50	55
<b>Country:</b> Kenya	<b>Loan/Credit (US\$M):</b>	50	55
<b>Sector Board :</b> ED	<b>Cofinancing (US\$M):</b>		
<b>Sector(s):</b> Primary education (100%)			
<b>Theme(s):</b> Education for all (100% - P)			
<b>L/C Number:</b> CH050			
	<b>Board Approval Date :</b>		06/19/2003
<b>Partners involved :</b>	<b>Closing Date :</b>	12/31/2006	06/30/2007
<b>Evaluator :</b>	<b>Panel Reviewer :</b>	<b>Group Manager :</b>	<b>Group:</b>
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## 2. Project Objectives and Components:

### a. Objectives:

The project development objective was to improve pupil performance and retention through ensuring an adequate supply and better use of instructional materials .

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

No

### c. Components (or Key Conditions in the case of DPLs, as appropriate):

(a) **Instructional Materials** (US\$41.8 million at appraisal, US\$46.5 million actual) to support the provision of textbooks and stationary to all primary schools in the country by financing the expansion of the national program for the provision of instructional material. The support was to finance school grants by using the existing competitive procurement systems and financial management systems .

(b) **Capacity Building** (US\$.16 million at appraisal, US\$7.5 million actual) for (i) school-based teacher development and support; (ii) school accounting system; (iii) education management information system; and (iv) system design and program preparation. The latter subcomponent financed (i) school-based teacher development and support; (ii) school accounting system; (iii) education management information system; and (iv) system design and program preparation.

During implementation this component was revised to include (a) a special program for disadvantaged groups, and (b) an additional program for arid lands and non-formal education through grants to support the construction of schools in 15 districts.

(c) **Monitoring and Evaluation** (US\$1.04 million at appraisal, US\$1.0 million actual) to focus on monitoring key performance indicators at the outcome and output levels; undertake an evaluation at the end of the project and conduct annual audits throughout the life of the project .

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

After an extension of six months, the project was completed on 6/30/2007, and SDR0.1m were canceled. An IDA

grant for the Poorest Countries in the amount of SDR 36.7m was equivalent to US\$50m on appraisal with a US\$4.98m government counterpart. Due to changes in SDR rates, the grant amount rose to US\$ 55 million, and counterpart funding was deleted.

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

The objective was and has remained highly relevant to the development priorities of the Kenyan government and its efforts to offer free primary education. The project responded directly to the CAS goal of improving opportunities and access to basic social services for the poor.

The design was built on a successful earlier donor experience, and was relevant to the development objective. It was innovative, because it aimed to make schools competent in textbook procurement and accountability rather than keep an often inefficient mode of central procurement and delivery of textbooks. Thus, the focus on the decentralization of management to the school level was in line with the Government's own decentralization efforts. Also, the design was simple; there were only three components, one of which accounted for 80% of the project funds. During appraisal the potential for mismanagement was recognized, and safeguards such as price specification were put in place. These probably helped reduce mismanagement, though they could not eliminate it completely. Relevance of design is rated substantial.

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

**Improving pupil performance and retention through ensuring an adequate supply and better use of instructional materials (modest).** The evidence is as follows:

*Ensuring an adequate supply and better use of materials (substantial):*

- All 18,000 schools received on average of 300 Kenyan shillings (US\$5) per student for the purchase of textbooks and instructional supplies. Every school created an instructional materials management committee with signatory authority over local bank accounts. Schools obtained quotes for materials from local vendors and bought materials with project funds. As a result of these efforts, schools obtained textbooks that they lent out to students rather than depend on parents' limited ability to buy textbooks.
- Student-to-textbook ratios were 2- 6 students for every textbook in lower primary (target was 3:1), and 2-4 students per textbook in upper primary (target was 2:1). The ICR did not discuss how students would share the textbooks and how classes would be conducted or homework done if 3 students had to read a book simultaneously.
- About 36,000 resource teachers were trained through multimedia distance learning methodologies, and about 17,550 head teachers were trained in effective financial management (targets met). However, turnover among instructors prevented continuous training of new head teachers.
- The project made it possible to distribute textbooks to all students across the country thereby relieving parents of the out-of-pocket expenses for learning materials (about Kshs.1,695 or US\$26 per pupil) and allowing for more children to enroll in primary education who otherwise could not afford schooling costs.
- A cost-effectiveness assessment showed that the per pupil cost of teaching and learning materials resulted in reducing families' burden by 88%. After the project, the estimated out-of-pocket expenses for learning materials was Kshs.185 or US\$3, with the remaining Kshs.650 being subsidized by Government. However, there are tradeoffs that were not taken into consideration. Before the project families bought and owned the textbooks, whereas after the project schools owned the textbooks (at the rate of 1 every three students) and lent them to students. The actual availability of textbooks given the student-textbook ratios was not studied.
- Classroom observations in 159 classes showed that 84% of teachers used textbooks in their lessons, and reading activities were observed in 46% of lessons (compared to 3% of classroom time involving reading in 1999). Also, 98% of teachers reported giving homework assignments to students in upper primary and 69% in lower primary (compared to 54% before the project), which involved textbook use at home.
- Parental contribution to schooling expenses was reduced by almost 88%. As a result of this and other government efforts to provide free education for all, an additional 1.5 million students (a 25% increase since 2002) entered the system.
- Students and parents were pleased with the textbook provision; 88.7% of pupils said they were either happy or very happy with the quality of teaching and learning in their schools; 82.4% of school management committee members reported that they were satisfied with the quality of learning in the schools; and 66.7% of parents reported that they were satisfied with the quality of teaching and learning. Also,

*Improving pupil performance and retention (substantial)*

- The ICR credits the wider use of learning materials through the project with a modest reduction in mean repetition rate in the highest poverty band (>70% of children from poor families), from 9.2% in academic year 2002 to 7.7% in 2005, and reduction in dropout rate from 4.9% in 1999 to 2% in 2003 to 1.5% in 2006.
- Primary completion rate improved from an estimated 68.2% in 1999 to 77.6% in 2006.
- The ICR cites (p.35) substantial increases in the scores of the Kenyan Certificate for Primary Education among the poorer students. These changed from a figure of 233 in 2000 (before the project) to 244 in 2003 (at project start) and

to 249 in 2006. Though encouraging, the increases denote a rough growth pattern that started before books became available. It is also unknown whether the test was equated across grades .

- When studied in terms of geographic region, project effects become less clear . Kenyan Certificate of Primary Education scores increased slightly in the poorest and middle income districts (1.75% and 1.2% respectively between 2003 and 2005), but dropped by 1.4% in the better off districts. (Kenya has a total of 75 districts) For example, the Kenyan Certificate for Primary Education scores in three out of four districts of Kenya's poor northeastern province realized substantial increases of between 10 to 35 percent in their examination results between 1999 and 2006, but test score changes were not linear (assuming they are comparable across years). Improvements immediately after effectiveness may not be attributable to the project . For example, the Garissa district scores were 151 in 2001, 154 in 2002, 141 in 2003 (base year), 153 in 2004, 144 in 2005, and 157 in 2006. Similar changes were seen in the Wajir district (from 140 to 179) more linear changes in the Mandera district, and a deterioration of scores in Ijara (where they dropped from 142 to 103).

The ICR acknowledges that it is difficult to ascribed gains in student performance and retention to the project alone, but advances that introduction of project financed teaching materials , training of teachers in their use, as well as other project supported activities (e.g social accountability and school management ) are likely to account for a large share of the improvements. It also points out that 98% of head teachers and 99% of teachers felt that the instructional materials had contributed to improved teaching and learning in their schools . Earlier research carried out in one district of Kenya (predating the project), had suggested that textbooks tend to benefit the better off students more than those from lower income households . Overall, thus there is some uncertainty about how much students really did benefit from improved availability of textbooks, particularly where the latter were in English . Some measures of textbook use were available and could have clarified the relationship between provision of learning materials and learning outcomes, but they were not used statistically .

**5. Efficiency (not applicable to DPLs):**

-Efficiency was substantial. Local procurement at school initiative speeded the transfer of resources from the Ministry to primary schools. This reduced central bureaucracy and increased local -level accountability. Unit costs for textbook procurement did not change significantly, but a curriculum reform reduced the number of necessary textbooks, so the textbook bill was reduced . Per pupil costs of teaching and learning materials fell as a result of procurement and ownership of materials by the schools rather than individual students or households

-Reduced repetition rates made it possible to devote resources to progressing rather than to repeating students .

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

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

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

**6. Outcome:**

Relevance of objectives was high, efficiency was substantial, but efficacy was modest . Overall project outcome is rated satisfactory.

**a. Outcome Rating :** Satisfactory

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

Risk to development outcome is rated moderate . The government is committed to decentralized textbook procurement, and communities appear to be committed as well . Nevertheless, there are risks . Textbooks are of limited use in classrooms if they are too few or if the average students cannot read or understand them . If school committees suspect that they make little difference, the interest in them may wane . Also, community committee members are hard-working and poor, and the extent to which they can be engaged in the long run is uncertain . Furthermore, governance issues and procurement irregularities may reduce the viability of this decentralized procurement vehicle.

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

#### 8. Assessment of Bank Performance:

Bank performance at entry is rated satisfactory. The Bank team responded extremely rapidly to the government's request for support by producing a quality project for Board approval within 3 months of appraisal. The team designed an innovative project to deal with the perennial problem of book delays and shortages. However, the project focused on the economic-financial aspects of textbook acquisition and paid little attention to content or whether students could actually read the books. The uncertain learning outcomes attest to the weak line of reasoning linking inputs to outcomes.

Supervision is rated moderately satisfactory. The project was supervised regularly, but the Bank was unable to discern some of the governance problems that beset the project.

**a. Ensuring Quality -at-Entry:**Satisfactory

**b. Quality of Supervision :**Moderately Satisfactory

**c. Overall Bank Performance :**Moderately Satisfactory

#### 9. Assessment of Borrower Performance:

The Ministry of Education demonstrated ownership, leadership, and willingness to engage in a difficult and complex decentralized procurement process that would be scaled to all 18,000 schools. Overall, the project was executed efficiently, and targets were met. The centralized procurement of goods, works and services for the Project was very slow. It improved with technical assistance and support from the country office procurement advisors.

Implementation proved unusually challenging. Weakness in financial management created governance issues, some of which were not resolved by project completion. For example, some commercial banks did not adhere to the memorandum of understanding with the government and some charged schools monthly fees on their accounts, which resulted in insufficient funds and closed accounts, though the region advances that this was later rectified. Following the Detailed Implementation Review carried out in 2006 by the World Bank's Institutional Integrity Department, the government developed action plans to improve the financial management of the follow-on project.

**a. Government Performance :**Moderately Satisfactory

**b. Implementing Agency Performance :**Moderately Satisfactory

**c. Overall Borrower Performance :**Moderately Satisfactory

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

The monitoring and evaluation design was modest. The project was appraised in 3 months, and there was no time to build an adequate baseline. Other activities suffered delays, so several planned evaluation studies were not carried out. Only two were carried out, a client satisfaction survey and a learning achievement survey. These studies provided important data on the impact of the intervention and important lessons for the design of the follow up project, but it is unclear whether they were used to guide subsequent projects.

The data collected did not help attribute the uneven performance changes to textbook use, or lack thereof. Classroom observations were not quantitatively linked to learning outcomes.

**a. M&E Quality Rating :** Modest

#### 11. Other Issues (Safeguards, Fiduciary, Unintended Positive and Negative Impacts):

-A project with much decentralized initiative was inevitably subject to multiple pressures. The 2006 audit report identified areas of concern, such as expenditures for goods not received and disbursements to unqualified suppliers. The ICR states that INT's Detailed Implementation Review of four Kenya projects found that the education project (i) appeared to be "appropriately safeguarded"; (ii) "exhibited adequate safeguards against fraud and corruption". However, the ICR also states that the June 2006 project audit report was qualified and pointed to several deviations from procurement procedures at the local level, with only 20% of 280 schools visited by the auditing team having fully adhered to agreed upon procurement procedures. It also found that MoEd did not have an effective mechanism to monitor use of funds at school level and that 54% of the schools were charged fees by commercial banks that they were not supposed to be charged. The region in its response to the draft ICR review pointed out that the latter problem was subsequently corrected.

<b>12. Ratings:</b>	<b>ICR</b>	<b>IEG Review</b>	<b>Reason for Disagreement / Comments</b>
<b>Outcome:</b>	Satisfactory	Satisfactory	
<b>Risk to Development Outcome:</b>	Moderate	Moderate	
<b>Bank Performance :</b>	Satisfactory	Moderately Satisfactory	The Bank designed an innovative project very fast. The Bank was unable to discern some of the governance problems affecting the project. Based on satisfactory quality at entry and moderately satisfactory supervision, overall Bank performance is rated moderately satisfactory in line with the harmonized IEG and OPCS evaluation criteria.
<b>Borrower Performance :</b>	Satisfactory	Moderately Satisfactory	Though the borrower displayed much commitment, financial management was weak, and audits uncovered several instances of irregularities. Government performance was rated satisfactory and the implementing agency performance was rated moderately satisfactory which in line with the harmonized IEG and OPCS evaluation criteria results in a moderately satisfactory borrower performance rating.
<b>Quality of ICR :</b>		Satisfactory	

**NOTES:**

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

**13. Lessons:**

- Decentralized procurement can be efficient and empowering . Resources can be effectively transferred to the school level, and improve students' learning conditions . For this to happen, however, effective financial controls must be established, school staff must be trained, and school committee members must remain vigilant;
- Public-private partnerships may support improvements in service delivery efficiency, such as the convenience of electronic funds transfer by banks . However, financial control must be maintained to prevent harm to beneficiaries. For example, banks may charge customers at the branch level fees that high -level managers agree to waive. Thus, key aspects of private -public partnerships must be assessed carefully as part of project preparation and supervision .
- A line of reasoning is critical for obtaining useful evaluation findings . Baselines must be obtained on the variables that influence the line of reasoning . Without these components, attribution of causality may be impossible.

**14. Assessment Recommended?**     Yes     No

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### **15. Comments on Quality of ICR:**

The ICR is well written and detailed, but has some shortcomings :

- Limited discussion about factors influencing learning outcomes . The report did not state in which languages the books were printed and did not present evidence that the books rather than other factors (such as lack of test equation across grades) were responsible for outcomes . It also did not critique the evaluation design for failing to obtain the necessary data that would help establish a chain of causality; and
- The PAD had only one development objective . The ICR added several more, but it also stated that objectives had not been changed.

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