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Report No: PAD2466

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED GRANT

IN THE AMOUNT OF SDR 71.2 MILLION (US\$100 MILLION EQUIVALENT)

AND A PROPOSED GRANT
FROM THE AFGHANISTAN RECONSTRUCTION TRUST FUND
IN THE AMOUNT OF US\$100 MILLION
AND A PROPOSED GRANT
FROM THE GLOBAL PARTNERSHIP FOR EDUCATION
IN THE AMOUNT OF US\$98 MILLION

TO THE

ISLAMIC REPUBLIC OF AFGHANISTAN

FOR THE

EQRA PROJECT

SEPTEMBER 7, 2018

Education Global Practice
South Asia Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective as of July 31, 2018)

Currency Unit = Afghani (AFN)

AFN73.30= US\$1

US\$0.712= SDR 1

FISCAL YEAR

December 22 - December 21

ABBREVIATIONS AND ACRONYMS

AFMIS	Afghanistan Financial Management Information System
ALCS	Afghanistan Living Conditions Survey
ANPDF	Afghanistan National Peace and Development Framework
ARTF	Afghanistan Reconstruction Trust Fund
BPETS	Budget Preparation and Expenditure Tracking System
CBE	Community-Based Education
CBR	Capacity Building for Results
CCAP	Citizens' Charter Afghanistan Project
CDC	Community Development Council
CE	Citizen Engagement
CO	Country Office
CPF	Country Partnership Framework
CSO	Central Statistical Organization
DA	Designated Account
DAB	Da Afghanistan Bank
DED	District Education Directorate
DG	Director General
DLI	Disbursement-Linked Indicator
DLR	Disbursement-Linked Result
DM	Deputy Minister
DP	Development Partner
ECE	Early Childhood Education
EEP	Eligible Expenditure Program
EMIS	Education Management Information System
EQUIP	Education Quality Improvement Program
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
FM	Financial Management
GDP	Gross Domestic Product
GoA	Government of Afghanistan
GPE	Global Partnership for Education
GRM	Grievance Redress Mechanism



IARCSC	Independent Administrative Reform and Civil Service Commission
ICT	Information and Communication Technology
IDA	International Development Association
IFR	Interim Financial Report
INDC	Intended Nationally Determined Contribution
IPF	Investment Project Financing
ISM	Implementation Support Mission
KPI	Key Performance Indicator
LEG	Local Education Group
LULUCF	Land Use, Land-Use Change, and Forestry
M&E	Monitoring and Evaluation
MoE	Ministry of Education
MoF	Ministry of Finance
MoLSAMD	Ministry of Labor, Social Affairs, Martyrs and Disabled
MoU	Memorandum of Understanding
MRRD	Ministry of Rural Rehabilitation and Development
NCB	National Competitive Bidding
NESP	National Education Sector Plan
NGO	Nongovernmental Organization
NPP	National Priority Program
NPA	National Procurement Authority
NPV	Net Present Value
NSC	National Education Plan Steering Committee
NSP	National Solidarity Project
O&M	Operations and Maintenance
PD	Procurement Directorate
PDO	Project Development Objective
PED	Provincial Education Directorate
PEFA	Public Expenditure and Financial Accountability
PFEML	Public Finance and Expenditure Management Law
PPG	Project Preparation Grant
PPSD	Project Procurement Strategy for Development
RBF	Results-Based Financing
RPF	Resettlement Policy Framework
SABER-SD	Systems Approach for Better Education Results - Service Delivery
SAO	Supreme Audit Office
SGP	School Grants Program
SPD	Standard Procurement Document
STEP	Systematic Tracking of Exchanges in Procurement
TA	Technical Assistance
TED	Teacher Education Directorate
TOR	Terms of Reference
TPVA	Third-Party Verification Agency
TTC	Teacher Training College
UNDB	United Nations Development Business



UNESCO	United Nations Educational, Scientific, and Cultural Organization
WDR	World Development Report

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EQRA

BASIC INFORMATION

Country(ies)

Afghanistan

Project Name

EQRA

Project ID

P159378

Financing Instrument

Investment Project
Financing

Environmental Assessment Category

B-Partial Assessment

Financing & Implementation Modalities

☐ Multiphase Programmatic Approach (MPA)

☐ Series of Projects (SOP)

☒ Disbursement-linked Indicators (DLIs)

☐ Financial Intermediaries (FI)

☐ Project-Based Guarantee

☐ Deferred Drawdown

☐ Alternate Procurement Arrangements (APA)

☐ Contingent Emergency Response Component (CERC)

☒ Fragile State(s)

☐ Small State(s)

☐ Fragile within a non-fragile Country

☒ Conflict

☐ Responding to Natural or Man-made Disaster

Expected Approval Date

28-Sep-2018

Expected Closing Date

31-Dec-2023

Bank/IFC Collaboration

No

Proposed Development Objective(s)

The Project Development Objectives (PDO) are “to increase equitable access to primary and secondary education, particularly for girls, in selected lagging provinces, and to improve learning conditions in Afghanistan”.

Components



Component Name	Cost (US\$, millions)
Equitable Access to Basic Education	190.00
Improving Learning Conditions	35.00
Strengthening Education Sector Planning Capacity and Transparency	39.00
Technical Assistance	34.00

Organizations

Borrower: Islamic Republic of Afghanistan

Implementing Agency: Ministry of Education and Ministry of Rural Rehabilitation and Development

PROJECT FINANCING DATA (US\$, millions)

SUMMARY

Total Project Cost	298.00
Total Financing	298.00
of which IBRD/IDA	100.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	100.00
IDA Grant	100.00

Non-World Bank Group Financing

Trust Funds	198.00
Afghanistan Reconstruction Trust Fund	100.00
EFA-FTI Education Program Development Fund	98.00

IDA Resources (in US\$, millions)

	Credit Amount	Grant Amount	Total Amount
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National PBA	0.00	100.00	100.00
Total	0.00	100.00	100.00

Expected Disbursements (in US\$, Millions)

WB Fiscal Year	2018	2019	2020	2021	2022	2023	2024
Annual		96.5	78.5	71	18	22.5	11.5
Cumulative		96.5	175	246	264	286.5	298

INSTITUTIONAL DATA

Practice Area (Lead)

Education

Contributing Practice Areas

Environment & Natural Resources, Gender, Governance, Social, Urban, Rural and Resilience

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	● High
2. Macroeconomic	● Substantial



3. Sector Strategies and Policies	● Moderate
4. Technical Design of Project or Program	● Substantial
5. Institutional Capacity for Implementation and Sustainability	● Substantial
6. Fiduciary	● High
7. Environment and Social	● High
8. Stakeholders	● Moderate
9. Other	● Substantial
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

Safeguard Policies Triggered by the Project	Yes	No
Environmental Assessment OP/BP 4.01	✓	
Performance Standards for Private Sector Activities OP/BP 4.03	✓	
Natural Habitats OP/BP 4.04	✓	
Forests OP/BP 4.36	✓	
Pest Management OP 4.09	✓	
Physical Cultural Resources OP/BP 4.11	✓	
Indigenous Peoples OP/BP 4.10	✓	
Involuntary Resettlement OP/BP 4.12	✓	
Safety of Dams OP/BP 4.37	✓	
Projects on International Waterways OP/BP 7.50	✓	
Projects in Disputed Areas OP/BP 7.60	✓	



Legal Covenants

1. The Recipient shall:
 - (a) vest in MoE the overall responsibility for implementing Parts 2, 3, 4 (i) and (ii), and 1(b) and (c) of the Project;
 - (b) vest in MRRD the overall responsibility for implementing Part 1(a) of the Project;
 - (c) vest in MOF the overall responsibility for implementation of Part 4(iii) of the Project; and
 - (d) through MoE and MRRD, establish, by not later than two (2) months after the Effective Date, and thereafter maintain throughout the period of the implementation of the Project, the Task Force, composed of MoE's Deputy Minister for General Education, MoE's Deputy Minister for Finance and Administration, MOE's directors for relevant directorates, MRRD's Deputy Minister for Programs, MRRD's Director General for the CCAP, as well as MRRD's relevant directorates, with such mandate, resources, and terms of reference as acceptable to the Association, to be responsible for, inter alia, overall guidance and oversight of the Project including monitoring progress towards achievement of the DLRs and assisting in producing internal reports on DLR achievement to be submitted for verification in accordance with the Verification Protocols.
2. The Recipient, through MoE, shall:
 - (a) maintain, throughout the period of implementation of the Project, the National Education Plan Steering Committee, chaired by MoE, with mandate, composition, resources, and terms of reference acceptable to the Association, to be responsible for overall Project oversight, policy guidance and inter-agency coordination of the Project;
 - (b) appoint a focal point within MoE, with qualifications, mandate and terms of reference acceptable to the Association, to be responsible for day-to-day operations of the Project, including coordinating with MRRD regarding the implementation of its respective parts of the Project. In carrying out his/her functions, such focal point shall report to MoE's Deputy Minister for General Education; and
 - (c) employ, by no later than three (3) months after the Effective Date, a qualified and experienced consultant, with qualifications and under terms of reference satisfactory to the Association, to support MOE in contract management and administration.
3. The Recipient, through MRRD, shall:
 - (a) maintain, throughout Project implementation, the General Directorate for the Citizens' Charter, adequately staffed with professional and administrative staff with the necessary experience and qualifications acceptable to the Association, and operating under terms of reference satisfactory to the Association, to fulfil its responsibilities under this Agreement; and



- (b) employ, by not later than three (3) months after the Effective Date: (i) two (2) qualified and experienced consultants, with qualifications and under terms of reference satisfactory to the Association, to support capacity building of MRRD's relevant staff in issues related to internal audit; (ii) two (2) qualified and experienced consultants, with qualifications and under terms of reference satisfactory to the Association, to support MRRD in financial management issues; and (iii) qualified and experienced technical staff, with qualifications and under terms of reference satisfactory to the Association, to support MRRD in completing the school construction.
- 4. To facilitate efficient implementation of the Project at the provincial level, the Recipient shall, through MOE and MRRD, establish, by not later than two months after the Effective Date, and thereafter maintain at all times during the implementation of the Project, the Provincial Coordination Committees (one per province covered by the Project), co-chaired by the Provincial Education Director and CCAP's Provincial Manager, with mandate, composition, resources, and terms of reference acceptable to the Association, to be responsible for overall coordination and guidance of the Project at the provincial level, including coordination between PEDs, DEDs, and CCAP's provincial and district offices with respect to activities under Part 1(a)(i) and (ii) of the Project.
- 5. The Recipient shall, through MOF, recruit, by not later than six (6) months after the Effective Date, an independent third-party verification agency, with qualifications and experience satisfactory to the World Bank and operating under terms of reference acceptable to the World Bank, to review and evaluate the achievement of the DLRs and verify fulfillment of disbursement conditions.
- 6. The Recipient shall, through MoE, prepare and adopt, by not later than three (3) months after the Effective Date, a Project Procedure Manual, in form and substance satisfactory to the Association, which shall include, as annexes, a Procurement Manual, an Engineering Manual, and a Construction Plan for Part 1(a) of the Project prepared by MRRD, a Procurement Plan for all the remaining Parts of the Project other than Part 1(a), as well as a School Grants Manual for Part 1(b) of the Project, setting forth the procedures governing the operation of the Project, including, inter alia: (i) detailed monitoring and evaluation protocols; (ii) the specific roles and responsibilities of the MoE and the MRRD and other entities participating in the implementation of the Project, and arrangements for ensuring coordination among them; (iii) the list of schools supported under the Project; (iv) procurement arrangements for the Project; (v) reporting requirements; and (vi) such other technical and organization arrangements and procedures as may be required for the Project.
- 7. The Recipient shall, through MoE and MRRD, carry out the Project in accordance with the principles and practices set forth in the Financial Management Manual and the Project Procedure Manual, including its respective annexes in accordance with paragraph six (6) of this section.
- 8. The Recipient shall not, amend, abrogate or waive the Financial Management Manual and the Project Procedure Manual, including any of its annexes, or any provisions thereof. Without prejudice to the foregoing, if any provisions of the Financial Management Manual and the Project Procedure Manual, including its annexes, are inconsistent with this Agreement, the provisions of this Agreement shall prevail.



Conditions

- (a) A memorandum of understanding has been signed by and between MRRD and MOE, setting out the roles and responsibilities of MoE and MRRD with respect to activities under Part 1 (a) of the Project; and
- (b) An addendum to the memorandum of understanding (“MOU”) between MRRD, MOF and Da Afghanistan Bank has been agreed upon by and between parties of said MOU, mandating opening of community accounts for activities under Part 1(a)(i) and (ii) of the Project.
- (c) The Co-financing Deadline for the effectiveness of the Co-financing Agreement is June 30, 2019.
- (d) The Effectiveness deadline is the date ninety (90) days after the date of this Agreement.

AFGHANISTAN
EQRA

TABLE OF CONTENTS

I. STRATEGIC CONTEXT	1
A. Country Context	1
B. Sectoral and Institutional Context	2
C. Higher Level Objectives to which the Project Contributes	6
II. PROJECT DEVELOPMENT OBJECTIVE	8
A. PDO.....	8
B. Project Beneficiaries.....	8
C. PDO-Level Results Indicators.....	8
III. PROJECT DESCRIPTION	9
B. Project Cost and Financing.....	19
C. Lessons Learned and Reflected in the Project Design	20
IV. IMPLEMENTATION	25
A. Institutional and Implementation Arrangements	25
B. Results Monitoring and Evaluation	25
C. Sustainability	26
D. Role of Partners.....	26
V. KEY RISKS	27
A. Overall Risk Rating and Explanation of Key Risks.....	27
VI. APPRAISAL SUMMARY	30
A. Economic and Financial Analysis.....	30
B. Technical.....	32
C. Financial Management.....	33
D. Procurement	33
E. Social (including Safeguards).....	34
F. Environment (including Safeguards)	35
G. World Bank Grievance Redress.....	36
VII. RESULTS FRAMEWORK AND MONITORING	37
ANNEX 1: GOVERNMENT’S PROGRAM AND JUSTIFICATION FOR SELECTION OF DLIS	72

ANNEX 2: IMPLEMENTATION ARRANGEMENTS	77
ANNEX 3: IMPLEMENTATION SUPPORT PLAN	102
ANNEX 4: SELECTION PRINCIPLES AND METHODOLOGY FOR COMPONENT 1	106
ANNEX 5: PROJECT COSTING	108
ANNEX 6: FRAUD AND CORRUPTION: RISK AND MITIGATION MEASURES	109



I. STRATEGIC CONTEXT

A. Country Context

1. **Despite notable progress in rebuilding the economy, strengthening institutions, and restoring infrastructure and basic services, Afghanistan faces tremendous challenges today.** Afghanistan has relatively successfully managed the immediate challenges resulting from the political transition post-election of 2014. The country has maintained macroeconomic stability and established the conditions for a slow recovery of the economy. Risks to the economy remain significant, however, and withdrawal of international security forces starting 2011, coupled with political uncertainties and declining aid, have resulted in deceleration of economic growth, while fiscal pressures increase as security threats mount. The latest numbers from the Afghanistan Living Conditions Survey (ALCS)¹ released by the National Statistics and Information Authority (NSIA) (previously the Central Statistics Organization) show that poverty in Afghanistan has increased from 38.3% in 2012-13 to 54.5 percent in 2016-17.² With the population continuing to grow more than 3 percent a year, per capita GDP fell during the same period from US\$ 669 to US\$ 551, making it one of the poorest countries in the world. At the same time, private sector growth has fallen 9.4% in the period 2003-2012 to only 2.1% between 2013 and 2016. Private sector development and diversification is constrained by political instability, weak institutions, inadequate infrastructure, widespread corruption, and a difficult business environment (Afghanistan was ranked 183rd of 190 countries in the 2018 Doing Business Survey and 177 out of 180 in Transparency International's 2017 Corruption Perception Index)³. With a fresh election cycle approaching in 2018-19, it is vital that the GoA focuses on private sector led growth and revitalization of the economy to fill up the void emerging from declining donor inflows.

2. **With an undiversified productive base, the economy relies heavily on foreign aid and public expenditure.** The private sector is extremely underdeveloped, with employment concentrated in low-productivity agriculture. Since 2001, investment has been focused around the aid-driven contract economy. Private sector development is constrained by weak institutions, inadequate infrastructure, widespread corruption,⁴ and a difficult business environment.⁵ Public expenditure constitutes 25.6 percent of GDP; however, foreign grants currently finance more than two-thirds of budget expenditure and substantial off-budget security needs. A large trade deficit, of around 38 percent of GDP in 2016, is also financed almost entirely by aid inflows. With aid expected to decline from around 46 percent of GDP in 2017 to 20 percent of GDP by 2030, and in the context of a rapidly growing population, new sources of growth, employment, revenues, and exports are desperately needed, as are savings from improved management of public expenditure.

3. **The strategic vision of the Government is outlined in the approved Afghanistan National Peace and Development Framework (ANPDF) (October 2016).** The main instruments for implementation of the

¹ Source: ALCS 2016-17; available at https://cso-of-afghanistan.shinyapps.io/ALCS_Dashboard

² This is measured against a national poverty line of 2,064 AFN per person per month – approx. \$1 a day in current exchange rate terms.

³ Sources: www.doingbusiness.org/rankings and www.transparency.org/cpi

⁴ Afghanistan was ranked 177th of 180 countries according to the 2017 Corruption Perception Index.

⁵ Afghanistan was ranked 183rd of 190 countries in the 2017 Doing Business Survey



strategy are the national budget and National Priority Programs (NPPs)⁶. The ANPDF recognizes that without peace, the prospects for growth in the short run are uncertain. It lays out the main development priorities as:

- (a) Improving governance and state effectiveness through public sector reform, rooting out corruption, and strengthening subnational governance;
- (b) Building social capital and nation building through reforming the justice sector and building national identity;
- (c) Economic growth and job creation through a comprehensive agriculture development program, private sector-led development program, mineral and resource development, and energy and infrastructure development, and through promotion of regional integration, improving human resource skills, and urban development; and
- (d) Poverty reduction and social inclusion through the Citizens' Charter program (with attention to improving the quality of health and education programs), women's empowerment (implementation of a National Gender Strategy, the National Action Plan 1325, and the NPP for Women's Economic Empowerment), and social protection measures (that is 'Jobs for Peace' Program).

B. Sectoral and Institutional Context

4. **Afghanistan has made great strides in access to general education but a large number of out-of-school children remains a grave concern.** In 2017, more than 8 million youth and children were enrolled in general education schools, representing a nine-fold growth since 2001. The bulk of these students (around 6.1 million) were at the primary level, 1.8 million at the lower secondary, and another 977,000 at the higher secondary level. However, the data quality is disputed because the enrollment rates do not present a full picture because many children are officially enrolled but not attending school—called 'permanently absent' students partly because schools continue to keep children on their records up to 3 years even if they do not attend regularly or have dropped out. The difference between enrollment and attendance represents more than 30 percent, necessitating a shift in focus toward attendance as opposed to enrollment.

5. **Improvement in enrollment from 0.8 million in 2002 to over 8 million in 2017 is a remarkable achievement but substantial disparity among provinces remains a grave concern.** There are 8 provinces: Urozgan, Zabul, Paktika, Wardak, Logar, Badghis, Khost, and Nooristan where over 70 percent of school-age girls are not attending school. In terms of overall number of out-of-school girls, Herat, Kabul, Nangarhar, Kandahar, Helmand, Ghazni, Kunduz, Balkh, and Faryab are the 9 provinces where more than

⁶ The NPPs comprise Security (Peace and Reintegration); Human Resource Development (Skills Development and Labor, Education for All, Higher Education, Women Affairs, and Capacity Building for Health); Infrastructure Development (National Regional Resource Corridor, Extractive Industries, National Energy Program, and Urban Development); Private Sector Development (Trade Facilitation and Small and Medium Enterprises and E-Afghanistan); Agriculture and Rural Development (Water and Natural Resource Management, Comprehensive Agriculture, Rural Access, and Strengthening Local Institutions); and Governance (Economic and Financial Reform, Transparency and Accountability, Efficient and Effective Government, Local Governance, Justice for All, and Human Rights).



half of the out-of-school girls reside. It is therefore important that the Ministry of Education (MoE) focuses on improving access to general education especially for girls in these lagging provinces.

6. **The attendance rate of school-age girls is even more alarming.** At the lower secondary level, boys are 1.5 times more likely to attend middle school compared to girls. At the upper secondary level, boys' access is twice the rate of girls' gross enrollment (MoE Education Management Information System [EMIS]). The top three reasons for girls not attending schools, according to the Afghanistan Living Conditions Survey (ALCS) 2014 survey, are (a) security concerns, (b) family not allowing them, and (c) no school or school is too far. The urban-rural breakdown of the data shows that lack of schooling is primarily a rural problem. Family decisions for not allowing girls to attend the school can be also influenced by the third reason.

7. **Expansion of existing schools through additional classrooms and construction of schools have contributed to the positive growth in the sector, yet half of all the schools lack buildings; others do not have surrounding boundary walls, which are essential for security reasons.** Half of the student population in Afghanistan is being taught under tents or in open air, which severely hampers student learning when inclement weather conditions prevent students from attending schools. The need for school buildings is also high in Kabul Province, where over a third of schools run two or more shifts. Thirty percent of those schools run triple shifts, significantly reducing the instructional time for each group and causing rapid wear and tear of the school facilities (MoE data).

Figure 1. Students Studying under Tents or in an Open Space



Source: Education team field visits: first picture - Kabul Province; second picture – Mazar-i-Sharif, Balkh Province (May 2016).

8. **Community-Based Education (CBE), referring to a practice of educating students in private spaces, is an important means of education, especially for girls not only in conflict-affected areas but also in sparsely populated areas and in locations where the distance to the nearest school is more than 3 km.** Nongovernmental organizations (NGOs) play a large role in monitoring and ensuring accurate reporting on the activities of CBE. The challenge of coordination remains between several nongovernmental agencies that are financed principally off-budget and the MoE in instituting a harmonized approach of delivering education through CBE. A revised policy has been approved, and



proposes guidelines to improve the sustainability of CBE, improve coordination at the national and subnational levels, and establish minimum quality standards.⁷

9. **Education quality outcomes remain abysmally low partly because of low capabilities of teachers.** Even though over 100,000 teacher trainees have been graduating from Teacher Training Colleges (TTCs) over the past 6 years, the teacher force in Afghanistan remains generally underqualified. The MoE estimates that half of general education teachers do not meet minimum qualification requirements of a two-year post-secondary degree (also referred to as Grade 14). Of the 180,000 general education teachers in the system, almost 40 percent are not considered to be qualified and only a third of them are female. However, learning outcomes for children taught by qualified teachers are not discernibly better than those taught by underqualified teachers. As such, the quality of teaching irrespective of qualifications seems to be the root issue. Second, the distribution of teachers is uneven across regions and is not correlated with the number of students or school-age population, which has resulted in inconsistent student-teacher ratios across regions in the country.

10. **Lack of a thoroughly assessed and relevant curriculum and standard learning assessment affects learning outcome.** Afghanistan does not yet have a system of standards against which to benchmark student performance. The curriculum also plays a key role in national reintegration and peace building and has been highlighted as a critical foundation for a strengthened sense of national identity (ANPDF, 2016). The current curriculum is ‘overloaded’. Students in Grades 1–3 study 8 subjects and those in Grades 4–6 have 11 subjects. The instructional materials are not always level-appropriate and do not have sufficient focus on foundational subjects such as reading and writing, and important subject areas such as health education and psychosocial counselling have not featured in the curriculum (United Nations Educational, Scientific, and Cultural Organization [UNESCO] Curriculum Proposal).

11. **Lack of investment in the early years is a missed opportunity as students do not start formal school until age 7 years.** Only 1 percent of children ages 36–59 months attend preschool in Afghanistan (Multiple Indicator Cluster Survey 2012). Preschool enrollment is eight times higher in urban areas than in rural areas. Only 2 percent of children ages 0–59 months live in households where at least three children’s books are present. The proportion of children with 10 or more books is almost 0 percent. Early childhood education (ECE) in Afghanistan is nascent and its provision consists of fragmented efforts by the Ministry of Labor, Social Affairs, Martyrs, and Disabled (MoLSAMD), MoE, and NGOs.

12. **From an institutional perspective, centrally managed education policies leave little room for Provincial Education Directorates (PEDs) to innovate or to adapt to the diverse range of local contexts.** The relationship between PEDs and the central MoE is complicated by a number of factors, including PEDs’ need to comply with the reporting and other requirements of the Provincial Governor’s Office and provincial council members. Clear lines of accountability are not in place. Intra-PED coordination across programs is inadequate, inhibiting the ability of both the MoE and provincial-level authorities to effectively manage PEDs. There is little monitoring of PEDs by the central level, and most information reported is not verified.

13. **The MoE has been hamstrung by an oversize mandate and critical capacity constraints.** The MoE staff constitute 68 percent of the total civil service, with a mandate ranging from general, vocational, and Islamic education to adult literacy and training of teachers. Cumbersome internal processes, lack of

⁷ Ministry of Education. 2017. *CBE Policy and Guidelines*.



interdepartmental coordination, and limited public financial management capacity all hamper the timely delivery of services and execution of civil works. Furthermore, regulations and guidelines are not enforced consistently, and there is significant divergence between policy and practice in key functions at all levels of the service delivery chain.

14. **Continuing reliance on externally funded technical assistance (TA) remains a concern not only from a sustainability perspective but also its adverse impact on capacity of the permanent civil servants and regular structures.** The MoE currently has 1,208 national technical assistants. The UNESCO-financed TA study reported that the recruitment of donor-funded TA to support the MoE led to several unsustainable parallel structures. The TA raised the short-term capacity of the MoE but paid less attention to medium- and long-term institutional, operational, and individual capacity development.⁸

15. **Corrupt practices have worsened the condition of the education sector.** Corruption, including patronage, favoritism, abuse, and theft, is perceived to be widespread in Afghanistan's public sector. In the last decade, Afghanistan was consistently ranked in the bottom ten countries of the global corruption perception index. The education sector is no exception and the Afghans perceive the sector, particularly the MoE, as severely prone to corrupt practices. Persistent stories of ghost teachers, students, and schools as well as the buying and selling of teacher positions have significantly eroded trust in the sector. Recent reports and surveys on the vulnerability to corruption and girls' education indicate critical governance challenges that range from teacher management to corrupt practices in the recruitment of teachers and systematic failures to prioritize girls' education.⁹ Similarly, lack of a rigorous and transparent system for allocation and delivery of resources such as provincial budgets, teaching positions, and educational materials (for example, primarily textbooks) to schools is among other key constraints that continue to negatively affect the intended outcomes of investments in the sector.

16. **Afghanistan's deteriorating security situation affects supply and demand of the education services but a closer look reveals that the impact is rather complex.** Lack of the Government's regular presence in large parts of the country makes equitable delivery of education a challenge and constrains the MoE's ability to monitor and evaluate education progress and program outcomes in these areas. However, a report commissioned by the World Bank in 2012,¹⁰ further confirmed in a provincial consultation workshop held in August 2017, indicates that within insecure provinces, there are unstable districts where at least boys' schools do operate. In Panjwai and Zhari for instance—both highly volatile districts with a high security incidence and violence rate in Kandahar—several boys' schools are open. Similarly, in Janikhel District in Paktia, the Taliban have a strong presence, yet a large number of boys attend school. Then, there are districts within these provinces that are relatively safe—Dehrawud District in Uruzgan and Nesh District in Kandahar where schools do exist but most parents do not send their children to school. In several districts that are in the relatively safe northern provinces in Afghanistan, access to school is affected by social, cultural, and religious beliefs.

⁸ The MoE Capacity Building for Results (CBR) proposal 2016. The total recruitment envisaged under the CBR amounts to 1,012 positions of which 755 would be at the subnational level.

⁹ Independent Joint Anti-Corruption Monitoring and Evaluation Committee report from 2017, Human Rights Watch Report on Girls' Access to Education (2017) and the Service Delivery Indicator Survey conducted by the World Bank provide new evidence on the status of governance issues in the MoE.



C. Higher Level Objectives to which the Project Contributes

17. **The proposed objectives of the EQRA¹¹ project are consistent with the World Bank Group Afghanistan Country Partnership Framework (CPF) for FY17 to FY20¹².** The project is aligned with Objective 3.1 on improved human development, which aims to support improved access to quality education. The intended education outcomes by the end of the CPF period are improved primary school completion rates, a halt to the slide in ratio of girls to boys attending primary schools, and an improvement in the quality of graduates.

18. **EQRA builds on experiences from the World Bank's previous engagements in the sector, primarily the First and Second Education Quality Improvement Programs (EQUIP I and II).** Both EQUIP I and II were national programs and focused on increasing access to basic education, Grades 1 to 12. Major interventions under the programs were school construction, quality enhancement grants for schools, training of in-service and pre-service teachers, social mobilization, strengthening the EMIS and pioneering pilots such as conducting learning assessments to inform future policy dialogues in the sector. The needs of the sector are tremendous, both in terms of access to and quality of basic education services nationally, but it is also imperative to realize the stark inequities among the different provinces, particularly in female participation in schools. Tracking retention of students, especially girls is extremely important for ensuring equitable access to quality basic education. Based on lessons learned from the implementation of both generations of EQUIP, EQRA will: (a) focus on the 17 most lagging provinces in terms of girls' attendance in schools; (b) direct the system toward tracking and rewarding retention of students, especially girls, by tracking attendance of students as opposed to enrollment (the difference between actual attendance and enrollment is estimated between 30 percent and 35 percent); and (c) focus on strengthening the governance of general education to improve the service delivery transparently and strengthen accountability, an area which was not supported systematically under the previous operations.

19. **The operational context within the MoE has also significantly changed since EQUIP II.** Two of the major implementation bottlenecks recognized under EQUIP II were poor oversight of construction and low capacity in the procurement and contract management departments under the MoE. The responsibility of construction of rural schools has now been shifted to the Ministry of Rural Rehabilitation and Development (MRRD) and the Procurement Department is staffed with qualified staff who were recruited in a transparent and competitive way. Similarly, directors of PEDs have been freshly recruited through the World Bank-supported Capacity Building for Results (CBR) Project. These changes offer an opportunity for successful implementation of EQRA.

20. **The Government of Afghanistan (GoA), under the leadership of the MoE, has prepared the third National Education Plan¹³ (NESP III) for the years 2017-2021 as a long-term vision of the sector.** NESP III has been prepared through many consultations with policy makers, education representatives, development partners (DPs), and government officials from other sectors. NESP III aims to prepare skilled and competent citizens through the education system and is anchored in the following three priority areas:

¹¹ EQRA means "read" in Arabic.

¹² FY2017–20, Country Partnership Framework (Report No. 108727-AF, Oct 2, 2016).

¹³ National education plan is formally known as the National Education Strategic Plan



- (a) **Quality and Relevance.** Ensuring that learners at all levels acquire the knowledge, skills, attitudes, and values needed to be productive, healthy, and responsible citizens prepared to contribute to the welfare of society and equipped for viable employment in the national and international labor market.
- (b) **Equitable Access.** Ensuring increased equitable and inclusive access to relevant, safe, and quality learning opportunities for children, youth, and adults in Afghanistan, especially women and girls.
- (c) **Efficient and Transparent Management.** Ensuring transparent, cost-effective, and efficient delivery of equitable quality education services at national and subnational levels.

21. Under the Equitable Access pillar, NESP III aims to improve equity through: (a) stronger planning and management at all administrative levels, (b) expanding CBE, (c) deploying additional female teachers, (d) establishing vocational training pathways, and (e) conducting literacy programs. The Quality and Relevance pillar aims to: (a) improve relevance of education through: (i) curriculum reform, (ii) provision of textbooks and learning materials, and (iii) use of information and communication technology (ICT); and (b) improve quality of learning by ensuring that: (i) teachers and educators are better qualified, certified, and deployed; (ii) schools are inclusive, safe, and conducive to learning; (iii) teachers receive support and are accountable; and (iv) a credible learning assessment system is developed. Finally, the Effective and Transparent Management pillar aims to strengthen the institutional framework through: (a) stronger standards and responsibilities; (b) partnerships with civil society, private sector, and donor partners; and (c) improved accountability and transparency in resource use through results-based resource allocation, stronger human resource management, and anticorruption measures.

22. **As part of NESP III preparation, a financial simulation model was developed and used as a tool for estimating resource requirements and planning financing arrangements.** The official Medium-Term Financing Framework was used as the main source of estimation of financial capacity. Over the NESP III period, the total allocation to the MoE is estimated at AFN 236.4 billion (AFN 150.4 billion is for the operating budget and AFN 86 billion for the development budget including on-budget external financing such as EQRA). Projections for off-budget grants amount to AFN 68.8 billion. This results in a financing gap of 15 percent of the total allocation (national and international).

23. **EQRA will support a subset of selected NESP III activities focusing on critical system-level reforms required to achieve the results outlined in the plan.** EQRA will be financed jointly by the Afghanistan Reconstruction Trust Fund (ARTF), International Development Association (IDA), and Global Partnership for Education (GPE) through grants totaling US\$298 million. EQRA is the largest on-budget support that is provided to the sector.

24. **EQRA also supports five global-level objectives for GPE financing:** (a) strengthening education sector planning and policy implementation; (b) supporting mutual accountability through effective policy dialogue and monitoring; (c) ensuring efficient and effective delivery of grant support (support achievements in sector plan-level targets for equity, efficiency, and learning); (d) better financing through grants aligned with national systems; and (e) building a stronger partnership (joint policy dialogue).



II. PROJECT DEVELOPMENT OBJECTIVE

A. PDO

25. The Project Development Objectives (PDO) are ‘to increase equitable access to primary and secondary education, particularly for girls, in selected lagging provinces,¹⁴ and to improve learning conditions in Afghanistan.’ The project introduces a shift from monitoring only enrollment of students (which also include permanently absent students) to focusing on bringing children into school and their attendance.

B. Project Beneficiaries

26. The primary beneficiaries will be the students in general education (including public schools and CBE); out-of-school children in lagging provinces (never enrolled or dropped out); and teachers, principals, and the MoE staff. The system-level improvements in management will benefit all existing students as well as the out-of-school children who will be brought into school. Thus, the project is expected to benefit a total of approximately 7 million children (children who are attending school regularly) from direct project interventions, over the five-year implementation period.¹⁵

27. The numbers and percentages of out-of-school children are calculated for each province using ALCS 2016 data, which is representative at the national and provincial levels. Seventeen project target provinces were identified. This includes nine provinces chosen as those with the highest numbers of out-of-school girls (Herat, Kabul, Nangarhar, Kandahar, Helmand, Ghazni, Kunduz, Balkh, Faryab), and eight provinces with the highest percentages of out-of-school girls (Urozgan, Zabul, Paktika, Wardak, Logar, Badghis, Khost, and Nooristan). The targeting and method of selection is outlined in Annex 4.

C. PDO-Level Results Indicators

Increase equitable access to general education in selected lagging provinces, especially for girls

- Students attending school regularly in selected provinces, by province and gender. In practice this means students attending Grades 1–12 (who meet the requirements to participate in end-of-year exam that is, attending 75 percent of the academic year).
- Out-of-school children in selected provinces, by gender

Improve learning conditions

- Teachers meeting subject-specific qualifications

¹⁴ Lagging provinces have been identified based on 2016 ALCS as provinces with the highest proportion and the largest number of out-of-school girls (>70 percent).

¹⁵ Based on the FY 1395 (2016) EMIS data, there are approximately 6.4 million students who attended school regularly and therefore qualified to participate in the end of year exam. The project seeks to increase this number by bringing in approximately 700,000 additional students.



III. PROJECT DESCRIPTION

A. Project Components

28. **EQRA will use an Investment Project Financing (IPF) instrument, consisting of four components with Components 2 and 3 following a results-based modality.** Components 1 and 4 will follow a traditional IPF approach. Component 1 will include select disbursement conditions. For Components 2 and 3, disbursements will be made against an Eligible Expenditure Program (EEP) upon achievement of pre-specified results as measured by Disbursement Linked Indicators (DLIs).

The four components of the Project are¹⁶:

Component 1: Equitable Access to Basic Education

29. Improving school infrastructure in rural areas in selected provinces through: (i) construction of new school buildings; (ii) provision of Missing Essential Elements for rehabilitation of existing school buildings; and (iii) strengthening MRRD's capacity, including with respect to school construction under sub-paragraphs (i) and (ii) above.

30. Providing School Grants to eligible schools to finance, inter alia: (i) school supplies; (ii) access to hygienic products for girls; (iii) transport facilities for female students and female teachers; (iv) bridge courses; and (v) O&M expenditures.

31. Supporting CBE through: (i) strengthening MOE's capacity to develop an implementation plan for the CBE Policy; and (ii) expanding CBE classes in selected provinces.

Component 2: Improving Learning Conditions

32. Supporting subject knowledge training of teachers of selected grades and developing standardized examination for TTCs.

33. Supporting a pilot program, including its evaluation, to strengthen: (i) coaching and training of teachers; and (ii) classroom observation.

34. Supporting: (i) development of new curriculum and relevant learning materials for schools; and (ii) delivery of textbooks from PEDs to schools.

Component 3: Strengthening Education Sector Planning Capacity and Transparency

35. Improving EMIS via: (i) refining datasets; (ii) integrating fragmented systems, and; (iii) strengthening data verification processes through: (A) monitoring of data reported in EMIS with respect to CBE; (B) conducting monthly phone surveys for schools; (C) conducting physical verification of data among a random sample of schools; and (D) data comparison with Citizen Scorecards.

¹⁶ In the Legal Agreement, the components are referred to as parts"



36. Improving teacher recruitment and management via: (i) establishing a personnel database; and (ii) supporting MOE in clarifying and communicating relevant regulations, policies, guidelines, norms, and targets

37. Improving budget planning and introducing results-based reporting via: (i) developing norms for the annual O&M budget allocation for provinces; and (ii) introducing a basic performance management system for PEDs and DEDs.

Component 4: Technical Assistance

38. Supporting: (i) technical assistance to strengthen MOE's capacity; (ii) a pilot of early childhood education; and (iii) third party verification.

Component 1: Equitable Access to Basic Education (US\$190 million)

39. **Component 1 aims to increase access to basic education, especially for girls in selected lagging provinces.** To ease some of the constraints that limit school participation and regular attendance in Afghanistan—including deteriorating security, cultural norms that undervalue education, opportunity costs to attending school, distance to school, lack of gender-segregated latrines, and lack of female teachers—this component will expand access through three interventions (a) improving school infrastructure in rural areas in selected provinces through: (i) constructing new school buildings; (ii) providing missing essential elements such as (such as missing classrooms, boundary walls, water points, and latrines of a school building); and (iii) strengthening MRRD's capacity with respect to school construction, which will fall under the responsibility of the MRRD; (b) providing school grants to eligible schools; and (c) supporting CBE through: (i) strengthening the MoE's capacity to develop an implementation plan for the CBE Policy and (ii) expanding CBE classes in selected provinces, which will be managed by the MoE.

40. Extra efforts at all levels of the education system including national, subnational, and school are needed to attract and retain school-age children, especially girls, who are currently out of the system. The education system needs to innovate, reform, and strengthen the planning and management processes and incentivize authorities at different levels to pursue the same goal. EQRA will support financing of immediate, medium, and longer-term measures to achieve this goal. In the immediate term, provision of school grants to address small-scale needs of schools in the 17 provinces will be made in two sequences to all eligible schools. Establishing a safer learning environment through building, expanding, and rehabilitating existing school infrastructure, social mobilization and awareness programs will also play a key role in attracting and retaining new students into the system as medium-term measures.

Subcomponent 1.1: Improving School Infrastructure (US\$175 million)

41. **Across Afghanistan, almost half of schools operate without permanent buildings.** The experience from EQUIP II has shown that besides absence of female teachers, parents are reluctant to send their girls to schools that lack boundary walls and adequate sanitation facilities. With priority given to girls-only and mixed schools, this subcomponent will: (a) construct new school buildings and additional classrooms to upgrade temporary structures (such as tents and outdoor classrooms) to permanent physical structures; and (b) provide missing essential elements (such as missing classrooms, boundary walls, water points, and latrines of a school building). Compact fluorescent lamps will be used in an effort



toward climate change mitigation. All schools will be accessible to students and persons with physical disabilities.

42. The mandate for school construction has recently been shifted from the MoE to the MRRD for schools in rural areas and to the Ministry of Urban Development and Housing for schools in urban areas. EQRA will focus on construction of schools in rural areas which will be implemented by the MRRD by involving the Community Development Councils (CDCs) supported by its engineers and technical staff. The modality uses locally available materials and local labor or contractors. In support of the GoA's initiative to provide physical structures for schools currently operating in open areas or under tents, the project will prioritize constructing buildings for girls', mixed, and then boys' schools. Construction of missing items in existing schools will also be supported under the project and prioritized in the same order as construction of school buildings. To improve transparency in the selection of school sites, EQRA will support the preparation of a school infrastructure policy under an ARTF financed Project Preparation Grant (PPG). It is expected that the policy will establish nationwide criteria to prioritize school construction in areas of the greatest need.

43. In the 17 selected provinces, there are 2,400 schools that operate without a permanent building, of which 1,946 are in rural areas and require up to 12 classrooms depending on the location. EQRA will support the construction of all these school buildings and associated items (boundary wall, latrines and water well) broken down as follows: 76 secondary girl schools, 142 mixed secondary schools, 990 primary girl schools, and 738 primary boy schools. Boundary walls, latrines and water points will be provided for all lower secondary and higher secondary girls and mixed schools, and latrines and water supply systems would be provided for all remaining schools.

44. This subcomponent will support: (a) the completion of 1,946 new school buildings (1,208 girls' and mixed schools and 738 boys schools) with necessary components such as additional classrooms, latrines, water supply systems for all schools, and boundary wall for girls' and mixed schools above primary level, and (b) missing essential elements such as missing classrooms, boundary walls, water points, and latrines of a school building, as needed for additional 700 schools that have a building but lack these elements in the 17 selected provinces. The breakdown of schools by province is included in Annex 2.

45. The capped amount of disbursements for this sub-component will be allocated in three sequences as follows: First amount of US\$ 75 million (US\$ 27 million from IDA, US\$ 27 million from ARTF and US\$ 21 million from GPE) upon effectiveness, second amount of US\$75 million (US\$ 27 million from IDA, US\$ 27 million from ARTF and US\$ 21 million from GPE) in early 2020¹⁷, and third amount of US\$25 million in early 2021; and falls under the responsibility of the MRRD after meeting the following conditions:

- (a) For the second amount (Disbursement Category 2) until and unless, to the satisfaction of the Association, the Recipient (MRRD) shall have, by December 31, 2020: (i) completed the construction of at least four hundred (400) schools; (ii) provided Missing Essential Elements to at least two hundred (200) existing schools; and (ii) furnished to the Association details of funds used and verified.

¹⁷ The years are indicative and the conditions are not timebound. The funding can be made available upon meeting the conditions.



- (b) For the third amount (Disbursement Category 3) until and unless, to the satisfaction of the Association, the Recipient (MRRD) shall have, by December 31, 2021: (i) completed the construction of at least a cumulative number of one thousand (1,000) schools; (ii) provided Missing Essential Elements to at least a cumulative number of five hundred (500) existing schools; and (iii) furnished to Association details funds used and verified and funds required for under-construction schools.

Subcomponent 1.2: Provision of School Grants to Eligible Schools for Improved Access and Retention (US\$5 million)

46. **This subcomponent will provide schools with financial resources, capacity building, and operational autonomy to undertake interventions to address local demand and supply-side constraints and will be implemented by the MoE.** The proposed School Grants Program (SGP) under EQRA will be a pilot introduced in all girls' schools in the targeted provinces, and provides a level of flexibility to schools to choose their intervention to increase student attendance according to the following agreed eligible expenditure categories.

47. To accommodate local-level variations in priorities, schools may choose any of the following eligible expenditure categories in any proportion they identify as necessary:

- (a) **School supplies**, including covering indirect costs of education such as school uniforms, stationery, and additional school-related expenses
- (b) **Access to female hygiene products for girls**
- (c) **Transport facilities** for female students and female teachers between homes and schools to ensure better access for students and teachers who are beyond a particular distance from the school¹⁸. Where necessary and preferred, the grants may be used for hiring a Mubasera¹⁹ to facilitate the female students' travel to schools.
- (d) **Bridge courses**²⁰
- (e) **Operations and maintenance (O&M) expenditures** to cover small repairs at the school level²¹

48. The Ministry of Finance (MoF) will allocate the amount to all girls' schools (approximately 1,200 schools) in the 17 provinces as described in the School Grants Manual, while the second sequence will be

¹⁸ Schools should take the lead in identifying common transport routes and ensure that transport service providers are locally selected to maximize trust and security for students and female teachers.

¹⁹ Mubasera is referred to a female community member selected by the community who collects female students from the community and take them to and back from the school, which has proved to be helpful in encouraging families to send their daughters to schools.

²⁰ Many children who were out of school and have been incentivized to (re)enter school may face additional challenges in learning, assimilating in the class, and reaching the same academic level as their peers who have already been in school. Addressing these challenges would require focused attention and schools may need to make provision for special tutoring, bridging, and remedial lessons for out-of-school children who are reentering school. The SGP may be used for making ad hoc appointments of contract teachers specifically for teaching bridge courses and conducting catch-up lessons.

²¹ This category should not exceed 50 percent of the overall grant allocation.



conditional upon individual schools demonstrating results in the following area: (a) successful utilization of the first grant with satisfactory financial reports as described in the School Grants Manual and, (b) a minimum 4 percent increase in the number of female students attending school across 50 percent of participating schools.

49. The financing of this sub-component will be allocated conditional upon achievement of specific outcomes. The capped amount of disbursements for Subcomponent 1.2 will be made available in two sequences as follows: First amount of US\$2.5 million (US\$ 1 million from IDA, US\$ 1 million from ARTF and US\$ 0.5 million from GPE) will be made available by effectiveness, and the second amount of US\$2.5 million (US\$ 1 million from IDA, US\$ 1 million from ARTF and US\$ 0.5 million from GPE) in early 2021; and falls under the responsibility of MoE subject to meeting the following condition:

- (a) Satisfactory implementation of school grants (grants are distributed and schools receive the money) and demonstrated increase of 4 percent in girls' attendance in 50 percent of schools which received the grant to make available the second sequence of school grants. The verification protocols will be described in the project's procedure manual.

Subcomponent 1.3: Supporting Community-Based Education (US\$10 million)

50. This subcomponent will support the expansion of CBE through on-budget support, to extend service delivery in remote locations and in emergency situations. The CBE²² model establishes classrooms in villages, usually in homes, reducing the distance students have to travel. Evidence from Afghanistan has shown that CBE can be an effective way to reach students who would otherwise not be able to access the nearest school due to conflict, cultural, and religious or social restrictions. In addition, learning outcomes for students in some CBE classes are greater than or equal to outcomes for students in public schools.²³

51. Most CBE classes are donor-funded and off-budget, overseen and monitored by NGOs. A policy laying out the guidelines for CBE has been approved in 2017 and builds on previous experiences of CBE implementation. The key challenge has been to: (a) harmonize the costs of service delivery among the various modalities while maintaining good standards, (b) ensure proper monitoring of CBE classes by the MoE, and (c) provide a smooth transition of CBE students to a hub school upon completion of CBE to ensure that students can complete a full schooling cycle. EQRA will support the establishment of harmonized standards to improving equity, cost-effectiveness, and scalability of CBE. The MoE's plan is to complete this phase by Year 2 of EQRA implementation and start actual expansion in Year 3. The target is to reach additional 33,000 students in underserved communities, identified as areas where there are no government schools within a specified distance of 3 km.²⁴ EQRA will support retention of this batch of 33,000 students during its implementation. The MoE will apply the new quality and cost standards to

²² CBE varies by donor and/or NGOs. Some CBE comprise 9 grades while others only provide 3 grades.

²³ Burde, Dana and Leigh L. Linden. 2013. "Bringing Education to Afghan Girls: A Randomized Controlled Trial of Village-Based Schools." *American Economic Journal: Applied Economics*, 5 (3): 27–40. Results from the World Bank's Systems Approach for Better Education Results - Service Delivery (SABER SD) in a sample of 30 CBE classes implemented by the MoE (financed by the first on-budget GPE grant) highlighted that CBE is a promising way to provide access and improve learning. However, due to the small size the sample is not statistically representative of all CBEs across the board.

²⁴ One potential incentive to enroll in primary school is whether there is a secondary school available to attend. Mukhopadhyay, Abhiroop and Soham Sahoo. 2012. "Does Access to Secondary Education Affect Primary Schooling? Evidence from India." IZA Discussion Paper No. 6507 finds that a "1 km reduction in distance to secondary school increases probability of primary enrollment by 0.074" in India.



these additional CBE schools. The costs associated with CBE expansion will comprise contract teachers, learning materials, and services (NGO contracting if this modality is selected by the MoE).

52. The capped amount of US\$10 million for Subcomponent 1.3 will be allocated in early 2021; and falls under the responsibility of the MoE subject to the meeting the following condition.

- (a) Satisfactory implementation of CBE policy to guide future expansion and ensure quality and cost standards. Specifically, this includes a CBE operating manual with: (i) a mapping of CBE needs and (ii) guidelines on a harmonized approach to content, institutional setup, teacher salaries, operating costs and data to be collected and reported. The verification protocols will be described in the project's procedure manual.

Component 2: Improving Learning Conditions (US\$35 million)

53. **Global and local evidence finds that variables related to teachers are most critical to student learning.** To strengthen the teaching and learning process, this component will focus on improving the capacity of teachers to deliver quality instructions in the classroom. The set of interventions consists of: (a) a requirement that teachers have subject knowledge in the subject they are teaching while strengthening and standardizing instruction at TTCs, (b) provision of classroom support and coaching to teachers in a pilot program, and (c) delivery of current textbooks to schools while developing a new curriculum with improved relevance.

Subcomponent 2.1: Supporting Subject Knowledge Training of Teachers of Selected Grades and Developing Standardized Examination for TTCs

54. **This subcomponent will improve standardization of teacher capabilities and quality assurance across the system.** First, teachers teaching above Grade 6 (lower and higher secondary education) will be required to only teach subjects for which they have subject qualifications. Reassignment of teachers within schools and, potentially within nearby schools, will remedy part of the problem. For the remaining teachers who do not have the knowledge of the subjects they are assigned to teach, TTCs will offer a one-year part-time subject training to existing teachers, ensuring minimum disruption to their teaching duties. To ensure uniform quality of TTC diplomas across the country, a Teacher Education Directorate (TED) will develop a harmonized competency-based exam to be administered at the end of TTC training in all TTCs for these subject-specific qualifications. More broadly, this subcomponent will address the large variation in the quality of instruction at TTCs where qualifications of the faculty members vary and many instructors are recent university graduates. TA, delivered under Component 4, will aim to simplify and improve the feasibility of the National Teacher Credentialing System under development, to ensure that it is more suited to the Afghan context. The costs associated with teacher training comprise incremental operating expenditures such as transport, learning materials, and teacher-college running costs. The share of teachers teaching subjects for which they have subject knowledge will be tracked as a PDO-level indicator.

Subcomponent 2.2: Supporting a Pilot Program Including its Evaluation to Strengthen: (i) Coaching and Training of Teachers; and (ii) Classroom Observations

55. **The objective of this subcomponent is to improve the quality of teaching for existing teachers through a pilot using classroom diagnostics with teacher observations, followed by the provision of**



coaching and capacity building. The aim is to improve the quality of teaching without displacing teachers from classrooms by using the World Bank's 'TEACH' classroom observation technique to strengthen the feedback loop for teachers, highlighting areas for improvement to further their professional development and providing coaching tailored to their needs. This will be used in 200 schools as a pilot. The use of the tool will be closely linked to the Department of Academic Supervision's existing teacher coaching scheme by academic supervisors. It will also seek to improve the capacity of school administrators such as heads of department and principals so that they can coach teachers on an ongoing basis.

56. **The existing teacher coaching scheme itself will be significantly strengthened in a pilot sample of 200 schools.** Teachers for Grades 3 to 6 will receive intensive instruction on using scripted lessons in teaching reading and mathematics (this involves providing lesson plans with a high degree of scripting, providing concrete steps for teachers), continually assess student performance, and receive frequent school-based pedagogic support and resource materials. Incorporated into this process will be training on subject content as well. The training will be conducted through a cluster-based and limited cascade model.²⁵ This training will be supplemented by school-level visits to support teachers at least once each month. In addition, school principals will receive training on how to support and coach teachers on an ongoing basis and create a conducive learning environment in the school. Though far from a magic bullet for learning in Afghan schools, the pilot takes a new approach that builds on global evidence on what works in teacher training and coaching, as well as proven successes in other conflict-affected countries.²⁶ This subcomponent links to DLI 1, which will track the average improvement in scores on the TEACH observation tool and performance in a basic content knowledge test by teachers in the pilot. The associated EEPs will be codes 22 and 25 from the discretionary and recurrent budget. The costs associated to EQRA comprise consultancies, training, materials, and supervision.

Subcomponent 2.3: Supporting: (i) Development of new Curriculum and Learning Materials for schools; and (ii) Delivery of Textbooks from PEDs to Schools

57. **This subcomponent will support distribution of the current set of textbooks to schools as well as the reform of the curriculum and development of new textbooks, teacher guides, and other instructional materials.** The curriculum reform comprises the review, revision, and development of national learning standards, the revision of the curriculum framework, development of formative and summative learning assessments, and the development of syllabi and instructional materials. Specifically, teacher guides for each subject will provide structured lesson plans that teachers of all levels can follow to make maximum use of class time. Component 4 will support capacity building of school leaders, academic supervisors, and teachers on the use of the new instructional materials. The revised curricular materials and associated capacity building including coaching will be expected to impact teacher practices in the classroom in the longer term.

58. Based on the newly proposed textbook distribution strategy, the vendor is responsible for the delivery of textbooks to PEDs and then it becomes the responsibility of the MoE, specifically the relevant PED, to deliver textbooks to the districts and then to the schools. The MoE will bear the financial burden

²⁵ International/consultant experts train the trainers in the capital, and then those trainers go out to the schools and train teachers. In other words, there is only one layer (the trainers) between the top experts and the teachers.

²⁶ See http://pdf.usaid.gov/pdf_docs/PDAGR618.pdf. USAID Liberia Plus: Program Evaluation Report. 2010. USAID, the Primary Math and Reading Initiative. Kenya Endline Impact Evaluation, 2014. <http://economics.mit.edu/files/5992>. Duflo, E, P. Dupas, and M. Kremer. 2010. *Peer Effects, Teacher Incentives, and the Impact of Tracking: Evidence from a Randomized Evaluation in Kenya*.



of transporting textbooks from PEDs to districts but beyond districts, the MoE will be using a combination of government-financed delivery depending on the accessibility of roads or will invite the communities (school shuras and representative of schools) to collect textbooks for their schools from their relevant District Education Directorate (DED). In districts covered under the Citizens' Charter Afghanistan Project (CCAP), the MoE and the MRRD will work together to deliver textbooks effectively while tapping each other's resources. EQRA's financing against DLI 2, which focuses on delivery of textbooks and development of new curriculum, will be released upon the verification of the textbooks at the school level. The associated EEPs will be codes 22 and 25 from the discretionary and recurrent budget. EQRA will support the costs of consultancies, incremental operating expenditures to cover textbook delivery, and consultation and training for the use of the next textbooks among the teaching force.

59. **The revised curricular materials and associated capacity building including coaching will be expected to have an impact on teacher practices in the classroom in the longer term.** The delivery of the current set of textbooks and development of the new curriculum will also be tracked through DLI 2. Capacity building of school leaders, academic supervisors, and teachers on the use of the new instructional materials is supported under Component 4.

Component 3: Strengthening Education Sector Planning Capacity and Transparency (US\$39 million)

60. **This component aims to strengthen planning and implementation capacity, coordination, and transparency of the MoE at both the central and subnational levels.** The findings of a recent subnational assessment of the education sector management (2015),²⁷ the MEC report on the MoE's vulnerability to corruption (2017),²⁸ Critical Administrative Constraints to Service Delivery in Afghanistan,²⁹ and Social Service Delivery in Violent Contexts³⁰ provide the evidence base for interventions under this component.

Subcomponent 3.1: Improving Education Management Information Systems (EMIS)

61. The MoE has made significant strides in developing and operationalizing an EMIS platform that collects, processes, and disseminates education data regularly. While the system covers administrative data such as demographic and school-level information for primary and secondary schools, verifiable and real-time information on the number, actual existence, and attendance of teachers, students, and administrative staff is a major sectoral issue.

62. The objective of this subcomponent is to: (a) refine the datasets that are critical for education planning and management including off-budget CBE, (b) integrate fragmented systems, and (c) strengthen its verification process. The MoE intends to automate and integrate the information systems for financial management (FM), Human resources, procurement, and payroll. The MoE is also introducing a system for tracking student attendance and strengthening its data management capacity at all levels (programs, departments, and de-concentrated levels). The data verification will be conducted in three steps: (a) conduct monthly phone surveys for schools (principal or community shura representative) to collect data on teacher and student attendance and the functionality of schools (by gender), (b) conduct physical verification of data reported on the EMIS among a random sample of schools (minimum of 5 percent) by

²⁷ Altai Consulting. 2015. *Education Sub-National Assessment: Strengthening Public Education Management*.

²⁸ Independent Joint Anti-Corruption Monitoring and Evaluation Committee. 2017. *Ministry-Wide Vulnerability Assessment to Corruption Assessment of the Ministry of Education*.

²⁹ World Bank. 2014. *Critical Administrative Constraints to Service Delivery. Afghanistan*

³⁰ World Bank. 2017. *SSD in Violent Contexts: Achieving Results against the Odds*.



comparing actual observations to the data collected with the previous month's phone survey and an annual school census, and (c) ensure proper monitoring of CBE classes by reporting the data on CBE in EMIS.

63. **EMIS information will be further refined through comparison and verification of data reported in citizen scorecards under the CCAP.** In districts covered under phase I, the CCAP will conduct an initial gap analysis on a broad set of indicators (for example, school construction, teacher qualifications, and teaching hours) from which two minimum service delivery standard indicators will be included in the biannual citizen scorecard. This information collected by CDCs will be shared with the EMIS team for comparison and to supplement each other. This dialogue would also allow CDCs to inform the Government about their needs and for the Government to report on progress. This comparison relies on the data gathering conducted by the CCAP. While the CCAP will support the citizen scorecards, EQRA will support the data collection through phone surveys and the verification of data under incremental operating expenditures and consultancies. This subcomponent links to DLI 3, which supports the improvement of EMIS data collection and the implementation of quality assurance procedures and the EEP codes 22 and 25 from the discretionary and recurrent budget costs associated with this subcomponent.

Subcomponent 3.2: Improving Teacher Recruitment and Management

64. **This subcomponent will buttress a transparent recruitment process for teachers and support the MoE to clarify and transparently communicate key policies, targets, norms, regulations, and guidelines regarding teachers to stakeholders and lower levels of the ministry's structure.** The new process will rely heavily on the use of technology at the application and examination phases adopting the previously tested Kankor examination methodology.³¹ Regulations would also be clarified regarding temporary contract teachers, overtime payment, and incentive schemes, which will include an emphasis on hiring female teachers. A teacher policy will be completed by the end of 2018 under DLI 4 on implementation of teacher policy and any new teacher recruitment done before the completion of the teacher policy would not count a DLI achievement.

65. **This subcomponent will introduce the establishment of a personnel database for the MoE's more than 270,000 tashkeel and contract teachers and administrative staff.** Each staff member of the MoE will have a unique number, a photograph and biometric data captured in the database. This database will have an interface with the payroll of the MoE to clean its records of ghost teachers. This subcomponent links to DLI 5, incentivizing the establishment of an integrated personnel registry and the EEP codes 22 and 25 from the discretionary and recurrent budget. Costs associated with this subcomponent include equipment and consultancy services.

Subcomponent 3.3: Improving Budget Planning and Introducing Results-based Reporting

66. **This subcomponent will improve annual planning and reporting through the NESP III operational plan, foster greater coordination and transparency of on-budget and off-budget resources,**

³¹ Kankor' is derived from the French 'concours' which translates to 'competition'. The Kankor exam translates to 'competitive exam'. The process entails that examinees will receive electronically generated randomized questionnaires, with multiple-choice response format and electronic scoring of results. Applicants sitting the exam will receive a unique examinee ID code that links their identity to their questionnaire and response sheet. This will significantly reduce the opportunity to cheat during the exam, leak exam answers before the exam, or manipulate exam scores afterwards.



and leverage better resource allocation and expenditures across the operating and development budgets. The annual Operational Planning and Reporting Framework will be prepared with TA from the World Bank. The TA provided under Component 4 will support the development of a simple procedural manual, codifying existing national annual planning, budgeting, and implementation processes that would lead to a holistic tool of resource allocation, including on-budget and off-budget resources.

67. **To improve budget planning, this subcomponent will support the introduction of a norm-based O&M budget allocation formula to provinces disaggregated at the DED level (DLI 6).**³² The formula will exclude the permanently absent students to focus only on students who regularly attend school and allocate a higher amount for girls attending school. In addition to bringing transparency and enabling the central MoE and the MoF to track its expenditures, it will also improve the use of the O&M budget by excluding the cost of permanently absent students and allowing related funds to be reallocated. The norms are intended to incentivize provinces and districts demonstrating higher outcomes on girls' attendance.

68. **This subcomponent will introduce a basic performance management system for PEDs and DEDs based on which their performance will be evaluated and peer-to-peer comparison made possible.** The system will have well-defined standards and basic quantitative and qualitative indicators that should be achieved annually such as timely submission of budget, regular transmission of EMIS data, submission of updated teacher data, tracking of teacher and student absenteeism, and timely delivery of school supplies and all instructional materials to the schools. This builds on the MoE's recent efforts to prepare individual school snapshots and will allow benchmarking of schools with district-level performance. DEDs will review performance of all schools in their districts and bring the poorest performing to the attention of PEDs for management action. Academic supervisors will be tasked to conduct spot checks three times per year in the schools under their purview to track real teacher and student attendance to feed into the results-based reports. Citizens through the facilitation of the CDCs in CCAP areas or school shuras in non-CCAP areas will be involved in monitoring some key indicators such as: (a) textbook delivery, (b) presence of teachers, (c) construction of classrooms, and (d) use of school grants. These would serve as an opportunity to cross-check the validity of the data reported on in the DED and PED results-based reports. The costs associated with the monitoring of the indicators in the CCAP districts will be supported under the CCAP. In the non-CCAP areas, EQRA will support the monitoring cost. This subcomponent links to DLI 7, which incentivizes the development of the NESP III operational plan and results reported and the EEP codes 22 and 25 from the discretionary and recurrent budget. The preparation of the annual operational plan for 2019 will be supported under the PPG.

Component 4: Technical Assistance (US\$34 million)

69. **Component 4 aims to strengthen the capacity of the MoE at the national and subnational levels to achieve results in priority areas, and more broadly, to manage the delivery of quality education services promoted under NESP III.** The TA will focus on strengthening essential functions within the MoE, which constitute either bottlenecks in service provision and management or represent high fiduciary risk. This component will also comprise a pilot of ECE. ECE is at a nascent stage in Afghanistan and would first need to be rigorously evaluated to inform future scale-up. The costs associated with the ECE comprise consultancies, training, and materials.

³² NESP III criteria: number of school-age children out-of-school, pupil-teacher ratio, teacher gender, student classroom ratio, and student textbook ratio.

70. **Given the issues with data verification in the past and EQRA's need for independent verification of DLI achievements, Component 4 will also support the costs of an external third-party verification agency.** The selection of an independent agency (or agencies) would be based on, among others, capabilities to carry out the verification processes, potential for a medium- to long-term engagement and capacity building in the government system, and the ability to act fully independently of the MoE and the MRRD. The responsibility for recruitment and managing the Third-Party Verification Agency (TPVA) will rest with the MOF.

Table 1. Component 4 Costing

Activity	Areas of Support	Costs
ECE pilot	ECE pilot in mosques and CBE/general education schools	US\$2 million
TA	Long term TA contracts: Curriculum reform and teacher coaching,	US\$24 million
	Short term TA contracts: Procurement, planning, budgeting, teacher management, and civil works	
	Training	
Third-party monitoring hired by MOF	Monitoring of results and verification of annual Disbursement-Linked Results (DLRs) and disbursement conditions.	US\$8 million

B. Project Cost and Financing

71. **The Project cost is \$298 million and this will be financed from IDA US\$100 million, ARTF US\$100 million and GPE US\$98 million. To support the PDO, Components 1 and 4 will follow the traditional IPF modality and Components 2 and 3 will use a results-based financing (RBF) modality, providing a stronger focus on accountability for outcomes and results, and incentivizing Government ownership of critical reforms and milestones in the education sector.** Under Components 2 and 3, the Government will need to demonstrate that spending against the agreed EEPs is at least equal to the DLI amount. The project will have two implementing agencies. The MRRD will be responsible for implementing the civil works program supported under Subcomponent 1.1 and the MoE will be responsible for all the other subcomponents.

72. **EEP.** The EEP for the project is defined as the expenditures under Components 2 and 3 of the project.³³ These EEPs are relevant for achieving the outputs in the DLI matrix and for achieving the PDO. Categories of expenditures in the EEP include goods and fixed assets and O&M and exclude personnel expenditures.

73. **DLIs.** The DLIs for EQRA are a subset of input/process, output, and outcome indicators from the Results Framework. These DLIs are aimed at improving key results for improving learning conditions and governance in the education sector. There are seven DLIs, which are described in detail in annex 1.

³³ Expenditure codes 21107, 21108, and 250



74. The IPF Components 1 and 4 will finance civil works, school grants, CBE expansion, essential advisory, technical, capacity building, and monitoring and evaluation (M&E) support including third-party monitoring to verify DLI achievement under Components 2 and 3 and achievement of disbursement conditions under component 1. The selection of the external TPVA will be completed within six months after project approval. Under Component 1, the funds will be disbursed in sequences. The disbursement conditions for each sequence are detailed in annex 2.

Table 2. Component Amounts

Project Components	Project Cost (US\$, millions)	IDA Financing	ARTF Trust Fund	GPE Trust Fund (expected by end of 2018)
Component 1 (IPF)	190	68.0	68.0	54
Component 2 (RBF)	35	9.5	9.5	16
Component 3 (RBF)	39	11.0	11.0	17
Component 4 (IPF)	34	11.5	11.5	11
Total project costs	298	100.0	100.0	98
Total financing required	298			

C. Lessons Learned and Reflected in the Project Design

75. Since 2002, the World Bank has supported the MoE through several operations. EQUIP II (2008–2017 with additional financing in 2012) was the largest program with a cumulative funding of US\$438 million. Table 3 details the lessons learned from previous operation in the sector.

Table 3. Lessons Learned from Previous Operation

Area	EQUIP II	EQRA
1. Implementation modality	Heavy reliance on TA with a separate coordination unit that also had implementation responsibility for certain subcomponents, leading to a parallel structure at the national and provincial levels. The TA program did not have any plan for transfer of capacity to Tashkeel staff.	Implementation and coordination responsibility will rest with the Deputy Ministry of General Education and Deputy Ministry of Administration and Finance with limited and targeted TA support. EQRA will focus on the professionalization of Tashkeel staff.
2. Financing modality	Standard IPF with strong focus on inputs and little flexibility for ensuring accountability for results. Incomplete schools, inadequate set of infrastructures for learning environments, and a silo approach to provision of inputs.	Mix of traditional IPF modality with DLI modality with strong focus on results and accountability and fostering better coordination between key stakeholders at the national and subnational levels.
3. Governance of education	Governance was not a major focus, leading to disconnects between various levels of the administrative structures. Most policies and programs were supply-driven and led by the	Component 3 focuses on major reforms in the governance of the sector:



Area	EQUIP II	EQRA
	<p>central MoE, with little empowerment of PEDs, DEDs, and schools in delivering services and responding to local needs.</p> <p>Duplication of M&E systems resulting in low-quality data collection and verification.</p>	<p>(a) Strengthening and streamlining of data and management information system (MIS) within the MoE</p> <p>(b) Improving teacher recruitment and management</p> <p>(c) Improving budget planning, reporting, and coordination at different levels.</p> <p>(d) Improving coordination between on-budget and off-budget spending in the sector.</p>
4. School construction	<p>Led by the MoE with certain issues recorded in the following areas:</p> <p>(a) Poor site selection</p> <p>(b) Typical building design not suitable to local conditions</p> <p>(c) Drawings and technical specifications not detailed enough and thus rendering M&E a difficult task</p> <p>(d) Success and failures in both types of contracting modality (community contracting and national competitive bidding [NCB])</p> <p>(e) Lack of a functioning construction supervision system</p> <p>(f) Delays in payment and M&E of each works project.</p>	<p>Led by the MRRD with support from TA provided in the following areas:</p> <p>(a) Review designs for a low-cost school model</p> <p>(b) Review and amend the site selection criteria including guidelines for topographical surveys and preparation of site-specific drawings</p> <p>(c) Review the cost estimation system and ensure that the cost estimates are made province-specific</p> <p>(d) The MoE to develop an infrastructure policy to ensure transparency in selection of school construction sites.</p> <p>(e) The MRRD would adjust its existing construction manual that it used under CCAP to suit the school construction to be undertaken in EQRA.</p> <p>The MoE and the MRRD would sign a Memorandum of Understanding (MoU) defining the roles of each of them.</p> <p>The experience gained by CDCs and school shuras implementing construction under the CCAP would be useful in EQRA.</p>
5. School grants	<p>More than 15,000 grants were provided to schools; however, these grants did not consider the specific needs of individual schools (the same package was provided to each school including science laboratories and a library). Furthermore, only schools with</p>	<p>The proposed SG pilot provides a level of flexibility to girls' schools to address the needs and priorities of individual communities, harnessing knowledge of the local context to</p>



Area	EQUIP II	EQRA
	existing buildings benefited from such grants, thus benefiting the better-off areas	identify the most appropriate interventions.
6. Quality of education	<p>EQUIP II's approach to improving quality heavily focused on pre-service and in-service teacher training. TTCs trained and graduated pre-service teachers more than the system could absorb, leading to an oversupply of trained teachers.</p> <p>In-service training was provided to all teachers and in some cases, teachers were trained in a completely different field than they were teaching</p> <p>Available evidence, though still limited, indicates continued low teaching quality despite the overall increase in the number of teachers meeting formal qualification standards</p>	<p>No pre-service training will be supported under EQRA.</p> <p>In-service training will be limited to teachers who require training in subject knowledge for the subject they are teaching, primarily for the secondary grades.</p> <p>In-classroom coaching of teachers will be piloted to inform better interventions in this area</p> <p>EQRA will support the reform of the curriculum and strengthen distribution mechanism of learning material to schools as key inputs to improving quality.</p>
7. Data quality	<p>Weaknesses in the quality, use, and reporting of sectoral and project-level data. Practices for regular and reliable monitoring of teacher presence, quality of teaching, quality and progress of construction work, and other similar activities were not well established.</p> <p>Each department in the MoE maintained a separate database and relied on inconsistent means of verification.</p> <p>Fragmented data collection and reporting mechanisms impeded efficient and on-time utilization of data for decision making.</p> <p>Weaknesses in data management affected other programs, such as CBE. The GPE project found that the flawed data management systems led to 'double-counting' CBE classes.</p>	<p>EQRA will support the MoE to move toward a more transparent and coordinated data reporting system and introduce tools to ensure data quality and reliability. In light of these constraints, the strengthening of the EMIS will directly address the issues of data management and use.</p>
8. Balance in strategies to bring in more girls to schools	<p>The EQUIP I Implementation Completion and Results Report concluded that supply and demand obstacles need to be addressed to increase girls' enrollments. To complement infrastructure investments, additional interventions are critical to overcome obstacles to girls' school enrollments.</p>	<p>EQRA strikes a balance between civil works, CBE, and demand-side financing strategies through the use of school grants, to bring in more girls to school and ensure regular attendance.</p>



Box 1. Key Findings from the Provincial Consultations

In August 2017, the task team invited provincial education directors from 24 provinces for a two-day workshop to discuss challenges in promoting education sector results, present lessons learned, propose solutions, as well as to reflect on the interventions proposed in EQRA. The five key topics aligned with the EQRA structure: (a) Security, (b) Access to Education (especially for girls), (c) Access to Education (General), (d) Education Quality, and (e) Education Management, were discussed and the provincial directors' advice was sought. The workshop confirmed our understanding and vetted the approach under EQRA as it revealed the following:

- **Security:** Across different provinces, insecurity affects education services in diverse ways such that in some areas, the adverse impacts were only limited to increasing the number of Islamic subjects, promoting female-only schools for girls with female teachers, while in other areas restriction on girls' participation in schools was severe.
- **Access:** Increasing female teacher recruitment, female-friendly infrastructure, successful social mobilization campaigns led by influential figures coupled with alternative paths to education such as CBE were considered as measures for increasing enrollment of girls in schools. The school grants pilot was appreciated because it provided some financial autonomy to schools and communities to tackle certain barriers unique to particular areas.
- **Education management:** PED delegates acknowledged that significant interference in the teacher recruitment process results in nepotism and the appointment of unqualified candidates. The current curriculum is difficult to implement due to the large number of subjects, in some subjects the content is not appropriate. Around half of all students do not have the complete set of textbooks. There is a lack of transparency in decision making. PEDs are not fully involved in the planning process and are generally unaware of how provincial budgets are allocated.

Moving forward, the workshop proposed amendment to the existing curriculum and more resources for textbook printing. To improve planning, PEDs stressed the necessity of accurate information, district annual planning, better planning infrastructure, and better coordination with the MoE. The workshop welcomed the idea of promoting transparency using new technologies (collecting biodata), and use of school management shuras to influence social accountability.

Local and Global Evidence about What Works

76. **Global evidence shows the potential of school infrastructure improvements to raise enrollment, especially for girls.³⁴ In Afghanistan, the provision of village-based schools (also called CBE) increased enrollment massively, effectively eliminating the gender gap in enrollment.³⁵** Even beyond building entire schools, building latrines—particularly gender-specific latrines—significantly increased enrollment of adolescent girls in India. However, school construction is not the only solution for keeping children in school. In Afghanistan, dropout and repetition rates increase especially beginning in Grade 3. Analysis of scores among Grade 6 students along various school characteristics show that availability of textbooks and strong monitoring of teachers make the greatest difference in keeping children in school and enhance their learning outcomes (ASCER 2014).³⁶

³⁴ Woolner, P., E. Hall, S. Higgins, C. McCaughey, and K. Wall. 2007. "A Sound Foundation? What We Know About the Impact of Environments on Learning and the Implications for Building Schools for the Future." *Oxford Review of Education* 33 (1): 47–70; Kazianga, H., D. Levy, L. L. Linden, and M. Sloan. 2012. *The Effects of "Girl-Friendly" Schools: Evidence from the BRIGHT School Construction Program in Burkina Faso* (No. w18115). National Bureau of Economic Research.

³⁵ Burde, Dana, and Leigh L. Linden. 2013. "Bringing Education to Afghan Girls: A Randomized Controlled Trial of Village-Based Schools." *American Economic Journal: Applied Economics* 5 (3): 27–40.

³⁶ Australian Council for Educational Research (2014). *Class 6 Proficiency in Afghanistan. Outcomes of a Learning Assessment of*



77. **Results-based project design can incentivize results achievements.** Experiences from results-based projects suggest that the use of DLIs can incentivize the government to undertake politically challenging system-level education reforms.³⁷ DLIs can also provide implementation-level actors with incentives and momentum to increase implementation speed and find solutions for results achievement. For example, a Program-for-Results operation in Mozambique conditioned transfers to the MoE to achieving targets such as the introduction of a new spending classification and the transfer of school grants in time for the new school year. Achieving the DLIs required coordination and collaboration between the MoF and the line ministry. Under the program, for the first time, all school grants reached the schools on time. Similarly, the Program-for-Results introduced performance-based incentives with districts to ensure that district offices perform supervision visits with adequate frequency and using the appropriate methodology. Results-based funding with DLIs facilitated diverse stakeholders to work together to achieve results they were not able to previously using traditional financing instruments.

78. **The SABER SD study carried out in Afghanistan provided a range of important lessons on what works.** The study first highlighted the severity of the learning crisis in Afghanistan. On average, Grade 4 students are performing at less than Grade 1 level in mathematics and language. In mathematics, for example, this means that, on average, only 50 percent of the students can correctly solve single digit addition and subtraction questions, while at Grade 4 level, they should have mastered these and more advanced concepts such as fractions and division of double digits by a single digit. Teachers seem to be motivated and diligent with low levels of teacher absence (10 percent) and high teacher time on task (86 percent). However, teacher knowledge and pedagogy is poor. Less than one-fifth of the teachers follow prescribed good pedagogical practices in the classroom. Teacher knowledge of material is at around a Grade 2 level in language and between Grade 2 and 3 levels in mathematics. For example, on average, Grade 4 teachers in Afghanistan are still struggling with solving double-digit subtraction.

79. **The SABER SD study also sheds some light on the underlying issues that do, and do not, affect teacher understanding and student learning.** Qualification levels do not appear to make a difference. In the sample, around 17 percent of teachers did not have the recommended level of qualification, Grade 14. However, this did not seem to be the underlying cause of poor teaching. Teachers with adequate qualifications, Grade 14, are not significantly better than those with less than Grade 14 in terms of the skill used in the classroom, except in terms of lesson planning. The SABER SD suggests that specifically supporting teachers to improve what they do in the classroom is the best strategy to improve educational outcomes. Component 2 aims to address many of the issues raised in SABER SD. For teacher quality, emerging global evidence suggests two types of teacher training that show the most promise: (a) pedagogical training that helps a teacher adapt instruction to a student's knowledge or proficiency level and, (b) high-quality training on subject matter content.³⁸ This type of training will be introduced under Component 2 and rigorously evaluated.

80. **The recent 2018 World Development Report (WDR) on Education provides valuable insights for education service delivery in challenging contexts.** A broad review of recent literature suggests that iterative, adaptive approaches can strengthen education systems and raise learning, but require: (a) strong alignment of incentives among various actors along the service delivery chain, (b) strong

Mathematical, Reading and Writing Literacy.

³⁷ Holland, P. and J. Lee. 2017. "Financing Results to Strengthen Systems: The WBG Approach to RBF in Education." World Bank Policy Research Working Paper, Report No. 113265.

³⁸ Evans, D., and A. Popova. 2015. "What Really Works to Improve Learning in Developing Countries? An Analysis of Divergent Findings in Systematic Reviews." World Bank Policy Research Working Paper 7203.



information and knowledge systems to support policy development and monitoring, and (c) constructive partnerships between schools and communities. The WDR also reiterates the role of the external donor community in not only mobilizing global knowledge and evidence base, but the unique value addition of using RBF to incentivize critical system-level reforms. In light of these lessons, EQRA incorporates a number of these elements, and various activities reflect these insights.

IV. IMPLEMENTATION

A. Institutional and Implementation Arrangements

81. **NESP III oversight will fall under the purview of the National Education Plan Steering Committee (NSC), which is chaired by the MoE with overall responsibility for policy formulation and coordination.** The MoE through its Department of General Education under the office of the Deputy Ministry for General Education will serve as the implementing agency of EQRA and will be responsible for implementation, ownership, and accountability of results of EQRA within a broader NESP III framework. The MoE and MRRD will constitute a task force comprising the DM for General Education; DM for Finance and Administration; Directorates for General Education, Academic Supervision, Teacher Education, and Curriculum; the Directorates General for Planning, FM, Procurement, and Engineering Division. MRRD will be represented by DM for Programs, DG for the CCAP, Director of Operations for CCAP and Head of Engineering Division for CCAP.

82. **This task force will oversee the planning of the annual budget, reviewing implementation progress according to the Operational Planning and Reporting Framework and resolving implementation bottlenecks.** Provincial-level oversight will be the responsibility of the Provincial Education Director. District-level oversight will be the responsibility of the Head of DED. The implementation arrangements for each component are described in annex 2.

83. **School construction will fall under the purview of the MRRD.** This will be carried out in close coordination with the MoE which will remain responsible for preparing the school infrastructure policy and space norms and ensuring their compliance. The safeguards team comprising social and environmental safeguards specialists will be responsible for environmental and social safeguards compliance during the implementation of sub-component 1.1, including citizen engagement (CE) and will be led by the MRRD. An MoU will be signed between the MoE and the MRRD ministers indicating the roles and responsibilities of each ministry with respect to Subcomponent 1.1. The MoE will be responsible for implementing the other subcomponents and their associated safeguards requirements. The MOF will implement component 4 (iii) and will be responsible for recruiting the Third-Party Verification Agency.

B. Results Monitoring and Evaluation

84. **The M&E functions of EQRA will be carried out by the respective MoE departments and consolidated by the Department of General Education.** Special attention will be devoted to M&E of results and outcomes. Monitoring activities will comprise tracking implementation progress (physical and financial) and strengthening the efficiency where needed, achievement on key performance indicators (KPIs) including DLRs and intermediate outcome indicators, and compliance on eligibility and funds utilization. To support systems strengthening efforts, EQRA will provide specific technical support to refine EMIS datasets, introduce individual student IDs to track students and their learning cycle, and support the establishment of a personnel database integrated with the payroll. A detailed Results Framework has



been developed for the project and is presented in section VII. This framework comprises a set of outcomes and intermediate outcomes with annual targets to provide a continuous picture of project performance.

85. **EQRA's Component 4 will cover the costs of an external TPVA whose role will be to verify DLI achievement and fulfillment of disbursement conditions.** More specifically, the external TPVA will be recruited by MOF and assess the validity and completeness of relevant data demonstrating achievement of DLI targets under Components 2 and 3 and disbursement conditions under Component 1. The TPVA's assessment will serve as a source and basis for disbursement authorization by the World Bank. In addition, the World Bank will take advantage of existing World Bank-related monitoring support, such as the ARTF TPM who monitors soft and hard components at the school level. Monitoring by the external TPVA will be conducted in accordance with detailed protocols described in this document and the Procedure Manual.

C. Sustainability

86. **The sustainability of EQRA will be enhanced by the following factors:** (a) Government ownership and commitment to reforms—EQRA will support the implementation of NESP III; (b) the technical viability of the design, which is based on international knowledge and expertise and experience of the previous investment operations, particularly EQUIP; and (c) the design and implementation arrangements which pay particular attention to building capacity in the MoE and transparency in resource management.

D. Role of Partners

87. **The local education group (LEG) comprises representation from the GoA, DPs, international NGOs, and various civil society organizations with a long-standing history of engagement in the sector and with the Government.** The DP consortium involved in the planning and implementation of NESP III is part of the LEG. The consortium will coordinate joint support for the overall strategy, policy dialogue, and programs and activities of NESP III. Furthermore, interagency coordination will be ensured to align and harmonize interventions under the purview of NESP III and the implementation of EQRA. Given the key role of EQRA in strengthening government systems, DPs will play a stronger role in program oversight, including the development and review of annual operational plans of NESP III. It is expected that the RBF approach will serve as a common strategic framework for DPs to support shared results in the sector, and support the GoA's efforts to harmonize both on-budget and off-budget interventions in the sector and respective sectoral outcomes. Implementation reports will also be shared with ARTF contributors.

88. **To support implementation, a joint working group comprising representatives of the DPs, MoE, and MRRD will provide oversight of the planning of the annual budget, review implementation progress with reference to the Operational Planning and Reporting Framework, and resolve implementation bottlenecks.** DPs will be invited to all EQRA Implementation Support Missions (ISMs) to participate in consultations with the GoA and provide technical support and inputs. They will continue to receive Aide Memoires and other implementation progress reports. DPs will participate in overseeing the TPVA's work together with the MoE and the MRRD.



V. KEY RISKS

A. Overall Risk Rating and Explanation of Key Risks

89. **The overall risk rating is assessed as Substantial, due to the factors described under each type of risk.**

Political and Governance

90. **Recurrent security incidents have led to widespread and prolonged disruption of government functioning and school operations in an increased number of localities.** Community empowerment and mobilization will be supported under the CCAP in districts covered in phase I of the program, while in the remaining districts, the MoE will continue with the existing Community Mobilization Framework. The growing insecurity and consequent lack of mobility in Afghanistan has resulted not only in fewer supervision missions by the World Bank in the field, but it has also severely affected the MoE's own capacity to construct buildings in the affected areas and to monitor service delivery. The restricted monitoring challenge to in-person supervision by World Bank staff in the field will be mitigated using the ARFT third-party monitoring program. Given the volatile and dynamic security situation across Afghanistan, the target areas under Component 1 (specific districts within the 17 target provinces) would need to remain flexible during EQRA implementation.

91. **Poor governance and accountability throughout the administrative chain.** Previous implementation experience underscored challenges stemming from: (a) over-centralization of key administrative functions at the MoE, exacerbated by overall capacity constraints; (b) inconsistent enforcement of guidelines and regulations, particularly related to teacher recruitment and management; (c) lack of clarity on responsibility and accountability throughout the administrative chain; (d) insufficient transparency with regards to budget allocation, execution, and monitoring; and (e) poor utilization of existing administrative data. Without addressing some of these fundamental challenges, efforts to continue increasing access to quality education will not bear fruit. EQRA mitigates these risks by embedding relevant governance reforms throughout its design on the one hand and including cross-cutting reforms to strengthen transparency on data collection and utilization, in addition to interventions for strengthening planning and budget execution throughout the service delivery chain, on the other hand. These interventions have been coordinated with other instruments to support education governance engagement such as the policy-based Incentive Program Development Policy Grant and other World Bank-executed TA managed by the Governance and other Global Practices.

92. **Widespread politicization and deeply-entrenched corruption in teacher recruitment and management process.** While merit-based recruitment regulations exist, there is significant deviation in practice, and the integrity of the process is undermined by nepotism, corruption, and unlawful interference, resulting in the Afghan people's diminishing trust in the education system³⁹. The project aims to address these challenges by strengthening and professionalizing key steps in teacher recruitment and building more transparent management systems.

³⁹ Independent Joint Anti-Corruption Monitoring and Evaluation Committee. 2017. *Ministry-Wide Vulnerability Assessment to Corruption Assessment of the Ministry of Education*.



Macroeconomic

93. **Afghanistan's Public Expenditure and Financial Accountability (PEFA) ratings portray a public sector where financial resources are, by and large, being used for their intended purposes.** However, the budget credibility, particularly for development budget, remains low; for development budget, actual expenditure is about 50 percent of the budgeted expenditure. Uncertainty about budget availability poses a particular risk for the DLI-based components for which the Government would have to incur expenditures first both to demonstrate the EEP execution and to achieve specific DLI targets. This risk is mitigated with the design that allows 75 percent of the grant amount to follow the regular IPF modality, largely obviating the need for the Government to provide large upfront financing. The project will also provide a one-time advance of US\$18.5 million to initiate the activities under components 2 and 3.

Technical Design

94. **The MoE lacks experience with RBF and has concerns regarding predictability in resource availability to implement EQRA.** Given the very high level of donor dependence for development budget, the risk is that the MoF will not always be able to provide necessary upfront budgetary cover for the MoE to achieve some of the DLRs. This risk is mitigated by introducing process-based DLIs in the initial phase of implementation and providing a one-time advance to provide predictability in financing.

Institutional Capacity for Implementation

95. **Low confidence in program monitoring and reporting, and concerns regarding the reliability of administrative data.** Existing administrative data are not integrated, which has resulted in discrepancies across data sources. The EMIS will be strengthened by: (a) integrating learning, human resources, and administrative data; (b) involving local entities in monitoring quality of data reported; and (c) using more advanced statistical techniques to check for data errors/misreporting. The communities will be empowered to monitor the quality of education services. Simple tools will be developed, for example, in the form of displaying information on enrollment and resource provision for planning, accountability, and transparency.

96. **High number of schools to be constructed and quality of construction.** Civil works would be taken up in about 2,646 schools, which would be a combination of entirely new school buildings (approximately 1,946), and extensions to existing school buildings and provision of missing essential elements such as missing classrooms, boundary walls, water points, and latrines of a school building in about 700 schools. All this construction is planned to be completed in two years. There are a number of concerns on meeting this target in time. The MRRD has not implemented such a large building construction project so far. Out of 1,946 schools, only 1,200 schools have available land and the CCAP is only operating in 54 out of 185 districts where EQRA will be implemented. Given that the MRRD will have to operationalize CDCs in 331 EQRA districts and recruit the necessary technical staff and the MoE will need to acquire land for the 800 remaining schools, the two-year timeline proposed by the MRRD is highly ambitious. The progress under this sub-component will be monitored very closely with the help of the external TPVA and the situation will be critically evaluated at the end of year 1 of implementation to guide and adjust the school numbers and the completion timeline based on evidence collected during the implementation.



Fiduciary

97. **The FM assessments of the MoE and the MRRD identified certain weaknesses that can limit either the assurance on use of grant proceeds or achievement of project objectives.** The budget allocation by the MoF over the last three years was limited to 75 percent of the budget requested by the MoE. The effectiveness of internal audit at both the MoE and the MRRD is limited due to governance and capacity issues, and the compliance rate with audit recommendations is quite low. Neither the MoE nor the MRRD maintains a record of complete fixed assets or carries out their physical verification, which leads to the risk of misappropriation. At the MoE, advances are not adjusted in time and advances amounting to Afn 85 million are outstanding relating to the last four financial years. The timeliness and quality of financial reporting by the MRRD is an area of concern as it was unable to submit acceptable financial reports under the CCAP in time. Based on the risks identified, the overall FM risk of the project is assessed as High.

98. **Mitigation measures have been incorporated in the EQRA design and agreed with the MoE and the MRRD to address the high risk.** The MoE will be responsible to submit the consolidated project interim financial report (IFRs) including input from the MRRD. The MRRD will also hire additional qualified FM staff for EQRA to mitigate the risk of delayed financial reporting. The reforms of norm-based budgeting and school grants are designed to increase the non-salary budget allocation on the recurrent side. The successful grants model of the CCAP will be used for grants to communities for school construction. The USAID-funded Capacity Building project will support capacity development of the MoE's internal audit for which a plan is being developed. The World Bank will review it and support its implementation through EQRA. An inventory and assets module will be developed during the first year and the countrywide data will be uploaded based on physical verification by the end of the third year of project implementation. The detailed FM manual being developed by the World Bank applicable to all projects provides an elaborate internal control framework and will be used by both implementing entities. The Bank will also organize training based on the above-mentioned manual to build capacity for acceptable and timely financial reporting.

99. **Lessons learned from EQUIP II demonstrated the value of having a third-party monitoring firm contracted by the World Bank to conduct site visits.** Given the worsening security conditions in Afghanistan, the use of the ARTF TPVA, hired by and reporting to the World Bank, to visit construction sites to review the quality and progress of construction was found very useful. This practice would be continued to review quality and progress of construction and other project-supported activities, except verification of the achievements of the DLIs and the disbursement conditions. For the latter, a separate TPVA will be recruited under Component 4. For select short-term capacity building, the World Bank will also recruit short-term consultants to support the MoE in the areas of planning and public financial management and the MRRD in the area of civil works.

Climate Change and Disaster Risks

100. **Climate change and disaster risks. In compliance with the World Bank's measures to identify climate and disaster risks at an early stage of investments programs, this operation has been screened to identify and, if relevant, address any potential short- and long-term weather- and geophysical-related risks.** The risk screening suggests an overall Moderate risk rating for the project outcome. Therefore, achievement of the PDO defined for this operation is unlikely to be drastically affected by climate change and disaster risks.



101. **Climate vulnerability context.** In terms of mitigation, there is very low relative per capita greenhouse gas emissions in Afghanistan, one of the lowest greenhouse emitters globally. As its economy strengthens, the country's Intended Nationally Determined Contribution (INDC) proposes to make a mitigation contribution conditional on support by development initiatives based on low-emission development strategies. Its priority sectors include energy, land use, land-use change, and forestry (LULUCF), agriculture, transport, waste management, and industries. In terms of adaptation, the INDC also provides a vision on a national strategy for climate change adaptation by addressing community-level vulnerabilities and building up their adaptive capacity by investing in short- and long-term initiatives. The short-term action plans are part of National Action Plan for Adaptability submitted by Afghanistan. It identified water, agriculture, LULUCF, energy, and climate services as key sectors within the National Action Plan.

102. The project intends to address community-level vulnerabilities and build up the adaptive capacity in terms of energy efficiency directly through activities in the subcomponents on school infrastructure. Physical investment is envisioned under the project through construction of new schools and additional classrooms for the existing schools and provision of necessary items such as boundary walls, latrines, and water wells. The project will implement energy-efficient lighting. The potential impact on climate risks and geophysical hazards will be mitigated by informing and adjusting site selection, building construction, designs, and implementation to the geography and landscape of the location. Schools would be located on sites that are not prone to landslides, flooding, and so on. Building designs would include measures against earthquakes and other climatic considerations, and buildings would be constructed using locally available materials. Introducing the right kind of capacity-building measures will increase preparedness and longer-term resilience and reduce those risks. One resource that will be extremely useful in this exercise is the national multi-hazard risk assessment that has been conducted by the World Bank's South Asia Disaster Risk Management and Climate Change Team, which provides critical data and mapping differentiated by provincial- and district-level risk profiles. This information would be useful at the national as well as the community and school levels to reduce the impact of disaster risks in the proposed outcome of the project.

VI. APPRAISAL SUMMARY

A. Economic and Financial Analysis

103. In the long term, higher rates of schooling—and by extension, better skills—are expected to generate higher growth. EQRA will give special attention to improving outcomes in lagging provinces. Since these provinces are starting from a low point, the returns are expected to be high. EQRA will contribute to strengthening education management and coordination and improving the M&E system of the MoE.

Returns to Investment in Education

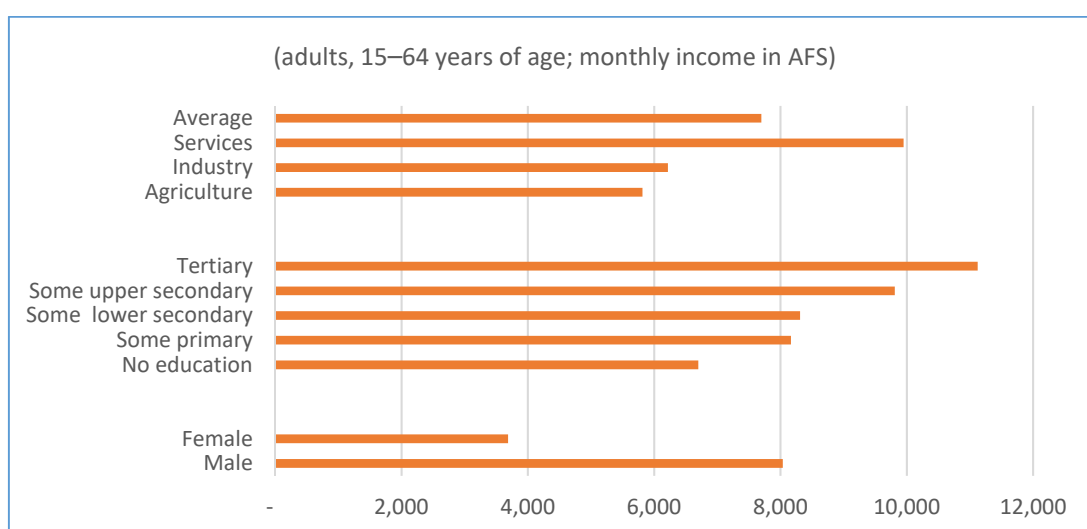
104. **Updated research by Psacharopoulos and Patrinos (2004)⁴⁰ confirmed that overall, the average rate of return to another year of schooling is 10 percent worldwide.** Returns to education differ by the

⁴⁰ Psacharopoulos, George, and Harry Anthony Patrinos. 2004. "Returns to Investment in Education: a Further Update, *Education Economics*, Taylor and Francis Journals, 12 (2): 111–134.



level of country income, with the highest returns recorded for low-income and middle-income countries. Overall, women receive higher returns to their schooling investments. In the case of Afghanistan, estimations using the ALCS data for 2014 show that higher education qualifications lead to higher earnings in the labor market (figure 2). According to the data, the average monthly income for an individual with tertiary education is almost double that of an individual with no education, and overall, average earnings increase as the educational level rises. While primary education leads to higher earnings than no education at all, it is at the upper secondary education level where investments in education start paying off sizeable returns. The average earnings for men are more than double that for women. Across sectors, the average earnings in the services sector are the highest, while no significant difference exists between earnings in industry and agriculture.

Figure 2. Earnings by Sector of Employment, Education, and Gender



Source: Estimates using ALCS 2014.

Cost-Benefit Analysis

105. **The net present value (NPV) of the project is estimated to exceed US\$1 billion, considering only the future productivity gains from the flows of new pupils the project will allow to reach.** The civil works supported under Component 1, along with the SGP, is expected to bring in an annual average of 115,000 new children into school and attend regularly (but for the purposes of the analysis a highly conservative estimate is used for the calculations). The discounted value of the productivity benefit for the Afghan economy should be about US\$1.4 billion (assuming a 10 percent discount factor). The corresponding internal rate of return is 21.1 percent. As a result, the overall cost of the whole project (US\$298 millions) would still be covered if we considered only Component 1.

106. This NPV of the project should be considered a conservative estimate. The rate of returns of education used in this computation is the current average, whereas this project targets out-of-school girls whose returns are estimated to be much higher. The other components on improving learning conditions and MoE resource management would have benefits for all pupils, not only the newly reached, even though the expected financial impact is difficult to assess. Importantly, this analysis does not include the wages of the additional teachers who will need to be recruited to sustain this increase in school capacity.



Rationale for Public Sector Provision/Financing

107. **Public sector financing of education, which is an investment in human capital, is justified for several reasons.** First, the project will reach out to lagging groups to improve access to education for all socioeconomic and vulnerable groups, particularly for girls. Additionally, the project will improve teacher qualifications and provide quality learning inputs to lay the foundation for more favorable learning. Without public investment in their human development such Afghan children, especially those from lagging provinces, will likely have poor human capital and inferior labor market outcomes. The World Bank's experience in implementing education programs and RBF, both in Afghanistan and internationally, will help improve the effectiveness and efficiency of limited public investment.

Value Added of World Bank's support

108. **Beyond financing, the World Bank has been closely and consistently engaged in education in Afghanistan for over a decade.** The World Bank's engagement through EQUIP I and II has deepened its knowledge of sectoral issues and the political context. The World Bank has proven to be the leading multilateral partner and has been instrumental in policy dialogue with the Government, evidenced by the donor community's selection of the World Bank as the grant agent for the next round of the GPE. This arrangement will also reduce transaction costs by pooling GPE and ARTF financing into a single project. The World Bank has also built strong relationships with key partners, especially with the MoE and with DPs, who have confidence in the World Bank as the ARTF administrator and are channeling more of their resources through this vehicle instead of bilateral support. Lastly, the World Bank's presence in the sector on the ground and in the region, exceeding that of other partners, allows for timely and enhanced support to the Government.

B. Technical

109. **The design elements of the project are framed by the GoA's long-term development agenda articulated in the 2016 ANPDF, NESP III, NPPs, and sectoral and analytic work by the World Bank and DPs.** To ensure context sensitivity, the development of NESP III was informed through extensive consultations with policy makers, education sector representatives, donor partners, and government officials, and reflects a consensus among key policy stakeholders. Additional consultations with 24 provincial directorates reaffirmed these findings and reinforced the participatory spirit of determining EQRA priorities and implementation modalities. These inputs have been complemented with the World Bank's global experience in education policy and programming, as well as lessons from long-standing engagement of interventions in Afghanistan (EQUIP I and EQUIP II). EQRA will also complement World Bank support to the GoA's policy priorities related to gender and youth engagement, and synergies between EQRA and other World Bank programs will be proactively supported.

110. **EQRA will support the implementation of NESP III through selected interventions in the areas of school construction, teacher effectiveness, and critical system-level reforms related to sector management.** Each of the activities is directly linked to the PDO through a robust results chain, and aims to alleviate binding constraints to PDO achievement in the short term, culminating in systems strengthening in the long term. The principles of results-based design fed into EQRA's overall conceptual framework, and is expected to enhance both overall development effectiveness and long-term sustainability of the results. To mitigate against the remaining technical risks, an ongoing process of strong implementation support, results monitoring and follow-up, and realistic targets have been incorporated



into project design. Some of the more innovative interventions will be piloted and scaled up once results have been assessed, in recognition of the challenging operating environment.

C. Financial Management

111. **The project FM arrangements rely on country systems.** Government budgeting processes will apply and the project's budget will be part of the Government's annual budget. The accounting records will be maintained at the central level by the MoF in AFMIS based on M16s, and the MoE will maintain detailed subsidiary records using the Budget Preparation and Expenditure Tracking System (BPETS) software. The MRRD will use the software developed for the CCAP to maintain detailed accounting records. The detailed FM manual being developed by the World Bank for IDA and ARTF projects will provide a comprehensive internal control framework. The capacity of the Internal Audit Departments of the MoE and the MRRD will be strengthened to conduct semiannual project internal audits. The internal audit reports will be submitted to the World Bank within two months of the close of the semester. The project's financial statements will be prepared in accordance with cash-basis International Public Sector Accounting Standards and audited by the Supreme Audit Office, in accordance with the International Organization of Supreme Audit Institutions auditing standards. The audited financial statements will be submitted to the World Bank within six months of the close of the financial year. The existing FM team at the MoE will have the responsibility to manage the project's FM matters except for civil works. The MoE FM team has adequate capacity and experience to manage EQRA. The existing FM team of the CCAP will take the responsibility to manage the FM matters of the activities implemented by the MRRD.

112. **Disbursement will be report-based.** For Components 2 and 3 (the results-based components), funds will be disbursed biannually to the Government's Treasury account, conditioned on satisfactory achievement of the DLIs. The grant proceeds will be applied against the reimbursement of EEPs as reported in the biannual IFRs. The DLIs, to be verified in each cycle, are defined in Annex 1. For Components 1 and 4, the MoE and the MRRD will operate a Designated Account (DA), each denominated in U.S. dollars, and funds will be front-loaded on the basis of a six-month cash forecast. Component 1 will have disbursement conditions, and subsequent IFRs will be used to document the expenditure and determine the amount of advances. Semi-annually, IFRs covering a period of six months ending June 21 and December 21 will be submitted to the World Bank. For school construction, the funds will be transferred to the communities in their bank accounts opened at the Da Afghanistan Bank (DAB) specifically for this purpose. An MoU will be signed with the DAB to open community accounts for EQRA school construction. The detailed FM arrangements and flow of funds are described in Annex 2.

D. Procurement

113. **Procurement will be carried out in accordance with the World Bank's Procurement Regulations for Borrowers for Goods, Works, Non-Consulting and Consulting Services and applicable to IPF hereinafter referred to as 'Procurement Regulations.'** The project will be subject to the World Bank's Anticorruption Guidelines, dated October 15, 2006, and revised in January 2011 and July 1, 2016. The World Bank's Procurement Manual, Standard Procurement Documents (SPDs), Requests for Proposals, and Forms of Consultant Contract will be used and will be included in the EQRA's procedure manual. Procurement staff of the MRRD have attended the necessary procurement training under another World Bank-funded project (CCAP). The project will implement the Systematic Tracking of Exchanges in Procurement (STEP): a World Bank planning and tracking system, which would provide data on procurement activities and establish benchmarks.



114. **For the civil works procurement by CDCs, the MRRD will amend the Procurement Manual developed under the CCAP to suit the school building construction envisaged under EQRA.** CDCs would either procure materials and labor themselves, or procure contractors for construction who would handle the procurement of school building construction. The MRRD's district and provincial engineers will provide technical support to CDCs in procurement of contractors if needed and also assist in construction supervision. These engineers are supervised by the procurement unit in the central MRRD. Since EQRA focuses on the construction of only rural schools, the cost of which falls below the prior-review threshold determined by the World Bank procurement guidelines, therefore no prior-review cases for construction are expected under the project.

115. **Based on the initial procurement capacity assessment, the threshold of High Risk Implementing Agency will apply for the prior review of the contracts under the MoE and "Substantial" under the MRRD.** Both ministries will jointly prepare a Project Procurement Strategy for Development (PPSD) to decide methods and approaches for procurement. Once the PPCSD is complete and procurement officials are identified in the Procurement Directorate (PD), the World Bank will arrange procurement training for them.

E. Social (including Safeguards)

116. **EQRA activities are expected to have overall moderate social impacts, which can be readily mitigated through implementation of safeguards instruments.** Social safeguard impacts would be mainly caused by temporary and/or permanent loss of land and other assets, particularly for new school buildings and other activities under Component 1. Selection of sites for these activities will be screened for land disputes to avoid situations where investments would fuel such disputes.

117. **The project triggers OP 4.12 (Involuntary Resettlement) in the case of Component 1 because this component will involve land acquisition for provision of school infrastructure to provide children a safe, secure, and conducive learning space.** Because not all subproject sites in Component 1 can be identified in advance, a Resettlement Policy Framework (RPF) has been prepared and disclosed before project appraisal. The RPF sets out procedures for managing land acquisition, asset loss, land donation, and resettlement impacts. Based on the RPF guidance, each subproject will be screened, and if Resettlement Action Plans are found to be necessary, these will be prepared, cleared, disclosed, and implemented before the commencement of civil works, in accordance with the World Bank's OP 4.12. The RPF for EQRA contains comprehensive Terms of Reference (TORs) for Resettlement Action Plans.

118. **Citizen Engagement.** The project recognizes the critical role beneficiaries can play in improving the development outcomes in the sector. The project is therefore designed to mainstream citizen engagement (CE) activities through a coherent approach that advocates for a critical role for citizen voices in planning and monitoring of activities to increase the transparency, accountability, and effectiveness of EQRA. The project's CE approach includes: (i) facilitating and promoting a pro-active disclosure of information in compliance with the 2014 Access to Information law, which is a key precondition in improving accountability; (ii) during implementation conduct PED/DED provincial workshops to inform strategies and action plans for getting children to enroll and attend school; (iii) introduce a robust Grievance Redress Mechanism (GRM), which will be supported by awareness raising and outreach activities (the GRM will be accessible through various channels, and grievances will be registered, monitored and reported on regularly); (iv) engagement with communities through school shuras; and (v) monitoring satisfaction with the school and its services as per service standards agreed by the MoE under



the CCAP. This data will be collected under the CCAP through an urban and rural score card. While CE and beneficiary satisfaction will be monitored in the project through various formats including workshops and community score cards, there are two key indicators to be monitored in the project Results Framework. One is to ensure that the provincial workshops are being conducted to inform the project implementation. The second is to monitor that the GRM is functioning.

119. **Gender.** Afghanistan has made great strides in increasing student access to education over the last 16 years, including for girls, as well as expanding the pool of female teachers. However, gender disparities still exist with major variations between rural and urban areas. Some of the provinces continue to account for a large number of out-of-school children, the majority of whom are girls. Retention and completion are particularly challenging for girls. EQRA aims to address gender inequities by: (a) targeting 17 provinces that include a large percentage or number of out-of-school children, particularly girls; (b) construction of new school buildings or expansion of the existing infrastructure with gender-segregated latrines and boundary walls in alignment with 'safe school' criteria; and (c) needs-based school grants to more than 1,000 schools that can be utilized by the schools to promote, among other things, general health, hygiene, and transport facilities particularly for female students and teachers. The PDO indicators on attendance and out-of-school children will provide gender-disaggregated data.

Safeguards:

120. The MoE and MRRD have adopted ESMF and RPF for the EQRA project. The implementation of these instruments would be the responsibility of MRRD and MoE. MRRD will also be responsible for preparation of site-specific ESMPs and RAPs during the project implementation as required.

F. Environment (including Safeguards)

121. The project activities will support investments for construction of new school buildings and rehabilitation of existing school buildings including missing essential elements (such as missing classrooms, boundary walls, water points, and latrines of a school building). Potential environmental impacts of the infrastructural activities to be supported under EQRA are expected to be modest and localized and thus, EQRA has been classified as Environment Category B in accordance with OP/BP 4.01. The environmental issues in this project will relate to site location and planning (natural hazards, sensitive ecological regions, and site drainage); building design and construction (indoor air quality and daylight factor inside the classrooms, sanitation facilities and waste management, and water supply); and maintenance during the operation period (site cleanliness and hygiene).

122. The MRRD and the MoE have adopted an Environmental and Social Management Framework (ESMF) for EQRA to address potentially negative environmental and/or social impacts caused by activities proposed under the project. The ESMF provides guidelines for the preparation of site-specific Environmental and Social Management Plan (ESMP) and other relevant tools as required. The ESMP will be prepared to mitigate any negative impacts while maximizing the positive effects of the project. The ESMF also provides guidance with a detailed institutional arrangement, an M&E mechanism, a GRM, and an estimated budget to allow sound and adequate implementation of the ESMPs. MRRD will be responsible for preparation of the site specific ESMPs and the ESMPs will be binding to the civil works contracts as part of the environmental and social clauses during the project implementation stage. The ESMF consists of environmental and social mitigation guidelines, environmental and social monitoring



requirements, and documentation protocols. It also specifies the capacity-building needs for effective implementation of the ESMF.

G. World Bank Grievance Redress

123. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB'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 WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB 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 Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (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.

VII. RESULTS FRAMEWORK AND MONITORING

Results Framework

Project Development Objective(s)

The Project Development Objectives (PDO) are “to increase equitable access to primary and secondary education, particularly for girls, in selected lagging provinces, and to improve learning conditions in Afghanistan”.

PDO Indicators by Objectives/ Outcomes	DLI	CRI	Unit of Measure	Baseline	Intermediate Targets						End Target	
					1 (2018)	2 (2019)	3 (2020)	4 (2021)	5 (2022)	6 (2023)		
Students attending school regularly in selected provinces, by province and gender												
Students attending school regularly in selected provinces, by province and gender			Text	4,318,473	n.a.	n.a.	4,413,492	4,562,475	4,762,215	5,018,429	5,018,429	
Students attending school regularly in selected provinces, female			Text	1,616,799	n.a.	n.a.	1,657,785	1,724,096	1,810,301	1,918,919	1,918,919	
Reduce out of school children in selected provinces, by gender												
Out of school children in selected provinces, by gender			Text	2,289,880	n.a.	n.a.	n.a.	n.a.	n.a.	1,089,880	1,089,880	
out of school children in selected provinces, female			Text	1,387,717	n.a.	n.a.	n.a.	n.a.	n.a.	643,029	643,029	
Increase teachers meeting subject specific qualifications												
Teachers meeting subject specific qualifications			Text	52%	n.a.	n.a.	57%	62%	67%	72%	72%	

Intermediate Results Indicators by Components	DL I	CR I	Unit of Measure	Baseline	Intermediate Targets						End Target
					1 (2018)	2 (2019)	3 (2020)	4 (2021)	5 (2022)	6 (2023)	
Equitable access to basic education											
Schools constructed or expanded with classrooms, boundary walls, water points, and gender segregated latrines			Text	0.00	n.a.	500 (400 school buildings and 100 missing essential elements)	Cummulative 900 (700 school buildings and 200 missing essential elements)	Cummulative 1500 (1000 school buildings and 500 missing essential elements)	Cummulative 2000 (1500 school buildings and 500 missing essential elements)	Cummulative 2,646 (1,946 school buildings and 700 missing essential elements)	2,646
School Grants implemented			Text	0.00	n.a.	1,198	n.a.	1,100	n.a.	n.a.	2,298
Improving learning conditions											
Students benefiting from direct interventions to enhance learning		Yes	Number	6,447,000	n.a.	n.a.	n.a.	n.a.	n.a.	7,247,000	7,247,000
Students benefiting from direct interventions to enhance learning - Female		Yes	Number	2,462,000	n.a.	n.a.	n.a.	n.a.	n.a.	2,834,000	2,834,000

Existing textbooks distributed and Teaching and learning materials for the new curriculum developed for all grades	DLI 2	Text	Old national curriculum framework in effect	n.a.	45 million textbook from the existing curriculum for core subjects of mathematics, science, and language distributed to public schools, covering at least 90 percent of districts.	New textbooks and teacher guides developed in core subjects of mathematics, science, and language for Grades 1, 4, 7, and 10	New textbooks and teacher guides developed in core subjects of mathematics, science, and language for Grades 2, 5, 8, and 11	New textbooks and teacher guides developed in core subjects of mathematics, science, and language for Grades 3, 6, 9, and 12	n.a.	New textbooks and teacher guides developed in core subjects of mathematics, science, and language for Grades 1 through 12 and 45 million textbooks from existing curriculum for core subjects of mathematics, science and language distributed to public schools, covering at least 90 percent of districts.
Improved Teaching quality rating based on classroom observations	DLI 1	Text	Baseline to be collected in 2019	n.a.	Baseline data on teaching quality collected among sample of teachers using classroom observation tools (TEACH) by	n.a.	n.a.	n.a.	Teaching quality rating, based on TEACH classroom observation method, increased by 0.4 standard deviations or more among sampled	Teaching quality rating, based on TEACH classroom observation method, increased by 0.4 standard deviations or more among sampled teachers

						December 31, 2019				teachers compared to the baseline.	compared to the baseline.
Strengthening education sector planning capacity and transparency											
Annual results based reports implemented between MOE, PEDs and DEDs	DLI 6		Text	No annual results reporting between MoE, PEDs, and related DEDs	By December 2018, standard templates for annual results reporting developed	n.a.	By December 2020, 2019 annual results-based reports completed per template, submitted by MoE for fifteen (15) PEDs and related DEDs, and published on MoE's website	By December 2021, 2020 annual results-based reports completed per template, submitted by MoE for all PEDs and DEDs, and published on MoE's website	By December 2022, 2021 annual results-based reports completed per template, submitted by MoE for all PEDs and DEDs, and published on MoE's website	n.a.	By December 2022, 2019, 2020, and 2021 annual results-based reports completed per template, submitted by MoE for all PEDs and related DEDs, and published on MoE's website.
NESP III Operational plan on management and budgeting cycle developed and results reported	DLI 7		Text	New O&M budget allocation formula not established	By December 2018: new O&M budget allocation formula established for PEDs and DEDs; annual operational plan based on actual on-budget allocations and projected off-budget allocations for 2019 completed as per template, and endorsed by Development Partners; and progress report	By February 2019, progress on results toward 2018 annual plan reported as per template by MOE; and by June 2019, annual operational plan based on actual on-budget allocations	By February 2020, progress on results toward 2019 annual plan reported as per template by MOE; and by June 2021, annual operational plan based on actual on-budget allocations and projected off-	By February 2021, progress on results toward 2020 annual plan reported as per template; and by June 2021, 2022 annual operational plan developed with budget codes specified for	n.a.	n.a.	By February 2021, progress on results toward 2018, 2019, and 2020 annual operational plan reported by MoE per template. By June 2021, 2020, 2021, 2022 annual operational plan developed with budget codes



				template jointly developed with Development Partners	and projected off-budget allocations for 2020 completed as per the template and endorsed by Development Partners	budget allocations for 2021 completed as per the template and endorsed by Development Partners	on budget-projected off-budget allocations for 2022 completed as per the template and endorsed by Development Partners ;			specified for on budget-projected off-budget allocations completed as per the template and endorsed by Development Partners.
Integrated personnel database established	DLI 5	Text	No integrated personnel database	n.a.	Organizational mapping of all education <i>Tashkeel</i> staff completed; and agreed minimum information on staff, as described in the Project Procedure Manual, including biometric data entered into the personnel database for one hundred thousand	Agreed minimum information on staff, as described in the Project Procedure Manual, including biometric data entered into the personnel database for all staff	Personnel data updated to reflect any changes required for existing entries	n.a.	n.a.	Organizational mapping of all education Tashkeel staff completed. Agreed minimum information on staff, as described in the Project Procedure Manual, including biometric data entered into the personnel database for all staff. Personnel data updated to reflect any changes required for

						(100,000) staff.					existing entries
Provincial workshops conducted with DEDs, school shura representatiaves to identify constraints to education (non cumulative)			Text	0.00	n.a.	15	30	45	60	n.a.	60
Improved EMIS data collection and quality assurance procedures implemented	DLI 3		Text	No monthly phone survey data collection procedures	A call center established within MoE and operational protocols for managing monthly phone surveys to schools for EMIS data collection established in consultation with local stakeholders	Online tool developed for school-level data entry into EMIS; training of trainers for data collection and entry into EMIS completed; and outreach and capacity building of principals and school shuras to prepare for monthly data collection	All 2019 and 2020 CBE information reported to the MoE and entered in EMIS in accordance with policy guidelines; and monthly phone survey data collection conducted by a random sample of schools in target provinces	EMIS data verified with monthly survey data and a random sample of 5% of schools physically verified with ±3.5% margin of error	All 2021 and 2022 CBE information reported to the MoE and entered into EMIS in accordance with policy guidelines	n.a.	All 2019–2022 CBE information reported to the MoE and entered in EMIS in accordance with policy guidelines; monthly survey data collection procedures established and functioning; and EMIS data verified with monthly survey data in a random sample of 5% of schools and physically verified with ±3.5% marging

					completed					of error
Development and implementation of a teacher policy for prioritization in the hiring and allocation of teachers based on need	DLI 4	Text	No teacher policy in place	A teacher policy, comprising step-by-step procedures for prioritization, needs-based allocation, and criteria for redeployment of teachers developed	n.a.	n.a.	At least ninety (90) percent of newly hired permanent teachers and at least seventy five (75) percent of all newly hired temporary teachers were based on the methods and criteria identified in the teacher policy; and at least ninety (90) percent of new teacher positions were filled through a transparent recruitment process using the IARCSC's hiring procedures; and at least forty (40) percent of the new hires are women	n.a.	n.a.	A teacher policy comprising step-by-step procedures for prioritization, needs-based allocation, and criteria for redeployment of teachers developed. At least ninety (90) percent of newly hired permanent teachers and at least seventy five (75) percent of all temporary teachers were based on the methods and criteria identified in the teacher policy; at least ninety (90) percent of new teacher positions were filled through a transparent recruitment process using the IARCSC's

										hiring procedures, and at least forty (40) percent of new hires are women.
% of grievances Complaints addressed through grievance redressal mechanism			%	0	50%	55%	60%	65%	70%	70%

Monitoring and Evaluation Plan: PDO Indicators

Indicator Name	Students attending school regularly in selected provinces, by province and gender
Definition/Description	The number of students attending school (Grades 1–12) is defined by the number who participated in the end of year exam (the requirement for which is that they attend 75% of the academic year, in selected provinces). This is calculated according to the EMIS as total of students attending subtracted from the previous year's total. Data are gathered at the end of school year. Provincial targets are specified in appendix 1.
Frequency	Annual
Data Source	EMIS
Methodology for Data Collection	Annual EMIS reports
Responsibility for Data Collection	Academic supervision/EMIS
Indicator Name	Students attending school regularly in selected provinces, female
Definition/Description	Same as above

Frequency	Annual
Data Source	EMIS
Methodology for Data Collection	Annual EMIS reports
Responsibility for Data Collection	Academic supervision/EMIS
Indicator Name	Out-of-school children in selected provinces, by gender
Definition/Description	Total number of out-of-school children including school-age children (age 7–16) not in school, permanently absent students (<3 years out-of-school), and dropouts (>3 years out-of-school), by gender; the baseline figures are from the 2016 ALCS.
Frequency	Indicator will be monitored whenever ALCS information is available
Data Source	ALCS
Methodology for Data Collection	ALCS Household Survey, representative at provincial level
Responsibility for Data Collection	Central Statistics Organization (CSO)
Indicator Name	Out-of-school children in selected provinces, female
Definition/Description	Same as above
Frequency	Indicator will be monitored whenever ALCS information is available
Data Source	ALCS
Methodology for Data Collection	ALCS Household Survey, representative at provincial level
Responsibility for Data Collection	Central Statistics Organization (CSO)
Indicator Name	Teachers meeting subject-specific qualifications
Definition/Description	Teachers teaching subjects above Grade 6 for which they meet subject-specific qualifications (%)
Frequency	Annual

Data Source	TED
Methodology for Data Collection	TED collects information on all teachers and whether or not they meet subject-specific qualification
Responsibility for Data Collection	TED and Academic Supervision Department

Monitoring and Evaluation Plan: Intermediate Results Indicators

Indicator Name	Schools constructed or expanded with classrooms, boundary walls, water points, and gender-segregated latrines
Definition/Description	This includes total schools built and expanded with completion of missing items including adding classrooms, gender-segregated latrines, water points, and boundary walls in selected provinces, as specified per contract terms
Frequency	Annual
Data Source	MRRD database, MoE (EMIS)
Methodology for Data Collection	MRRD to report to MoE and EMIS
Responsibility for Data Collection	MRRD, MoE (EMIS)

Indicator Name	School grants received and executed
Definition/Description	Number of schools receiving and executing a grant in targeted districts in selected provinces
Frequency	Twice during the project period
Data Source	Schools, DEDs, and PED
Methodology for Data Collection	Schools report receiving and executing grants to DEDs which report to PEDs which report to MoE
Responsibility for Data Collection	MoE

Indicator Name	Students benefiting from direct interventions to enhance learning
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Definition/Description	Corporate Results Indicator
Frequency	Baseline and project end
Data Source	EMIS
Methodology for Data Collection	EMIS captures school data from DEDs and PEDs
Responsibility for Data Collection	MoE
Indicator Name	Students benefiting from direct interventions to enhance learning - Female
Definition/Description	Same as above
Frequency	Baseline and project end
Data Source	EMIS
Methodology for Data Collection	EMIS captures school data from DEDs and PEDs
Responsibility for Data Collection	MoE
Indicator Name	Existing textbooks distributed and teaching and learning materials for the new curriculum developed for all grades
Definition/Description	<p>2019: Evidence demonstrating that 45 million textbooks from the existing curriculum for core subjects/learning areas of mathematics, science, and language were distributed to public schools covering at least 90 percent of districts.</p> <p>2020: New textbooks and teacher guides developed for core subject/learning area for Grades 1, 4, 7, and 10.</p> <p>2021: New textbooks and teacher guides developed for core subject/learning area for Grades 2, 5, 8, and 11.</p> <p>2022: New textbooks and teacher guides developed for core subject/learning area for Grades 3, 6, 9, and 12.</p>
Frequency	Annual

Data Source	MoE
Methodology for Data Collection	DEDs report to PEDs and PEDs reports to MoE
Responsibility for Data Collection	DED, PED, MoE
Indicator Name	Improved teaching quality rating based on classroom observations
Definition/Description	<p>2019: Evidence demonstrating that baseline data on teaching quality is collected on a target sample of teachers. This will include measuring classroom performance as the average rating in five instructional practice dimensions (time on learning, lesson facilitation, check for understanding, feedback, and critical thinking) on a scale from 1 to 5 using the TEACH classroom observation tool. It will also comprise assessments of subject knowledge of mathematics and language for Grades 3 to 6. The baseline indicator will be a composite score combining teaching quality (weighted 70%) and content knowledge (weighted 30%).</p> <p>2023: Evidence demonstrating that data on the indicator is collected on the selected sample of teachers and analyzed in year 5 and the average score for the sample in year 5 is at least 0.4 standard deviations higher than the baseline in year 1 to achieve the DLR.</p>
Frequency	Twice: year 1 (project start) and year 5 (project end)
Data Source	Random sample of teachers in secure districts
Methodology for Data Collection	Classroom observations in a sample of schools
Responsibility for Data Collection	Private firm
Indicator Name	Annual results-based reports implemented between MoE, PEDs, and DEDs
Definition/Description	2018: Evidence demonstrating that standard templates for annual results reporting are developed, including development and dissemination of school budgets and PED reports summarizing (a) school expenditures, (b) teacher absenteeism, (c) student enrollment and attendance, (d) textbooks required by schools, (e) textbooks delivered to schools, and (f) all actions taken in response to DED requests and school report card results.

	<p>2020: Evidence demonstrating that 2019 annual results-based reports were completed per template and submitted by the MoE for 15 PEDs, and related DEDs.</p> <p>2021: Evidence demonstrating that 2020 annual results-based reports were completed annually per template and submitted by the MoE for all PEDs.</p> <p>2022: Evidence demonstrating that 2021 annual results-based reports were completed annually per template and submitted by the MoE for all PEDs.</p>
Frequency	Four times during the project period
Data Source	MoE
Methodology for Data Collection	MoE reports on annual results-based reports submitted by PED
Responsibility for Data Collection	MoE, PED

Indicator Name	NESP III operational plan on management and budgeting cycle developed and its results reported
Definition/Description	<p>By December 2018: Evidence demonstrating (a) new O&M budget allocation formula established for each PED, disaggregated by DED; (b) annual operational plan based on actual on-budget allocations and projected off-budget allocations for 2019 completed and endorsed by DPs by December 2018; and (c) progress report template jointly developed with DPs by December 2018.</p> <p>2019: Evidence demonstrating (a) progress on results toward 2018 annual plan reported by February 2019; and (b) annual operational plan based on actual on-budget allocation and projected off-budget allocations for 2020 completed and endorsed by DPs as per the template by June 2019.</p> <p>2020: Evidence demonstrating (a) progress on results toward 2019 annual plan reported, per template by February 2020; and (b) annual operational plan based on actual on-budget</p>

	<p>allocation and projected off-budget allocations for 2021 completed and endorsed by DPs as per the template by June 2020.</p> <p>2021: Evidence demonstrating (a) progress on results toward 2020 annual plan reported, per template by February 2021; (b) Annual operational plan based on actual on-budget allocation and projected off-budget allocations for 2022 completed and endorsed by DPs as per the template by June 2021.</p>
Frequency	Annual
Data Source	MoE
Methodology for Data Collection	MoE prepares and submits operational plans and reports
Responsibility for Data Collection	MoE
Indicator Name	Integrated personnel database for education staff established
Definition/Description	<p>2019: Evidence demonstrating completion of organizational mapping (census) of all Tashkeel staff. The mapping follows the organizational structure of the MoE down to the level of work location. It includes each Tashkeel staff and identifies them by grade, job title, work location, and a unique number and the database contains at least minimum information on each staff such as name, father name, NID code, bank account for payroll, qualification, photograph, and biometric data and this information is entered for 100,000 staff into the database.</p> <p>2020: Evidence demonstrating completion of organizational mapping of all Tashkeel staff.. The mapping follows the organizational structure of the MoE down to the level of work location. It includes each Tashkeel staff and identifies them by grade, job title, work location, and a unique number and the database contains at least minimum information on each staff such as name, father name, NID code, bank account for payroll, qualification, photograph, and biometric data and this information is entered for all staff into the database.</p>

	2021: Evidence demonstrating integration of personnel database with the payroll with any differences between them fully reconciled, and completion of any updates to existing records in the database.
Frequency	Three times during the project period
Data Source	Education personnel database, HR recruitment and promotion records, payroll
Methodology for Data Collection	MoE HR Department collects and enters all data into the database, Planning Department reviews and monitors database
Responsibility for Data Collection	MoE General Directorate of Human Resource
Indicator Name	Provincial workshops conducted with DEDs and school shura representatives to identify location-specific constraints to education
Definition/Description	The number of provinces that conduct workshops with the DEDs and school shura representatives. The goals of the workshops are to identify constraints to school enrollment, attendance, and retention and to take stock of the situation, observe any changes, and review and identify any new constraints based on current circumstances.
Frequency	Annual
Data Source	Meeting reports
Methodology for Data Collection	Meeting minutes are reported by DEDs and school management shuras
Responsibility for Data Collection	DED, PEDs
Indicator Name	Improved EMIS data collection and quality assurance procedures implemented
Definition/Description	<p>By December 2018, evidence demonstrating that protocols for monthly EMIS data collection are established (telephone surveys to schools) in consultation with local stakeholders</p> <p>2019: Evidence demonstrating: (a) online tool for school-level data entry into EMIS developed and functioning and training of trainers (academic supervisors, PEDs) for data collection and entry into EMIS completed among PEDs and academic supervisors in each province and (b)</p>

	<p>outreach and capacity building of principals and school shuras to prepare for monthly data collection completed in each province (that is, information on training sessions conducted including date, location, facilitators, and participants who completed training).</p> <p>2020: Evidence demonstrating: (a) all 2019 and 2020 CBE information available in EMIS, according to policy guidelines including information on location, teachers, students, and whether they are on-budget or off-budget CBEs and (b) monthly data collected through phone surveys in a representative random sample of schools in target provinces.</p> <p>2021: Evidence demonstrating: (a) EMIS data verified for all schools with monthly survey data within one month after annual EMIS data collection exercise is completed and (b) EMIS data physically verified for 5% of randomly selected schools in selected provinces with $\pm 3.5\%$ margin of error—including verifying monthly and annual data on the existence of schools/classrooms, staff, and student statistics by July 2021.</p> <p>2022: Evidence that all 2021 and 2022 CBE information is available in EMIS according to policy guidelines including information on location, teachers, students, and whether they are on-budget or off-budget CBEs.</p>
Frequency	Annual
Data Source	MoE, EMIS
Methodology for Data Collection	The MoE prepares report on data verification process and results. Key items are verification of existence of physical buildings, number of teachers and students.
Responsibility for Data Collection	MoE
Indicator Name	Development and implementation of a teacher policy for prioritization in the hiring and allocation of teachers based on need
Definition/Description	By December 2018: Evidence demonstrating the establishment of a teacher policy comprising step-by-step procedures for prioritization, needs-based allocation, and criteria for redeployment of teachers.

	<p>2021: Evidence demonstrating that</p> <ul style="list-style-type: none"> • At least 90 percent of newly hired permanent teachers and at least 75 percent of all temporary teachers were based on the methods and criteria identified in the teacher policy; • At least 90 percent of new teacher positions were filled through a transparent recruitment process using the Civil Service Commission's hiring procedures; and • At least 40 percent of new hires are women.
Frequency	Twice during project period
Data Source	MoE (EMIS, payroll, and integrated Human Resource Management Information System [HRMIS]), recruitment data from Civil Service Commission's applicant and examinee's database
Methodology for Data Collection	Review of HR staffing records and documentation on teacher hires and transfers
Responsibility for Data Collection	MoE, HR department
Indicator Name	Complaints addressed through grievance redress mechanism
Definition/Description	This indicator measures the proportion of grievances addressed through the grievance redress mechanism
Frequency	Annual
Data Source	MoE
Methodology for Data Collection	The MoE monitors complaints file and actions taken
Responsibility for Data Collection	PED, DED, MoE

Disbursement Linked Indicators Matrix

Disbursement Linked Indicators Matrix				
DLI 1	Improved teaching quality rating based on classroom observations			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (US\$)	As % of Total Financing Amount
Intermediate Outcome	No	Text	15,000,000	5.03
Timetable	Value	Allocated Amount (US\$)		Formula
Baseline	Baseline to be collected in year 1			
Results to be achieved by 2018	n.a.		0.00	n.a.
Results to be achieved by 2019 (timebound)	Baseline data on teaching quality collected among sample of teachers using classroom observation tools (TEACH) by December 31 2019. Verification protocol: World Bank reviews TPVA's report on quality of data. TPVA verifies classroom observations were done. TPVA reviews primary data on observations and related analyses for accuracy and conducts interviews with a sample of teachers and administrative staff.		7,500,000	Full amount upon achievement of target
Results to be achieved by 2020	n.a.		0.00	n.a.
Results to be achieved by 2021	n.a.		0.00	n.a.

Results to be achieved by 2022	n.a.		0.00	n.a.	
Results to be achieved by 2023	<p>Teaching quality rating, based on TEACH classroom observation method, increased by 0.4 standard deviations or more among sampled teachers compared to the baseline.</p> <p>Verification protocol: World Bank reviews TPVA's report on results of classroom observations and relevant data and materials. TPVA reviews the results of the analysis and underlying data and conducts site visits and interviews with relevant staff in a sample of schools</p>		7,500,000	Full amount upon achievement of target	
DLI 2	Existing textbooks distributed and teaching and learning materials for the new curriculum developed for all grades				
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (US\$)	As % of Total Financing Amount	
Output	Yes	Text	20,000,000	6.71	
Timetable	Value		Allocated Amount (US\$)	Formula	
Baseline	Old national curriculum framework in effect				
Results to be achieved by 2018	n.a.		0.00		
Results to be achieved by 2019	45 million textbooks from the existing curriculum for core subjects of mathematics, science, and language distributed to public schools covering at least 90 percent of districts.		10,000,000 (scalable)	Minimum = US\$2,500,000 for achieving distribution of 11.25 million textbooks. Additional US\$2,500,000 to be disbursed for distribution of additional 11.25 million	

	<p>Verification protocol: World Bank reviews TPVA's report. Verification will be done in two steps: 1) TPVA will verify that at least 11.25 million textbooks have been printed and distributed by reviewing contract documents, proof of distribution such as financing incurred, and reports of books distributed from PEDs to DEDs and schools; 2) A sample of schools (from the list of those schools that received 11.25 million textbooks) will be selected and TPVA will verify existence of books at the school level.</p>		textbooks until the total distribution of textbooks reaches 45 million.
Results to be achieved by 2020	<p>New textbooks and teacher guides developed in core subjects of mathematics, science, and language for Grades 1, 4, 7, and 10.</p> <p>Verification protocol: World Bank reviews TPVA's report. TPVA verifies that textbooks and teacher guides developed in core subjects for grades, 1, 4, 7 and 10.</p>	4,000,000	
Results to be achieved by 2021	<p>New textbooks and teacher guides developed in core subjects of mathematics, science, and language for Grades 2, 5, 8, and 11.</p> <p>Verification protocol: World Bank reviews TPVA's report. TPVA verifies that textbooks and teacher guides developed in core subjects for grades 2, 5, 8, and 11.</p>	3,000,000	Full amount upon achievement of target
Results to be achieved by 2022	<p>New textbooks and teacher guides developed in in core subjects of mathematics, science, and language for Grades 3, 6, 9, and 12.</p> <p>Verification protocol: World Bank reviews</p>	3,000,000	Full amount upon achievement of target

	TPVA's report. TPVA verifies that textbooks and teacher guides developed in core subjects for grades 3, 6, 9, and 12.			
Results to be achieved by 2023	n.a.		0.00	
DLI 3	Improved EMIS data collection and quality assurance procedures implemented			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (US\$)	As % of Total Financing Amount
Process	No	Text	14,000,000	4.70
Timetable	Value		Allocated Amount (US\$)	Formula
Baseline	No monthly phone survey data collection procedures			
Results to be achieved by 2018	<p>A call center established within MOE and operational protocols for managing monthly phone surveys to schools for EMIS data collection established in consultation with local stakeholders.</p> <p>Verification protocol: World Bank reviews TPVA's report. TPVA reviews protocol and arrangements for call center and conducts site visit to verify call center established within MoE.</p>		3,000,000	Full amount upon achievement of target
Results to be achieved by 2019	Online tool developed for school-level data entry into EMIS; training of trainers for data collection and entry into EMIS completed; and outreach and capacity building of principals and school shuras to prepare for monthly data		3,000,000	Full amount upon achievement of target

	<p>collection completed.</p> <p>Verification protocol: World Bank reviews TPVA's report. TPVA reviews EMIS module for data entry and quality as well as verifies that data has been entered, training and outreach took place by reviewing related records and materials and conducting random site visits and interviewing principals and school shuras.</p>			
Results to be achieved by 2020	<p>All 2019 and 2020 CBE information reported to the MoE and entered in EMIS, in accordance with the policy guidelines; and monthly phone survey data collection conducted by a random sample of schools in selected provinces.</p> <p>Verification protocol: World Bank reviews TPVA's report on data quality. The TPVA reviews reports from EMIS teams and conducts visits to a sample of schools and CBEs. They will review data quality and verify monthly phone surveys were conducted. The TPVA will collect attendance data from schools and crosscheck it with the phone survey records at the PED and at the call center. The TPVA will also collect CBE data (e.g. enrollment, attendance and number of teachers) from a sample of schools (classes) and compare it with CBE data in the EMIS for accuracy. This will apply to both on and off-budget financed CBE classes.</p>	4,000,000	Full amount upon achievement of target.	
Results to be achieved by 2021	<p>EMIS data verified with monthly survey data and a random sample of 5% of schools physically verified with $\pm 3.5\%$ margin of error.</p>	2,000,000	Full amount upon achievement of target	

	Verification protocol: World Bank reviews TPVA's report on data quality. TPVA verifies that the MOE has conducted the two-level verification: a) 5% of physical verification of the EMIS data by the MoE (e.g., academic supervisors) by reviewing documentation on the verification process, data collected and analysis of results reported by MoE and b) the TPVA also verifies that the monthly phone survey has been conducted and the data was entered into EMIS by reviewing the EMIS's module for phone survey.			
Results to be achieved by 2022	All 2021 and 2022 CBE information reported to MoE and entered into EMIS in accordance with policy guidelines. Verification protocol: World Bank reviews TPVA's report on data quality. The TPVA reviews reports from EMIS teams and conducts visits to a sample of schools and CBEs.		2,000,000	Full amount upon achievement of target
Results to be achieved by 2023	n.a.		0.00	
DLI 4	Development and implementation of a teacher policy for prioritization in the hiring and allocation of teachers based on need			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (US\$)	As % of Total Financing Amount
Intermediate Outcome	No	Text	10,000,000	3.36
Timetable	Value		Allocated Amount (US\$)	Formula
Baseline	No teacher policy in place			

Results to be achieved by 2018	<p>Teacher policy comprising step-by-step procedures for prioritization, needs-based allocation, and criteria for redeployment of teachers developed.</p> <p>Verification process: World Bank reviews TPVA's report. TPVA will review the teacher policy and verify that it sufficiently describes step-by-step procedures for prioritization and needs including criteria for allocation of new hires and redeployment of existing teachers.</p>	5,000,000	Full amount upon achievement of target	
Results to be achieved by 2019	n.a.	0.00		
Results to be achieved by 2020	n.a.	0.00		
Results to be achieved by 2021	<p>At least ninety (90) percent of newly hired permanent teachers and at least seventy five (75) percent of newly hired temporary teachers hired based on the methods and criteria identified in the teacher policy; and at least ninety (90) percent of new teacher positions filled through a transparent recruitment process using the IARCSC's hiring procedures and at least forty percent (40%) of the new hires are women.</p> <p>Verification protocol: World Bank reviews TPVA's report. TPVA will verify teachers were hired according to the national recruitment process. TPVA will select a sample from new recruitments and review all related documents</p>	5,000,000	Full amount upon achievement of target	

	to verify that the hiring process was according to the government's revised hiring procedure from the announcement stage to contract signing. TPVA will review records to determine proportion of female teachers hired.			
Results to be achieved by 2022	n.a.		0.00	
Results to be achieved by 2023	n.a.		0.00	
DLI 5	Integrated personnel database for education staff established			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (US\$)	As % of Total Financing Amount
Output	No	Text	5,000,000	1.68
Timetable	Value		Allocated Amount (US\$)	Formula
Baseline	No integrated personnel database			
Results to be achieved by 2018	n.a.		0.00	n.a.
Results to be achieved by 2019	Organizational mapping of all education Tashkeel staff completed; and agreed minimum information on staff, as described in the Project Procedure Manual, including biometric data entered into the personnel database for one hundred thousand (100,000) staff. Verification protocol: World Bank reviews reports by TPVA. TPVA reviews organizational mapping (census) of all Tashkeel staff and verifies that the		2,000,000	Full amount upon achievement of target

	<p>mapping follows the organizational structure of the MoE down to the level of work location and that it includes each Tashkeel staff and identifies them by grade, job title, work location, and a unique number. TPVA verifies that the database contains agreed minimum information on each staff based on project procedure manual such as name, father's name, NID code, bank account for payroll, qualification, photograph, and biometric data.</p> <p>TPVA reviews the database to confirm that it is created and data are entered for 100,000 tashkeel staff. TPVA reviews a random sample of records to verify the payroll sheet (M16) is generated using the new databases system, and to compare the M16 with M14 for individual teachers at the school level.</p>			
Results to be achieved by 2020	<p>Agreed minimum information on staff, as described in the Project Procedure Manual, including biometric data entered into the personnel database for all staff.</p> <p>Verification protocol: World Bank reviews reports by TPVA. TPVA reviews and verifies the database includes required information for ALL staff. In addition, the TPVA reviews a random sample of records to verify the payroll sheet (M16) is generated using the new databases system, and to compare the M16 with M14 for individual teachers at the school level.</p>	2,000,000	Full amount upon achievement of target	
Results to be achieved by	Personnel data updated to reflect any changes	1,000,000	Full amount upon	

2021	required for existing entries. Verification protocol: World Bank reviews reports by TPVA. TPVA verifies that the integration is completed with any differences between them fully reconciled, and completion of any updates to existing records in the database. TPVA will review of a random sample from MoE's database for accuracy with payroll.			achievement of target
Results to be achieved by 2022	n.a.		0.00	n.a
Results to be achieved by 2023	n.a.		0.00	n.a
DLI 6	Annual results-based reports implemented between MoE, PEDs, and DEDs			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (US\$)	As % of Total Financing Amount
Process	No	Text	5,000,000	1.68
Timetable	Value		Allocated Amount (US\$)	Formula
Baseline	No annual results reporting between MoE, PEDs and related DEDs			
Results to be achieved by 2018 (timebound)	By December 2018, standard templates for annual results reporting developed. Verification protocol: World Bank reviews TPVA's report. TPVA reviews templates to ensure standard templates for annual results reporting are developed, including development and dissemination of school budgets and PED		2,000,000	Full amount upon achievement of target

	reports summarizing (a) school expenditures, (b) teacher absenteeism, (c) student enrollment and attendance, (d) textbooks required by schools, (e) textbooks delivered to schools, and (f) all actions taken in response to DED requests and school report card results.			
Results to be achieved by 2019	n.a.	0.00	n.a.	
Results to be achieved by 2020 (timebound)	<p>By December 2020, 2019, annual results-based reports completed per template, submitted by MoE for fifteen (15) PEDs and related DEDs, and published on MOE's website.</p> <p>Verification protocol: World Bank reviews TPVA's report. TPVA reviews if 2019 reports were completed per template and submitted by the MoE for 15 PEDs, and related DEDs and published on MoE website by December 2020.</p>	1,500,000	Full amount upon achievement of target	
Results to be achieved by 2021 (timebound)	<p>By December 2021, 2020 annual results-based reports completed per template, submitted by MoE for all PEDs and DEDs, and published on MoE's website.</p> <p>Verification protocol: World Bank reviews TPVA's report. TPVA reviews if 2020 reports were completed per template and submitted by the MoE for all PEDs, and related DEDs and published on MoE website by December 2021.</p>	1,000,000	Full amount upon achievement of target	
Results to be achieved by 2022 (timebound)	By December 2022, 2021 annual results-based reports completed annually per template, submitted by MOE for PEDs and DEDs, and	500,000	Full amount upon achievement of target	

	published on MOE's website. Verification protocol: World Bank reviews TPVA's report. TPVA reviews if 2021 reports were completed per template and submitted by the MoE for all PEDs, and related DEDs and published on MoE website by December 2022.				
Results to be achieved by 2023	n.a.			0.00	n.a.
DLI 7	NESP III operational plan on management and budgeting cycle developed and results reported				
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (US\$)	As % of Total Financing Amount	
Process	No	Text	5,000,000	1.68	
Timetable	Value		Allocated Amount (US\$)	Formula	
Baseline	New O&M budget allocation formula not established				
Results to be achieved by 2018 (timebound)	By December 2018: new O&M budget allocation formula established for PEDs and DEDs; annual operational plan based on actual on-budget allocations and projected off-budget allocations for 2019 completed as per template, and endorsed by Development Partners; and progress report template jointly developed with Development partners. Verification protocol: World Bank reviews TPVA's report. TPVA reviews MOE operational plans and reports to verify: (a) new O&M budget		2,000,000	Full amount upon achievement of target	

	allocation formula established for each PED, disaggregated by DED; (b) annual operational plan based on actual on-budget allocations and projected off-budget allocations for 2019 completed and endorsed by DPs by December 2018; and (c) progress report template jointly developed with DPs by December 2018.			
Results to be achieved by 2019 (timebound)	<p>By February 2019, progress on results toward 2018 annual plan reported as per template by MoE; and by June 2019, annual operational plan based on actual on-budget allocations and projected off-budget allocations for 2020 completed as per the template and endorsed by Development Partners.</p> <p>Verification protocol: World Bank reviews TPVA's report. TPVA reviews MoE operational plans and reports to verify: (a) progress on results toward 2018 annual plan reported by February 2019; and (b) annual operational plan based on actual on-budget allocation and projected off-budget allocations for 2020 completed and endorsed by DPs as per the template by June 2019.</p>	1,000,000	Full amount upon achievement of target	
Results to be achieved by 2020 (timebound)	<p>By February 2020, progress on results toward 2019 annual plan reported as per template by MOE; and by June 2020, annual operational plan based on actual on-budget allocations and projected off-budget allocations for 2021 completed as per the template and endorsed by Development Partners. Verification protocol: World Bank reviews TPVA's report. TPVA reviews MoE operational plans and reports to verify: (a)</p>	1,000,000	Full amount upon achievement of target	

	progress on results toward 2019 annual plan reported, per template by February 2020; and (b) annual operational plan based on actual on-budget allocation and projected off-budget allocations for 2021 completed and endorsed by DPs as per the template by June 2020.			
Results to be achieved by 2021 (timebound)	<p>By February 2021, progress on results toward 2020 annual plan reported as per template; and by June 2021, 2022 annual operational plan developed with budget codes specified for on budget- projected off-budget allocations for 2022 completed as per the template and endorsed by Development Partners.</p> <p>Verification protocol: World Bank reviews TPVA's report. TPVA reviews MOE operational plans and reports to verify: (a) progress on results toward 2020 annual plan reported, per template by February 2021; (b) Annual operations plan based on actual on-budget allocation and projected off-budget allocations for 2022 completed and endorsed by DPs as per the template by June 2021.</p>	1,000,000	Full amount upon achievement of target	
Results to be achieved by 2022	n.a.	0.00	n.a.	
Results to be achieved by 2023	n.a.	0.00	n.a.	

Appendix 1. Provincial targets for PDO indicator “Increase in students attending school regularly in selected provinces, by province and gender”

	Baseline (2016)			Year 2 (2020)				Year 3 (2021)				Year 4 (2022)				Year 5 (2023)			
Province	# of students attending school in 1395			target # of students		target increase		target # of students		target increase		target # of students		target increase		target # of students		target increase	
	Grade 1-12																		
	total	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Balkh	388,919	212,548	176,371	216,799	180,842	4,251	4,471	223,303	188,076	6,504	7,234	232,235	197,479	8,932	9,404	243,847	209,328	11,612	11,849
Badghis	87,542	63,427	24,115	64,696	24,726	1,269	611	66,636	25,715	1,941	989	69,302	27,001	2,665	1,286	72,767	28,621	3,465	1,620
Faryab	260,158	146,885	113,273	149,823	116,144	2,938	2,871	154,317	120,790	4,495	4,646	160,490	126,830	6,173	6,040	168,515	134,440	8,025	7,610
Hirat	555,636	294,029	261,607	299,910	268,239	5,881	6,632	308,907	278,968	8,997	10,730	321,263	292,917	12,356	13,948	337,326	310,492	16,063	17,575
Helmand	140,850	110,460	30,390	112,669	31,160	2,209	770	116,049	32,407	3,380	1,246	120,691	34,027	4,642	1,620	126,726	36,069	6,035	2,042
Kabul City	990,888	545,115	445,773	556,017	457,073	10,902	11,300	572,698	475,356	16,681	18,283	595,606	499,124	22,908	23,768	625,386	529,072	29,780	29,947
Kabul Province	216,372	140,927	75,445	143,746	77,358	2,819	1,913	148,058	80,452	4,312	3,094	153,980	84,474	5,922	4,023	161,679	89,543	7,699	5,068
Kandahar	154,653	118,451	36,202	120,820	37,120	2,369	918	124,445	38,605	3,625	1,485	129,422	40,535	4,978	1,930	135,894	42,967	6,471	2,432
Khost	188,320	143,510	44,810	146,380	45,946	2,870	1,136	150,772	47,784	4,391	1,838	156,802	50,173	6,031	2,389	164,643	53,183	7,840	3,010
Kunduz	206,369	126,382	79,987	128,910	82,015	2,528	2,028	132,777	85,295	3,867	3,281	138,088	89,560	5,311	4,265	144,992	94,934	6,904	5,374
Logar	86,816	64,899	21,917	66,197	22,473	1,298	556	68,183	23,371	1,986	899	70,910	24,540	2,727	1,169	74,456	26,012	3,546	1,472
Nangarhar	456,832	310,547	146,285	316,758	149,993	6,211	3,708	326,261	155,993	9,503	6,000	339,311	163,793	13,050	7,800	356,277	173,620	16,966	9,828
Nuristan	36,287	20,112	16,175	20,514	16,585	402	410	21,130	17,248	615	663	21,975	18,111	845	862	23,074	19,198	1,099	1,087
Ghazni	257,883	169,680	88,203	173,074	90,439	3,394	2,236	178,266	94,057	5,192	3,618	185,396	98,759	7,131	4,703	194,666	104,685	9,270	5,926
Paktika	105,469	89,726	15,743	91,521	16,142	1,795	399	94,266	16,788	2,746	646	98,037	17,627	3,771	839	102,939	18,685	4,902	1,058
Uruzgan	51,497	44,103	7,394	44,985	7,581	882	187	46,335	7,885	1,350	303	48,188	8,279	1,853	394	50,597	8,776	2,409	497
Wardak	108,597	81,044	27,553	82,665	28,251	1,621	698	85,145	29,382	2,480	1,130	88,551	30,851	3,406	1,469	92,978	32,702	4,428	1,851
Zabul	25,385	19,829	5,556	20,226	5,697	397	141	20,832	5,925	607	228	21,666	6,221	833	296	22,749	6,594	1,083	373

Appendix 2. Distribution of targeted schools by province

S.No	Name of Province	School operation	Schools with boundary walls, latrines and water point		Schools with latrines and water point		Total
			Girls (Secondary, Upper Secondary)	Mix (Secondary, Upper Secondary)	Girls+Mix (Primary)	Boys (All)	
Total		Total	76	142	990	738	1946
		Open Area	31	37	375	381	824
		Tents	10	16	101	97	224
		Others	35	89	514	260	898
1	Uruzgan	Total	1	1	22	43	67
		Open Area	0	0	5	19	24
		Tents	0	0	0	0	0
		Others	1	1	17	24	43
2	Baghdis	Total	19	2	43	170	234
		Open Area	5	1	24	124	154
		Tents	8	0	8	24	40
		Others	6	1	11	22	40
3	Balkh	Total	2	17	42	7	68
		Open Area	0	1	0	1	2
		Tents	0	1	5	3	9
		Others	2	15	37	3	57
4	Paktika	Total	2	6	55	90	153
		Open Area	0	0	23	57	80
		Tents	0	1	6	14	21
		Others	2	5	26	19	52
5	Khost	Total	0	2	20	41	63
		Open Area	0	1	12	33	46
		Tents	0	0	0	0	0
		Others	0	1	8	8	17



6	Zabul	Total	0	0	6	33	39
		Open Area	0	0	3	24	27
		Tents	0	0	0	2	2
		Others	0	0	3	7	10
7	Ghazni	Total	6	24	30	53	113
		Open Area	3	5	9	18	35
		Tents	0	2	2	11	15
		Others	3	17	19	24	63
8	Faryab	Total	0	1	52	68	121
		Open Area	0	0	12	9	21
		Tents	0	0	5	20	25
		Others	0	1	35	39	75
9	Logar	Total	2	0	33	30	65
		Open Area	0	0	5	11	16
		Tents	1	0	6	6	13
		Others	1	0	22	13	36
10	Nangarhar	Total	5	5	154	27	191
		Open Area	3	4	113	23	143
		Tents	0	0	16	1	17
		Others	2	1	25	3	31
11	Nuristan	Total	24	18	76	33	151
		Open Area	16	11	62	29	118
		Tents	1	0	2	0	3
		Others	7	7	12	4	30
12	Heart	Total	5	25	186	19	235
		Open Area	1	4	33	1	39
		Tents	0	1	1	0	2
		Others	4	20	152	18	194
13	Helmand	Total	0	2	4	35	41
		Open Area	0	0	1	4	5
		Tents	0	1	0	8	9
		Others	0	1	3	23	27



14	Wardak	Total	8	30	104	34	176
		Open Area	3	7	24	12	46
		Tents	0	6	14	2	22
		Others	5	17	66	20	108
15	Kabul Province	Total	0	3	67	10	80
		Open Area	0	1	14	4	19
		Tents	0	0	8	1	9
		Others	0	2	45	5	52
16	Kandahar	Total	0	2	28	36	66
		Open Area	0	0	1	7	8
		Tents	0	2	4	2	8
		Others	0	0	23	27	50
17	Kunduz	Total	2	4	68	9	83
		Open Area	0	2	34	5	41
		Tents	0	2	24	3	29
		Others	2	0	10	1	13

ANNEX 1: GOVERNMENT'S PROGRAM AND JUSTIFICATION FOR SELECTION OF DLIs

Government Program

1. **NESP III serves as a framework to operationalize the GoA's education policy priorities.** Building on key economic and sector work and extensive stakeholder consultations, NESP III aims to coordinate activities of all education partners to 'prepare skilled and competent citizens through the education system to sustain Afghanistan's socioeconomic development and social cohesion'. Given that confidence in the Government is closely linked to public perception of the education system, the GoA prioritizes building trust in Afghanistan's education service delivery through a renewed focus on participation, transparency, and results.
2. **NESP III is anchored around three key pillars (Quality and Relevance, Equitable Access, and Efficient and Transparent Management) that are articulated through hierarchy of long-term results and intermediate outcomes.** Under the Equitable Access pillar, the NESP aims to improve equity through: (a) stronger planning and management at all administrative levels, (b) expansion of CBE, (c) deployment of additional female teachers, (d) establishment of vocational training pathways, and (e) literacy programs. The Quality and Relevance pillar aims to: (a) improve relevance of education through (i) curriculum reform, (ii) provision of textbooks and learning materials, and (iii) use of ICT and (b) improve quality of learning by ensuring that (i) teachers and educators are better qualified, certified, and deployed, (ii) schools are inclusive, safe, and conducive to learning, and (iii) teachers receive support and are accountable, and (iv) the development of a credible learning assessment system. Finally, the Effective and Transparent Management pillar aims to strengthen the institutional framework through: (a) stronger standards and responsibilities; (b) partnerships with civil society, private sector, and donor partners; and (c) improved accountability and transparency for resource use through results-based resource allocation, stronger human resource management, and anticorruption measures. As demand for education expands across Afghanistan, the total development budget financing requirement for the five-year plan is estimated at US\$1.3 billion. NESP III financial projections taking into account all on- and off-budget resources estimate a budget shortfall of 15 percent.
3. **EQRA is closely aligned with NESP III and its medium-term Operational Planning and Reporting Framework.** Through technical and financial assistance, EQRA will support a subset of selected NESP III activities focusing on critical system-level reforms that are required to achieve the results outlined in the plan. EQRA will be implemented over the course of five years from 2018 to 2024 and will be financed jointly by the ARTF, IDA, and GPE through grants amounting to US\$298 million. EQRA is the largest on-budget support that is provided to the sector. The project structure mirrors NESP III in its areas of support and engages strategically across activities, outputs, and outcomes along the results chain. The key areas of engagement and financing proportions are outlined in table 1.1.



Table 1.1. Alignment of EQRA with GoA's NESP III

Development Objective	Engagement Area		Priority Activities	
NESP III Goals	NESP III Strategic Area	EQRA Strategic Areas	NESP III Priority Area	EQRA Subcomponents
Prepare skilled and competent citizens through the education system to sustain Afghanistan's socioeconomic development and social cohesion	Equitable Access (total allocation: US\$299 million)	Equitable Access to Basic Education (US\$190 million)	School development plans developed/implemented	Provision of school grants
			Community mobilization/awareness program	
			Establish and train school shuras	
			Relocation/recruitment of local female teachers	Teacher recruitment especially female teachers (supported under Component 3)
			School construction (classrooms)	Improve school infrastructure
	Quality and Relevance (allocation: US\$859.3 million)	Improve Learning Conditions (US\$35 million)	Teacher certification	Strengthen teacher qualifications and pre-service training
			Pre-service diploma for female	
			Curriculum reform standard, framework syllabi	
	Efficient and Transparent Management (allocation: US\$159.5 million)	Strengthen Sector Planning and Transparency (US\$39 million)	Textbooks and teacher's guides and materials developed/revised	Curriculum reform and new instructional materials
			Textbooks, teacher's guide distributed	
			Results-based institutional framework and organizational structure with defined core functions and competencies developed	
			Transparency, accountability, and anti-corruption systems for resource management adopted	Strengthen data and information systems at the central level
				Reform teacher recruitment, improve planning and transparency, budget planning and execution



Development Objective	Engagement Area		Priority Activities	
NESP III Goals	NESP III Strategic Area	EQRA Strategic Areas	NESPIII Priority Area	EQRA Subcomponents
			Effective and integrated M&E system implemented (integration and expansion of EMIS, automation of administrative system and process, EQUIPOffice, data collection, and monitoring and reviews and evaluation)	
—	—	TA	In-service diploma course for Directorate of General Education (ECD)	ECE pilot capacity building

Justification for selection of DLIs

4. **Components 2 and 3 under EQRA follow an RBF modality, wherein funds are disbursed to the Government upon achievement of DLIs.** The DLIs for EQRA are a subset of input/process, output, and outcome indicators from the Results Framework. These DLIs are related to key results for improving learning conditions and governance in the education sector as described below.

5. **DLI 1 (US\$15 million) utilizes classroom observation techniques to measure improved teaching quality and content knowledge.** A standardized assessment of instructional practices and a basic content knowledge test will be used to collect a baseline score for teaching quality and knowledge among a sample of Grades 3 to 6 teachers during the first year of the project. Specifically, the indicator will be weighted based on: (a) the average score from five instructional practices using the new World Bank classroom observation method, TEACH (70 percent), and (b) a teacher content knowledge assessment (30 percent). The baseline for this indicator will be collected during the first year of the project and serve as the point of comparison for teaching quality and knowledge at the end of the project when the second data point will be collected to determine if any improvement is observed. The DLI will reward an increase in teaching quality and knowledge among the sampled teachers. This is a substantially different approach to that taken under EQUIP II which focused on training at TTCs. This is instead intensive, in-classroom, targeted coaching that evidence from other fragility conflict and violence countries suggests is the most effective way to get teachers up the learning curve on pedagogical skills. This DLI is critical for assessing the success of the pilot approach to improving teaching quality.

6. **DLI 2 (US\$20 million) captures the development of teaching and learning materials for the new curriculum developed for all grades.** The target for year 1 is that 45 million textbooks from the existing curriculum are distributed but the minimum requirement for payment is 11.25 million textbooks (25 percent of target). All payments will be made in increments of US\$2,500,000 for achieving distribution of 11.25 million textbooks. This effort builds on USAID's support to procure and distribute textbooks down

to the level of the provinces, which is a significant improvement from previous procurement practices to have printed textbooks delivered to Kabul. USAID will pay the Government once textbooks have been delivered to the districts. EQRA incentivizes the ‘last mile’ delivery from districts to the schools. In subsequent years, the project will support development of a new curriculum and related materials for all grades. This DLI is necessary to incentivize completion of providing essential learning tools to students and development of curriculum for improving content and therefore educational quality.

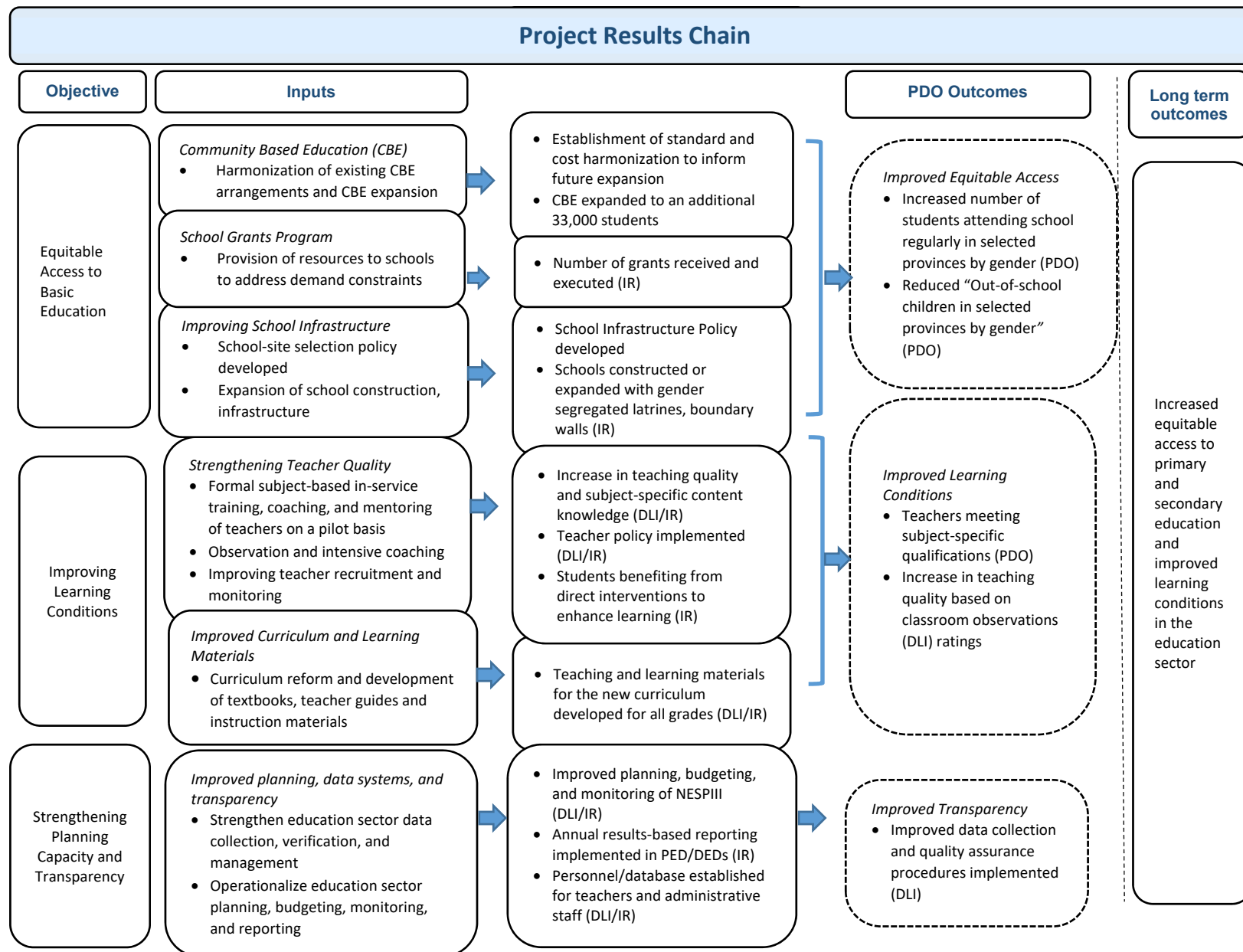
7. **DLI 3 (US\$14 million) tracks the implementation of improved EMIS data collection and quality assurance procedures.** It supports the implementation of monthly phone surveys and data quality verification procedures and systems. It also supports the reporting of critical information on off-budget CBE classes to EMIS, which is a critical step toward harmonizing CBE in Afghanistan. A TPVA will conduct regular visits to schools to review data quality, which will also serve to encourage compliance with the monthly phone survey data collection system. This DLI is important for incentivizing enhancements to system procedures that are essential for EMIS to produce quality data required for informed management decisions, planning and budgeting, and so on.

8. **DLI 4 (US\$10 million) captures the implementation of a critical policy for prioritization in the hiring and allocation of teachers based on need.** The first step will comprise the development of the teacher policy comprising step-by-step procedures for prioritization, needs-based allocation, and criteria for redeployment of teachers. Its implementation will be rewarded in year 3 when evidence is provided for actual hiring/transferring of teachers based on the transparent process under the Independent Administrative Reform and Civil Service Commission (IARCSC). TPVA agent will verify that teachers were hired following the national recruitment procedure and that 40 percent of them are female. This DLI is critical for not only establishing the policy but to also ensure that it is implemented and the right teachers will go to where they are needed with a preference for women.

9. **DLI 5 (US\$5 million) rewards the steps involved in establishing a personnel database for education staff to enhance transparency in the HR and payroll systems.** It will monitor the entry of individual teacher and administrative personnel data and the integration with the payroll system. This DLI is necessary for arming the MoE with the tools and information to reduce inaccurate payments and ghost workers and develop robust staff future teacher recruitment and deployment plans. Roll-out of digital payments of teacher salaries will be supported by a separate IDA/ARTF-financed project currently under preparation.

10. **DLI 6 (US\$5 million) monitors the implementation of annual results-based reporting between the MoE, PEDs, and related DEDs.** They will report on progress toward achievement of agreed results. A TPVA will review the reports and evidence to verify their accuracy. This DLI is required to incentivize a culture where the MoE, PEDs, and DEDs know what they are accountable for and have to report on their results. This is an essential step toward facilitating accountability at all levels of the education system administration.

11. **DLI 7 (US\$5 million) captures results-based management.** It rewards the preparation of comprehensive annual plans including the budgeting cycle for both on-budget and off-budget and the regular reporting of results outlined in the plan. A TPVA will review the annual plans and progress reports for quality and completeness. This DLI is key for facilitating comprehensive planning and norm-based budgeting so that PEDs will be rewarded for getting more children and especially girls to attend school.



ANNEX 2: IMPLEMENTATION ARRANGEMENTS

Afghanistan: EQRA

Project Institutional and Implementation Arrangements

1. **NESP III oversight will fall under the purview of the NSC, which is chaired by the MoE and which will have overall responsibility for policy formulation and inter-agency coordination.** The steering committee comprises the MoE senior officials, MRRD senior officials, MoF representatives, and DPs (including NGOs, civil society, and private sector representatives). Representatives from the Ministry of Higher Education (MoHE), MoLSAMD, Ministry of Women's Affairs (MoWA), and the Independent Directorate for Local Governance will be invited as needed. The NSC will meet every two months in the first year and semiannually subsequently. This committee would be in charge of overseeing the planning of the annual budget, reviewing implementation progress according to the Operational Planning and Reporting Framework, and resolving implementation bottlenecks. The MRRD will lead the school construction subcomponent and the MoE on the other subcomponents of the project
2. **The MoE through its Department of General Education under the office of the Deputy Ministry for General Education will serve as the implementing agency of EQRA and will be responsible for implementation, ownership, and accountability of results of EQRA within a broader NESP III framework.** The MoE and MRRD will constitute a task force comprising the DM for General Education; DM for Finance and Administration; Directorates for General Education, Academic Supervision, Teacher Education, and Curriculum; the Directorates General for Planning, FM, Procurement, and Engineering Division. MRRD will be represented by DM for Programs, DG for the CCAP, Director of Operations for CCAP and Head of Engineering Division for CCAP. The task force will provide strategic guidance for the project in line with the development objectives of EQRA to strengthen oversight, ownership, and stakeholder coordination. The task force will also identify solutions, address key constraints, and eliminate implementation bottlenecks. The reorganization of joint policy dialogue, including working groups, is currently being carried out. Building on effective monitoring systems established under EQUIP II, a tracking team from key departments will be constituted to: (a) follow up on progress of civil works which would be implemented by the MRRD; (b) monitor DLI progress and the planning of interventions contributing to DLI achievement; (c) support the task force in reporting on the DLIs, EEPs, results indicators, and TA implementation; (d) ensure compliance with the World Bank's fiduciary and environmental and social safeguard rules and requirements; and (e) report on constraints and implementation bottlenecks. Strengthening the MoE's capacity is a critical part of the project design to support the MoE in the areas of planning and budgeting, procurement, curriculum reform, ECE, teacher quality, governance, and transparency. The tracking team would report to the joint working group mentioned above.
3. **A focal point from within the MoE will manage the day-to-day operations of EQRA** under the responsibility of the DM for General Education, with the support of procurement and FM staff from within the Procurement and FM Directorates. The focal point will work closely with the MRRD on civil works. He/she will ensure effective flow of information with the World Bank. Clear and detailed TOR will be developed to inform the focal point's tasks and reporting lines. Overall environmental and social safeguards management, including CE will be jointly led by the MoE and the MRRD central, provincial, and district offices.



4. **Provincial-level coordination will be done by a committee** co-chaired by the Provincial Education Director and the CCAP Provincial Manager, the heads of programs at the provincial level, and secretariat provincial staff as members. District-level oversight is the responsibility of the Head of the DED. Close coordination between the MoE and the MRRD provincial and district offices will be key in the smooth planning and implementation of the civil works activities under EQRA. The responsible departments and units that will implement project subcomponents are presented in table 2.1 and described in subsequent paragraphs.

Table 2.1. Key Activities and Responsible Agencies

Key Activities	Responsible Agencies
Component 1: Equitable Access to Basic Education	
Improving School Infrastructure	MRRD (DM for Programs, DG for the CCAP, Director of Operations for CCAP and Head of Engineering Division for CCAP), MoE (DM for Finance and Administration, General Directorate of Planning, Procurement Directorate, Directorate of Finance, PEDs, and DEDs), CDCs, Cluster CDCs, school Shuras, and school administrations
School Grants Program for Improved Access and Retention	Directorate of Social Mobilization, Directorate of Finance, Directorate of Academic Supervision, PEDs, DEDs, school shuras, and school administrations
Quality Assurance and Expansion of Community-Based Education	DM for General Education, ECD Unit, General Directorate of Planning, EMIS Unit, Directorate of Academic Supervision, PEDs, DEDs, local communities, and CDCs (in the CCAP districts)
Component 2: Improving Learning Conditions	
Strengthening Formal Training of Subject Teachers	Teacher Education Department, TTCs, Directorate of Academic Supervision
Observation and Intensive Coaching for Teachers	Directorate of Academic Supervision, Teacher Education Department, TA (using the 'TEACH' classroom observation tool), school administrations
Improving Curriculum and Development of Instructional Materials	Directorate of Curriculum Development, Teacher Education Department, General Directorate of Planning, Publications Department, Procurement Directorate, Directorate of Finance, EMIS, PEDs, DEDs, CDCs, Science directorate, General Education Department, school shuras, and schools
Component 3: Strengthening Education Sector Planning Capacity and Transparency	
Strengthening Data and Information Management Systems	General Directorate of Planning, EMIS Unit, ICT Directorate, Directorate of Academic Supervision, schools, school shuras, and CDCs
Improving Teacher Recruitment and Management	Deputy Ministry of Finance and Administration, General Directorate of Planning, Teacher Education Department, General Education Department, Directorate of Human Resources, EMIS Unit, IARCSC, MoF
Improving Budget Planning and Introducing Results-based Reporting	General Directorate of Planning, EMIS Unit, Directorate of Academic Supervision, Directorate of Finance, PEDs, DEDs, CDCs
Component 4: Technical Assistance	
Capacity Building/Training Technical Support ECE Third-Party Monitoring to verify DLI achievement and disbursement conditions will rest with MOF	MoE (national and subnational levels), MRRD Technical support/assistance ECD Unit Third-Party Verification Agency

5. EQRA will use the existing system within the implementing ministries (MoE and MRRD) and will not rely on project implementation or coordination units, as described for each component.

Component 1: Equitable Access to Basic Education

6. **Subcomponent 1.1: Improving School Infrastructure.** EQRA will focus on constructing rural schools of different sizes (6, 8, and 10 classrooms) with the necessary components such as boundary walls, latrines, and water supply facilities, using locally available technology and materials through the MRRD. The implementation responsibility for this subcomponent will rest with the MRRD through a traditional IPF modality. The MRRD's role will be to conduct technical feasibility studies and execute civil works and related fiduciary tasks both on the procurement and FM fronts. The MRRD will also be responsible for monitoring and reporting on the progress to the MoE and the World Bank on school construction progress. The MoE will have a core technical team of engineers at the central level to look after the implementation of school construction under EQRA and to liaise with the MRRD. The role of the MoE will be limited to preparing the school construction plan in line with NESP III and the school selection policy, handing over the land and its documents to the MRRD, and taking over completed buildings. A MoU defining the roles and responsibilities of the MoE and the MRRD has been signed between the two ministries. Review of quality and progress of construction would be added to the scope of the current ARTF third-party monitoring and the TPVA hired under the project will verify the achievement of the disbursement conditions under Component 1.

7. The MRRD will use the system that it used successfully under the NSP and is now being used under the CCAP. In this system, construction is implemented through the CDCs which are helped in all technical aspects such as conducting topographical survey of the site, preparing site-specific designs and cost estimates, inviting bids (where contractors have to be procured), conducting regular construction supervision visits, and certifying contractors' payments. This is a bottom-up approach which ensures that the building designs and cost estimates are locally relevant and are accepted by the communities.

8. The MRRD has confirmed that they have operational CDCs in all the 17 target provinces, ready to start construction. However, the MRRD's district- and provincial-level engineers (about 1,000 technical staff across Afghanistan) are currently engaged in various projects and the MRRD would need 151 additional engineers for implementing civil works under EQRA, which will be hired as consultants. It would take about two months to appoint these engineers. In the meantime, the MRRD would initiate construction with the existing engineers. The detailed implementation arrangements will be included in the MRRD engineering manual for EQRA and will be an annex to the Project Procedure Manual.

9. **Subcomponent 1.2: Provision of School Grants Program (SGP) to Eligible Schools for Improved Access and Retention.** This subcomponent will have a bottom-up implementation arrangement in which schools and communities will bear the responsibility of identifying the right set of interventions with support from the district- and provincial-level authorities. At the national level, the MoE (Directorate of Finance), and the MoF (Treasury) will coordinate both on the opening of school accounts and transfer of grants.

10. **Subcomponent 1.3: Supporting Community-Based Education.** Directorate General for Planning and Directorate General for General Education led by the Deputy Ministry for General Education will lead the dialogue on the harmonization of CBE modality across the country with the key CBE donors. TA will be provided to develop an implementation plan for the CBE policy, which will improve standards and cost

harmonization, planning and establishment of CBE classes based on need and principle of equity. Subcomponent 1.3 will also support the expansion of CBE in year 3 once the above mentioned regulatory framework has been established. The selection and operationalization of CBE including teacher hiring and day to day supervision have been defined in the CBE policy.

Component 2: Improving Learning Conditions

11. **Subcomponent 2.1: Supporting Subject Knowledge Training of Teachers of Selected Grades and developing Standardized Examination for TTCs.** The Director of TED will be responsible for identifying and reassigning teachers in nearby schools based on their qualification to teach the subject in which they are trained. Teachers that are qualified to teach a given subject, but are not teaching it, will be moved to teach in areas they are qualified for. The TED will develop a training plan for around 30,000 teachers who, depending on the results of the identification and reassignment process, still may require subject knowledge training. This will be provided in the form of one-year part-time courses at existing TTCs at the provincial and district levels. The TED will be overall responsible, but the training plan will be developed in coordination with PEDs and DEDs to ensure that the required services are delivered. To support the quality and harmonization of these part-time courses, the TED will develop a standardized exam to be used across all TTCs. A related aspect of this subcomponent will be assessing and improving the teacher credential concept so that it is more tailored, relevant, and feasible for use in Afghanistan. This project will not, however, support the implementation of the credentialing system. For both the harmonized competency-based exam and the improvement of the teacher credentialing concept, consultant support will be provided to TED funded under the TA budget of the project.

12. **Subcomponent 2.2: Supporting a Pilot Program including its Evaluation to strengthen Coaching and Training of Teachers and Classroom Observation.** The responsibility for the pilot will sit with the Directorate of Academic Supervision and the TED. The World Bank's 'TEACH' classroom observation technique will be utilized in a pilot sample of 200 schools at grades 3 to 6 to strengthen the feedback loop for teachers and highlight areas for improvement to further their professional development. The pilot will be implemented using a limited cascade model in which consultants, hired under Component 4, will train the coaches in Kabul, and then those coaches will go out to the schools and train teachers. The Directorate of Academic Supervision already has about 7,000 academic supervisors at the provincial and district level. For the 200 schools selected, an existing assigned academic supervisor for that school will be trained as long as he/she has the minimum qualification level of 14 years of education and some teaching experience. If none of the existing assigned academic supervisors meet these standards, other schools shall be considered. The use of existing academic supervisors will be the primary link with PEDs and DEDs. The baseline data collection and the end line will be outsourced to a third-party consultant funded under the project.

13. **Subcomponent 2.3: Supporting Development of Curriculum and Learning Materials and Delivery of Textbooks from PEDs to Schools.** The curriculum department of the MoE led by the Deputy Ministry for General Education will lead the process for the curriculum reform. The reform will be supported with international TA in the relevant field while the development of the revised textbooks based on the new curriculum will remain the responsibility of the Curriculum Directorate. In the meantime, EQRA will support the delivery of the existing textbooks from districts to schools based on a distribution strategy developed by the Publication Department of the MoE which will have ultimate responsibility for the delivery of the textbooks. USAID's financing will have already reached the delivery from the provinces to the districts.

Component 3: Strengthening Education Sector Planning Capacity and Transparency

14. The implementation responsibility of this component rests with both the Deputy Ministry of General Education and Deputy Ministry of Administration and Finance with their relevant directorates such as the General Directorate of Planning and Directorate of Finance and Directorate of Human Resources. The EMIS Unit, mapped to the General Directorate of Planning, will lead Subcomponent 3.1: Improving Education Management Systems. The Directorates of HR, Planning, EMIS, and Finance will lead the establishment of a personnel database for its more than 270,000 teachers and administrative staff. This database will have an interface with the payroll system. The General Directorate of Planning and Directorate of Finance will also be responsible for the development of norms for the annual O&M budget allocation for provinces. These directorates will also be responsible for leading the establishment of a basic performance management system for PEDs and DEDs. TA will be provided under Component 4.

Component 4: Technical Assistance

15. Component 4 will follow a standard IPF modality. The Deputy Ministries for General Education and Administration and Finance will develop a plan indicating the MoE's need for the national and international TA required for short and long terms. The plan will be subject to the World Bank's no objection. Under Component 4, an external third-party verification agency will be hired by MOF for the verification of DLIs and disbursement conditions.

16. **Procurement** will be carried out by the PD of the MoE (except for civil works which will fall under the responsibility of the MRRD under Component 1) in accordance with the Procurement Regulations for Borrowers under the New Procurement Framework. Procurement capacity of the MoE will be strengthened by additional staffing through Tashkeel and targeted technical support under EQRA as determined necessary. The MRRD will ensure that sufficient capacity is in place to carry out the procurement of civil works financed by the project.

17. **The FM** function for EQRA will be carried out by the Finance and Administration Directorate of the MoE and the CCAP FM unit at the MRRD. There is sufficient capacity within the unit due to the support provided under EQUIP II and the CCAP. A detailed assessment of the implementation entities has been carried out and mitigating measures have been agreed to address the risks. The implementation arrangements have also been agreed and documented in this annex.

18. **A TPVA**, to be procured by MOF under this component, will carry out the verification of the achievements of the DLIs under Components 2 and 3 and disbursement conditions under Component 1. The selection of a TPVA would be based on, among others, capabilities to carry out the verification processes, potential for a medium- to long-term engagement and capacity building in the government system, and the ability to act fully independent of the MoE and the MRRD. The TPVA will be recruited by the MOF to ensure this independence from the line ministries.

FM and Disbursements

19. Afghanistan is a unitary government and has a centralized public financial management architecture. The Public Finance and Expenditure Management Law 2005 (PFEML) sets out the responsibilities, authorities, and obligations related to the management of public finance in the country. The MoF has a dominant role in preparing and managing the annual government budget. It is also



responsible for treasury functions, Government financial reporting, and tax policy and administration. At the provincial level, Mustofiats as MoF representatives, perform treasury functions. The central line ministries have the mandate of countrywide public service delivery. Accordingly, they prepare and, after approval of the Parliament, execute their annual budgets. The central line ministries are also responsible for maintaining an internal audit function as required by the PFEML. The Supreme Audit Office Law 2013 requires the Auditor General to conduct annual audit of the government accounts.

20. **The recent PEFA assessment (July 2018) noted that the government maintained aggregate fiscal discipline by controlling expenditure within available resources but the budget credibility remains poor and the overall control environment is weak.** MoF uses the AFMIS to manage budget execution that includes budget control over spending. The expenditure authorities are centralized, which creates spending rigidities and hampers innovations in service delivery. The service delivery units have virtually no role in budget planning and execution. Over the last three fiscal years, approximately half of the development budget remained unspent. Although the prescribed internal control framework is reasonably detailed, compliance is varied. The control systems for payroll are insufficient and represent a major weakness for a significant proportion of expenditure. The asset and liability management and monitoring of fiscal risks displayed considerable gaps.

21. **The budget allocation mechanism is largely incremental and impedes the linkages between the budget and policy priorities.** Owing to the lack of required financing and uninformed budget allocation decisions, the social sector strategies have not been adequately funded. Weak budget expenditure execution is the result of poor project selection and inadequacies in the entire public investment management cycle—project preparation, project appraisal, execution and monitoring and evaluation. The budget documents lack the required performance information; the Chart of Accounts does not facilitate information availability to the service delivery units; and there are no performance plans for service delivery. Consequently, the performance orientation of the entire budget formulation and execution process is undermined. Therefore, the overall FM risk for EQRA is assessed as “High”.

22. **Adequacy and credibility of the budget are the key risks to achieve education and project development outcomes.** The MoE has been fully utilizing the allocated recurrent budget, 91 percent of which goes into salaries. Over the years, the annual increase in the MoE budget has been about 4 percent, less than the inflation rate. There has been a significant variance between the budget requested by the MoE and the actual budget approved. The MoF is constrained by limited fiscal space and increasing security expenditure to allocate additional budget for education. EQRA also supports norm-based budgeting and school-based grants for which additional budget allocation is a challenge.

Table 2.2. MoE’s Recurrent Budget and Expenditure - Amount in AFN

Fiscal year	Budget Ceiling	MoE Budget Proposal	Approved Budget	Expenditure	Utilization Percentage
2015	25,797,267,860	45,770,933,000	30,606,159,273	30,445,916,599	99
2016	30,390,000,000	40,745,783,000	31,800,985,389	31,568,918,990	99
2017	30,390,000,000	39,550,275,000	33,355,642,540	33,034,674,282	99
2018	35,789,000,000	41,378,634,000	35,751,287,169	20,692,246,137*	58

Note: Data up to August 25, 2018 and the fiscal year will end on December 21.



23. On the development budget, although the approved budget was less than 50 percent of what was proposed by the MoE, utilization is the major concern as the MoE has spent only one-third of the budget allocated during the last three years. The MRRD, on the other hand, has used more than 80 percent of its development budget during the last three fiscal years.

Table 2.3. MoE's Development Budget and Expenditure - Amount in US\$

FY	Approved Budget	Carry Forward	Total Budget	Expenditure	Utilization Percentage
2015	160,049,212	142,147,465	302,196,677	95,093,614	31
2016	29,761,832	189,072,426	218,834,258	83,441,935	38
2017	46,015,254	138,360,319	184,375,573	64,371,108	35
2018	74,743,470	-	74,743,470	22,083,420*	30

Note: Data up to August 25, 2018 and the fiscal year will end on December 21.

24. The programs with the highest budget allocation and majority of the activities at the provincial level have the lowest budget execution. General and Islamic Education is the largest program including civil works but the budget execution rate is lowest among all programs (only 25 percent). Several reasons for low development budget spending are found. New development projects are not fully appraised before budget approval. The project preparation starts after delayed budget approval which consumes almost half of the fiscal year.

25. **Limited procurement and contract management capacity is the major reason for low utilization.** The capacity problem is further amplified at the provincial level where the majority of the civil work activities are carried out. The evaluation committees do not consistently have the required capacity to evaluate the bids, resulting in long evaluation processes. This coupled with difficulties in arranging regular and timely meetings due to committee members belonging to different units and having competing demand on their time exacerbates the delay. Moreover, the governance arrangements are somewhat complex at the provincial level. The administrative and financial authority is with the governors though budget is of the MoE and Mustofiats as representatives of the MoF process payments. As multiple stakeholders are involved, the process becomes time-consuming. While the operating budget execution benefits from the use of quarterly allotments, the MoF allots funds for the development budget on an advance, invoice, or contract basis. Thus, every time the MoE needs to request a payment, it must also request an allotment. This adds significant time to the process with limited value added.

26. **Internal audit recommendations are not implemented and followed up.** The MoE and the MRRD do not have the policy and systems requiring the officials to follow up on internal audit findings and implement audit recommendations. However, the serious audit observations are referred to the Attorney General for further investigation. At present, 66 MoE cases are pending with the Attorney General for further investigation. During the last three years, the internal audit reported 73 cases of corruption and abuse of power by the officials, but no action has been taken.⁴¹

27. **Governance and capacity issues limit effectiveness of internal audit.** The independence of internal audit at both the MoE and the MRRD is compromised in the absence of an audit committee to approve audit plans and review audit reports. The Internal Audit Directorate submits the reports to the

⁴¹ MoE internal audit reports from 2014-2017

minister for approval and the approved reports are forwarded to the relevant department for necessary action. However, in most of the cases, no action is taken on the reports and the Internal Audit Unit does not have the authority to demand compliance. The MoE's internal audit team for development projects has only 10 staff (3 officers and 7 field auditors) and is unable to cover all development projects. Moreover, the internal audit staff do not have relevant academic and professional qualifications. For the last three years, no audit of development projects at the provincial level has been carried out by the MoE's internal audit. Similarly, the MRRD's internal audit has not carried out an internal audit of development projects including the CCAP.

28. **Records of fixed assets and inventory are not properly maintained and no physical verification is carried out leading to the risk of misappropriation.** Fixed assets and inventory registers are neither maintained at the facility nor at the central level. Moreover, there is no practice to periodically verify existence of fixed assets. Therefore, information about existence and condition of fixed assets is not available at the MoE and MRRD.

29. **Advances are not adjusted in time by the MoE and an advance of AFN 85 million is outstanding relating to the last four financial years.** The advances were not adjusted because the spending units were unable to provide supporting documents for adjustments. Instances of 100 percent advance payments made to contractors who did not complete civil works were also noted. The majority of the outstanding advances relate to the provinces, but a significant amount is also outstanding at the central level. The Treasury Manual requires adjustment of advances within one month of the close of the fiscal year but some advances are now overdue for more than 48 months.

30. **Considering the fiduciary and governance risks identified, the project adopted a holistic approach to address these risks either as part of the project design or agreed actions.** The project design includes certain elements that will mitigate the risks identified. For example, the use of DLI-based disbursements ensures allocation of adequate budget by the Government to achieve results and claim reimbursement. Implementation of an integrated personnel database is an intervention that will allow linkage of HR and payroll data and significantly reduce the risk of ghost workers. The use of third-party monitoring, DLI verification agents, and citizen oversight are part of project design to mitigate the risks. Annex 6 describes in detail the risks associated with fraud and corruption and proposed mitigation measures.

Project FM Arrangements

31. **Personnel.** The existing FM team at the central and provincial levels consists of 153 civil servants and 43 contractual staff hired previously under the EQUIP II project. The existing staff are adequate for EQRA FM and no additional FM staff will be hired. The combined (central and provincial) strength of the MRRD FM staff comprises 130 contractual staff hired under the CCAP. The MRRD will hire two additional FM staff in the head office.

32. **Budgeting.** The MoF guidelines for budget preparation will be followed until the MoE develops the detailed guidelines including norm-based budgeting. For the two DLI-based components (2 and 3), certain budget lines will be agreed for which the MoF will initially provide budget and funds from its own sources to be reimbursed by the World Bank on achievement of DLIs. For Component 1, which follows a traditional IPF modality, the MRRD will prepare the budget estimates for school construction, which will be based on estimated funds to be allocated to the communities for civil works and the MoE will prepare

budget estimates for school grants. To ensure timely allotments against these budget lines, a cash plan of quarterly allotments/budget will be agreed with the MoF. For Component 4, the project budget would be based on the Procurement Plan and annual work plan. The annual budget will be broken down into quarters to facilitate budget monitoring. Actual expenditures will be monitored against quarterly budgets, and will also be reported to the World Bank. The MoF will create two budget lines (AFG codes), one for the MoE and the other for the MRRD to budget and account for EQRA expenditures. The MoF will also allow bulk allotments to the MRRD for the allocated funding to the communities.

33. **Accounting and financial reporting:** Cash basis of accounting will be followed for the project. BPETS will be used for project accounting and reporting at the MoE. The MRRD will use the CCAP accounting system for grants and operational expenditure of EQRA. At the central level, the MoF will process payments and maintain records at the central level using the AFMIS in accordance with the Government's Treasury Accounting Manual. The quarterly IFRs will compare actual expenditures to budgeted expenditures, and explain significant variances. On a quarterly basis, the MRRD will provide detailed reports to the MoE on the expenditure projections, funds transferred, expenditure incurred, and work progress. The MoE will submit IFRs to the World Bank within 45 days of the close of each fiscal quarter. The following books of accounts and records will be maintained by the MoE and the MRRD:

- (a) Cash/Bank Book - to record all cash/bank receipts and payments
- (b) General Ledger - to record all receipts and payments
- (c) Asset Register - to maintain up to date record of assets procured
- (d) Invoice Register - to track payments
- (e) Contract Register - to record all contract payments
- (f) Vouchers and supporting documents for all receipts and payments
- (g) Records of the grants to the communities for school construction

34. **Internal controls.** The World Bank is preparing a comprehensive Financial Management Manual that will be applicable to all IDA and ARTF projects in Afghanistan. The manual will be finalized by project effectiveness and will be used by both the MoE and the MRRD. The manual will include details on the FM arrangements, internal controls, and disbursement procedures for both DLI and non-DLI components.

35. **Internal audit** for the project will be conducted semiannually by the Internal Audit Department of the MoE. The semiannual internal audit reports will be submitted to the World Bank within 2 months of the close of the semester. The MRRD will employ two consultants to support capacity building of its internal audit.

36. **External audit.** The SAO, with the support of consultants, carries out the annual audit of all ARTF/World Bank-funded projects. The same audit arrangements will be used. The SAO will submit to the World Bank, annual audited project financial statements and Management Letters within six months of the close of the fiscal year. The financial statements of the project audit will be prepared by the MoF based on AFMIS records. There are common TORs for the audit of all projects that are reviewed by the World Bank annually.

37. **Disbursement modalities for the IPF Components 1 and 4.** Disbursements under Components 1 and 4 will be made primarily as advance based on the IFRs to be submitted on a semester basis. The ceiling will be based on a six-month forecast of expenditures and replenished each semester for the same period. However, Component 1 disbursements are conditioned on achievement of certain annual targets. These



are in fact disbursement conditions to be fulfilled to receive a subsequent amount from the World Bank. Table 2.4 summarizes the project's disbursement arrangements.

Table 2.4. Disbursement Arrangements

Category	Amount of IDA Financing	Amount of ARTF financing	Amount of GPE financing	Total	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, consulting services, Training, and Incremental Operating Costs for Part 1(a) of the Project	US\$ 37 million	US\$38 million	----	75 million	100%
(2) Goods, works, consulting services, Training, and Incremental Operating Costs for Part 1(a) of the Project	US\$ 17 million	US\$16 million	US\$42 million	US\$75 million	100%
(3) Goods, works, consulting services, Training, and Incremental Operating Costs for Part 1(a) of the Project	US\$ 9 million	US\$9 million	US\$7 million	US\$25 million	100%
(4) School Grants under Part 1(b) of the Project	US\$ 1.5 million	US\$1 million	-----	US\$2.5 million	100%
(5) School Grants under Part 1(b) of the Project	US\$ 0.5 million	US\$1million	US\$1 million	US\$2.5 million	100%
(6) Goods, consulting services and Incremental Operating Costs under Part 1(c) of the Project	US\$3 million	US\$3 million	US\$4 million	US\$10 million	100%



Category	Amount of IDA Financing	Amount of ARTF financing	Amount of GPE financing	Total	Percentage of Expenditures to be Financed (inclusive of Taxes)
(7) (a) Eligible Expenditures Program under Part 2 of the Project	US\$ 9.5 million	US\$9.5 million	US\$16 million	US\$35 million	100%
(7) (b) Eligible Expenditures Program under Part 3 of the Project	US\$11 million	US\$11 million	US\$ 17 million	US\$39 million	
(8) Goods, Non-Consulting Services, Consulting Services, Incremental Operating Costs for Part 4 of the Project	US\$ 11.5 million	US\$ 11.5 million	US\$11 million	US\$34 million	100%
TOTAL AMOUNT	100 million	100 million			

38. Retroactive financing: Following the request from MoF, it was agreed that the IDA and ARTF grant will provide for retroactive financing to facilitate the financing of expenditures up to US\$8 million for payments made against eligible expenditures incurred before the project approval. The eligibility for retroactive financing is subject to various rules, among others adherence to the provision 5.1 and 5.2 of The World Bank Procurement Regulation for IPF Borrowers.

39. For the Disbursement Category 1.1 (Subcomponent 1.1), a segregated DA to be operated by the MRRD will be established in U.S. dollars at the DAB. For the Disbursement Category 1.2 and 1.3 (Subcomponents 1.2 and 1.3) and 3 (Component 4), a segregated DA to be operated by the MoE will be established in U.S. dollars at the DAB. Disbursements will be report-based where an advance equivalent to six months forecast will be transferred to the DA and subsequent quarterly IFRs will be the basis of documentation of the expenditures. Subsequent IFRs will also provide forecast for the following six months, based on which the amount of funds to be disbursed will be determined.

40. The annual disbursements for Categories 1.1, 1.2, and 1.3 are capped at a certain amount and based on achievement of actions that are linked to disbursement conditions specified for a given year. To access the funds, the Government through an official letter to the Country Director of the World Bank will provide evidence of achievement of the conditions for a particular year. If the World Bank is satisfied with the evidence provided, the Country Director will issue a letter lifting the disbursement conditions for that particular year. These conditions are not time bound. The years described below are indicative and funds can be allocated once the conditions have been met. The MoF will then submit the withdrawal application for advance to the DA based on the cash forecast provided in the IFRs.

41. **The capped amount of disbursements for Subcomponent 1.1 will be allocated in three sequences as follows: First amount of US\$75 million (US\$37 million IDA, US\$ 38 million ARTF) will be made available by effectiveness, the second amount of US\$75 million (US\$ 17 million IDA, US\$ 16 million ARTF and US\$ 42 million GPE) in early 2020, and the third amount of US\$25 million (US\$9 million IDA, US\$ 9 million ARTF and US\$7 million GPE) in early 2021; and falls under the responsibility of the MRRD after meeting the following conditions:**

- (b) To access the second amount, MRRD is expected to demonstrate satisfactory⁴² evidence of completing a minimum of 400 schools (following the prioritization of school construction described in the Project Procedure Manual) and missing essential elements such as missing classrooms, boundary walls, water points, and latrines of a school building, for a minimum of 200 existing schools according to bilateral agreements between the MRRD and CDCs; and furnish details of funds used and verified by the TPVA.
- (c) To access the third amount, MRRD is expected to show evidence of satisfactory completion of a minimum of 1,000 schools (cumulative) and a minimum of 500 existing schools (cumulative) with missing essential elements such as missing classrooms, boundary walls, water points, and latrines of a school building, according to bilateral agreements between the MRRD and CDCs; furnish details of funds used and funds required for the under-construction schools; and verified by the TPVA.

42. **The capped amount of disbursements for Subcomponent 1.2 will be made available in two sequences as follows: First amount of US\$2.5 million (US\$ 1.5 million IDA, US\$1 million ARTF) will be allocated by effectiveness, and the second amount of US\$2.5 million (US\$ 0.5 million IDA, US\$ 1 million ARTF and US\$1 million GPE) in early 2021; and falls under the responsibility of MoE subject to meeting the following condition.**

- (a) To access the second amount, MoE is expected to demonstrate satisfactory implementation of school grants (as described in the School Grants Manual) and demonstrated increase of 4 percent in girls' attendance in 50 percent of schools.

43. **The capped amount of US\$10 million for Subcomponent 1.3 will be allocated as follows: US\$10 million (US\$3 million IDA, US\$3 million ARTF, and US\$4 million GPE) in early 2021; and falls under the responsibility of the MoE.**

- (a) MoE is expected to demonstrate satisfactory implementation of CBE policy to guide future expansion and ensure quality and cost standards. Specifically, this includes a CBE operating manual with: 1) a mapping of CBE needs and 2) guidelines on a harmonized approach to content, institutional setup, teacher salaries, operating costs and data to be collected and reported.

44. **Components 2 and 3 will use DLIs for disbursement.** A one-time advance of US\$18.5 million will be provided to the MoE upon effectiveness to initiate their activities. The remaining project disbursement will be contingent upon the MoE furnishing evidence satisfactory to the World Bank that it has achieved the respective DLRs and the DLRs are verified by a TPVA. Applications for withdrawal from the World

⁴² Evidence to show that the building has been completed as per drawings and specifications and registered in the MoE's database.

Bank's financing account of amounts allocated to individual DLRs will be sent to IDA any time after the World Bank has notified the GoA in writing that it has accepted evidence of achievement of the DLRs. The withdrawal amount against the DLRs achieved will not exceed the amount of the financing confirmed by the World Bank for the specific DLRs. A certain amount of grant proceeds has been allocated to each DLR, referred to as the DLR value, which is the amount that the Government can claim as reimbursement against the EEPs if that DLR has been achieved and verified. Due to the fiscal situation, GoA has requested this one-time advance to finance some of the activities related to Component 2 and 3. During the first year of implementation, the incremental expenditure of these two components is forecasted at US\$24 million. The expenditure includes consultant services, training, workshops, software and equipment that will be the part of EEPs.

45. **DLI verification protocols.** Verification protocols for each DLI are detailed in Annex 1. The DLIs will be verified by the TPVA and submitted to the World Bank as part of the supporting documentation to report achieved results (the report of the TPVA will be subject to validation by the World Bank before confirming achieved results and as part of the approval process to disburse funds). The World Bank will also review the evidence base for all DLIs during implementation.

46. For DLI-based disbursements, through a withdrawal application, the World Bank disbursements will be made directly to the GoA Treasury Account. Separate withdrawal applications will be prepared for the IDA, ARTF, and GPE Grants. The World Bank will reimburse eligible expenditures as reported in the annual IFRs capped to the value of DLIs achieved. Annually, the MoF will submit a separate withdrawal application for each grant duly signed by the authorized representatives along with the two semiannual IFRs and a DLI results report to the World Bank for disbursements and documentation of expenditure. The template of IFRs will be used to document advances and actual project expenditure incurred against the eligible expenditure supported by EQRA. Table 2.5 presents an indicative disbursement schedule for DLI-based disbursement.

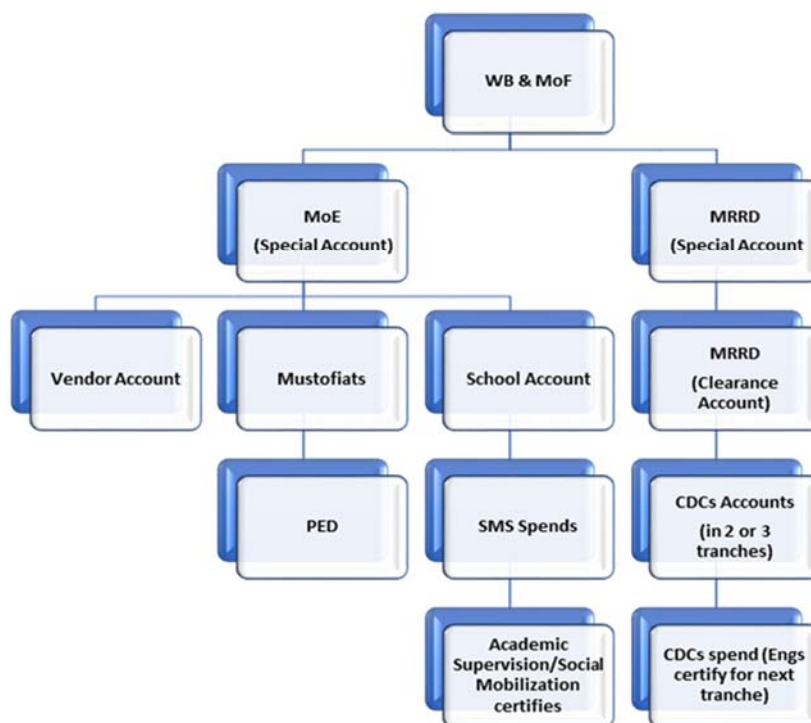
Table 2.5. Indicative Disbursement Schedule - DLI-Based Disbursement (IDA + ARTF + GPE)

Performance and IFRs Period	No. of DLIs to be Achieved	Submission of DLI Results Report to the World Bank along with IFR and Withdrawal Application	Verification of the Results by the World Bank	Discussion and Agreement on DLI Results between the Government and the World Bank	Disbursement to the Government
Due within the first 4 months of implementation	4	December 31, 2018	January 30, 2019	February 28, 2019	March 31, 2019
Year 1	5	January 31, 2020	February 28, 2020	March 15, 2020	April 30, 2020
Year 2	5	January 31, 2021	February 28, 2021	March 15, 2021	April 30, 2021
Year 3	6	January 31, 2022	February 28, 2022	March 15, 2022	April 30, 2022
Year 4	3	January 31, 2023	February 28, 2023	March 15, 2023	April 30, 2023
Year 5	1	January 31, 2024	February 28, 2024	March 15, 2024	April 30, 2024

47. **EEPs.** Expenditures against which the World Bank will disburse upon achievement of DLIs are referred to as EEPs and are a part of the MoE's recurrent and development budget of the eligible activities in respect of EQRA. These expenditures are clearly identifiable in the government budget, AFMIS, and the

Chart of Accounts. The World Bank funds would not be separately tracked and the World Bank will accommodate withdrawal applications from the project if the overall expenditures eligible under the EEPs are more than or equal to the amount to be withdrawn from the grants. The EEPs will comprise discretionary development and recurrent budget allocations for EQRA including codes 22 (goods and services) and 25 (assets). Figure 2.1 shows the funds flow arrangements under EQRA.

Figure 2.1. Fund Flow Arrangements Under EQRA



48. For school construction by CDCs, the MRRD will make payment to CDCs in two and three sequences as per the current practice under the CCAP. The amount of allocation would be decided based on the approved cost estimates of local costs. This amount will be captured in the bilateral agreement between the MRRD and each CDC before the actual construction commences. An MoU would be signed with DAB to make special banking arrangements for CDCs similar to the CCAP. The MRRD will process batch payment requests for grants to the CDCs and the DAB upon receiving the transfer request from the MoF will transfer the funds to the MRRD clearance account. Thereafter the funds will be transferred to the CDCs. Table 2.6 shows the details of CDCs payments in tranches.

Table 2.6. CDCs Fund Disbursements in Sequences

CDC contract value	First Sequence %	Second Sequence %	Third Sequence %	Total
Up to and including US\$75,000	70%	30%	--	100%
Above US\$75,000 and less than US\$125,000	50%	30%	20%	100%
Above US\$125,000	40%	30%	30%	100%

49. The clearance account will be maintained only for the grants' transfers and to aid reconciliation. Funds transferred into the clearance accounts should be transferred out within 1–3 days and the account should be zeroed out. Funds remaining in the clearance accounts for longer will mean the funds have not reached the intended beneficiaries and will help the MRRD to follow up on time. The MRRD will have access to the clearance account bank statements on a daily basis. The World Bank will follow upstream accounting and would recognize school grants to the CDCs as expenditure. However, the CDCs will maintain complete accounting record and after completion of the construction, any unspent balance will be refunded.

Procurement

50. Procurement under all components will be carried out in accordance with the Procurement Regulations. EQRA will be subject to the World Bank's Anticorruption Guidelines, dated October 15, 2006, revised in January 2011, and July 1, 2016.

51. **SPDs.** The World Bank's SPDs, Requests for Proposals, and Forms of Consultant Contract shall be used for Open International Competition. Goods, works, and non-consultancy services following Open National Competition shall be procured using the agreed bidding documents for Afghanistan.

52. In case of conflict/contradiction between the World Bank's procurement procedures and any national rules and regulations, the World Bank's procurement procedures will take precedence according to the Article 4(2) of the Procurement Law of the Islamic Republic of Afghanistan dated 27/06/1396 (September 17, 2016) published in the Official Gazette No.1223.

53. **PPSD.** According to the requirement of the Procurement Regulations, the PD of the MoE (and the MRRD for civil works) will prepare a PPSP to decide procurement methods and approaches for procurement (template of the PPSP already shared). Once the PPSP is complete and procurement officials are identified, the World Bank will arrange a procurement training for them.

54. **STEP.** The project will implement STEP, a World Bank planning and tracking system, which would provide data on procurement activities, and establish benchmarks. The details of the procurement activities, presently prepared in the Procurement Plan would be transferred into STEP. Initial training on the operation of STEP will be provided to the procurement officers of the MoE and the MRRD.

Procurement Risk Assessment

PD of the MoE

55. **The PD in the MoE and the MRRD (in the case of civil works under Component 1) will be responsible for procurement under EQRA.** The MoE PD has been restructured by the National Procurement Authority (NPA). The new structure will consist of 54 procurement positions. Out of these, 45 positions including the procurement director position have been filled by educated professionals selected on competitive basis. The rest of the positions will be filled soon.

Procurement Unit of the MRRD

56. The World Bank has conducted an assessment of the procurement capacity of the Procurement Unit for other World Bank-financed projects in the MRRD. The same Procurement Unit will be responsible for procurement under EQRA and they will oversee the civil works to be conducted by CDCs. The Procurement Unit has nine staff members. All the staff members have sufficient experiences in general procurement as well as in community-driven procurement. The staff were first involved in the NSP procurement for many years and are currently working under the CCAP. The Procurement Unit has a section dedicated to overseeing the procurement conducted by CDCs and the capacity enhancement of the engineers responsible for guiding CDCs in procurement. According to the implementation process of the MRRD, provincial and district engineers would provide technical support to CDCs which will carry out procurement. The MRRD has expressed a need for an additional 151 technical staff to be hired as consultants to support the construction under EQRA. These engineers would have to be trained after appointment. With the above arrangements in place by the MoE and the MRRD, the risk is rated as Substantial.

Procurement Capacity Development

57. **Staffing.** An appropriate staffing plan shall be developed along with the capacity development plan.

58. **Planning and budgeting.** The MoE has developed a Procurement Plan for project implementation that provides the basis for the procurement methods. The MoE will submit the Procurement Plan for procurement of goods and works and selection of consultants through STEP and update STEP regularly. The above system will facilitate monitoring of the time taken for procurement/selection activities and take remedial actions for delays. It has been agreed that all bid/proposal evaluations will be completed within the time duration stipulated in the system by default.

59. The Procurement Plan has been agreed between the client and the task team on June 12, 2018 and is available at the MoE offices. It will also be available in the project's database and on the World Bank's external website. It will be updated in agreement with the project team annually or as required to reflect the actual project implementation needs and improvements in institutional capacity.

60. The MRRD will prepare a construction plan, which would include the list of schools to be constructed in the selected provinces, with details like sizes, cost estimates, construction schedule, and so on. The contents of the list will be agreed by the MRRD and MoE.

Internal Control (including internal audit)

Contract Management

61. This has always been an area of concern in the country. The MoE needs to hire a competent national contract management specialist to take care of contract management and administration.

Governance and Oversight Arrangements

62. **Audit arrangements - external audit.** The SAO will conduct annual financial audits, which will cover procurement as well. The World Bank will also conduct external audits of all the selected EEPs.

Frequency of Procurement Supervision by the World Bank

63. In addition to the prior review, supervision shall be carried out by the World Bank team. There will be a minimum of two ISMs per year.

64. **Procurement audit.** In addition to prior review, World Bank staff or World Bank-appointed consultants shall carry out post procurement audits at least once per year.

65. **Procurement review by the NPA.** The NPA will also conduct its procurement review every year to make sure that the procurement conducted is in compliance with the World Bank Procurement Regulations and in line with the Public Procurement Law of the country for procurement under the Incremental Operating Costs.

Mitigating Fraud and Corruption, Transparency, Accountability, and Participation

66. **Governance and anticorruption agenda.** All the contract opportunities and contract awards will be widely published on the Internet, the NPA, MoE, and MRRD websites, and, when required, in United Nations Development Business (UNDB). The MoE and the MRRD will set up a system to ensure that the staff/consultants who handled the procurement process/contract management/contract execution do not join the consultants/contractors. This will be reviewed during ongoing implementing support. Other actions are: (a) alerting implementing agencies' officials/staff about any potential fraud and corruption issues; (b) alerting bidders against adopting fraudulent and corrupt practices; (c) awarding contracts within the initial bid validity period, and closely monitoring the timing; (d) taking action against any corrupt bidder in accordance with the law of the GoA; (e) preserving records and all documents regarding public procurement, in accordance with the Procurement Law provisions; (f) publishing contract award information on UNDB online and the NPA's and agencies' websites within two weeks of contract award; (g) ensuring timely payments to the suppliers/contractors/consultants and imposing liquidated damages for delayed completion; and (h) enforcing a procurement filing system.

GRM: Complaints Handling

67. With regard to procurement complaints, the MoE and the MRRD will be guided by the Procurement Regulations. The MoE and the MRRD will inform the World Bank as soon as the procurement complaint is received and the final outcome subsequently. The MoE and MRRD should have a system to register and monitor the receipt and resolution of complaints, such as through the proposed hotlines. The progress of such action will be reviewed by the World Bank throughout ongoing implementation support.

Table 2.6. Summary of Procurement for PPSP

S#	Contract Title, Description and Category	Procuring Entity	Estimated Cost (US\$) and Risk Rating	World Bank Oversight	Procurement Approach/Competition/SPD/ Selection Method	Evaluation Method
1	Print and distribute school cards (Goods)	MoE	249,634/Moderate	Post	Open National/SPD/Single Envelope	Lowest Evaluated
2	Material and equipment costs for schools for 140 sets @ US\$1,000 (Goods)	MoE	140,000/Moderate	Post	Open National/SPD/Single Envelope	Lowest Evaluated
3	Produce and disseminate annual statistical reports (print and electronic) - national (Goods)	MoE	7,000/Low	Post	Limited/RFQ/Single Envelope	Lowest Evaluated
4	Produce and disseminate annual statistical reports (print and electronic) - provincial (Goods)	MoE	24,500/Low	Post	Limited/RFQ/Single Envelope	Lowest Evaluated
5	Produce and disseminate annual district statistical reports (print & electronic) (Goods)	MoE	31,500/Low	Post	Limited/RFQ/Single Envelope	Lowest Evaluated
6	Video conferences system for 34 provinces (Goods)	MoE	850,000/Substantial	Prior	Open International/SPD/Single Envelope	Lowest Evaluated
7	Visual Studio, Win server licenses and other MIS licenses (Goods)	MoE	150,000/Moderate	Post	Open National/SPD/Single Envelope	Lowest Evaluated
8	Purchase of tablets for student result sheet (Goods)	MoE	1,062,500/Moderate	Post	Open International/SPD/Single Envelope	Lowest Evaluated
9	Office equipment, laptops, computers, memory sticks, HDD, scanners, and so on. (Goods)	MoE	333,400/Moderate	Post	Open National/SPD/Single Envelope	Lowest Evaluated
10	Develop and translate training materials on planning, monitoring, and reporting (Goods)	MoE	5,000/Low	Post	Limited/RFQ/Single Envelope	Lowest Evaluated
11	Prepare and publish school report card at community level (Goods)	MoE	92,500/Moderate	Post	Open National/SPD/Single Envelope	Lowest Evaluated

S#	Contract Title, Description and Category	Procuring Entity	Estimated Cost (US\$) and Risk Rating	World Bank Oversight	Procurement Approach/Competition/SPD/ Selection Method	Evaluation Method
12	Construction of new school buildings (Works)	MRRD	62,500,000/Substantial	Post	Open National/SPD/Single Envelope	Lowest Evaluated
13	Construction of missing essential elements (Works)	MoE	8,632,960/Substantial	Post	Open National/SPD/Single Envelope	Lowest Evaluated
14	Agency for developing a technology-based reporting mechanism (Consultancy)	MoE	150,000/Moderate	Post	Open International/National/CQS/Two Stage/Two Envelope with Lumpsum Contract	Rated Criteria
15	Third-party monitoring of program (Consultancy)	MoF	8,000,000/High	Prior	Open International/QCBS/Two Stage/Two Envelope with Lumpsum Contract	Rated Criteria

Note: HDD =Hard Disk Drive; RFQ = Request for Quotation; CQS = Selection Based on the Consultants' Qualifications

Table 2.7. Procurement Activities under the Project for first 18 months.

No.	Referen ce No.	Description	Procurement Category	Procure ment Method	Open National/Intern ational	Estimated Amount (US\$)	World Bank Financed (%)	Review Type	Planned Start Date	(DLI/Activiti es) ID #/Descripti on
GOODS										
1	GD - 1	Print and distribute school cards	GO	NCB	National	249,634	100	Post	2018/19	3.1.1.1.3
2	GD - 2	Material and equipment costs for schools for 140 sets @ US\$1000	GO	RFQ	National	140,000	100	Post	2018/19	2.2.3.1.7

No.	Reference No.	Description	Procurement Category	Procurement Method	Open National/International	Estimated Amount (US\$)	World Bank Financed (%)	Review Type	Planned Start Date	(DLI/Activities) ID #/Description
3	GD - 3	Produce and disseminate annual statistical reports (print and electronic) - national	GO	RFQ	Limited	7,000	100	Post	2018/19	3.1.1.1.5
4	GD - 4	Produce and disseminate annual statistical reports (print and electronic) - provincial	GO	RFQ	Limited	24,500	100	Post	2018/19	3.1.1.1.6
5	GD - 5	Produce and disseminate annual district statistical reports (print and electronic)	GO	RFQ	Limited	31,500	100	Post	2019	3.1.1.1.7
6	GD - 6	Video conferences system for 34 provinces	GO	ICB	International	850,000	100	Prior	2018	3.1.2.1.7
7	GD - 7	Visual Studio, Win Server licenses and other MIS licenses	GO	NCB	National	150,000	100	Post	2018/19	3.1.2.1.8
8	GD - 8	Purchase of tablets for student result sheet	GO	ICB	National	1,062,500	100	Post	2018/19	3.1.4.1.3

No.	Reference No.	Description	Procurement Category	Procurement Method	Open National/International	Estimated Amount (US\$)	World Bank Financed (%)	Review Type	Planned Start Date	(DLI/Activities) ID #/Description
9	GD - 9	Office equipment, laptops, computers, memory sticks, HDD, scanners and so on.	GO	NCB	National	333,400	100	Post	2018/19	3.1.5.1
10	GD - 10	Develop and translate training materials on planning, monitoring, and reporting	GO	RFQ	Limited	5,000	100	Post	2018/19	3.4.1.1.1
11	GD - 11	Prepare and publish school report card at community level	GO	NCB	National	92,500	100	Post	2018/19	3.5.1.3.7
Sub Total - Goods						2,946,034				
WORKS										
1	CW - 1	Construction of new school buildings	CW	NCB	National	62,500,000	100	Post	2018/19	1.3.1.1.1 / Multiple packages
2	CW - 2	Construction of missing essential elements	CW	NCB	National	8,632,960	100	Post	2018/19	1.3.1.1.2 / Multiple packages
Sub Total - Works						71,132,960				

No.	Reference No.	Description	Procurement Category	Procurement Method	Open National/International	Estimated Amount (US\$)	World Bank Financed (%)	Review Type	Planned Start Date	(DLI/Activities) ID #/Description
NON-CONSULTANCY										
		Grand Total - A + B + C				74,078,994				
Consultancy Services										
3	CS - 3	Agency for developing a technology based reporting mechanism		QCBS		150,000	100%	Post	2019	
4	CS - 4	Third-party monitoring of the program (by MOF)		QCBS		8,000,000	100%	Prior	2018/19	4.6.1
		Grand Total				8,150,000				

68. The MoE and the MRRD will ensure that all invitations for bids and Expressions of Interest are given wide publicity using its own website, the NPA website, UNDB, and national newspapers. Further for individual consultants, the Request for Expression of Interest/vacancy notice will be published on the following websites: www.npa.gov.af, www.acbar.org, www.devnetjobs.org, and www.reliefweb.int.

Incremental Operating Costs

69. The costs which would be borne by EQRA under Component 4 would be procured using the implementing agency's administrative procedures, which were reviewed and found acceptable to the World Bank. The operating costs will include O&M of equipment and vehicles, hiring of vehicles, office rent, costs of consumable, fuel, office utilities and supplies, and World Bank charges, advertising expenses, training fees for individuals with prior agreement with the World Bank for professional development, but exclude any salaries and allowances of civil servants.

Procurement Plan

Project information: Afghanistan EQRA (P159378)

Project Implementation agencies (MoE and MRRD)

Date of the Procurement Plan: June 12, 2018

Period covered by this Procurement Plan: first 18 months

Environmental and Social (including safeguards)

70. **Environmental safeguards.** Under Component 1, the project will support investments for construction of new schools and rehabilitation of the existing school buildings, including missing essential elements (such as missing classrooms, boundary walls, water points, and latrines of a school building). The scale of school construction will be determined through a needs assessment for school construction in lagging provinces. Potential environmental impacts of the infrastructural activities to be supported under EQRA are expected to be modest and localized and thus, the project has been classified as Environment Category B in accordance with OP/BP 4.01.

71. The MRRD has carried out an environmental assessment and prepared an ESMF to address potentially negative environmental and/or social impacts caused by construction activities under this project. The ESMF consists of environmental and social mitigation measures, environmental and social monitoring requirements, and documentation protocols. It also specifies the capacity-building needs for effective implementation of the ESMF.

72. **Disclosure.** The ESMF and the RPF consultations with stakeholders were conducted prior to disclosure. The ESMF/RPF were disclosed in-country at the MoE and other relevant agencies' websites on June 14, 2018 and at the World Bank's external website.

73. **Social safeguards.** The civil works activities will be expected to have overall moderate social impacts, which can be readily mitigated through implementation of the safeguards instruments. Social safeguards impacts would be mainly caused by temporary and/or permanent loss of land and other assets, particularly for new school building and other activities under Component 1. Selection of sites for these activities will be screened for land disputes to avoid the situation where investments would fuel such disputes.

74. EQRA triggers OP 4.12 (Involuntary Resettlement) in the case of Component 1 because this component will involve land acquisition for provision of school infrastructure to provide children a safe, secure, and conducive learning space. Because not all sites under Component 1 can be identified in advance, an RPF has been prepared and disclosed before appraisal. The RPF for EQRA sets out procedures for managing land acquisition, asset loss, land donation, and resettlement impacts. Based on the RPF guidance, each subproject will be screened, and if RAPs are found to be necessary, these will be prepared, cleared, disclosed, and implemented before the commencement of civil works, in accordance with OP 4.12. The RPF for EQRA contains the requisite comprehensive TORs for the RAPs.

75. CE will form an integral part of project implementation to enable effective two-way interactions between citizens and government officials from the education sector. PED/DED workshops are designed to engage citizens on how to get children into school and inform the DEDs' strategies and action plans for getting children to enroll and attend school. The first set of workshops conducted during preparation was used to inform project design. The follow-up workshops to be held each year will ensure their continued engagement and inform project adjustments to meet beneficiaries' needs. Other efforts that will be introduced will include, GRM, school report cards, and social accountability through deeper engagement with communities through school shuras. The ESMF provides details on CE for EQRA. While CE and beneficiary satisfaction will be monitored in the project through various formats including workshops and community scorecards, there are two key indicators to be monitored in the Results Framework. One is to ensure that the provincial workshops are being conducted to inform the project implementation. The second is to monitor that the GRM is functioning.

76. The ESMF and the RPF for EQRA provide details about institutional responsibilities for implementation and monitoring, including the CE component. The ESMF includes a detailed procedure for GRM, including responsibilities of the key agencies to address concerns related to project activities. The client will establish an effective GRM for EQRA. This will include: (a) conducting a public awareness program to inform project beneficiaries to use grievance services, (b) establishing multiple uptake channels including a hotline for grievance registration, (c) properly registering all grievances related to project activities to enable tracking and review, and (d) strengthening capacity of all relevant agencies to address local concerns.

Monitoring and Evaluation

77. **The M&E functions will be carried out by the respective MoE departments** and consolidated by the Deputy Ministry of General Education. Monitoring activities will comprise tracking implementation progress (physical and financial), achievement on KPIs and intermediate outcome indicators, and compliance on eligibility and funds utilization. The TA component will also support strengthening of data management and monitoring capacity at the central and provincial levels. To support system strengthening efforts, EQRA will also provide specific technical support by improving the EMIS data quality, introducing individual student identification to track students and their learning cycle, and connecting various data systems. EQRA will also take advantage of World Bank-related monitoring support such as the ARTF TPM to monitor and track salary payments as well as soft and hard components at the school level.

Role of Partners

78. The partners involved in the planning and implementation of NESP III are part of the LEG—with representation from the GoA, DPs, international NGOs, and various civil society organizations—with a long-standing history of engagement in the sector and with the Government. As members of the LEG, the DP consortium will coordinate joint support to the overall strategy, policy dialogue, and programs and activities of NESP III. Given the key role of EQRA in strengthening government systems, DPs will play a stronger role in program oversight, including the development and review of annual operational plans of NESP III. It is expected that the RBF approach will serve as a common strategic framework for DPs to support shared results in the sector and support the GoA's efforts to harmonize both on-budget and off-budget interventions in the sector and respective sectoral outcomes.

79. To support implementation, a joint working group comprising DPs, the MRRD, and the MoE representatives will provide oversight of the planning of the annual budget, review EQRA implementation progress with reference to the Operational Planning and Reporting Framework and resolve implementation bottlenecks. DPs will be invited to all EQRA ISMs to participate in consultations with the GoA and will also continue to receive Aide Memoires and other implementation progress reports.

ANNEX 3: IMPLEMENTATION SUPPORT PLAN

Afghanistan: EQRA

Strategy and Approach for Implementation Support

1. The implementation support plan of EQRA is based on the assessed risks of the project (outlined in the Systematic Operations Risk-Rating Tool) and the assessed capacity of the client agencies responsible for implementation. The strategy reflects a decade of experience in supporting education programming in Afghanistan and experience in RBF in the region. Through continuous support to the MoE, the strategy embraces the principles of flexibility and efficiency to increase the development impact of EQRA through: (a) improved focus on results; (b) better implementation and risk management; and (c) increased institutional development, while ensuring compliance with the Financing Agreement.
2. The implementation support strategy is based on several mechanisms: (a) implementation support review missions; (b) regular technical meetings and field visits by the World Bank's team based in the Country Office (CO) in Kabul, in the region, and at the headquarters; (c) independent third-party monitoring/validation of the DLIs; and (d) internal audit and FM reporting. The World Bank, together with the MoE, will formally review EQRA implementation semiannually by undertaking ISMs. More frequent technical missions are expected at least in the first year for specific purposes, between the formal ISMs. These missions will be complemented by: (a) visits from the World Bank's task team and technical consultants and (b) continuous communication and follow-up between missions.
3. The main semiannual missions will cover, among other things, (a) strategic policy dialogue on major education sector matters, including access, quality, and issues around planning and accountability; (b) review of EQRA implementation status, including progress in implementation of the TA component and progress and performance to date with respect to the PDO-level and intermediate results indicators, legal covenants, DLIs, monitoring indicators, and EEPs, as well as reviewing the FM reports, and progress on procurement and environment and social safeguards; and (c) advising on any actions and measures (including risk mitigating measures) required to keep EQRA implementation on track, progress on pace, and performance at expected levels.
4. Findings and recommendations from the semiannual review missions will be recorded in Aide Memoires. The Aide Memoires will provide specific recommendations to the Government for improving project performance with a timeline and specific actions to be taken. Findings of missions carried out during the periods between the semiannual review missions and of regular interactions between the CO staff and the client will also be recorded in mission notes, reports, and emails. The Aide Memoires will be issue-oriented and cover project implementation progress and performance, particularly on the achievement of the DLIs and disbursement conditions.
5. A midterm review will be undertaken midway through the project life span to identify and recommend any changes and revisions that may be necessary to improve implementation performance and progress toward the PDO. Among other aspects, the midterm review will carefully analyze the achievement of the DLIs and disbursement conditions during the first half of the project cycle.
6. The prevailing security conditions in Afghanistan are a key source of difficulty for effective project implementation supervision and support. Access to and monitoring of the service delivery under the

project is likely to be hampered due to insecurity and related movement constraints. Among other measures, the World Bank team will: (a) intensify implementation support and supervision; (b) continue and intensify the use of third-party verification and monitoring, both in validating the achievement of DLIs and disbursement conditions by a DLI-verification agent and in tracking physical progress in project-supported activities by the ARTF TPM; (c) bring in experts from within the region and the Global Practice; and (d) organize reverse missions by the client for specific purposes when required. The World Bank team will also maintain a regular interface with the DPs on joint monitoring of the activities in the sector, including the key milestones in the project.

7. **Coordination with donors and DPs.** The role of DPs will be critical in the implementation of EQRA and continuous dialogue will be maintained with the education DPs. The dialogue will cover the overall strategic objectives of the education sector as outlined in NESP III and the interventions under EQRA. Any major issues or challenges during the implementation period will be discussed and solutions will be identified collectively. Preparation of an annual operational plan for the sector presented with budget codes on previous year results compared to targets in annual plans will assist with the planning and reporting and increase the MoE's accountability toward its partners. The joint review and approval of the annual operational plan will need to take place before the approval of the Government budget.

8. **Fiduciary arrangements.** FM and procurement arrangements will build on and use the capacity developed under the previous projects. The World Bank FM and procurement specialists are based in the World Bank's CO in Kabul and will support project implementation through regular reviews and on-time training and capacity building of staff of the client. Formal supervision of fiduciary processes and procedures will be conducted semi-annually, and implementation support will be provided as required by the client.

9. **Social and environmental safeguards.** The environmental specialist and the senior social development specialist on the team who are based in the World Bank's CO will provide regular implementation support to the MoE and the MRRD in the implementation of the ESMF. The gender and social development specialist will also work closely with the MoE to promote gender benefits of the operation in the sector.

10. **Analytical support.** The World Bank will assist the client by regularly undertaking research, pilots, impact evaluations on themes and topics that are considered high priorities for future policy formulation and planning. These studies and evaluations will be undertaken collaboratively with the Government.

Implementation Support Resource Requirements

11. During the first two years, it is expected that stronger engagement will be required in terms of operational support as well as M&E. Special attention will be paid to the strategic development and monitoring activities of the MoE and the delivery of services at the provincial, district, and school levels. The World Bank team members are based in the World Bank's CO in Kabul and other COs in the region and the headquarters to ensure timely, efficient, and effective implementation support to the client. Formal ISMs will be carried out semiannually, with more frequent technical ISMs during the first year.



Table 3.1. Main Focus in Terms of Implementation Support

Time	Focus	Skills Needed	Annual Resource Estimate (Staff Weeks)	Partner Role
First 12 months	<ul style="list-style-type: none"> Team leadership Technical review/support Governance/public sector expertise Institutional arrangements Implementation support and supervision Fiduciary support and management Environmental and social safeguards monitoring and reporting 	<ul style="list-style-type: none"> Technical expertise for ECD, teacher quality, CBE, school grants, civil works, governance, and accountability, and gender M&E (surveys) Procurement training and supervision Environment and social monitoring and reporting Institutional capacity building 	<ul style="list-style-type: none"> Co-Task Team Leaders: 25 Education Specialists: 20 Governance Specialist: 5 M&E: 5 Procurement: 5 Environmental and Social: 5 	Follow up and participate in strategic committee meetings
Years 2-5	<ul style="list-style-type: none"> Team leadership Technical review/support Implementation support and supervision Fiduciary support and management Environmental and social safeguards monitoring and reporting Monitoring and reporting 	<ul style="list-style-type: none"> Technical support for DLI-based activities Procurement management FM and disbursement-related support Monitoring and reporting Program supervision, and monitoring and reporting 	<ul style="list-style-type: none"> Co-Task Team Leaders: 15 Education specialists: 10 Governance specialist: 5 M&E: 5 Procurement: 5 Environmental and social: 5 	

Table 3.2. Required Staff Skills Mix for the Task Team

Skills Needed	Number of Staff Weeks Per Year	Number of Trips	Comments
Task Team Leader	30	Field trips as required	Based in the region
Co-Task Team Leader	30	CO-based	CO-based
Senior Education Specialist	10	CO-based	CO-based
M&E Specialist	10	Field trips as required	HQ-based
Education Quality Specialist	10	Field trips as required	HQ-based
Governance/Public Sector Specialist	8	CO-Based	CO-Based
FM Specialist	6	CO-based/field trips as required	CO-based



Skills Needed	Number of Staff Weeks Per Year	Number of Trips	Comments
Senior Procurement Specialist	5	CO-based/field trips as required	CO-based
Senior Social Safeguards Specialist	4	CO-based/field trips as required	CO-based
Environmental Specialist	4	CO-based/field trips as required	CO-based
Gender/Social Development Specialist	5	CO-based/field trips as required	CO-based

Note: HQ = Headquarters.

ANNEX 4: SELECTION PRINCIPLES AND METHODOLOGY FOR COMPONENT 1

Afghanistan: EQRA

1. EQRA seeks to focus on increasing the number of girls attending school in 17 priority provinces in Afghanistan. Choosing provinces that have the highest numbers of out-of-school girls to be considered as priority provinces can be useful because it would help focus on bringing in the large numbers of out-of-school girls into regular school attendance. Such an approach would, however, tend to exclude some of the smaller provinces (in terms of school-age population) that face pressing constraints to children's, particularly girls' schooling and have low numbers but high rates of out-of-school girls. Alternatively, choosing provinces based on the rates (percentage) of out-of-school girls increases the likelihood of including the smaller provinces that face challenges of girls' school attendance, but may not have sufficient numbers of out-of-school girls for the full scope of EQRA's resources.
2. Owing to differences in the size of the population of school-age population across provinces, the number of out-of-school girls at the province level is not strongly correlated with the percentage of out-of-school girls in the province. For example, Kabul Province has the highest total number of out-of-school girls but has the lowest percentage of out-of-school girls, while Paktika has a very high percentage of out-of-school girls but this is still a relatively small number compared to other provinces.
3. Therefore, to reconcile the needs to ensure that the selected provinces cover large numbers of out-of-school girls, while also not excluding smaller provinces where the challenge of out-of-school girls is more acute, a province selection strategy is proposed. The strategy combines both province-level measures of out-of-school girls—total numbers as well as the rate. Specifically, the strategy proposes to select 17 provinces in the following manner:
 - (a) Nine provinces with the highest numbers of out-of-school girls
 - (b) Eight provinces with the highest percentage of out-of-school girls
4. The numbers and percentage of out-of-school children are calculated for each province using ALCS 2016 data, which is representative at the national and provincial levels. According to these calculations, the provinces include nine provinces with the highest numbers of out-of-school girls (Herat, Kabul, Nangarhar, Kandahar, Helmand, Ghazni, Kunduz, Balkh, and Faryab), and 8 provinces with the highest percentage (Urozgan, Zabul, Paktika, Wardak, Logar, Badghis, Khost, and Nooristan).

Table 4.1. Number and Percentage of Out-of-school Children by Province

Province	Female Out-of-school Number	Total Out-of-school Number	Female Out-of-School Percentage	Total Out-of-School Percentage
Badakhshan	70,794	123,333	52.2	45.4
Badghis	57,373	111,539	74.6	65.7
Baghlan	66,439	90,078	52.7	35.0
Balkh	79,975	133,345	41.2	35.0
Bamyan	19,905	34,189	32.6	26.6
Daykundi	29,437	50,749	40.1	35.1



Province	Female Out-of-school Number	Total Out-of-school Number	Female Out-of-School Percentage	Total Out-of-School Percentage
Farah	58,147	107,299	68.3	59.6
Faryab	103,790	190,924	66.0	58.5
Ghazni	79,402	111,301	47.6	31.8
Ghor	41,890	62,931	41.3	31.2
Helmand	132,915	244,259	93.2	78.6
Herat	122,913	239,323	43.8	41.5
Jawzjan	40,890	68,130	59.7	47.3
Kabul	163,039	253,776	26.8	20.0
Kandahar	143,446	233,163	88.8	63.9
Kapisa	21,539	31,323	30.1	24.1
Khost	53,564	69,279	69.5	40.1
Kunarha	38,844	57,156	59.2	39.8
Kunduz	88,748	153,562	59.3	48.9
Laghman	46,299	65,370	70.9	47.7
Logar	55,498	73,360	89.6	56.4
Nangarhar	138,329	205,745	58.6	39.2
Nimroz	21,786	38,123	65.3	58.6
Nooristan	13,632	24,554	75.4	66.5
Paktika	33,279	43,935	97.9	51.0
Paktya	39,642	58,690	61.3	36.9
Panjsher	4,172	5,175	20.2	11.6
Parwan	56,533	76,309	52.5	35.1
Samangan	25,931	48,239	50.9	42.9
Sar-e-Pul	50,574	91,630	62.8	54.6
Takhar	53,120	97,325	39.9	35.5
Urozgan	36,511	62,114	92.6	64.1
Wardak	66,147	86,804	75.6	46.5
Zabul	19,156	52,897	84.6	73.8
Total	2,073,659	3,395,929		

Source: World Bank staff calculations using ALCS 2016 data.

Annex 5: Project Costing

Afghanistan: EQRA

1	Equitable Access to Basic Education (IPF)	\$ 190,000,000
1.1	Construction of 1,946 Schools and missing essential elements for additional 700 schools and operating costs for MRRD	\$ 175,000,000
1.2	School Grants Program for Improved Access and Retention	\$ 5,000,000
1.3	CBE standardization, regulatory framework and expansion	\$ 10,000,000
2	Improve learning conditions (DLIs)	\$ 35,200,000
2.1	Training of Teachers, Coaching and Mentoring	\$ 18,400,000
2.2	Improve Curriculum and development of Instructional Materials	\$ 16,800,000
3	Strengthen Education Sector Planning Capacity and Transparency (DLIs)	\$ 38,870,000
3.1	Statistical data (Collection & reporting)	\$ 4,600,000
3.2	Improve EMIS & ICT systems, connectivity and infrastructure	\$ 11,000,000
3.3	Improve Teacher Recruitment & Management	\$ 2,300,000
3.4	Enhance accountability and reporting between MoE, PED, DEDs and Schools	\$ 270,000
3.5	O&M for schools and reporting on budget and results (PEDs and DEDs)	\$ 20,700,000
4	Technical assistance for MoE	\$ 34,027,000
4.1	National Technical Assistants	\$ 18,396,000
4.2	International Technical Assistants	\$ 84,000
4.3	Operational & Supporting Activities (Equipment, goods, services, utilities and office supplies, exposure visits)	\$ 2,755,000
4.4	Monitoring Cost of the MoE	\$ 2,440,000
4.5	Early Childhood Education	\$ 2,352,000
4.6	Third Party Verification managed by MOF	\$ 8,000,000
Grand Total		\$ 298,097,000

ANNEX 6: Fraud and Corruption: Risk and Mitigation Measures

Afghanistan: EQRA

The matrix below identifies the key fraud and corruption risks that fall under the scope of EQRA and relate to governance, procurement, and FM. It also contains the proposed mitigation measures.

Risks	Mitigation Measures (Ready by Effectiveness)	Mitigation Measures (To Be Supported during Implementation)
POLITICAL AND GOVERNANCE RISKS		
CBE <ul style="list-style-type: none"> Inadequate oversight of CBE classes 		<ul style="list-style-type: none"> Mapping of existing CBE classes and subsequent regular update by the MoE A DLI under EQRA supports the reporting of all CBE data through the EMIS EQRA TPVA will visit a sample of CBE on a rolling basis to ensure that there is no such problem as double-counting of students and teachers and teacher absenteeism
School Grants <ul style="list-style-type: none"> No official policy guiding allocation, management, reporting, and so on of school grants Limited/non-existent capacity for schools to managing cash and report on expenses and risks of fund leakage and misuse Risk of external pressure to divert funds for unintended purposes Inadequate capacity of the MoE to supervise and control school-level financial transactions 	<ul style="list-style-type: none"> MoE and MoF approval of a manual on school grants specifying allocation criteria, amount, minimum conditions for schools to be eligible to receive funds (for example, bank account), permitted use of the fund, reporting and audit requirements, and so on Wide dissemination of the school grant manual at the school community level, announcements of the school grant implementation (either fund transfer to school's bank account or indirect execution by PED), and the school's choice of fund usage 	<ul style="list-style-type: none"> Gradual capacity building of schools/school management shuras to manage school grants Strengthened MoE internal audit and internal control, including regular, reliable oversight by PEDs and DEDs Procurement/fiduciary responsibility at the PED level if schools do not meet the minimum condition for self-administration of the school grant Community oversight of school grant utilization through school management shuras under CDCs where CCAP operates and through other ad hoc arrangements elsewhere Technical and financial audit of school grant utilization, including by ARTF TPVA Budget code for school grants under the recurrent budget

<p>School construction</p> <ul style="list-style-type: none"> • External pressure on school construction site selection • Absence of objective criteria for determining relative needs for new schools/classrooms for site selection • Inadequate oversight of school construction works resulting in numerous incomplete works, missing items, inappropriate locations, poor quality construction, and so on. • Delegation of technical, procurement, and financial aspects of major construction and civil works to the MRRD complicating the school construction process 	<ul style="list-style-type: none"> • Inter-ministerial protocol between the MoE and MRRD detailing roles and responsibilities and mutual accountability for school construction 	<ul style="list-style-type: none"> • School infrastructure policy detailing objective criteria for determining school construction site selection, setting minimum construction standards, and so on • Geo-spatial mapping of existing school infrastructure to identify geographic areas of relative needs • Wide dissemination of school construction sites on the MoE website and at the community level • Community oversight of school infrastructure works through school management shuras under CDCs where CCAP operates and through other ad hoc arrangements elsewhere • Strengthened MoE internal audit and internal control, including regular, reliable oversight by PEDs and DEDs • Ex post process review of inter-ministerial school construction process to identify areas for further improvement • Third-party monitoring of school construction by TPVA
<p>Textbook distribution</p> <ul style="list-style-type: none"> • Historically demonstrated inability of the MoE to ensure textbooks fully reach schools (that is, only 50% of textbooks are delivered to districts, and only 20–25% to schools) <ul style="list-style-type: none"> ◦ Alleged ‘leakage’ of procured textbooks to local markets 	<ul style="list-style-type: none"> • Development of a distribution strategy from PED to schools, and detailed costing 	<ul style="list-style-type: none"> • Strengthened MoE internal audit and internal control, including regular, reliable oversight by PEDs and DEDs • Community/citizen oversight of textbook delivery at the school level through school management shuras under CDCs where CCAP operates and through other ad hoc arrangements elsewhere • Independent verification by the DLI verification agent • Third-party monitoring by ARTF TPVA
<p>Recruitment and deployment of incoming teachers</p>		<ul style="list-style-type: none"> • Broad and immediate disclosure of key information regarding upcoming teacher

<ul style="list-style-type: none"> • Inadequate enforcement of existing regulations due to external influence leading to widespread politicization and corruption in teacher recruitment • Ambiguous or porous rules and regulations creating broad discretion (for example, decentralized scoring of open-ended exams) • Inadequate overall oversight and accountability mechanisms, including inadequate handling of reported cases of deviations in teacher recruitment and management by MoE. 		<p>recruitment and deployment process, including vacancies at school level.</p> <ul style="list-style-type: none"> • A new teacher policy that establishes objective criteria for assessing relative needs for additional teachers and setting priorities among schools as a basis for recruiting new teachers and allocating additional available teachers. This will be a DLI under EQRA. • Introduction of a transparent pre-entry service exam, deploying methodology previously tested Kankor examination (for university entrance) at the application and examination phases; and • Sample-based ex post audit of the recruitment process to verify the rules were properly followed
<p>Management of existing teachers</p> <ul style="list-style-type: none"> • ‘Ghost’ and absentee teachers: permanently absent teachers remaining on payroll and weak monitoring and sanctioning of teacher absenteeism • Inadequate control of teacher salary payments 		<ul style="list-style-type: none"> • Personnel database to record and track the entire teacher establishment, process salary payments, and link to the payroll • Biometric registration of all teachers and administrative staff and capturing of these data on a personnel registration database (to be linked to HRMIS) • Salary payments through banking or mobile payment channels (to be supported under the separate digital payment engagement) • Community oversight of teacher (and student) presence through school management shuras under CDCs where CCAP operates and through other ad hoc arrangements elsewhere
<p>Poor governance, transparency and accountability throughout the administrative chain. Previous implementation experience underscored challenges stemming from:</p> <ul style="list-style-type: none"> • Over-centralization of key administrative functions, exacerbated by overall capacity constraints; 		<ul style="list-style-type: none"> • Functional review to revisit/clarify roles and responsibilities of various departments • Strengthen accountability in administrative chain by <ul style="list-style-type: none"> ○ Establishing a basic performance management system for PEDs and DEDs with clear standards and basic quantitative

<ul style="list-style-type: none"> • Inconsistent enforcement of guidelines and regulations; • Lack of clarity on responsibility and accountability throughout the administrative chain; and • Poor utilization of existing administrative data for management and decision making. 		<p>performance indicators such as regular and timely submission of budget, EMIS data, teacher data, tracking teacher and student absenteeism, and so on;</p> <ul style="list-style-type: none"> ○ Ensuring DEDs will review all school performance in their districts and bring the poorest performing to the attention of PEDs for management action; and ○ Tasking academic supervisors to conduct spot checks three times per year in the schools under their purview to track real teacher and student attendance.
<p>Program monitoring and reporting, reliability of administrative data</p> <ul style="list-style-type: none"> • Fragmented administrative datasets with discrepancies in the number of civil servants employed in the sector, and so on • Gaps in the structure of data collection and management • Poor maintenance of records/inventory of fixed assets 		<ul style="list-style-type: none"> • A rigorous two-step verification process (phone surveys and physical spot check) by TPVA to improve integrity of administrative data • Development of a fixed asset management software
<p>Weak resource allocation, mobilization, and monitoring to achieve project objectives</p> <ul style="list-style-type: none"> • Limited fiscal space • Adequacy and credibility of the budget process • Limited budget transparency throughout the administrative chain, with districts and schools often unaware of budget allotments • The majority of PED budget allotment for O&M spent in the provincial capital, and few resources reaching the school level (especially in remote areas) • Lack of autonomy for budget execution (salary payment, procurement) below the provincial level 	<ul style="list-style-type: none"> • Short-term technical support to work on the norm-based budgeting formula for O&M budget 	<ul style="list-style-type: none"> • DLI on development and reporting of annual NESP III operation plan comprising reporting annual operational plan completed with budget codes specified for both on- and off-budget items, according to template, jointly endorsed by DPs

PROCUREMENT		
Procurement processes remain cumbersome and vulnerable to corruption <ul style="list-style-type: none"> Misrepresentation of qualification by bidders, collusion, and conflicts of interest. Significant delays in applying contract terms requiring frequent cost/no cost extensions and termination of contracts. 	<ul style="list-style-type: none"> Proactive use of procurement corruption red flags for early detection of potential cases of fraud and corruption. Publication and wide dissemination of all bid-related information. 	
FINANCIAL MANAGEMENT		
Under the previous operation, advance of AFN 85 million was left outstanding relating to the last four financial years. <ul style="list-style-type: none"> Advances were not adjusted because the spending units were unable to provide supporting documents for adjustments Instances of 100% payments made to contractors in advance were also noted who did not complete civil works Majority of the outstanding advances relate to the provinces but a significant amount is also outstanding at the central level 	<ul style="list-style-type: none"> Advances will be paid for training and travel and the policy will be revised as part of the FM Manual revision 	
Weak internal audit arrangement lacks both technical capacity, adequate number of personnel, and institutional independence <ul style="list-style-type: none"> The independence of internal audit is compromised in the absence of an audit committee to approve audit plans and review audit reports Weak and understaffed internal audit team No policy and systems requiring the officials to implement audit recommendations and internal audit to follow-up 		<ul style="list-style-type: none"> Implementation plan to strengthen internal audit will be approved by the MoE. Approved plan implemented. Contractual staff to strengthen the internal audit director to ensure quality and timely internal audit of EQRA



<ul style="list-style-type: none">• Records of fixed assets and inventory are not properly maintained and no physical verification is carried out leading to the risk of misappropriation.• Fixed assets and inventory registers are neither maintained at the facility nor at the central level.• No practice to periodically verify existence of fixed assets.		<ul style="list-style-type: none">• The MoE will develop the inventory and assets module within its current EMIS.• The MoE will enter the inventory and assets data in the newly developed module based on physical verification carried out.
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