ADB

Report and Recommendation of the President to the Board of Directors

Project Number: 50192-002
September 2018

Proposed Results-Based Loan
People's Republic of Bangladesh: Supporting Fourth Primary Education Development Program

Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
CPD	–	continuous professional development
DLI	–	disbursement-linked indicator
DPE	–	Directorate of Primary Education
DPEd	–	Diploma in Primary Education
e-GP	–	electronic government procurement
EMIS	–	education management information system
iBAS++	–	Integrated Budget and Accounting System
ICT	–	information and communication technology
IMED	–	Implementation Monitoring and Evaluation Division
IVA	–	independent verification agency
M&E	–	monitoring and evaluation
MOF	–	Ministry of Finance
MOPME	–	Ministry of Primary and Mass Education
OOSC	–	out-of-school children
PAP	–	program action plan
PEDP3	–	Third Primary Education Development Project
RBL	–	results-based lending
SDG	–	Sustainable Development Goal
SLIP	–	school level improvement plan
SWAp	–	sector-wide approach
TA	–	technical assistance
UPEP	–	*upazila* primary education plan

NOTES

(i)   The fiscal year (FY) of the Government of Bangladesh ends on 30 June. "FY" before a calendar year denotes the year in which the fiscal year ends, e.g., FY2018 ends on 30 June 2018.

(ii)   In this report, "$" refers to United States dollars.

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RESULTS-BASED PROGRAM AT A GLANCE

1. Basic Data			Project Number: 50192-002	
Project Name	Supporting Fourth Primary Education Development Program	Department/Division	SARD/SAHS	
Country	Bangladesh	Executing Agency	Ministry of Primary and Mass Education	
Borrower	Bangladesh			

2. Sector	Subsector(s)	ADB Financing ($ million)	
✔ Education	Pre-primary and primary		500.00
		Total	500.00

3. Strategic Agenda	Subcomponents	Climate Change Information	
Inclusive economic growth (IEG)	Pillar 2: Access to economic opportunities, including jobs, made more inclusive	Climate Change impact on the Project	Medium
Environmentally sustainable growth (ESG)	Global and regional transboundary environmental concerns	**ADB Financing** Adaptation ($ million)	11.10

4. Drivers of Change	Components	Gender Equity and Mainstreaming	
Governance and capacity development (GCD)	Institutional development Organizational development Public financial governance	Effective gender mainstreaming (EGM)	✔
Partnerships (PAR)	Bilateral institutions (not client government) Civil society organizations Implementation Official cofinancing United Nations organization		

5. Poverty and SDG Targeting		Location Impact	
Geographic Targeting	No	Nation-wide	High
Household Targeting	No		
SDG Targeting	Yes		
SDG Goals	SDG4		

6. Risk Categorization:	Complex

7. Safeguard Categorization	Environment: B Involuntary Resettlement: C Indigenous Peoples: B

8. Financing

Modality and Sources	Amount ($ million)
ADB	**500.00**
Sovereign Results Based Lending (Concessional Loan): Ordinary capital resources	500.00
Cofinancing	**875.50**
European Union - Program grant (Not ADB Administered)	175.00
United Nations Children's Fund - Program grant (Not ADB Administered)	0.50
World Bank - Results Based Lending (Not ADB Administered)	700.00
Counterpart	**13,228.10**
Government	13,228.10
Total	**14,603.60**

I.   THE PROPOSAL

1.   I submit for your approval the following report and recommendation on a proposed results-based loan to the People's Republic of Bangladesh for the Supporting Fourth Primary Education Development Program.

2.   The Fourth Primary Education Development Program (the program) is the government's flagship initiative in the education sector for FY2019–FY2023. It aims to provide quality education to all children from pre-primary to grade 5 through an efficient, inclusive, and equitable education system. Asian Development Bank (ADB) and other joint financing development partners will support the government's priorities of improving quality and equity of primary education through a sector-wide approach (SWAp).[1]

II.   THE PROGRAM

A.   Strategic Context

3.   Bangladesh has achieved remarkable socioeconomic development. Poverty has halved since 2000 (now 24.3%).[2] Real gross domestic product has grown at 6.2% annually since FY2007.[3] The country reached lower middle-income status in 2015.[4] Improvements in education were a key contributor to the success. The number of educated youth has risen significantly, and the literacy rate for young people aged 15–24 years increased from 61.9% in 2007 to 92.2% in 2016.[5]

4.   Rapid expansion of primary education has been at the heart of the country's development. Bangladesh achieved considerable progress toward universal primary education, with a net enrollment rate of 98% by 2016. The country was one of the few nations that had achieved gender parity up to secondary education by 2005. Nearly all primary schools now offer pre-primary education.[6] The efficiency of the primary education system also improved. The repetition rate declined from 10.5% (2005) to 6.1% (2016); and eight out of 10 students graduated in 2016 while only five graduated in 2005.[7] Access to school by children from low income families has improved significantly.[8]

5.   Despite significant progress in access, Bangladesh still needs to improve quality and equity of primary education. The 2015 national student assessment indicated low learning outcomes. Only 65% of students in grade 3 grasp grade-level competency for Bangla, while 39% do so for math; and even fewer achieve it in grade 5 (23% for Bangla and 10% for math). Many school-age children are out of school (2.5 million or 11% of the 8–14 age group); this is

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[1]   ADB provided a technical assistance grant of $800,000 from the Japan Fund for Poverty Reduction for project preparation. ADB. 2016. *Technical Assistance to the People's Republic of Bangladesh for the Supporting Fourth Primary Education Development Program.* Manila (TA 9275-BAN).
[2]   Government of Bangladesh, Bangladesh Bureau of Statistics. 2017. *2016–17 Household Income and Expenditure Survey.* Dhaka.
[3]   Government of Bangladesh, *Bangladesh Open Data.* www.data.gov.bd (accessed 22 August 2018).
[4]   Bangladesh's gross national income per capita reached $1,190 in 2015, which exceeded the World Bank's lower middle-income country threshold of $1,026 that year.
[5]   United Nations Educational, Scientific and Cultural Organization (UNESCO) Institute for Statistics (2018).
[6]   Government provided 1-year free pre-primary education starting in 2010.
[7]   Government of Bangladesh, Directorate of Primary Education. 2017. *Annual Sector Performance Report.* Dhaka.
[8]   Government of Bangladesh, Bangladesh Bureau of Statistics. 2014. *Report on Education Household Survey.* Dhaka. The difference in primary net attendance rates between the poorest and richest quintiles narrowed from 22% in 2005 to 8% in 2014.

more prevalent in poor families and in disadvantaged locations such as urban slums.[9] Disparities in school access and participation remain substantial in the wetlands (*haor*), river islands (*char*), coastal zone, and northern districts. Low learning outcomes and persisting disparities slow down and even prevent children from climbing up the educational ladder and eventually participating effectively in the labor force.

6.   The government is committed to education for all and to the Sustainable Development Goal (SDG) 4. Vision 2021 and the Seventh Five-Year Plan (FY2016–FY2020) highlight human capital development as a key driver for inclusive growth and identify improving education quality as the most critical challenge. The National Education Policy charts a reform path for systematic upgrades of the education sector.[10] The government is launching the Fourth Primary Education Development Program with a considerable increase in its budget allocation, aimed at improving quality and equity of primary education, with joint support from development partners.

B.   Program Rationale

7.   Bangladesh has one of the largest primary education systems in the world, with more than 18 million children enrolled in more than 120,000 schools. It covers 1-year free pre-primary education and 5-year free compulsory primary education. The system is largely centralized. Local capacity for education management is still limited. Despite a series of investments, the system has not been able to match the rapid increase in student enrollment. A large share of schools (77.4%) are running double shifts and thus limit teacher–student contact hours, which results in low learning outcomes.[11] The expected increase of student intake in coming years imposes further pressure to add classrooms and teachers. Teachers mostly focus on rote learning and lack adequate skills. Examination and assessment systems are short of capacity and feedback mechanisms. A shortage of teaching and learning material limits effective knowledge transfer. Moreover, frequent disasters triggered by natural hazards curtail student attendance in affected schools. It is also imperative to improve school-specific quality and participation indicators through community involvement.

8.   The proposed results-based lending (RBL) program supports the government's initiatives to tackle these challenges and lift the overall performance of the primary education system. It builds on the joint experience of government and development partners. The government has implemented three phases of comprehensive primary education development program, supported by development partners including ADB.[12] The first two phases rolled out

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[9] The number is based on Bangladesh Bureau of Statistics projections and Education Household Survey (2014) data. Poverty was indicated as the main reason for about 40% of children never being at school or dropping out.

[10] Government of Bangladesh, National Planning Commission. 2012. *Perspective Plan of Bangladesh 2010–2021: Making Vision 2021 a Reality*. Dhaka; Government of Bangladesh, National Planning Commission. 2015. *Seventh Five-Year Plan, FY2016–FY2020: Accelerating Growth, Empowering Citizens.* Dhaka; and Government of Bangladesh, Ministry of Education. 2010. *National Education Policy*. Dhaka.

[11] Annual contact hours at primary schools are nearly 50% lower than the international standard of 900–1,000 hours.

[12] ADB supported the government's first Primary Education Development Program (FY1997–FY2003): ADB. 1997. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to the People's Republic of Bangladesh for the Second Primary Education Sector Project*. Manila. ADB also financed under sector-wide approach the government's Second Primary Education Development Program (FY2004–FY2012) and Third Primary Education Development Program (FY2012–FY2018): ADB. 2003. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to the People's Republic of Bangladesh for the Second Primary Education Development Program*. Manila; ADB. 2011. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to the People's Republic of Bangladesh for the Third Primary Education Development Project*. Manila; and ADB. 2015. *Report and Recommendation of the President to the Board of Directors: Proposed Loan for Additional Financing to the People's Republic of Bangladesh for the Third Primary Education Development Project*. Manila.

the compulsory primary education scheme, remarkably increased enrollment and achieved gender parity in access. The Third Primary Education Development Project (PEDP3) supporting the government's third phase program, undertook measures to further expand primary and pre-primary education, improve teacher qualifications, trigger competency-based learning, and bolster school-level management.[13] Lessons from the PEDP3 highlight that (i) teacher development should be more systematic and needs-based to improve teacher proficiencies and (ii) monitoring should provide timely feedback at all levels to better inform education planning and management. The RBL program will address these aspects. In addition, it will help (i) revise the curriculum and enrich learning resources, e.g., through information and communication technology (ICT); (ii) recruit and deploy more teachers; (iii) establish a primary education board to lead reforms on examinations and assessments; (iv) build more classrooms in line with disaster-resilience requirements; (v) scale up the education service for out-of-school children (OOSC); and (vi) strengthen the autonomy and capacity of schools and *upazilas* (sub-districts) with performance-linked incentives. It will mainstream gender equality and social inclusion, monitored with data disaggregated by sex and social categories.

9.   The RBL program is a step forward from the PEDP3, which adopted the disbursement-linked indicator (DLI) approach.[14] The RBL is the most suitable modality because (i) the large national program requires strong focus on results (as opposed to inputs); (ii) the government has strong leadership and commitment; (iii) key implementing agencies have demonstrated results-based management capacity; (iv) government systems have been used since the PEDP3 (through treasury model, and for national procurement of goods and works); and (v) development partners have agreed on results-based financing with a single common DLI matrix, to harmonize support and reduce the administrative burden.[15] The RBL program incorporates well the recommendations from ADB evaluation of the previous RBL programs.[16] These include (i) deepening client's institution building through the DLIs, (ii) ensuring the selectivity of program actions to facilitate monitoring, (iii) strengthening monitoring and evaluation (M&E) system and capacity, and (iv) using an independent verification agency (IVA). ADB's due diligence assessments, carried out in coordination with other joint financing development partners, provide reasonable assurance for effective achievement of results through RBL with measures to strengthen program systems.

10.   **ADB value addition.** ADB has been supporting Bangladesh's education sector in a systematic way, and the RBL program will build on it. ADB lending will provide much-needed finance for more investments to improve the quality and equity of primary education. It will add value through key initiatives, such as reducing double-shift operations at schools, stepping up teacher education and examination reform, enriching teaching and learning resources, and improving school-level management and institution building. In coordination with other joint financing development partners, ADB will provide technical assistance (TA) by supplementary

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[13] The PEDP3 (i) improved the learning environment by hiring 95,400 teachers and building 39,000 classrooms; (ii) raised teacher qualification at entry (now nearly 60% of primary school teachers have at least a bachelor's degree); (iii) introduced the Diploma in Primary Education program for newly recruited teachers prior to service; (iv) adopted a competency-based curriculum and provided free textbooks on time; (v) improved the relevance of primary education completion examination by attaching competency-based test items; (vi) piloted second-chance education for out-of-school children; and (vii) extended the school level improvement plan to all schools.

[14] In the PEDP3, ADB's financing was 50% allocated to the DLIs and 50% based on statements of expenditures, and the World Bank's financing was 100% on the DLIs.

[15] The World Bank uses the program-for-results modality for the proposed program.

[16] ADB. 2016. *Midterm Review of Results-Based Lending for Programs*. Manila; and Independent Evaluation Department. 2017. *Corporate Evaluation: Results-Based Lending at the Asian Development Bank: An Early Assessment*. Manila: ADB.

financing of an ongoing transaction TA,[17] to improve the performance of key areas such as teacher development, ICT in education, M&E, and fiduciary management. The RBL program is aligned with ADB's country partnership strategy, 2016–2020 for Bangladesh—under pillar 2 for improving human capital—and included in the country operations business plan, 2018–2020.[18] It will directly contribute to the government's commitment to SDG in education (SDG 4), especially on improving learning outcomes (SDG 4.1) and reducing disparities (SDG 4.5).

C. Program Scope

11. The Fourth Primary Education Development Program aims to improve the quality, equity, efficiency, and inclusiveness of primary education. The RBL program will support the government's initiatives. The outcome and the outputs of the RBL program are almost the same as those of the Fourth Primary Education Development Program, except for certain activities as set out in Table 1. Hence, the scope and the cost of the RBL program are slightly adjusted. The use of the SWAp for the program enables ADB's RBL to leverage the entire proposed program budget for greater efficiency and effectiveness.

Table 1: Program Scope

Item	Broader Government Program	Results-Based Lending Program
Outcome	Quality education to all children from pre-primary to grade 5 through an efficient, inclusive, and equitable education system	Quality and equity of primary education improved for all children from pre-primary to grade 5
Key outputs and activity types	(i) quality (curriculum reforms; textbooks and teaching–learning materials; teacher recruitment, deployment, and advancement; teacher education; CPD; ICT in education; assessments and examinations; pre-primary education); (ii) equitable access and participation (needs-based infrastructure, including WASH facilities; out-of-school children; special education needs; education in emergencies; communication and social mobilization); and (iii) management, governance, and financing (data systems for decision-making, institutional strengthening, SLIPs and UPEPs, strengthened budget and fiduciary system).	Coverage is the same as the government program, with the following exclusions:[a] (i) production (printing) of textbooks; (ii) ICT equipment and accessories, furniture, motor vehicles, and land acquisition; (iii) pensions and/or gratuities; (iv) unadjusted advances or loans; (v) any civil works other than additional classrooms, WASH and other facilities at schools; and (vi) procurement of goods that require international procurement.[b]
Program expenditure	$15.1 billion (estimate)[c]	$14.7 billion (estimate)
Main financiers	Government, ADB, EU, UNICEF, and World Bank in pooled fund[d]	Same[e]
Geographic coverage	Nationwide	Same
Implementation period	FY2019–FY2023	Same

ADB = Asian Development Bank; CPD = continuous professional development; EU = European Union; ICT = information and communication technology; SLIP = school level improvement plan; SWAp = sector-wide approach; UNICEF = United Nations Children's Fund; UPEP = *upazila* primary education plan; WASH = water, sanitation, and hygiene.

[a] ADB's results-based lending (RBL) policy excludes activities that would involve procurement of works, goods, and services under contracts whose estimated value exceeds specified monetary amounts (high-value contracts). It also excludes activities that would be classified as category A as per ADB's Safeguard Policy Statement (2009). These apply to the RBL program (ADB. 2013. *Piloting Results-Based Lending for Programs.* Manila; and ADB. 2018. *Piloting Results-Based Lending for Programs: Proposed Increase in Resource Allocation Ceiling.* Manila. The amounts are currently $50 million for works, turnkey and supply, and installation contracts; $30 million for goods; $20 million for

[17] ADB. 2016. *Technical Assistance to the People's Republic of Bangladesh for the Support to Primary Education Development.* Manila (TA 9276-BAN). This ongoing TA provides support to enhance gender equity and improve schools' disaster resilience.

[18] ADB. 2016. *Country Partnership Strategy: Bangladesh, 2016–2020.* Manila; and ADB. 2017. *Country Operations Business Plan: Bangladesh, 2018–2020.* Manila.

information technology systems and non-consulting services; and $15 million for consulting services).
b The proposed RBL program boundary is harmonized between the joint financing development partners. It includes all those expenditures that are critical for the achievement of outcomes, and excludes items that do not directly contribute to outcomes or do not need additional funding from joint financing development partners. The financial statement submitted to the joint financing development partners will not cover these excluded activities.
c It excludes the discrete projects at an estimated $3.4 billion under the Ministry of Primary and Mass Education's management, mainly concerning school feeding and stipend programs, and discrete infrastructure projects.
d Based on commitment as of August 2018. British Council, Japan International Cooperation Agency (JICA), and UNICEF will provide technical support.
e Based on commitment as of August 2018. JICA and UNICEF will provide technical support under the SWAp.
Source: Asian Development Bank.

D.   Program Results

12.   The RBL program's impact will be strengthened human capital formation. The outcome will be improved quality and equity of primary education for all children from pre-primary to grade 5 (DLI A and DLI B). It is expected to directly benefit 18.6 million students; and also around 340,000 teachers and more than 65,000 schools that are under the management of the Ministry of Primary and Mass Education (MOPME). The outputs are:

13.   **Output 1: Quality of primary education improved.** This output aims to apply quality teaching–learning practices in all schools to enable children to acquire the essential grade-level competencies. The government will update curricula and textbooks, and develop teaching–learning materials (including selected supplementary reading materials) for all grades (DLI 1). It will include updating and expanding the use of ICT and e-resources for teaching and learning (program action plan [PAP] 1.6.1). Additional teachers will be recruited and deployed for more schools to reach the standard pupil–teacher ratio (DLI 2, PAP 1.2). The existing in-service training for teachers and teacher educators will be transformed into a continuous professional development (CPD) program to improve teachers' proficiencies in driving competency-based learning (DLI 3, PAP 1.6). The Diploma in Primary Education (DPEd) program will be updated with stronger quality assurance (DLI 3). Primary teachers training institutes will gain greater training capacities to deliver the DPEd program (DLI 3). To refresh the subsector's examination and assessment system, a primary education board will be established to (i) strengthen school-based examinations for timely measurement of and feedback on student learning outcomes and (ii) reform primary education completion examination to focus more on knowledge application or competency. This output will also include implementing an updated national student assessment (DLI 4) by aligning it with the revised curriculum, drawing on international good practices, and providing evidence-based recommendations for education reform.

14.   **Output 2: Access and participation to primary education enhanced.** This output will further improve the learning environment and scale up education services to underserved children. It will include building more classrooms conforming to the infrastructure planning standard and turn more schools into single-shift operations (DLI 5). Gender-segregated sanitation facilities and safe water sources will be provided in almost all schools (DLI 5), which will increase parents' willingness to send children to school. New construction and major retrofitting will meet disaster risk resilience requirements (PAP 1.7) for the safety and continuity of primary education, especially in disaster-prone areas. The schools will improve preparedness and response for education in emergencies. The output will scale up partnerships with nongovernment entities to reach OOSC aged 8–14 with interventions to help them attain the competencies targeted by primary education (DLI 6). Promotion of gender equity and inclusiveness will be monitored and reported (PAP 4.1) by including the measures for communication and social mobilization.

15.   **Output 3: Governance and management of primary education system improved.** To support decentralization, this output will strengthen institutional capacities at all levels of primary education offices, in line with the updated organizational development and capacity-building guidebook (DLI 9, PAP 1.4). It will transform the existing flat-funded school level improvement plan (SLIP) to student-linked and needs-based funding, aimed at enhancing enrollment and retention (DLI 9). The *upazila* primary education plan (UPEP) will be piloted with funding based on needs and performance to strengthen *upazila*-level management (DLI 9). The fund management system will be strengthened to respond better to schools' needs and monitor better fund usage (PAP 1.3). This output will align subsector management with the ongoing reform of national fiduciary systems. It will enable more accurate and timely financial reporting and audit resolutions by rolling out a web-based advanced version of the Integrated Budget and Accounting System (iBAS++) and initiating internal auditing for the program (DLI 7, PAP 2.3–2.6). The use of the electronic government procurement (e-GP) system will be expanded to augment transparency, efficiency, and accountability of public expenditures (DLI 7, PAP 2.1–2.2). This output will build a web-based integrated education management information system (EMIS) to boost M&E; accuracy is to be ensured through the annual primary school census and cross-validation with the education household survey (DLI 8, PAP 1.5).

16.   The DLIs were derived from the results framework of the program and agreed between the government and joint financing development partners. Financing of prior result DLIs is envisaged to ensure important enabling actions by loan effectiveness. These include (i) adoption of an action plan for curriculum revision and development of textbooks and teaching–learning materials; (ii) endorsement of the teacher recruitment plan; (iii) approval of the DPEd curriculum revision plan, and the DPEd program target and annual activities; and (iv) approval of the infrastructure plan and updated guidelines. The selection of DLIs includes an appropriate mix of results at outcome and output levels to achieve the objectives of the RBL program. The sequencing of the DLI targets ensures a gradual progression in achieving results. The allocation among DLIs prioritizes key results to improve quality of education, while also supporting access and institutional capacity. The PAP includes key actions that are required for achieving the DLI targets. The DLIs and disbursement allocations are summarized in Table 2.

Table 2: Disbursement-Linked Indicators

Indicator	Disbursement Allocated ($ million)	Share of Total ADB Financing (%)
Outcome: Quality and equity of primary education improved for all children from pre-primary to grade 5[a]		
DLI A. Proportion of grade 3 students achieving grade-level competencies in Bangla and mathematics increased	25.0	5.0
DLI B. National survival rate to grade 5 increased for both boys and girls	15.0	3.0
Output 1: Quality of primary education improved		
DLI 1. Curriculum revision and textbook development	40.0	8.0
DLI 2. Assistant teacher recruitment and deployment	45.0	9.0
DLI 3. Teacher education and continuous professional development	90.0	18.0
DLI 4. Examinations and assessments	15.0[b]	3.0
Output 2: Access and participation to primary education enhanced		
DLI 5. Need-based infrastructure development	90.0	18.0
DLI 6. Education opportunities for out-of-school children	45.0[c]	9.0
Output 3: Governance and management of primary education system improved		
DLI 7. Fiduciary system and budget	45.0	9.0
DLI 8. Data system, monitoring and accountability	45.0	9.0
DLI 9. Institutional strengthening	45.0	9.0
Total	**500.0**	**100.0**

ADB = Asian Development Bank, DLI = disbursement-linked indicator.
[a] DLI A is drawn from a year-5 indicator of DLI 4, and DLI B is drawn from a year-4 indicator of DLI 6.
[b] Excluding the corresponding outcome-level indicator (DLI A).

^c Excluding the corresponding outcome-level indicator (DLI B).
 Source: Asian Development Bank estimates.

17.   The year-wise DLI targets, verification protocol, and disbursement schedule are in Appendix 3. A rigorous verification protocol and the use of an IVA have been established. The detailed arrangements and schedule to be followed by the IVA to undertake the verification of achievement of the DLIs will be agreed upon between the executing agency (MOPME) and joint financing development partners.[19] Existing data from the EMIS will be used for the IVA's verification process, supplemented with spot checks and sample surveys by the IVA. The joint financing development partners will undertake semiannual joint consultation missions to verify achievement of the DLIs, and joint annual review missions to review implementation progress; compliance with other requirements; and budgets, financial statements, and audit reports.

E.   Expenditure Framework and Financing Plan

18.   **Program expenditures.** The RBL program expenditures from FY2019 to FY2023 are estimated at $14.7 billion (Table 3). The development expenditures, mostly for capital expenditures, account for 28.7%, while nondevelopment expenditures, mostly for recurrent expenditures, account for 71.3% of the total.

Table 3: Summary of Results-Based Lending Program – Expenditure Framework, FY2019–FY2023 (in 2018 prices)

Item	Amount ($ million)	Share of Total (%)
1. Development expenditures		
A. Investment cost		
a. Teaching and learning materials^a	47.2	0.3
b. Training and capacity development^b	541.7	3.7
c. Civil works^c	2,098.2	14.2
d. Maintenance	375.9	2.6
e. SLIP and UPEP	236.9	1.6
f. Social awareness and campaign	8.2	0.1
g. Salaries of new teachers and personnel	355.1	2.4
h. All other items^d	357.5	2.4
Total base cost	**4,020.7**	**27.3**
B. Contingencies^e	163.0	1.1
C. Financial charges during implementation	38.9	0.3
Total of development expenditures^f	**4,222.5**^g	**28.7**
2. Nondevelopment expenditures^h	10,505.6	71.3
Total program cost (1+2)	**14,728.1**	**100.0**

MOPME = Ministry of Primary and Mass Education, RBL = results-based lending, SLIP = school level improvement plan, UPEP = *upazila* primary education plan.
^a The RBL program includes the curriculum, development of textbooks, and other teaching and learning materials (including e-materials), and excludes textbook printing, which is financed under MOPME's other budget.
^b The RBL program includes teacher education and training (including information and communication technology training, local and overseas training), consultancy, studies, seminars, and workshops.
^c The RBL program includes classrooms and teacher rooms; water, sanitation, and hygiene blocks; and water sources, and excludes office buildings.

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[19] The Implementation Monitoring and Evaluation Division (IMED) of the Ministry of Planning was identified as an IVA by the government and joint financing development partners. The IMED is functionally and financially independent from the MOPME. In line with the IMED's mandate, the Seventh Five-Year Plan affirms a leading role for the IMED in results-based monitoring of government programs. The verification arrangements will be reviewed from time to time and revised as necessary by the government and joint financing development partners. The MOPME will agree with the IMED on the arrangements, logistics, and other support, as well as consulting services needed, satisfactory to joint financing development partners. Using the IMED as the IVA will also aim at improving the program's sustainability and institutional strengthening in the government system.

^d The RBL program includes costs for gender and inclusive education (including for out-of-school children), monitoring, program and school operations, review and development of policy guidelines, safeguards, and other program costs.

^e The contingencies could be applied to other planned cost items.

^f Excludes discrete projects under MOPME's management.

^g Numbers may not sum precisely because of rounding.

^h Includes the management and administration costs, such as the salaries for existing teachers and personnel, and other recurrent costs.

Sources: Ministry of Primary and Mass Education, and Asian Development Bank estimates.

19.   **Program financing.** The government will provide $13.2 billion (89.8%), while the joint financing development partners (including ADB) are expected to contribute $1,375.5 million (9.4%), which will significantly augment development expenditures. The financing gap is $124.5 million. The government is now discussing with development partners to bridge the gap. The financing plan is summarized in Table 4. The government has requested a concessional loan of $500 million from ADB's ordinary capital resources to help finance the program. The loan will have a 25-year term, including a grace period of 5 years; an interest rate of 2% per year during the grace period and thereafter, and such other terms and conditions set forth in the draft loan agreement.

Table 4: Results-Based Lending Program – Financing Plan

Source	Amount ($ million)	Share of Total (%)
A. Government	13,228.1	89.8
B. Development partners	1,375.5	9.4
Asian Development Bank		
Ordinary capital resources (concessional loan)	500.0^a	3.4
Other joint financing development partners^b		
World Bank	700.0	4.8
European Union	175.0	1.2
United Nations Children's Fund	0.5	0.0
Subtotal (A+B)	14,603.6	99.2
C. Financing gap^c	124.5	0.8
Total	**14,728.1**	**100.0**

^a The Asian Development Bank's financing contributes to climate adaptation finance estimated at $11.1 million, based on the program's support for disaster-resilient school buildings and education in emergencies.

^b Support is estimated based on commitments indicated as of August 2018 and will be provided on the basis of joint financing with no administration by the Asian Development Bank.

^c Discussions between the government and other development partners, such as the Government of Canada and the Japan International Cooperation Agency, are ongoing for possible cofinancing. Financing needs will be further assessed during implementation. The annual budget framework of the government will adjust if necessary.

Sources: Ministry of Primary and Mass Education, and Asian Development Bank estimates.

20.   **Disbursement arrangements**. The ADB loan will be disbursed over 5 years, based on the verification of achievement of the DLIs. The loan proceeds will be disbursed to the government's general account. The government will ensure that total eligible expenditures are equal to or exceed the total amount of disbursement from ADB and other joint financing development partners during the program period. ADB will provide financing for prior results ($60 million), expected to be achieved by loan effectiveness. The MOPME, through the Ministry of Finance (MOF), will submit withdrawal applications semiannually or annually (as applicable), along with evidence of achievement of the DLIs verified by the IVA and unaudited interim financial statements for the period concerned. Partial disbursements are allowed for DLIs A, B, 2, 5, 6, 7, and 9 as described in the verification protocol. Except for those DLIs that cannot be rolled over (as described in the verification protocol), any amount not disbursed for an unmet DLI will be disbursed once it is achieved. Disbursements are allowed for early or late achievement of the DLIs. An advance of a maximum of $65 million, in addition to prior results funding, will be provided to the government upon effectiveness, against expected achievements

of the DLI targets and subject to the terms specified in the legal agreement.[20] The advance will be liquidated toward the end of the RBL program.

F.   Capacity Development and Program Action Plan

21.   The RBL program will strengthen capacities in the primary education subsector at all levels, particularly at district, *upazila*, and school levels. Capacity development activities cover financial management, procurement, gender and social inclusion, and environmental and social safeguards. Key initiatives to improve quality and equity in primary education include teacher training through CPD, improvement of academic supervision and mentoring, student assessment and examination reforms, capacity enhancement for serving OOSC, ICT-enriched teaching and learning, and improvement of accessibility and reliability of the EMIS. These are costed in the government's expenditure framework and largely incorporated in the PAP.

22.   An ongoing transaction TA (footnote 17) with supplementary financing will support program implementation by providing technical inputs and capacity development consistent with the PAP. The additional TA outputs are planned as (i) annual fiduciary reviews, (ii) structuring of integrated EMIS and early-stage tests, (iii) upgraded classroom observation tools for monitoring teaching practices, and (iv) study on designing a CPD framework by exploring ICT-channeled training. ADB will ensure that the TA activities, once approved, will align with the program needs under the coordination of the program support team by working closely with and updating the support team on the TA progress and results.

G.   Implementation Arrangements

23.   The MOPME is the executing agency, and the Directorate of Primary Education (DPE) is the implementing agency. An interministerial program steering committee, chaired by the secretary of MOPME, will be in charge of high-level decision-making under the program, with participation of key officials from MOPME, DPE, partner implementing agencies (namely the Bureau of Non-Formal Education, the National Academy for Primary Education, the National Curriculum and Textbook Board, the Local Government Engineering Department, and the Department of Public Health Engineering), and other entities such as the MOF and the National Planning Commission. DPE's additional director general will head the program coordination unit, which will coordinate and report on the DLIs. A program support team will be set up to support the program coordination unit to plan consulting services and coordinate the TA activities.

24.   **Development coordination.** The program adopts SWAp, as led by the government, for effective implementation.[21] The government harmonized with the joint financing development partners the implementation arrangements.[22] The jointly set-forth terms and procedures include the single common DLI matrix, the use of an IVA, coordination between TA activities, and joint review arrangements on monitoring and reporting. ADB, as part of the development partners' consortium, will coordinate with joint financing development partners to support the program.

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[20] The advance will meet the program's need for in-time budget allocation to trigger the progress for achieving early year DLIs, by considering the different timing of funding from other joint financing development partners.

[21] The development partners subscribing to the SWAp are currently ADB, Government of Canada, European Union, Japan International Cooperation Agency, United Nations Children's Fund, and the World Bank. Other donors such as the United Kingdom and the United States Agency for International Development support the subsector outside SWAp.

[22] As the funds of ADB and other joint financing development partners will be commingled to finance the individual procurement packages under the RBL program, universal procurement will apply (ADB. 2013. *Blanket Waiver of Member Country Procurement Eligibility Restrictions in Cases of Cofinancing for Operations Financed from Asian Development Fund Resources*. Manila).

III.   SUMMARY OF ASSESSMENTS

A.   Program Technical Assessments

25.   Technical assessments confirm that the RBL program is technically sound and highly relevant to the development needs of the country. The government prepared the program results framework.[23] The main program interventions are adequate and well sequenced to support achievement of key targets. The joint financing development partners and the government have agreed on a single common DLI matrix and will hold joint reviews to monitor and evaluate the program progress.[24]

26.   The RBL program aims to strengthen quality and equity of primary education beyond achievements in access and by anticipating technological changes and their effect on human capital requirements. It envisages that a larger number of primary schools will be turned into single-shift schools than in the PEDP3, thus increasing the teacher–student contact hours that are critical to improving learning outcomes. This will require investment in infrastructure and increased teacher recruitment and deployment. Newly recruited teachers will mandatorily go through an updated DPEd program. The routine subject- and pedagogy-based teacher training will be integrated into a needs-based and structured CPD to improve teacher capacity to drive competency-based learning. The use of ICT in teacher training and the use of e-materials for teaching and learning will help alleviate the shortage of teacher educators, support individualized learning, and enable quick feedbacks that help improve learning outcomes. The scaled-up education service to OOSC, updated student-focused SLIP, and performance-based UPEP will promote pro-poor targeting and diversified response to local contexts.[25]

27.   The RBL program is categorized as *effective gender mainstreaming*. Improving learning outcomes and reinforcing equitable access for boys and girls are specific objectives. The program will scale up efforts to solve the persisting issue of OOSC, of whom the majority are boys and mainly victims of poverty, by offering flexible education for them to acquire the targeted competency. Built on the subsector's achievement (such as higher enrollment and completion rates for girls, and more female than male teachers recruited), PAP highlights monitoring and reporting on the implementation of the government-led gender and inclusive education actions. These include (i) establishing gender equality factors in the updated curricula and textbooks and sensitizing them through teacher training, (ii) providing equal access to ICT and e-materials at school for both boys and girls, and (iii) enabling a friendly schooling environment for children with special education needs and disabilities.

28.   Substantial socioeconomic benefits are expected from (i) a greater number of primary education completers who will earn higher wages (relative to non-completers); (ii) better-quality education resulting in higher wage premiums for all primary education completers; and (iii) less wastage of public and private resources as a result of fewer students dropping out or repeating the school year. The economic analysis resulted in a sound economic internal rate of return of 17.5%. A sensitivity analysis revealed that the wage premium resulting from higher-quality

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[23] Program Results Framework (assessible from the list of linked documents in Appendix 2).
[24] While not all joint financing development partners may fully link the release of funds to the DLIs, they are nevertheless committed to the indicators in the common DLI matrix, which will be included in a joint financing arrangement and followed up in the joint review missions.
[25] The government's ongoing stipend and school feeding programs in the subsector are also supporting poor children's access to school (MOPME: Primary Education Stipend Project [3rd phase, 2015–2019], and School Feeding Program in Poverty Prone Areas [1st revised, 2010–2020]).

education affects return on investment more than other variables, implying that elevating the overall education quality of the future workforce is essential.

B.   Program Systems Assessments

29.   **Monitoring and evaluation system.** The M&E system had formally developed the annual primary school census since 2004, based on which the annual sector performance reports were generated from 2008. An e-monitoring system was piloted under the PEDP3. However, constrained central and local capacities for M&E hamper the analysis and distribution of the monitoring results for action. The RBL program will strengthen the use of existing primary education M&E system. A web-based EMIS will be established by integrating the existing and new data subsystems for tracking and reporting on key performance indicators. Strengthening of the primary education examination and assessment system will support timely measurement of progress in learning outcomes to inform subsequent interventions. The teacher information system will be broadened to report teacher profiles, recruitment, deployment, training planning, tracking and reporting, and other teacher-related data. The student information system, supported by the national civil registration and vital statistics program, will be established for use under the RBL program to track individual student information at school level. The education household survey will continue under the RBL program to provide a cross-check mechanism for the M&E system. The EMIS data will also be used to generate school report cards for public display at each school, to improve transparency and accountability, and for social audits of the use of the SLIP funds. The DLI 8 and PAP actions 1.5 and 4.1 focus on M&E enhancement.[26]

30.   **Fiduciary systems.** The program systems will be used for financial management, procurement, and anticorruption measures. The program fiduciary system assessment was undertaken in accordance with ADB's staff guidance on RBL for programs. It assessed the extent to which the systems and practices provide reasonable assurance on the appropriate use of funds and the safeguarding of assets based on the experiences of the PEDP3 and other results-based operations. Weaknesses are mainly in internal controls and oversight, with gaps in district, *upazila*, and school capacities. Delays in fund reconciliation and lack of timely action on audit observations prevent efficient functioning. The overall financial management risk is assessed to be substantial, which will be mitigated through a continuous improvement of system. The rollout of the IBAS++ will improve timely and accurate financial reporting, as it consolidates budget planning, execution, accounting, and reporting functions. A new chart of accounts with expanded budget classification codes will be implemented, increasing trackability of expenditures at each level. In addition to establishing an internal audit unit at the DPE to improve internal control, annual fiduciary reviews will diagnose bottlenecks and recommend how to remove them. The MOPME and the implementing agencies, chief accounts officer of the MOF, and Office of the Comptroller and Auditor General will meet for periodic audit reviews aimed at timely resolution of audit matters.

31.   The assessment indicates that progress was made under the PEDP3 in improving procurement. For example, the e-GP was fully used to procure works. Major remaining weaknesses are (i) a lack of trained procurement staff, (ii) constrained procurement planning and compliance monitoring, (iii) inefficient contract management, and (iv) lack of standardization of model bidding documents for ensuring competition and transparency. Overall, the procurement risk is rated *high* in terms of the impact on procurement execution and program implementation, which will influence the achievement of results. The RBL program will mitigate the risk by (i) further strengthening procurement capacity through the establishment of a

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[26] PAP (accessible from the list of linked documents in Appendix 2).

dedicated procurement division at the DPE with adequate staffing; (ii) rolling out the e-GP to all procuring entities with sufficient training, and using the e-standard bidding documents that ensure competition and transparency; (iii) preparing and updating on time the annual procurement plans to support annual operations, and engaging the program support team to coordinate planning for the procurement of services and monitoring of consultants;[27] and (iv) updating SLIP and UPEP guidelines and the fund management system in conjunction with annual social audits to ensure compliance. The DLI 7 and PAP actions 2.1–2.6 are included for strengthening public financial management and procurement.

32.   The assessment shows that the PEDP3 established an online and offline grievance redress system. The MOPME has the practice of sharing annual information reports with wider stakeholders through its website. The annual primary school census has improved the system transparency. The RBL program will further strengthen governance and accountability through an improved EMIS, social audit, public disclosure of school report cards, and stronger institutional fiduciary arrangements such as anticorruption measures (as reflected in the PAP). The Guidelines to Prevent or Mitigate Fraud, Corruption, and Other Prohibited Activities in Results-Based Lending for Programs were explained to and discussed with the government.[28]

33.   **Safeguard systems.** An assessment of the program safeguard systems was carried out to appraise applicable laws and regulations and the institutional capacity for mitigating safeguard risks. It confirmed categorization B for environment, C for involuntary resettlement, and B for indigenous people. The system weaknesses mainly lie in weak capacity and inadequate resources to integrate measures to deal with safeguard concerns in program implementation and monitoring. Safeguard compliance will be strengthened by implementing an updated environmental and social management framework and related safeguard monitoring tools for the program. A safeguard focal person at the DPE will strengthen the coordination of safeguard training, monitoring, and reporting. Safeguard compliance by contractors will be ensured by specifying key risks and mitigation measures through the contracts. The EMIS will include student and teacher data on social groups and integrate the primary education property management information system, which will continue to be used for infrastructure planning and management. The main safeguard actions are included in the PAP.

C.   Integrated Risk Assessment and Mitigating Measures

34.   Major risks and mitigating measures are summarized in Table 5. The mitigating measures will reduce the risk ratings from *high* and *substantial* to *moderate* and *low*. They reflect the context of widely applying country systems with necessary enhancements to implement the RBL program. The overall benefits and impacts are expected to outweigh the costs of mitigation.

Table 5: Summary of Integrated Risk Assessment and Mitigating Measures

Risks	Ratings	Key Mitigating Measures
Results. Difficulty exists in hiring and filling the vacancies of teachers on time.	Substantial	MOPME and DPE prepare and implement recruitment plans following the government's recruitment guidelines (PAP 1.2). An updated teacher information system will be integrated into EMIS (DLI 9). MOPME and development partners will jointly review progress in recruitment and deployment (DLI 2).

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[27] Outside the RBL program, the government is upgrading the e-GP system under the World Bank's assistance, and is continuing public financial management reforms. These will benefit the program.
[28] ADB. 2013. *Piloting Results-Based Lending for Programs*. Manila.

Risks	Ratings	Key Mitigating Measures
Expenditures and financing. Slow execution of development budget may constrain program activities.	Substantial	DPE will prepare timely annual procurement plans as part of the annual operations plan supporting budget planning and execution (PAP 2.1). MOPME and development partners will monitor budget execution (DLI 7) and timely disbursement of advances and quarterly fund release (PAP 2.4).
Financial management. Financial management capacity is constrained in internal control and financial compliance.	Substantial	DPE strengthens its financial management capacity with adequate qualified staff and establishes a dedicated internal audit unit (DLI 7). MOPME rolls out IBAS++ to all levels with organized training (DLI 7). A tripartite audit review will be undertaken to improve audit resolution (DLI 7). AFR will be conducted to improve system efficiency (PAP 2.3).
Procurement. Lack of qualified procurement staff weakens procurement execution and monitoring. Model bidding documents that ensure competition and transparency are not standardized for extensive use.	High	DPE strengthens the existing procurement unit by setting up a dedicated procurement division with adequate staffing (DLI 7). MOPME rolls out e-GP to all procuring entities with adequate training (DLI 7) and uses the e-standard bidding documents that ensure competition and transparency (PAP 2.2). AFR will include post-procurement review. The program support team will enhance planning for procurement of services and monitor service delivery.
Operating environment. Multiple implementing agencies and partners complicate program management.	Moderate	MOPME or DPE will sign the MOUs, agreements, or contracts with all partner implementing agencies (PAP 1.1) and monitor them through performance indicators.
Overall RBL program Risk	**Substantial**	

AFR = annual fiduciary review, DLI = disbursement-linked indicator, DPE = Directorate of Primary Education, e-GP = electronic government procurement, EMIS = education management information system, IBAS++ = Integrated Budget and Accounting System, MOPME = Ministry of Primary and Mass Education, MOU = memorandum of understanding, PAP = program action plan, RBL = results-based lending.
Note: Risk factors are assessed against two dimensions: (i) likelihood that the risk will occur and (ii) impact of the risk on the outcome. Rating scale: Low = low likelihood and low impact, Moderate = substantial to high likelihood but low to moderate impact, Substantial = low to moderate likelihood but substantial to high impact, High = high likelihood and high impact.
Source: Asian Development Bank.

IV.   ASSURANCES

35.   The government and the MOPME have agreed with ADB on certain covenants for the RBL program, which are set forth in the loan agreement.

V.   RECOMMENDATION

36.   I am satisfied that the proposed results-based loan would comply with the Articles of Agreement of the Asian Development Bank (ADB) and recommend that the Board approve the loan of $500,000,000 to the People's Republic of Bangladesh for the Supporting Fourth Primary Education Development Program, from ADB's ordinary capital resources, in concessional terms, with an interest charge at the rate of 2% per year during the grace period and thereafter; for a term of 25 years, including a grace period of 5 years; and such other terms and conditions as are substantially in accordance with those set forth in the draft loan agreement presented to the Board.

Takehiko Nakao
President

3 September 2018

DESIGN AND MONITORING FRAMEWORK

Impact the Results-Based Lending Program is Aligned with			
Human capital formation strengthened (Bangladesh Seventh-Five Year Plan [FY2016–FY2020])[a]			
Results Chain	**Performance Indicators with Targets and Baselines**	**Data Sources and Reporting Mechanisms**	**Risks**
Outcome Quality and equity of primary education improved for all children from pre-primary to grade 5	By 2024: a. Proportion of grade 3 students achieving grade-level competencies in Bangla and mathematics increased by 10 percentage points for both boys and girls from the 2017 baseline (2015 baseline: Bangla – 65% [boys 62%, girls 66%]; and math – 39% [boys 37%, girls 40%])[b] b. Difference in net enrollment rates in grades 1–5 between the weighted average of five lowest performing districts and the national level decreased to 7% (boys: 10%; girls: 4%) (2016 baseline: 9% [boys: 12.5%; girls: 5.0%]). c. National survival rate to grade 5 increased by 2 percentage points for both boys and girls (2017 baseline: 83.3% [boys: 81.3%, girls: 85.4%])[c]	a. National Student Assessment b.–c. ASPR	Remaining disparity in poverty across region and income groups may constrain the narrowing of gaps in access and participation.
Outputs 1. Quality of primary education improved	By 2023: 1a. Revised pre-primary and grades 1–5 curricula and textbooks, and newly developed teaching–learning materials (with selected supplementary reading materials) approved by the National Curriculum Coordination Committee (2017 baseline: grades 1–5 curricula in 2011 version to be updated, and textbooks in 2013 version to be updated; teaching–learning materials, including supplementary reading materials, not made available to schools) 1b. At least 50.0% of government primary schools meet the student–teacher ratio standard of 40:1 (2016 baseline: 35.4%) 1c. 67,500 newly recruited and existing teachers without DPEd or CinEd (at least 50% of them women) certified through DPEd program (among them, 25,000 certified through updated DPEd program), and 1,200 teacher educators with capacity to deliver the updated DPEd program (2017 baseline: 32,353 teachers with DPEd. Not applicable as regards to training of teacher educators on DPEd) 1d. At least 50% of the target for training teachers and teacher educators in the CPD plan achieved (at least 50% of them women) (2017 baseline: 0) 1e. Additional 100,750 teachers (at least 50% of them women) completed training on using ICT and e-teaching–learning resources through ICT training (2016 baseline: 71,862 teachers trained on ICT [men: 23,097; women: 48,765])	1a. National Curriculum and Textbook Board report 1b. ASPR 1c. National Academy for Primary Education and/or DPE report, EMIS, ASPR 1d.–e. DPE report based on EMIS and/or ASPR	
2. Access and participation to primary education enhanced	By 2023: 2a. Additional 10.0% of government schools converted from double-shift to single-shift operations (2017 baseline: 22.6% of existing government schools have single-shift operations)	2a. EMIS and/or ASPR	Large-scale disasters triggered by natural hazards in the

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
	2b. Additional 650,000 out-of-school children enrolled in learning centers (50% boys) (2017 baseline: 100,072 [50% boys]) 2c. Additional 43,500 gender-segregated WASH blocks, 11,250 safe drinking water sources, and 30,000 classrooms completed according to the Infrastructure Planning Guideline of MOPME and as per standard of the Bangladesh National Building Code (2017 baseline: 24,338 WASH blocks; 39,348 water sources; and 39,003 classrooms completed during the PEDP3)	2b. Bureau of Non-Formal Education endorsed implementation support agency report 2c. EMIS and/or ASPR	subprojects' areas could delay the progress of infrastructure construction.
3. Governance and management of primary education system improved	By 2023: 3a. At least 90% of DPE's division, district, and *upazila* level drawing and disbursing officers adopted iBAS++ (2017 baseline: iBAS++ introduced in DPE) 3b. 80% of approved contracts (goods and works) in DPE processed through e-GP in the year (2017 baseline: e-GP initiated at DPE) 3c. Integrated web-based EMIS with sex-disaggregated data (including for social groups) made operational in DPE (2017 baseline: some EMIS subsystems exist but are not integrated and not web-based) 3d. A needs- and performance-based UPEP piloted for 50 *upazilas* as per updated UPEP guidelines (2017 baseline: UPEP not funded) 3e. Student number-based SLIP fund received by 85% of government schools in the year as per updated SLIP guidelines (2017 baseline: 0 [all government schools received flat SLIP fund within the PEDP3]) 3f. Institutional strengthening plan as per the updated ODCBG implemented at eight divisions and 64 districts (2017 baseline: ODCBG being updated)	3a. MOPME report on PEDP4 progress 3b. DPE procurement progress report 3c. Integrated EMIS website, MOPME report 3d. UPEP implementation report 3e. SLIP implementation progress report 3f. MOPME report on PEDP4 progress	Lengthy government procedure to deploy staff in permanent positions (under revenue budget) may prolong time taken for enhancing field-level capacities systematically.

Key Program Actions

Technical aspects:
1. By December 2018, the MOPME or DPE signs the MOUs, agreements, or contracts with partner implementing agencies.
2. By November 2018, the DPE and LGED include the requirements on disaster resilience of schools in the infrastructure planning guidelines. From January 2019, the DPE and LGED monitor compliance with the requirements during planning and implementation of construction work.
3. By January each year from 2019, the MOPME follows the government's recruitment guidelines in all recruitments initiated from July 2018.
4. By June 2019, the MOPME approves the CPD framework and plan, taking into account elements such as (i) open resource ICT platform to be established at the DPE in collaboration with resource agency (such as A2I) to deliver CPD training to teachers, (ii) training on using e-teaching and e-learning materials, and (iii) teacher educators improved in academic supervision through improved classroom-based practice monitoring and mentoring.
5. By June 2019, the DPE adds the web-based SLIP and the UPEP funds management module to the existing funds management system.
6. By June 2019, the MOPME and/or DPE finalizes the preparation of a capacity building plan for field offices to support institutional strengthening. From July 2019, the DPE implements the institutional strengthening plan.

7.   By June 2021, the Bangladesh Bureau of Statistics or any suitable entity conducts the Education Household Survey (2021) commissioned by the DPE.
8.   By June 2021, the primary education board is established by the MOPME and functional.
Fiduciary management:
1.   In December each year, each implementing agency prepares an annual procurement plan, and the DPE coordinates, consolidates, and monitors these plans.
2.   From July 2018, the LGED continues to use the agreed PEDP3 model bidding documents for national competitive bidding procurement of works until the model document is updated with Central Procurement Technical Unit approval.
3.   In October each year from 2020, an annual fiduciary review (including post-procurement review) is conducted and disseminated with technical assistance support.
4.   By the first month of each next quarter, the DPE disburses the quarterly fund release. The DPE monitors advances each month.
5.   In each quarter from April 2020, the MOPME and DPE, the chief accounts officer of the Ministry of Finance, and the Office of the Comptroller and Auditor General hold tripartite audit review meetings to monitor the progress in resolving audit observations.
6.   By June 2020, an internal audit unit established and operational at the DPE for conducting internal audits.
7.   In July and January each year, the MOPME submits grievance redress system reports to the development partners.
Environmental and social safeguards:
1.   By December 2018, the DPE adopts and operationalizes the updated environmental and social management framework from the version used in the PEDP3.
2.   By December 2018, the DPE is assigned a safeguard focal person or specialist to coordinate safeguards.
3.   By December 2018, the DPE adopts a WASH block maintenance manual and the DPHE develops a hygiene promotion manual.
4.   By December 2018, the DPE includes water quality test requirement into the MOU signed with the DPHE. By June each year, sufficient budget allocated annually for the DPHE to do water quality tests.
Gender and social inclusion:
1.   From October 2018, the DPE monitors, in coordination with partner implementing agencies, the implementation of the gender and inclusive education actions of the program and submits the report as part of the annual program progress report.

Financing Plan
Total proposed results-based lending program financing (FY2019–FY2023): $14.7 billion (estimate), with government: $13.2 billion (estimate), Asian Development Bank: $500 million (concessional ordinary capital resources loan), World Bank: $700 million (International Development Association lending), European Union: $175 million equivalent (grant), United Nations Children's Fund: $500,000 (grant).

Assumptions for Partner Financing
Other joint financing development partners (Government of Canada and Japan International Cooperation Agency): $124.5 million (grant) (estimate)

A2I = Access to Information; ASPR = annual sector performance report; CinEd = certificate in education; CPD = continuous professional development; DPE = Directorate of Primary Education; DPEd = Diploma in Primary Education; DPHE = Department of Public Health Engineering; e-GP = electronic government procurement; EMIS = education management information system; iBAS++ = Integrated Budget and Accounting System; ICT = information and communication technology; LGED = Local Government Engineering Department; MOPME = Ministry of Primary and Mass Education; MOU = memorandum of understanding; ODCBG = organizational development and capacity building guidebook; PEDP3 = Third Primary Education Development Project; PEDP4 = Fourth Primary Education Development Program; SLIP = school level improvement plan; UPEP = *upazila* primary education plan; WASH = water, sanitation, and hygiene.
a   Government of Bangladesh, National Planning Commission. 2015. *Seventh Five-Year Plan, FY2016–FY2020: Accelerating Growth, Empowering Citizens*. Dhaka.
b   The baseline will be updated once the National Student Assessment (2017) report is issued.
c   The baseline will be updated, if needed, once the ASPR (2018) report is issued based on the annual primary school census (2017) data.
Source: Asian Development Bank.

LIST OF LINKED DOCUMENTS
http://www.adb.org/Documents/RRPs/?id=50192-002-3

1.   Loan Agreement

2.   Country Economic Indicators

3.   Summary Sector Assessment: Education

4.   Program Soundness Assessment

5.   Program Results Assessment

6.   Program Results Framework

7.   Program Expenditure and Financing Assessment

8.   Program Monitoring and Evaluation System Assessment

9.   Program Fiduciary Systems Assessment

10. Program Safeguard Systems Assessment

11. Integrated Risk Assessment and Mitigating Measures

12. Program Action Plan

13. Contribution to the ADB Results Framework

14. Development Coordination

15. Summary Poverty Reduction and Social Strategy

16. Program Implementation Document

Supplementary Documents

17. Economic Analysis

18. Project Climate Risk Assessment and Management Report

DISBURSEMENT-LINKED INDICATORS, VERIFICATION PROTOCOLS, AND DISBURSEMENT SCHEDULE

Table A3.1: Disbursement-Linked Indicators

Disbursement-Linked Indicators	Baseline Value and Year	Prior Results	FY2019	FY2020	FY2021	FY2022	FY2023
Outcome							
DLI A Proportion of grade 3 students achieving grade level competencies in Bangla and mathematics increased[a]	Bangla: 65% boys: 62% girls: 66% Math: 39% boys: 37% girls: 40% (2016 for NSA 2015)[b]						Proportion of grade 3 students achieving minimum competency in Bangla and math in NSA 2021 increased by at least 10% each compared to the percentages in NSA 2017
DLI B National survival rate to grade 5 increased for both boys and girls[c]	83.3% boys: 81.3% girls: 85.4% (2017)[d]					National survival rate to grade 5 increased by 2 percentage points for both boys and girls	
Outputs							
DLI 1 Curriculum revision and textbook development	Curriculum revision in 2011; textbook revision in 2013; supplementary reading material not made available to schools (2017)	An action plan for curriculum revision, and textbooks and teaching-learning materials development approved		PPE and grades 1–5 curriculum revised	Grades 1–2 textbooks and teaching-learning materials developed as per revised curriculum	PPE and grades 3–5 textbooks and teaching-learning materials developed as per revised curriculum	
DLI 2 Assistant teacher recruitment and deployment	STR standard of 40:1 met by 35.4% of GPS; assistant teachers' vacancy at 9%; deployment of teachers from surplus schools to schools short of teachers inefficient (2016)	Recruitment plan for assistant teachers prepared and approved				75% of the end of program target achieved as per assistant teacher recruitment plan	At least 50% of GPS have an STR of 40:1 or less

Disbursement-Linked Indicators	Baseline Value and Year	Prior Results	FY2019	FY2020	FY2021	FY2022	FY2023
DLI 3 Teacher education and CPD	32,353 teachers with DPEd as trained in PEDP3 (2017) No systematic CPD program available (2017)	DPEd training plan approved	CPD framework and plan developed and approved		(i) Revised DPEd curriculum approved (ii) CPD training started as per approved plan	(i) DPEd implemented according to the plan with 50% of teachers previously without DPEd/CinEd trained (ii) CPD training conducted as per approved plan	
DLI 4 Examinations and assessments	No dedicated institution for NSA; NSA 2015 conducted; NSA 2017 being conducted pending report (2017)					NSA 2021 conducted	*(Outcome indicator – DLI A)*
DLI 5 Need-based infrastructure development	22.6% of government primary schools are single-shift (2016) 24,338 WASH blocks; 39,348 water sources; and 39,003 classrooms completed during PEDP3 (2017)	Infrastructure plan and IPG updated and approved				75% of planned needs-based infrastructure (additional class rooms, gender segregated WASH blocks, drinking water sources) development works completed according to the updated IPG of MOPME and as per standard of BNBC	The proportion of single shift schools increased by 10 percentage points compared to program baseline
DLI 6 Education opportunities for OOSC	OOSC ratio for aged 8–14 population 11.0% (boys: 13.3%; girls: 8.6%) (2014) 100,072 OOSC were enrolled during PEDP3 period (2017)		OOSC enrolled under PEDP3 are back to school or learning centers	250,000 new OOSC enrolled in learning centers through ISAs	250,000 new OOSC enrolled in learning centers through ISAs	(i) 60% of OOSC enrolled in learning centers since year 2 are back to schools or remain enrolled in the learning centers *((ii) Outcome indicator – DLI B)*	Cumulative 650,000 OOSC are back to school or learning centers since year 2

Disbursement-Linked Indicators	Baseline Value and Year	Prior Results	FY2019	FY2020	FY2021	FY2022	FY2023
DLI 7 Fiduciary system and budget	No designated internal audit function at MOPME and DPE; e-GP initiated in DPE; iBAS++ available at MOPME ministry and DPE central level but not rolled-out to subordinated agencies (2017)		Updating of fiduciary system	Internal audit unit/cell established at DPE and adequately staffed	85% utilization of the original approved cumulative annual budget for year 1 and year 2	iBAS++ rolled out in 90% of all DDOs and 80% of the approved number of eligible contracts in DPE processed through e-GP	Further enhanced functions for audit resolution
DLI 8 Data system, monitoring and accountability	Some EMIS subsystems exist but not integrated and not web-based; no public display of key school data at schools (2017)		Road map for comprehensive EMIS has been developed and approved		Integrated web-based EMIS is established	70% of GPS display key school data as specified by DPE in public areas in the school	Integrated web-based EMIS is fully operational
DLI 9 Institutional strengthening	SLIP a flat fund system (not formula-based) UPEP not funded ODCBG being updated (2017)		(i) ISP under updated ODCBG developed and approved (ii) SLIP, UPEP guidelines updated	(i) UPEP implemented by 50 *upazilas* according to updated guidelines (ii) ISP under updated ODCBG has been initiated		SLIP funds received and utilized by 85% GPS as per updated SLIP guidelines	ISP under updated ODCBG has been implemented

BNBC = Bangladesh National Building Code; CinEd = Certificate in Education; CPD = continuous professional development; DDO = drawing and disbursing officer; DLI = disbursement-linked indicator; DPE = Directorate of Primary Education; DPEd = Diploma in Primary Education; e-GP = electronic government procurement; EMIS = education management information system; FY = fiscal year; GPS = government primary schools; iBAS++ = Integrated Budget and Accounting system; IPG = infrastructure planning guideline; ISA = implementation support agency; ISP = institutional strengthening plan; MOPME = Ministry of Primary and Mass Education; NSA = national student assessment; ODCBG = organizational development and capacity building guidebook; OOSC = out-of-school children; PEDP3 = Third Primary Education Development Project; PPE = pre-primary education; SLIP = school level improvement plan; STR = student-teacher ratio; UPEP = *upazila* primary education plan; WASH = water, sanitation and hygiene.

[a] It is drawn from a FY2023 indicator of DLI 4.
[b] The baseline will be updated once the NSA (2017) report is issued.
[c] It is drawn from a FY2022 indicator of DLI 6.
[d] The baseline will be updated if needed, once the Annual Sector Performance Report (2018) is issued based on the annual primary school census (2017) data.
Source: Asian Development Bank.

Table A3.2: Verification Protocols

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Disbursement Formula
DLI A: Proportion of grade 3 students achieving grade level competencies in Bangla and mathematics increased[a]				
March 2023: Proportion of grade 3 students achieving minimum competency in Bangla and Math in NSA 2021 has increased by at least 10% each compared to the percentage in NSA 2017	This target is considered met when the NSA year 4 report shows a 10% increase in the proportion of grade 3 children with minimum competency level (Band 3 of the assessment) in Bangla and Math in 2021 compared to the baseline in NSA 2017.	MOPME, one time in 2023	MOPME will submit to the joint financing development partners: (i) final endorsement of NSA 2017 and NSA 2021 report; and (ii) a comparative report of NSA 2017 and NSA 2021. The IVA will verify the submitted documents.	$25 million if target is achieved for both Bangla and Math; $15 million if target is achieved for only Bangla or Math; $12.5 million if the increase is at least 5% but less than 10% for both Bangla and Math; $8 million if the increase is at least 5% but less than 10% for only Bangla or Math, and less than 5% for one of them Rollover: no
DLI B: National survival rate to grade 5 increased for both boys and girls[b]				
May 2022: National survival rate to grade 5 increased by 2 percentage points for both boys and girls	Survival rate to grade 5 means the percentage of a cohort of students enrolled in grade 1 who reach grade 5 regardless of repetition. This target is considered achieved when the percentage of students enrolling in grade 1 surviving until grade 5 has increased as reported in ASPR 2022 compared to ASPR 2017.	MOPME, BNFE, APSC and ASPR report; annual	MOPME will submit to the joint financing development partners the ASPR 2017 and ASPR 2022. The IVA will verify the submitted documents.	$15 million if target is achieved for both boys and girls; $9 million if target is achieved for only boys or girls Rollover: yes
DLI 1: Curriculum revision and textbook development				
Prior result (November 2018): An action plan for curriculum revision, and textbooks and teaching-learning materials development approved	Curriculum revision for pre-primary and primary curricula is based on needs assessment and situation analysis, and ensures harmonization with national and international standards. Curriculum and textbooks will continue to be competency based. This target is considered achieved when the (i) NCTB has developed an action plan to revise curriculum and teaching-learning materials (PPE to grade 5); (ii) NCCC has approved the action plan.	MOPME, one time in 2018	MOPME will submit to the joint financing development partners a letter of the approved action plan. The IVA will verify the submitted documents.	$10 million upon achievement of target Rollover: yes

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Disbursement Formula
May 2020: PPE and grades 1–5 curriculum revised	This target is considered achieved when (i) situation analysis and need assessment study for curriculum revision has been completed; (ii) an effectiveness study on implemented curriculum has been completed; (iii) the pre-primary and grade 1-5 curricula have been harmonized and revised reflecting the findings of these two studies; and (iv) the revised curricula are approved by the NCCC.	MOPME, one time in 2020	MOPME will submit to the joint financing development partners a letter of the approved curriculum documents with minutes of approval by the NCCC. IVA will verify the submitted documents.	$10 million upon achievement of target Rollover: yes
May 2021: Grades 1–2 textbooks and teaching-learning materials developed as per revised curriculum	Teaching-learning materials also include SRM (to be selected by the NCCC), and Teacher Learning Material (to be developed). This target is considered achieved when (i) new textbooks for pre-primary and grades 1–2 have been developed by the NCTB, evaluated by professional committee and approved by the NCCC; (ii) TLM is developed by the NCTB; (iii) SRM is selected by the NCCC.	MOPME, one time in 2021	MOPME will submit to the joint financing development partners the approved curriculum documents with minutes of approval by the NCCC. The IVA will verify the submitted documents.	$10 million upon achievement of target Rollover: yes
May 2022: PPE and grades 3–5 textbooks and teaching-learning materials developed as per revised curriculum	Revised curriculum refers to the approved revised curriculum from year 2. This target is considered achieved when (i) new textbooks for pre-primary and grades 3–5 have been developed by NCTB, evaluated by professional committee and approved by the NCCC; (ii) TLM is developed by the NCTB; (iii) SRM is selected by the NCCC.	MOPME, one time in 2022	MOPME will submit to the joint financing development partners (i) the NCCC minutes of approval of new textbooks for pre-primary and grades 3–5, (ii) a letter from MOPME confirming the approval of pre-primary and grades 3–5 textbooks by the NCCC, and (iii) a list of TLM prepared. The IVA will verify the submitted documents.	$10 million upon achievement of target Rollover: yes
DLI 2: Assistant teacher recruitment and deployment				
Prior result (November 2018): Recruitment plan for assistant teachers prepared and approved	The teacher recruitment for assistant teachers includes, among other things, the recruitment strategy and process, and the number of assistant teachers targeted to be recruited each year during the program period. The plan takes into account the end of program target for student-teacher ratio and the need to increase the percentage of single shift schools to the program target. This target is considered achieved when the DPE has developed the recruitment plan, and the MOPME has approved it.	MOPME, one time in 2018	MOPME will submit to the joint financing development partners (i) the recruitment plan document and (ii) a letter from MOPME confirming the approval of recruitment plan. The IVA will verify the submitted documents.	$15 million upon achievement of target Rollover: yes

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Disbursement Formula
May 2022: 75% of the end of program target achieved as per assistant teacher recruitment plan	This target is considered achieved when 75% of the total number of assistant teachers have been recruited during the program period as per the approved teacher recruitment plan.	DPE, annual	DPE will submit a consolidated report on teacher recruitment to the joint financing development partners. The IVA will verify the submitted documents.	$15 million if achievement is at least 75%; $9 million if achievement is at least 50% but less than 75% Rollover: yes
March 2023: At least 50% of GPS have a student teacher ratio of 40:1 or less	STR is the number of enrolled students in pre-primary to grade 5 divided by the number of deployed teachers (not positions). This target is considered achieved when the STR of 40 or less students per teacher has been achieved in at least 50% of schools as reported in the ASPR/APSC reports of year 4.	ASPR/APSC report, annual	DPE will submit the ASPR/ APSC reports. The IVA will verify the submitted documents.	$15 million upon achievement of target Rollover: no
DLI 3: Teacher education and continuous professional development		Advance financing at $15 million upon effectiveness		
Prior result (November 2018): DPEd training plan approved	DPEd training plan for delivering DPEd training includes annual activities, targets, and timeline for revising the DPEd curriculum; and delivering DPEd to the targeted number of teachers during the program period. This target is considered met when the MOPME approves the DPEd training plan addressing the issues of double shift, number of instructors, infrastructure, other facilities, and the time a newly recruited teacher waits for initial training.	MOPME, one time in 2018	MOPME will submit to joint financing development partners (i) the approved DPEd plan document and (ii) a letter confirming approval of the plan. The IVA will verify the submitted documents.	$15 million upon achievement of target Rollover: yes
May 2019: CPD framework and plan developed and approved	CPD framework is to be developed based on the proposed study recommendations for teachers and teacher educators that encompasses all types of teacher professional development interventions. The CPD plan is developed based on the CPD framework consistent with the proposed study recommendations and includes activities, outputs, roles and responsibilities, and timelines for implementing CPD during the program period. This target is considered met when (i) DPE prepares CPD framework according to the above definition including implementation plan describing the roles and responsibilities and addressing the issues of mentoring, monitoring, evaluation; (ii) MOPME approves the CPD framework; and (iii) DPE publishes the approved CPD framework on the MOPME or DPE website.	MOPME, one time in 2019	MOPME will submit to the joint financing development partners (i) the approved CPD framework and planned document, (ii) a letter confirming approval of the CPD framework and the plan, and (iii) a screen print of the website demonstrating published framework. The IVA will verify the submitted documents.	$12 million upon achievement of target Rollover: yes

Disbursement-Linked Indicators	Definition and Description of Achievement	Information Source and Frequency	Verification Agency and Procedure	Disbursement Formula
May 2021 (i): Revised DPEd curriculum approved **May 2021 (ii):** CPD training started as per approved plan	(i) This target is considered met when (a) NAPE has revised the DPEd curriculum based on the revised primary education curriculum, proposed effectiveness evaluation, and lessons learned from DPEd implementation; and (b) MOPME has approved the revised DPEd curriculum. (ii) This target is considered met when (a) DPE/NAPE report confirms that 15% of program targeted teachers and teacher educators have received CPD training as per plan and (b) the training has been conducted meeting the quality standards as per the plan.	(i) MOPME/NAPE, one time in 2021 (ii) DPE/NAPE progress report on CPD implementation, annual	(i) MOPME will submit to the joint financing development partners (a) the revised DPEd curriculum document and (b) a letter confirming approval of the revised DPEd curriculum. The IVA will verify the submitted documents. (ii) MOPME will submit to the joint financing development partners the DPE/NAPE progress report on CPD implementation. The IVA will verify the submitted documents.	(i) $12 million upon achievement of target Rollover: yes (ii) $12 million upon achievement of target Rollover: yes
May 2022 (i): DPEd implemented according to the plan with 50% of teachers previously without DPEd/CinEd trained **May 2022 (ii):** CPD training conducted as per approved plan	(i) This target is considered met when (a) DPE/ NAPE report confirms that at least 50% of untrained teachers (cumulative) have received DPEd as per plan and (b) the training has been conducted meeting the DPEd quality standards. (ii) This target is considered met when (a) DPE/NAPE report confirms that cumulatively 50% of program targeted teachers and teacher educators have received CPD training as per plan and (b) the training has been conducted meeting the quality standards as per the plan.	(i) DPE/NAPE progress report on DPEd implementation, annual (ii) DPE/NAPE progress report on CPD implementation, annual	MOPME will submit to the joint financing development partners (i) DPE/NAPE report on DPEd implementation and (ii) DPE/NAPE report on CPD implementation. The IVA will verify the submitted documents.	(i) $12 million upon achievement of target Rollover: yes (ii) $12 million upon achievement of target Rollover: yes
DLI 4: Examinations and assessments[c]				Advance financing at $4 million upon effectiveness
May 2022: NSA 2021 has been conducted	The NSA is a learning assessment of a nationally representative sample of students in grades 3 and 5. This target is considered met when (i) DPE approves NSA 2021 framework (specifying grades, subjects, sampling method, implementation arrangement, use of assessment results in system improvement); (ii) NSA is carried out by DPE; (iii) MOPME endorses the assessment report and disseminates findings publicly; and (iv) DPE prepares and MOPME approves an action plan with remedial measures.	MOPME/DPE, one time in 2022	MOPME will submit to the joint financing development partners (i) an endorsed NSA 2021 final report and (ii) the approved action plan with remedial measures. The IVA will verify the submitted documents.	$11 million upon achievement of target Rollover: no

DLI 5: Need-based infrastructure development			Advance financing at $15 million upon effectiveness		
Prior result (November 2018): Infrastructure plan and IPG updated and approved	This target is considered achieved when (i) DPE updates its IPG, prioritizing infrastructure needs and (ii) the updated guideline is approved by the MOPME and published in the DPE website.	MOPME, one time in 2018	MOPME will submit to the joint financing development partners (i) the approved updated guideline and (ii) a letter confirming approval. The IVA will verify the submitted documents.	$20 million upon achievement of target Rollover: yes	
May 2022: 75% of planned needs-based infrastructure (additional classrooms, gender segregated WASH blocks, drinking water sources) development works completed according to the updated IPG of MOPME and as per standard of BNBC	WASH blocks are dedicated water and sanitary hygiene facilities in schools. BNBC refers to the more recent Bangladesh National Building Code. This target is considered achieved when (i) progress report shows at least 75% completion of works, and compliance with infrastructure planning guideline and standard of the BNBC; and (ii) DPHE report shows list of separate wash facilities within the school compound.	MOPME, LGED, DPHE progress report	MOPME will submit the approved LGED and DPHE progress reports on infrastructure. The IVA will verify the submitted documents.	$30 million if achievement is at least 75%; $20 million if achievement is at least 60% and less than 75% Rollover: yes	
March 2023: The proportion of single shift schools increased by 10 percentage points compared to program baseline	This target is considered achieved when proportion of schools offering single shifts has increased by 10 percentage points compared to the 2017 baseline reported in the APSC.	APSC report, annual	DPE will submit the APSC report to the joint financing development partners. The IVA will verify the submitted documents.	$25 million upon achievement of target Rollover: no	
DLI 6: Education opportunities for out-of-school children[d]			Advance financing at $5 million upon effectiveness		
May 2019: OOSC enrolled under PEDP3 are back to schools or learning centers	OOSC means children aged between 8–14 who have dropped out or have never been enrolled, and have not passed the PECE. This target is considered achieved when the BNFE report confirms that remaining OOSC enrolled under PEDP3 are enrolled in schools or learning centers in the program.	MOPME, BNFE progress report	MOPME will submit to the joint financing development partners (i) the BNFE report approved by MOPME and (ii) a list of students. The IVA will verify the submitted documents.	$4 million if 50,000 students continue; thereafter $0.8 million for each 10,000 students that continue up until it arrives at a total of 100,000 students Rollover: no	

May 2020: 250,000 new OOSC enrolled in learning centers through ISAs	ISA means agencies/organizations which have proven experiences and expertise in implementing non-formal primary education/second chance education/OOSC education programs in Bangladesh. This target is considered achieved when (i) ISA and a third-party validation agency have been recruited; and (ii) MOPME has approved the BNFE report that confirms enrollment of 250,000 OOSC in learning centers under the ISA(s).	MOPME, BNFE progress report	MOPME will submit to the joint financing development partners (i) the updated last quarter report generated from database (as evidence of update), (ii) a report for the mentioned period from BNFE and ISA with a detailed breakdown that showed total number of enrolled learners by location and ISA, and (iii) a third-party validation report.	$4 million if 125,000 OOSC enrolled; thereafter $0.8 million for each additional 25,000 OOSC enrolled Rollover: yes
May 2021: 250,000 new OOSC enrolled in learning centers through ISAs	This target is achieved when the MOPME has approved the BNFE report that confirms enrollment of 250,000 OOSC in learning centers under the ISA.	MOPME, BNFE progress report	MOPME will submit to the joint financing development partners a letter including the endorsed BNFE report.	$4 million if 125,000 OOSC enrolled; thereafter $0.8 million for each additional 25,000 OOSC enrolled Rollover: yes
May 2022: 60% of children in learning centers since year 2 are back to schools or remain enrolled in the learning centers	This target is considered achieved when 60% of the learners enrolled in learning centers since year 2 have either completed primary education or are continuing education in learning centers.	MOPME, BNFE, ASPR, and APSC report, annual	MOPME will submit to the joint financing development partners (i) a third-party validation report concurred by the BNFE and approved by the MOPME and (ii) the ASPR and APSC report. The IVA will verify the submitted documents.	$8 million upon achievement of target; $4.5 million if at least 50% but less than 60% of learners enrolled in learning centers Rollover: yes
May 2023: Cumulative 650,000 OOSC are back to schools or learning centers since year 2	This target is met when 650,000 out of school children are back in school or leaning centers under ISA.	MOPME, BNFE, progress report, Annual	MOPME will submit to the joint financing development partners the ISA report validated by BNFE and approved by MOPME. The IVA will verify the submitted documents.	$8 million upon achievement of target; $5 million if at least 600,000 but less than 650,000 enrolled; Rollover: no.
DLI 7: Fiduciary system and budget		Advance financing at $10 million upon effectiveness		

May 2019: Updating of fiduciary system	Updating means (i) establishment of procurement and finance divisions with adequate manpower, (ii) plan for rolling out iBAS++, (iii) plan for establishing internal unit/cell at DPE approved, and (iv) plan for capacity building on e-procurement and iBAS++ approved. This target is considered achieved when (i) the updating of the fiduciary system has been initiated and (ii) the above-mentioned plans have been approved.	MOPME/DPE, 2018	MOPME will submit to the joint financing development partners (i) an office memo issued by DPE regarding the establishment of procurement and finance divisions with adequate staff and (b) a letter by the MOPME confirming the approval of three plans. The IVA will verify the submitted documents.	$7 million upon achievement of target Rollover: yes
May 2020: Internal audit unit/cell established at the DPE, and adequately staffed	This target is considered achieved when (i) an internal audit unit/cell is established with adequate manpower and (ii) the job description and staff guidance for the internal audit unit/cell is developed and approved by the DPE.	DPE, 2020	DPE will submit to the joint financing development partners an office order confirming the establishment of the unit including job description. The IVA will verify the submitted documents.	$7 million upon achievement of target Rollover: yes
May 2021: 85% utilization of the original approved cumulative annual budget of year 1 and year 2	This target is considered achieved when (i) the expenditure statements for annual budget approved by the MOPME and shared with development partners and (ii) at least 85% of the originally allocated cumulative budget for year 1 and year 2 are executed**.**	MOPME, 2020	MOPME will submit to the joint financing development partners the originally approved annual budget and annual financial statement. The IVA will verify the submitted documents.	$7 million upon achievement of target; $3.5 million disbursed if utilization is at least 80% but below 85% Rollover: no
May 2022: iBAS++ rolled out in 90% of all DDOs and 80% of the approved number of eligible contracts in DPE processed through e-GP	This target is considered achieved when (i) iBAS++ roll out to 90% of all DDOs, (ii) e-GP is used by DPE for 80% of goods and works procurement, and (iii) a consolidated financial statement is generated by using iBAS++ within 6 months after the end of the fiscal year for audit purpose.	MOPME/DPE, 2022	MOPME will submit to the joint financing development partners (i) the PEDP4 implementation progress report based on the iBAS++ and (ii) the e-GP progress report approved by the MOPME. The IVA will verify the submitted documents.	$7 million if targets are achieved for both iBAS++ and e-GP; $4.2 million disbursed if target is achieved for only iBAS++ or e-GP Rollover: no
March 2023: Further enhanced functions for audit resolution	This target is considered achieved when (i) at least three tripartite audit review meetings are conducted each year from year 2 to year 4 and (ii) the audit unit/cell of the DPE prepares quarterly audit progress report on the status of audit observations.	MOPME/DPE, 2023	MOPME will submit to the joint financing development partners the endorsed tripartite audit review meeting minutes, and the endorsed quarterly audit progress reports. The IVA will verify the submitted documents.	$7 million upon achievement of target Rollover: no
DLI 8: Data system, monitoring and accountability		Advance financing at $10 million upon effectiveness		

May 2019: Road map for a comprehensive EMIS has been developed and approved	Integrated EMIS refers to the web-based central data management of the DPE. This target is considered achieved when a road map is developed by the DPE and approved by the MOPME.	MOPME/DPE, 2019	MOPME will submit to the joint financing development partners (i) the approved road map and (ii) the MOPME letter confirming approval of the road map. The IVA will verify the submitted documents.	$8.75 million upon achievement of target Rollover: yes
May 2021: Integrated web-based EMIS is established	This target is considered achieved when the data management system (EMIS) is established with APSC, textbook, PECE, and NSA. Student and teacher management information system have been updated and integrated into the existing DPE data management system.	DPE data management system, 2021	The integrated EMIS website is available for use as DPE data management system. The IVA will verify the status of the data management system.	$8.75 million upon achievement of target Rollover: yes
May 2022: 70% of GPS display key school data as specified by the DPE in public areas in the schools	This target is considered achieved when the DPE report shows that 70% of the GPS display key school data, as specified by the DPE, in public areas in the schools.	DPE, 2022	DPE will submit to the joint financing development partners the DPE report based on administrative data. The IVA will verify the submitted documents.	$8.75 million upon achievement of target Rollover: no
March 2023: Integrated web-based EMIS is fully operational	DPE integrated data management system has become fully operational when information from the APSC, textbook, PECE, NSA, and teacher and student databases have been integrated; and the system provides access to selected government officials and agencies. Data collected will be gender segregated where applicable. This target is achieved when the DPE integrated data management system has become fully operational.	MOPME/DPE, 2023	DPE submits to the joint financing development partners the system generated performance reports approved by the MOPME. The IVA will verify the submitted documents.	$8.75 million upon achievement of target Rollover: no
DLI 9: Institutional strengthening			Advance financing at $6 million upon effectiveness	
May 2019 (i): ISP under updated ODCBG developed and approved **May 2019 (ii):** SLIP and UPEP guidelines updated	(i) Institutional strengthening implementation plan of updated ODCBG guideline includes actions, timelines, responsible agencies for implementation, and resource requirements. It also covers decentralization aspects which will be implemented subject to field readiness. This target is considered achieved when ISP is approved by the MOPME under the purview of ODCBG. (ii) This target is considered achieved when the DPE updates the (a) existing SLIP guideline with the provision of student-based block grants to schools and grant management and reporting system and (b) existing UPEP guideline with the provision of need-based and performance-based grants to schools based on objective criteria and verification procedure.	MOPME, 2019	MOPME submits to the joint financing development partners (i) (a) the approved updated ODCBG with forwarding letter from the government and (b) the approved ISP; and (ii) updated SLIP and UPEP guideline. The IVA will verify the submitted documents.	(i) $6.5 million upon achievement of target Rollover: no (ii) $6.5 million upon achievement of target Rollover: no

May 2020 (i): UPEP implemented by 50 *upazilas* according to updated guidelines **May 2020 (ii):** ISP implementation under ODCBG has been initiated	(i) This target is achieved when 50 *upazilas* get block funds based on the UPEP plan prepared by the DPE following the updated guidelines. (ii) This target is considered met when the DPE has implemented ISP year 2 activities.	DPE, 2020	DPE submits to the joint financing development partners (i) (a) the summary of UPEP plans prepared by DPE and (b) DPE report based on administrative data; and (ii) progressive report of year 2 activities prepared by DPE. The IVA will verify the submitted documents.	(i) $6.5 million upon achievement of target Rollover: yes (ii) $6.5 million upon achievement of target Rollover: yes
May 2022: SLIP fund received and utilized by 85% of GPS as per the updated SLIP guidelines	This target is considered achieved when the DPE annual progress report shows that the all interventions included in the ISP under the purview of ODCBG are implemented.	DPE, 2022	DPE submits to the joint financing development partners the report based on administrative data confirming that 85% of GPS utilized the SLIP fund as per plan. The IVA will verify the submitted documents.	$6.5 million if achievement Is 85%; $3.5 million if achievement is at least 70% but below 85% Rollover: no
May 2023: ISP under updated ODCBG has been implemented	This target is considered achieved when institutional strengthening plan is implemented up to including year 5 activities.	DPE, annual progress report	DPE submits to the joint financing development partners the PEDP4 implementation progress report. The IVA will verify the submitted documents.	$6.5 upon achievement of target; $3.5 million disbursed if at least implemented in 32 districts but less than the target; Rollover: no.

APSC = annual primary school census, ASPR = annual sector performance report, BNBC = Bangladesh National Building Code, BNFE = Bureau of Non-Formal Education, CinEd = Certificate in Education, CPD = continuous professional development, DDO = drawing and disbursing officer, DLI = disbursement-linked indicator, DPE = Directorate of Primary Education, DPEd = Diploma in Primary Education, DPHE = Department of Public Health Engineering, e-GP = electronic government procurement, EMIS = education management information system, GOB = Government of Bangladesh, GPS = government primary schools, iBAS++ = Integrated Budget and Accounting System, IPG = infrastructure planning guideline, ISA = implementation support agency, ISP = institutional strengthening plan, IVA = independent verification agency, LGED = Local Government Engineering Department, MOPME = Ministry of Primary and Mass Education, NAPE = National Academy for Primary Education, NCCC = National Curriculum Coordination Committee, NCTB = National Curriculum and Textbook Board, NSA = National Student Assessment, ODCBG = organizational development and capacity building guidebook, OOSC = out-of-school children, PECE = primary education completion examination, PEDP3 = Third Primary Education Development Project, PEDP4 = Fourth Primary Education Development Program, PPE = pre-primary education, SLIP = school level improvement plan, SRM = supplementary reading material, STR = student-teacher ratio, TLM = teaching-learning material, UPEP = *upazila* primary education plan, WASH = water, sanitation and hygiene.
a It is drawn from a FY2023 indicator of DLI 4.
b It is drawn from a FY2022 indicator of DLI 6.
c A FY2023 indicator is drawn as outcome-level indicator (DLI A) and moved up for the presentation.
d A FY2022 indicator is drawn as outcome-level indicator (DLI B) and moved up for the presentation.
Source: Asian Development Bank.

Table A3.3. Disbursement Schedule
($ million)

Disbursement-Linked Indicators	Total ADB Financing Allocation	Share of Total ADB Financing (%)	Financing for Prior Results	Advance Financing	FY2019	FY2020	FY2021	FY2022	FY2023
Output 1									
DLI 1 Curriculum revision and textbook development	40	8.0	10	—	—	10	10	10	—
DLI 2 Assistant teacher recruitment and deployment	45	9.0	15	—	—	—	—	15	15
DLI 3 Teacher education and continuous professional development	90	18.0	15	15	12	—	(i) 12 (ii) 12	(i) 12 (ii) 12	—
DLI 4 Examinations and assessments	15[a]	3.0	—	4	—	—	—	11	(DLI A)
Output 2									
DLI 5 Need-based infrastructure development	90	18.0	20	15	—	—	—	30	25
DLI 6 Education opportunities for out-of-school children	45[b]	9.0	—	5	8	8	8	(i) 8 ((ii) DLI B)	8
Output 3									
DLI 7 Fiduciary system and budget	45	9.0	—	10	7	7	7	7	7
DLI 8 Data system, monitoring and accountability	45	9.0	—	10	8.75	—	8.75	8.75	8.75
DLI 9 Institutional strengthening	45	9.0	—	6	(i) 6.5 (ii) 6.5	(i) 6.5 (ii) 6.5	—	6.5	6.5
Outcome									
DLI A: Proportion of grade 3 students achieving grade level competencies in Bangla and mathematics increased[c]	25	5.0	—	—	—	—	—	—	25
DLI B: National survival rate to grade 5 increased for both boys and girls[d]	15	3.0	—	—	—	—	—	15	—
Total	**500.0**	**100.0**	**60**	**65**	**48.75**	**38**	**57.75**	**135.25**	**95.25**

ADB = Asian Development Bank, DLI = disbursement-linked indicator.
[a] Excluding the corresponding outcome-level indicator (DLI A).
[b] Excluding the corresponding outcome-level indicator (DLI B).
[c] It is drawn from a FY2023 indicator of DLI 4.
[d] It is drawn from a FY2022 indicator of DLI 6.
Source: Asian Development Bank.