



Concept Paper

Project Number: 47136-006
October 2017

Proposed Loans Cambodia: Second Upper Secondary Education Sector Development Program

This document is being disclosed to the public in accordance with ADB's Public Communications Policy 2011.

Asian Development Bank

CURRENCY EQUIVALENTS

(as of 30 September 2017)

Currency unit	–	riel (KR)
KR1.00	=	\$0.0002467
\$1.00	=	KR4,053

ABBREVIATIONS

ADB	–	Asian Development Bank
GDP	–	gross domestic product
GMSP	–	Gender Mainstreaming Strategic Plan
GPI	–	gender parity index
MOEYS	–	Ministry of Education, Youth and Sport
NER	–	net enrollment ratio
USE	–	upper secondary education
USESDP 1	–	Upper Secondary Education Sector Development Program
USESDP 2	–	Second Upper Secondary Education Sector Development Program
USS	–	upper secondary school

NOTES

- (i) The school year (SY) in Cambodia begins in November and ends in August.
- (ii) In this report, "\$" refers to United States dollars.

Vice-President	S. Groff, Operations 2
Director General	R. Subramaniam, Southeast Asia Department (SERD)
Directors	A. Inagaki, Human and Social Development Division, SERD S. Tukuafu, Cambodia Resident Mission, SERD
Team leaders	L. Perez, Education Specialist, SERD S. Mar, Senior Social Sector Officer, SERD
Team members	M. Camara-Crespo, Associate Project Officer, SERD R. Flores, Associate Project Analyst, SERD K. Hattel, Financial Sector Specialist, SERD B. Konysbayev, Principal Counsel, Office of the General Counsel L. Levaque, Social Development Specialist, SERD G. O'Farrell, Environment Specialist, SERD
Peer reviewer	T. Rajadel, Education Specialist, SDCC

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PROGRAM AT A GLANCE

1. Basic Data		Project Number: 47136-006	
Project Name	Second Upper Secondary Education Sector Development Program	Department /Division	SERD/SEHS
Country Borrower	Cambodia Royal Government of Cambodia	Executing Agency	Ministry of Education, Youth and Sports
2. Sector	Subsector(s)	ADB Financing (\$ million)	
✓ Education	Education sector development		25.00
	Secondary		25.00
		Total	50.00
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	Low
4. Drivers of Change	Components	Gender Equity and Mainstreaming	
Governance and capacity development (GCD)	Institutional development	Gender equity (GEN)	✓
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:	Low		
7. Safeguard Categorization	Environment: C Involuntary Resettlement: C Indigenous Peoples: B		
8. Financing			
Modality and Sources		Amount (\$ million)	
ADB		50.00	
Sovereign SDP - Program (Concessional Loan): Ordinary capital resources		15.00	
Sovereign SDP - Project (Concessional Loan): Ordinary capital resources		35.00	
Cofinancing		0.00	
None		0.00	
Counterpart		3.50	
Government		3.50	
Total		53.50	

I. THE PROGRAM

A. Rationale

1. The proposed Second Upper Secondary Education Sector Development Program (USESDP 2) is part of the phased support of the Asian Development Bank (ADB) to develop high-quality human resources by improving the effectiveness of upper secondary education (USE).¹ It builds on and complements ADB's ongoing First Upper Secondary Education Sector Development Program (USESDP 1).² The program is intended to be categorized *gender equity as a theme*. The preliminary design and monitoring framework is in Appendix 1 and the problem tree is in Appendix 2.

2. **The development problem.** USE plays a crucial role in equipping the youth with the appropriate skills, competencies, and knowledge for them to benefit from and contribute to the country's economic and social development. The persistent performance gaps in USE, however, have become a constraint to the education sector and the medium-term growth potential of the economy. The gross enrollment rate in USE as of school year (SY) 2016–2017 remains low at 26.5%. In SY 2015–2016, 19% of the USE students dropped out, while less than 21% completed USE.³ Passing rate in the grade 12 examination is only 62.18%, and even lower for the science stream.⁴ Many students who completed USE are not prepared for further study nor equipped with skills to meet employers' requirements.⁵ While overall gender parity in USE is achieved,⁶ differences remain between urban and rural areas and provinces.

3. **Binding constraints.** Low access, quality and relevance, and weak capacity to plan, manage, and deliver USE are the key binding constraints facing upper secondary education.

4. **Low access to upper secondary education.** The high opportunity cost of schooling among poor students is a major demand-side constraint hampering USE enrollment and completion. In disadvantaged areas, low student attendance is attributed to the lack of teachers. The government has given high priority to addressing these access issues through policy initiatives and budget commitments since 2016. USESDP 1 supported policy actions to improve access and is currently supporting associated investments under the project until 2021.

5. **Lack of qualified teachers.** The shortage of qualified teachers and teacher-educators in USE has been a major impediment to improving USE outcomes. More than four out of five Cambodian teachers do not have a bachelor's degree.⁷ Many teachers are not prepared to teach the specialized subjects in USE. Preservice training programs do not adequately address the lack of mastery of content or knowledge of effective pedagogy to enhance student learning and interest. Aside from poor teacher preparation, incumbent teachers and teacher-educators are

¹ The first program is included in ADB. 2017. *Country Operations Business Plan: Cambodia, 2018–2020*. Manila. A transaction technical assistance will be provided to prepare the program (Appendix 3).

² ADB. 2016. Report and Recommendation of the President to the Board of Directors: *Proposed Loans and Technical Assistance Grants to the Kingdom of Cambodia for the Upper Secondary Education Sector Development Program*. Manila.

³ Government of Cambodia, Ministry of Education, Youth and Sport, Department of Planning. 2016. *Education Management Information System*. Phnom Penh.

⁴ Government of Cambodia, Ministry of Education, Youth and Sport, Department of Planning. 2017. *Education Congress Report*. Phnom Penh.

⁵ S. Madhur. 2014. *Cambodia Skills Gap: An Anatomy of Issues and Policy Options*. Phnom Penh. Cambodia Development Research Institute.

⁶ For USE, the gender parity index (GPI) of the net enrollment ratio (NER) was 1.16, the GPI of gross enrollment ratio was 1.00, and the GPI of completion rate was 1.00 in 2015.

⁷ Government of Cambodia, Ministry of Education, Youth and Sport, Department of Planning. 2015. *Education Management Information System*. Phnom Penh.

faced with limited professional development opportunities to upgrade their pedagogical content knowledge. The lack of qualified teachers is partly explained by the difficulties in attracting top graduates into the teaching profession. Teacher deployment remains a challenge, with fewer qualified teachers, especially women, in disadvantaged areas. The proportion of female teachers in USE (30.6%) remains very low.⁸

6. **Low quality and relevance of standards, curriculum, and assessment.** Many USE students are not acquiring the required skills and competencies, even after completing USE. Aside from the issues of teacher quality, the absence of minimum service standards for basic inputs (e.g., laboratories, workshops, and equipment), critical to teaching and learning the specialized USE subjects, has exacerbated the inequities in the quality of teaching and learning across schools. The lack of a national assessment policy to measure student learning has impeded improvements in content and pedagogy. The USE system suffers from weak links to private sector partners that could enhance labor market relevance.

7. **Weak capacity to plan, manage, and deliver services.** The inadequate USE budget has constrained the provision of critical resources to upgrade the students' proficiency in the specialized USE subjects. Less than 10% of upper secondary schools (USSs) have science facilities. The poor capacity of school management to prepare and implement school improvement plans and to engage with its stakeholders has hampered efficient resource allocation and utilization (Supplementary Appendix 1). Gender gaps remain in USE (Appendix 4). The capacity to effectively mainstream gender, and more particularly to fully implement the Gender Mainstreaming Strategic Plan (GMSP) in Education, 2016–2020, remains limited (footnote 8).

8. **ADB engagement.** The government's Industrial Development Policy, 2015–2025, Education Strategic Plan, 2014–2018 (with projections up to 2020), and indicative priorities in the Education 2030 vision, serve as the policy framework and roadmap for ADB's engagement in USE in the medium-term.⁹ The identified sector reforms will take time to implement and show development impact, given the current low-level outcomes. ADB's USE engagement involves strategically sequenced support in the medium- to long-term to build the foundations for the reforms and allow these to take root and show results. USESDP 1, ADB's first focused intervention in USE, is currently supporting the government in addressing the constraints of low access. It also provides initial support to key reforms to improve quality, relevance, and management capacity, including the development of a comprehensive teacher policy, and strengthening of science, technology, engineering, and mathematics education. To enhance the impact on learning outcomes, the reforms on quality, relevance, and management capacity need to be immediately followed by concomitant reforms under USESDP 2. Both programs are aligned with ADB's country partnership strategy, 2014–2018.¹⁰ A third phase support for USE in 2021 will address the remaining gaps to further improve learning outcomes and student's employability. Guided by the government's new Education Strategic Plan, 2019–2023 and the 2030 vision, indicative areas will include reforms to enhance adaptation to the skills and knowledge needed in the 21st century. These reforms will include innovations and enhanced linkages with technical and vocational education and training and higher education.

⁸ Government of Cambodia, Ministry of Education, Youth and Sport. 2015. *Gender Mainstreaming Strategic Plan in Education, 2016–2020*. Phnom Penh.

⁹ Government of Cambodia. 2015. *Industrial Development Policy, 2015–2025*. Phnom Penh; Government of Cambodia, Ministry of Education, Youth and Sport. 2014. *Education Strategic Plan, 2014–2018 and Projections to 2020*. Phnom Penh.

¹⁰ ADB. 2014. *Country Partnership Strategy: Cambodia, 2014–2018*. Manila.

9. **Sector development program.** Lessons from previous ADB sector development programs in Cambodia highlight the effectiveness of combining a policy-based program with an investment component for a holistic, comprehensive, and integrated response to sector issues, gaps, and priorities. As such, USESDP 2 is proposed as a sector development program. It will continue to support key policy reforms and respond to unmet investment needs, particularly in the areas of quality and relevance of upper secondary education. The policy component will set the national policy framework, while the investment component will support measures to implement the policy framework. Many of the policy reforms are also expected to result in substantial financial costs, which can be initially supported through the investment component. While ADB is the only development partner focusing on USE, the project team will continue to ensure a strong coordination with development partners working on education reforms.

B. Impact, Outcome, and Outputs

10. The impact of the program will be that high-quality human resources are developed. The outcome will be improved effectiveness of the USE system. The policy reforms will be applied nationwide while the project will cover selected areas.

11. **Output 1: Quality of teachers in upper secondary schools improved.** Establishing high-quality teacher education colleges in key locations is among the project's policy actions. This will develop a cadre of qualified teachers, ensure the continuous professional development of teachers, facilitate the implementation of the teacher career pathway policy and phased plan to upgrade the teachers' academic qualifications, and recognize prior learning and professional experience of teachers.¹¹ Project activities will include conducting professional development programs for educators from the teacher education colleges, the National Institute of Education, and USE teachers; providing training programs for USE teachers and National Institute of Education staff; and organizing initial activities to support the implementation of the teacher career pathway policy and phased plan. The Ministry of Education, Youth, and Sport (MOEYS) will provide financial support to selected teachers in technical high schools and in secondary resource schools,¹² for them to upgrade their pedagogical skills.

12. **Output 2: Quality and labor market relevance of upper secondary education improved.** MOEYS will develop and implement minimum service standards for school infrastructure, teaching and learning resources, and personnel in USSs to address the inequities in resource allocation across USSs and supporting student learning. MOEYS will develop and implement the Policy Action Plan on Information and Communication Technology in Education 2017-2021¹³ and a policy on national assessment framework for Grades 1 to 12. MOEYS will fully implement the curriculum framework for general and technical education, integrating periodic reviews to align with labor market needs. Project activities include the provision of (i) workshops, computer and science laboratories, and equipment and training materials based on the minimum service standards; (ii) capacity development for Grade 12 examination in line with the national assessment framework; and (iii) software, aligned with the Policy Action Plan on Information and Communication Technology in Education 2017-2021 (footnote 13). MOEYS will establish

¹¹ The policy will provide professional development opportunities for upgrading of the academic qualifications and promote career progression of school teachers to improve teachers' status.

¹² Refers to those secondary schools supported under previous ADB education projects and in the current USESDP 1, which are equipped with computer and science laboratories, library, and other facilities.

¹³ The policy action plan will set the ICT standards and inform resource allocation in terms of infrastructure, technical support to schools and teachers, and teacher training.

partnerships with industries located near industrial parks or special economic zones. The project team will consider introducing USE students as interns in these industries.

13. **Output 3: Institutional capacity for planning, management, and delivery of education strengthened.** Another policy action is to support the development and implementation of the 3-year budget strategic plan that is results-based, pro-poor, and gender-sensitive, the GMSP in Education, 2016–2020 (footnote 8), and the MOEYS school director standards.¹⁴ MOEYS will develop its human resource development framework for 2017–2030. Project interventions will provide capacity development to school directors to meet the school director standards. Activities to strengthen school-based management and school-based accounting systems and its implementation will support efforts to improve school leadership, accountability, and equitable and efficient resource allocation. MOEYS will develop a project gender action plan to support key actions included in the GMSP in Education, 2016–2020. MOEYS will (i) conduct capacity building training for select MOEYS staff on key human resource development areas; (ii) upgrade the system to improve teacher deployment, especially to the remote and disadvantaged areas; and (iii) train the staff of the provincial and district offices of education on how to implement the new school inspection system.

C. Program Costs and Financing

14. The program loan size is based on the financing needs in Cambodia, the development impact of the reform package, and the development spending arising from the reform. Cambodia's gross financing needs remain high. In 2018, with a budget deficit target of 5.9% of the gross domestic product, the government will need to acquire \$1.1 billion to close the budget gap, of which \$0.1 billion will be obtained through grants and \$1.0 billion through concessional loans.

Table 1: Tentative Financing Plan

Source	Amount (\$ million)	Share of Total (%)
Asian Development Bank		
Ordinary capital resources (Concessional policy-based loan)	15.0	28.0
Ordinary capital resources (Concessional project loan)	35.0	65.5
Government (to be confirmed)	3.5	6.5
Total	53.5	100.0

Source: Asian Development Bank.

D. Indicative Implementation Arrangements

15. MOEYS will serve as the executing agency for the proposed program. The policy-based loan will be implemented from October 2016 to March 2018; the project component will be implemented from December 2018 to December 2023. Procurement (including consulting services) to be financed by ADB will follow ADB's Procurement Policy (2017) and Procurement Regulations for ADB Borrowers (2017).

II. DUE DILIGENCE REQUIRED

16. Due diligence includes the following assessments: (i) financial management and procurement; (ii) economic and financial analysis; (iii) program impact; (iv) social and environmental safeguards; (v) poverty, social, and gender analysis; and (vi) risks.

¹⁴ Parameters that guide hiring, training, capacity building, and performance evaluation of school directors.

III. PROCESSING PLAN

A. Risk Categorization

17. USESDP 2 is categorized *low risk* due to its loan size and given ADB's extensive experience in the education sector in Cambodia.

B. Resource Requirements

19. About 7 person-months of international and national staff inputs are required to process USESDP 2. Transaction technical assistance with financing of \$0.8 million from the Technical Assistance Special Fund (TASF-6) will support project preparation and due diligence process. Consultant requirements are estimated at 22 person-months of international consultant inputs and 18 person-months of national consultant inputs. The TA requirements are in Appendix 3.

C. Processing Schedule

20. The major milestones are in Table 2.

Table 2: Proposed Processing Schedule

Milestones	Expected Completion Date
Loan fact-finding mission	January 2018
Management review meeting	March 2018
Loan negotiations	May 2018
Board consideration	August 2018
Loan signing	September 2018
Loan effectiveness	November 2018

Source: Asian Development Bank.

IV. KEY ISSUES

21. No key issues have been identified.

DESIGN AND MONITORING FRAMEWORK

Impact the program is aligned with High-quality human resources developed ^a (Education Strategic Plan, 2014–2018 and Projection to 2020, Industrial Development Policy, 2015–2025)			
Result Chain	Performance Indicators with Targets and Baselines ^b	Data Sources and Reporting Mechanisms	Risks
Outcome Effectiveness of the upper secondary education system improved	By 2025: a. GER for USE increased to 38% (female ___%) (rural ___%); (SY2016/17 baseline: 26.5%, female: 26.7%, rural: 21.4%) b. Promotion rate from grade 10 to 11 increased to at least ___% (female: ___%) (rural: ___%); (SY2015/16 baseline: 84.9%, female:85.8%, rural: ___%) c. Promotion rate from grade 11 to 12 increased to ___% (female: ___%) (rural: ___%); (SY2015/16 baseline: 91.7%, female: 92.6%, rural: ___%) d. Dropout rate in upper secondary education decreased to 15% (female: ___%) (rural: ___%); (SY2015/16 baseline: 19.4%, female: 17.9%, rural: ___%) e. Passing rate in upper secondary exam in science stream increased from XX% to YY% (SY 2015/16 baseline: 53.8%%, female: 57.3%, rural: ___%)	a–d. MOEYS EMIS e. MOEYS Upper Secondary Education Examination Analytical Assessment Report	Changes in government priorities shift resources away from education reforms.
Outputs 1. Quality of teachers in upper secondary schools improved	Program by 2018: 1a. Establishment of teacher education colleges in at least two provinces approved by the Prime Minister with associated implementing guidelines issued by MOEYS (Baseline 2015: 0) 1b. Continuous professional development of teachers' policy issued for nationwide implementation by MOEYS (Baseline 2015: 0) 1c. Teacher career pathway policy and phased plan issued for nationwide implementation by MOEYS ^c (Baseline 2015: 0) 1d. Recognition of prior learning and professional experience policy issued for nationwide implementation by MOEYS (Baseline 2015: 0) Project 1e. At least ___ number of USS teachers from SRS and network USSs and NIE staff (of which ___% women) with increased understanding of content knowledge, assessment, and the new curriculum framework by 2020 (Baseline 2017: 0) 1f. At least ___ educators from NIE and teacher education colleges and USE teachers with improved teaching and assessment skills (including scholarships for female staff) by 2022 (Baseline 2017: 0) 1g. ___ teachers (___% women) from technical high schools and selected SRSs, who received financial support, increased pedagogical content knowledge by 2021 (Baseline 2017: 0) 1h. ___ teachers benefited from the career pathway program by 2021 (Baseline 2017: 0)	1a. Subdecree on the establishment of teacher education colleges and MOEYS implementing guidelines 1b. MOEYS policy on continuous professional development of teachers 1c. MOEYS policy on teacher career pathway 1d. <i>Prakas</i> (Ministerial Order) on recognition of prior learning and professional development experience 1e–1h. MOEYS quarterly reports	An adequate number of qualified instructors and assessors is not available for recruitment, especially in priority areas.
2. Quality and labor market relevance of	Program by 2018: 2a. Quality standards for infrastructure, teaching, and learning resources and personnel for USSs	2a. MOEYS standards for	

Result Chain	Performance Indicators with Targets and Baselines ^b	Data Sources and Reporting Mechanisms	Risks
upper secondary education improved	<p>developed and issued by MOEYS and used to inform MOEYS budget allocation (Baseline 2015: 0)</p> <p>2b. Policy Action Plan on ICT in Education Plan (2017–2021) developed and adopted by MOEYS (Baseline 2015: 0)</p> <p>2c. National assessment framework for grades 1 to 12 approved and administered by MOEYS (Baseline 2015: 0)</p> <p>2d. Curriculum framework applied in schools nationwide by MOEYS (Baseline 2015: 0)</p> <p>Project</p> <p>2e. Computer and science laboratories of 36 SRSs upgraded, three SRS (including construction of workshops) upgraded, and specialized equipment and training materials provided by 2022 (gender-responsive education environment^d) (Baseline 2017: 0)</p> <p>2f. ___ signed MOUs with industry on school–industry partnerships by 2021 (Baseline 2017: 0)</p>	<p>infrastructure, teaching, and learning resources and personnel</p> <p>2b. ICT in Education Master Plan</p> <p>2c. Grades 1 to 12 national assessment framework</p> <p>2d. <i>Prakas</i> (Proclamation) on the application of the curriculum framework</p> <p>2e–2f. MOEYS project quarterly reports; review mission reports; project completion report; MOUs</p>	
3. Institutional capacity for planning, management, and delivery of education strengthened	<p>Program by 2018:</p> <p>3a. Gender Mainstreaming Strategic Plan in Education, 2016–2020 issued by MOEYS with budget and staff resources integrated into relevant MOEYS departments’ regular budget and staff allocation (Baseline 2015: 0)</p> <p>3b. Results-based, pro-poor, and gender-sensitive Budget Strategic Plan, 2017–2019 approved and operationalized (Baseline 2015: 0)</p> <p>3c. Human resource development framework for 2018–2030 submitted to MOEYS</p> <p>3d. School director standards^e used in training and performance evaluation (Baseline 2015: 0)</p> <p>Project</p> <p>3e. At least ___ number of SRS directors, deputy directors, or assigned school administrators (of which ___% women) with increased knowledge of (i) basic accounting and school-based accounting system by 2021; (ii) content knowledge, assessment, and application of the new curriculum framework by 2021; and (iii) school-based management by 2020 (Baseline 2017: 0)</p> <p>3f. MOEYS’ Department of Examination equipped with the latest examination software by 2020 (Baseline 2017: 0)</p> <p>3g. ___ Department of Examination staff acquire increased knowledge of examination by 2020 (Baseline 2017: 0)</p> <p>3h. ___ MOEYS SRS focal staff have increased knowledge of SRS management and oversight by 2021 (Baseline 2017: 0)</p> <p>3i. Teacher deployment and redeployment system upgraded by MOEYS by 2021 (Baseline 2017: 0)</p>	<p>3a. MOEYS Gender Mainstreaming Strategic Plan in Education, 2016–2020</p> <p>3b. Budget Strategic Plan, 2017–2019</p> <p>3c. Draft human resource development framework, 2017–2030</p> <p>3d. School director standards</p> <p>3e–3j. MOEYS project quarterly reports; review mission reports; project completion report</p>	

Result Chain	Performance Indicators with Targets and Baselines ^b	Data Sources and Reporting Mechanisms	Risks
	3j. At least __ DOE and POE staff with increased understanding of implementing the new school inspection system by 2021 (Baseline 2017: 0)		
<p>Key Activities with Milestones</p> <p>1. Quality of teachers in upper secondary schools improved</p> <p>1.1 Train teachers from SRSs and network USSs and staff from NIE on content knowledge, assessment, and application of the new curriculum framework in classroom teaching by Q4 2020</p> <p>1.2 Provide professional development programs for teacher-educators from NIE, teacher education colleges, and USE teachers by Q4 2022</p> <p>1.3. Implement initial activities to support the implementation of the teacher career pathway policy and plan by Q4 2021</p> <p>1.4 Support teachers from technical high schools and SRS to undergo pedagogical skills training by Q3 2021</p> <p>2. Quality and relevance of upper secondary education improved</p> <p>2.1 Rehabilitate and upgrade computer and science laboratories by Q4 2022</p> <p>2.2 Construct workshops and provide specialized training equipment and materials by Q4 2022</p> <p>2.3 Establish partnership arrangements with industries through signing of MOUs by Q4 2021</p> <p>3. Institutional capacity for planning, management, and delivery of upper secondary education strengthened</p> <p>3.1 Train SRS directors, deputy directions, and administrators on basic accounting by Q4 2021; on content knowledge, assessment, and application of the curriculum framework by Q4 2021; and on school-based management by Q4 2020</p> <p>3.2 Develop capacity at the Department of Examination by Q4 2020</p> <p>3.3 Develop capacity of MOEYS' focal office in charge of SRS by Q2 2021</p> <p>3.4 Upgrade teacher deployment system, taking into account gender gaps in teaching staff at USE level by Q4 2021</p> <p>3.5 Develop capacity of DOE and POE staff on new school inspection system by 2021</p> <p>Project Management Activities</p> <p>Establish the project coordination unit by Q3 2018</p> <p>Recruit project consultants within 3 months of loan effectiveness</p> <p>Organize project inception within 2 months of consultant deployment</p>			
<p>Inputs</p> <p>ADB policy-based loan: \$15,000,000 (concessional OCR)</p> <p>Project loan: \$35,000,000 (concessional OCR)</p> <p>Government: \$3.5 million (TBC)</p>			
<p>Assumptions for Partner Financing</p> <p>Not Applicable</p>			

ADB = Asian Development Bank; DOE = district office of education; EMIS = education management information system; GER = gross enrollment ratio, ICT = information and communication technology; MOEYS = Ministry of Education, Youth, and Sport; MOU = memorandum of understanding; NIE = National Institute of Education; OCR = ordinary capital resources; POE = Provincial Office of Education; Q = quarter; SRS = secondary resource school; SY = school year; TBC = to be confirmed; USE = upper secondary education; USS = upper secondary school.

^a Government of Cambodia, MOEYS. 2014. *Education Strategic Plan, 2014–2018*. Phnom Penh.

http://www.veille.univ-ap.info/media/pdf/pdf_1436325627550.pdf

^b Indicators will be refined during program preparation.

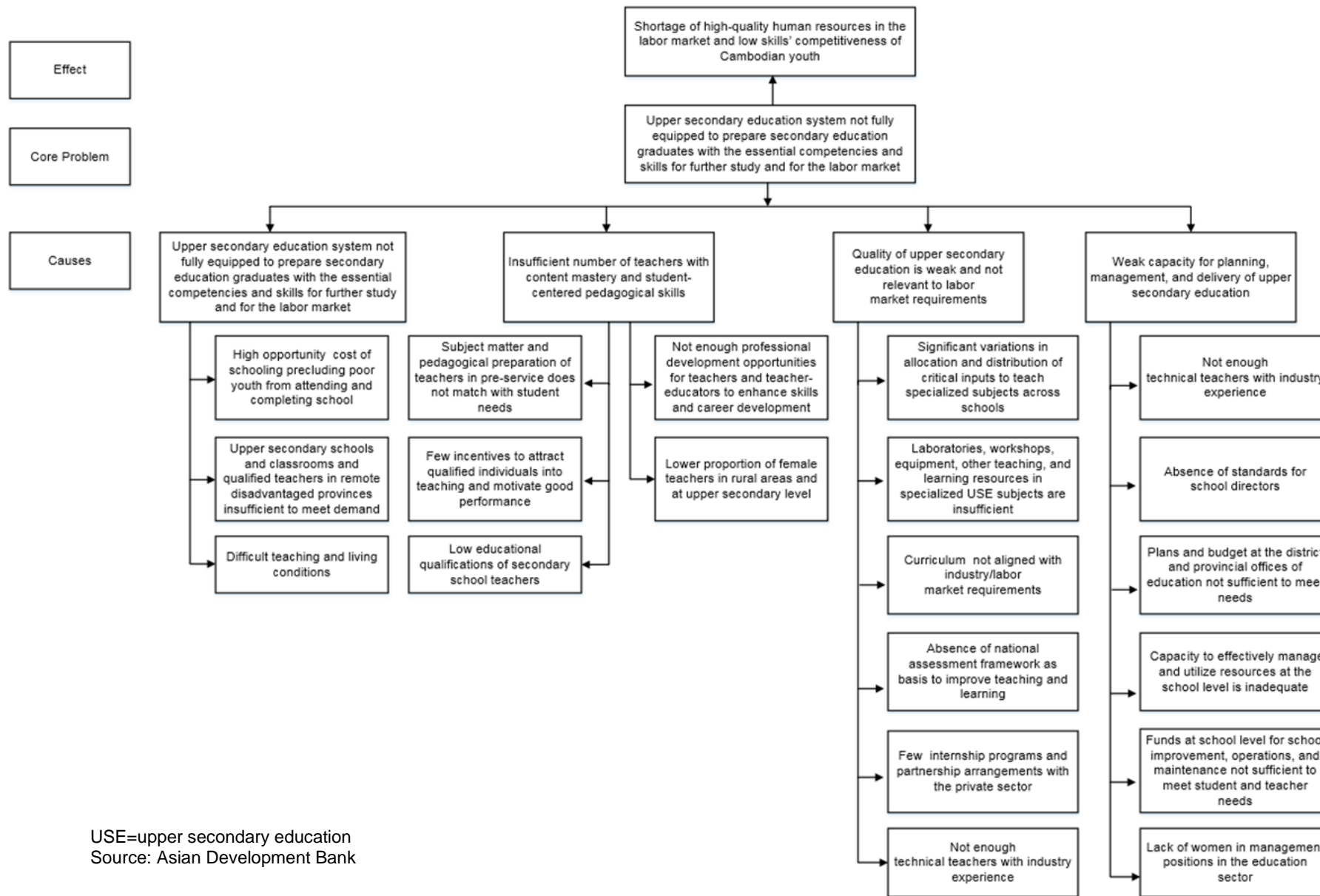
^c The policy will provide professional development opportunities for upgrading of the academic qualifications and promote career progression of school teachers to improve teachers' status.

^d As per strategy 4, substrategy 3 of the Gender Mainstreaming Strategic Plan in Education, 2016–2020, a gender-responsive education environment includes gender-responsive school infrastructure, gender-responsive classroom management structure, and gender-responsive school environment including clean water and separate latrine and hygiene facilities for girls. Government of Cambodia, MOEYS. 2015. *Gender Mainstreaming Strategic Plan in Education, 2016–2020*. Phnom Penh.

^e The school director standards set the parameters to guide hiring, training, capacity building, and performance evaluation of school directors. It includes parameters such as academic qualifications and leadership capacity for school administration, instructional supervision, curriculum reform and stakeholder management.

Source: Asian Development Bank.

PROBLEM TREE



USE=upper secondary education
 Source: Asian Development Bank

TECHNICAL ASSISTANCE FOR PROGRAM PREPARATION

A. Justification

1. The technical assistance (TA) will help the government to prepare the Second Upper Secondary Education Sector Development Program (USESDP 2). It will help support the development of a program that is anchored on the government's reform priorities for the upper secondary education and is suitable for the Asian Development Bank (ADB) financing in all dimensions: technical, financial, economic, institutional, sector policy, and safeguards. The TA is aligned with the country partnership strategy, 2014–2018 for Cambodia and built on lessons learned from the previous ADB-financed programs.¹ It complements the ongoing ADB-financed Upper Secondary Education Sector Development Program.² Consultants fielded under this TA will work closely with ADB staff as well as other ADB-financed projects in Cambodia. The TA is included in the country operations business plan, 2018–2020.³

B. Outputs and Activities

2. **Output 1: Scope and coverage of the proposed Second Upper Secondary Education Sector Development Program determined.** The project team, through the TA, will update the education sector assessment with a focus on the major issues, gaps, and challenges in upper secondary education. The project team will conduct a detailed analysis of upper secondary provision in target areas, the capacity of teachers in upper secondary subjects, and student assessment. The project team will determine the scope and feasibility of the proposed project investments, ranging from capacity building to civil works and equipment, to teacher upgrading and professional development to institutional strengthening. The project team will conduct further consultations to confirm or refine the policy actions that were initially identified with the government and that will form part of the policy-based loan component. Through the TA, the project team will assist in identifying target areas to be supported by the project component. The project team will hold consultations, workshops, and focus group discussions with key stakeholders (e.g., government, development partners, education providers, and major industry partners).

3. **Output 2: Due diligence requirements completed.** The project team will conduct the following due diligence assessments: (i) financial management and procurement capacity; (ii) economic and financial analysis; (iii) program impact; (iv) social and environmental safeguards; (v) poverty, social, and gender analysis; and (vi) risks.

4. **Output 3: Project implementation arrangements prepared.** The project team will prepare the cost estimates and financing plan and the project administration manual (including the procurement plan) incorporating the necessary aspects to guide the overall implementation of the proposed project.

¹ ADB. 2014. *Country Partnership Strategy: Cambodia, 2014–2018*. Manila.

² ADB. 2016. Report and Recommendation of the President to the Board of Directors: *Proposed Loans and Technical Assistance Grants to the Kingdom of Cambodia for the Upper Secondary Education Sector Development Program*. Manila.

³ ADB. 2017. *Country Operations Business Plan: Cambodia, 2018–2020*. Manila. The TA first appeared in the business opportunities section of ADB's website on 6 September 2017.

C. Cost and Financing

5. The TA is estimated to cost \$0.88 million, of which \$0.80 million equivalent will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-6). The cost estimates and financing plan are in Table A3.1.

6. The government will provide counterpart support in the form of counterpart staff, office accommodation, and other in-kind contributions. The government was informed that approval of the TA does not commit ADB to finance any ensuing program.

Table A3.1: Cost Estimates and Financing Plan
(\$'000)

Item	Amount
Asian Development Bank^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants (22 person-months) ^b	310.0
ii. National consultants (18 person-months) ^c	100.0
b. International and local travel	70.0
c. Reports and communications	15.0
2. Equipment ^d	15.0
3. Training, workshops, seminars, and conferences	
a. Training, conferences, seminars, and workshops ^e	100.0
b. Resource persons	50.0
4. Surveys	20.0
5. Miscellaneous administration and support costs	50.0
6. Contingencies	70.0
Total	800.0

Note: The technical assistance (TA) is estimated to cost \$0.88 million, of which contributions from the Asian Development Bank are presented in the table above. The government will provide counterpart support in the form of counterpart staff, office accommodation, office supplies, and other in-kind contributions. The value of the government's contribution is estimated to account for 10% of the total TA cost.

^a Financed by the Asian Development Bank's Technical Assistance Fund (TASF 6).

^b Includes 5 person-months of international consultant inputs, which are unallocated.

^c Includes 3 person-months of national consultant inputs, which are unallocated.

^d Office equipment includes photocopier, desktop computer, office table, and whiteboard. Ownership of the equipment will be transferred to the Ministry of Education, Youth and Sport upon TA completion. All TA-financed goods will be procured in accordance with ADB Procurement Policy (2017, as amended from time to time) and the associated project administration instructions and TA staff instructions.

^e Workshops: one inception workshop, two thematic workshops, two government workshops, one midterm review workshop, and one final workshop. Details on participants and venues will be determined during TA implementation.

Source: Asian Development Bank estimates.

D. Implementation Arrangements

7. The executing agency of the TA will be the Ministry of Education, Youth and Sport (MOEYS). The project coordination unit (PCU) for the ongoing ADB-assisted Upper Secondary Education Sector Development Program will be asked to provide overall support and oversight to the TA team and coordinate closely with ADB and MOEYS. ADB will administer the TA. Table A3.2 describes the implementation arrangements.

Table A3.2: Implementation Arrangements

Aspects	Arrangements		
Indicative implementation period	October 2017–June 2019		
Executing agency	Ministry of Education, Youth and Sport		
Implementing agency	ADB's Southeast Asia Department, Social and Human Development Division		
Consultants	To be selected and engaged by ADB ^a		
	Individual consultants (International)	22 person-months	\$310,000
	Individual consultants (National)	18 person-months	\$100,000
Procurement	To be procured by ADB		
	Mode of procurement: Shopping	Number of contracts: 3	\$ 15,000
Advanced contracting	Advanced actions will be proposed for the engagement of the consultants.		
Disbursement	The TA resources will be disbursed following ADB's <i>Technical Assistance Disbursement Handbook</i> (2010, as amended from time to time).		
Asset turnover or disposal arrangement upon TA completion	Assets procured under the TA, if any, will be turned over to MOEYS upon completion.		

ADB = Asian Development Bank; TA = technical assistance; MOEYS = Ministry of Education, Youth and Sport.

^a Individual consultants will be engaged competitively.

Source: Asian Development Bank.

8. **Consulting services.** The TA will require 22 person-months of international consultant inputs and 18 person-months of national consultant inputs. ADB will engage these consultants as individuals, in accordance with the ADB Procurement Policy (2017) and the associated project administration instructions and TA staff instructions. Additional resource persons may be mobilized and will be done in accordance with ADB procedures. The consultants will be mobilized to provide support during the early months of program implementation. The overall consultant allocation includes 5 person-months of international consultants and 3 person-months of national consultants that have been left unallocated for the additional TA requirement of the government. These consultants may be used in the following areas: curriculum development, teacher development, technical and vocational education, education policy and program analysis, public–private partnerships, technical assistance coordination and monitoring and evaluation. Terms of reference are in Supplementary Appendix 2.

E. Governance

9. The financial management assessment, procurement capacity assessment, risk assessment, and management and integrity due diligence will be in accordance with the standard ADB guidelines and documents for said assessments.

INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	Cambodia	Project Title:	Second Upper Secondary Education Sector Development Program (USESDP 2)
Lending/Financing Modality:	Sector Development Program	Department/Division:	Southeast Asia Department / Human and Social Development Division

I. POVERTY IMPACT AND SOCIAL DIMENSIONS

A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy

Cambodia's *Rectangular Strategy for Growth, Employment, Equity, and Efficiency, Phase III^a* and the *National Strategic Development Plan*, both for 2014–2018,^b set out the government's strategy for education and skills, which emphasizes developing science, technology, and mathematics ability to increase Cambodia's future competitive advantage in the labor market and support poverty reduction and inclusive growth. The plans endorse the Education Strategic Plan for 2014–2018 of the Ministry of Education Youth and Sports (MOEYS).^c The country partnership strategy (CPS), 2014–2018 of the Asian Development Bank (ADB) for Cambodia^d is closely aligned with national priorities and supports the government's strategy for education sector development. The proposed program is consistent with ADB's sector strategy on human capital enhancement via improved access and quality of secondary education, and aligns with Cambodia's Public Financial Management (PFM) Reform Program^e 1, which includes the following recommendation: "*Highlight the poverty reduction and gender issues in Program Budgeting (PB) and Budget Strategic Plan (BSP)*", as well as the MOEYS' Gender Mainstreaming Action Plan (GMAP)^f, which aims to reduce gender gaps in the education sector.

B. Poverty Targeting

General Intervention Individual or Household (TI-H) Geographic (TI-G) Non-Income MDGs (TI-M1, M2, etc.)
 This program includes pro-poor and gender-inclusive design features including the following: addressing regional disparities in teacher distribution as well as gender and inclusion gaps and related issues in teaching and management; information and communications technology (ICT) and science, technology, engineering, and mathematics (STEM); and infrastructure and resources underpinned by gender-responsive planning and BSP for MOEYS.

C. Poverty and Social Analysis

1. Key issues and potential beneficiaries.

Key poverty and social issues. Poverty has fallen dramatically from 47.8% in 2007 to 13.5% in 2014, but a large share of the population remains vulnerable, having moved from below the poverty line to just above it. In 2011, 10% of Cambodians lived on less than \$1.25 per day, but 41% lived on less than \$2.00 per day, and 72% lived on less than \$3.00 per day.^d A higher proportion of Cambodians is multi-dimensionally poor than income-poor and lack adequate access to basic services, especially in rural areas.

Beneficiaries. The policy reforms aim to benefit: (i) secondary education female and male students, especially from disadvantaged areas; (ii) secondary education teachers; and (iii) educational policymakers, administrators, and managers. The general workforce, future generations, and the private sector will indirectly benefit from implementation of reforms, particularly the emphasis on ICT, STEM, and human resource development. The overarching outcome is the improved effectiveness of the secondary education system, enabling the Cambodian labor force to become more skilled and competitive in the near future and address the current mismatch of skills with those needed in the workforce. Nationwide interventions are expected to lead to improved retention of students, enhanced quality of teachers and curriculum, and strengthened educational service delivery at decentralized levels to meet local educational needs.

2. Impact channels and expected systemic changes

Impact channels. The program will positively impact beneficiaries through: (i) addressing regional and gender disparities in teacher distribution; (ii) strengthening STEM learning and teaching; (iii) enhancing the quality and gender-responsiveness of secondary education curriculum; (iv) promoting professional growth for teachers and reducing gender gaps at higher level education sector management; and (v) formulating a pro-poor gender-responsive budget strategic plan and 2017–2019 budget strategic plan aligned to the Education Strategic Plan. The program will support the operationalization of specific actions in the MOEYS' GMAP related to the policy actions.

3. Focus of (and resources allocated in) the project preparatory TA or due diligence.

Regional inequalities in education outcomes in general, and with respect to ICT and STEM need to be examined. Girls' higher academic performance at secondary education level is not reflected in follow-on outcomes in terms of tertiary education (gender gap index) and employment in technical, professional, and management levels, including in the education sector. This disconnect requires further investigation, particularly in ICT and STEM.

Other social and poverty issues. The education management information system (EMIS) figures⁹ indicate that boys fare worse than girls in secondary education in promotion (particularly in grades 7 and 12), repetition (67%), and dropout (particularly in grade 12), especially at the provincial level. This suggests that an increased number of boys should be targeted by all development partners to improve gender equality outcomes.

4. Specific analysis for policy-based lending.

Impact channels of the policy reform(s). The policy reforms supports the effective implementation of the policies of the Government of Cambodia to improve the quality of the teachers, which is the most important bedrock to improve quality of upper secondary education (USE); improve relevance of USE by enhancing the curriculum, implementing assessment, and linking up with the private sector; and implementing gender-related policy actions, improving resource allocation through a budget strategy plan, and improving the capacity of school directors to manage and deliver USE.

Impacts of policy reform(s) on vulnerable groups. The impact of gender-responsive policy reforms, combined with pro-poor gender-responsive BSP, will ensure sustainable resource allocation and results-based planning. This will result in the improved quality of education service delivery by teachers and managers, leading to enhanced retention of secondary education students and educational outcomes that are relevant to the labor market

Systemic changes expected from policy reform(s). Strengthened capacity in planning, management, and financial decision-making under a decentralized framework will encourage school officials, staff, and communities to carry out their own plans for improving schools and build school pride among teachers, students, and communities.

II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program?

For USE, the gender parity index (GPI) of net enrollment ratio (NER) was 1.16, the GPI of gross enrollment ratio (GER) was 1.00, and the GPI of completion rate was 1.00 in 2015. Significant progress in reducing the gender gaps at USE level is *"mainly due to the ministry provision of scholarships giving priority to female students, construction of student dormitories with a priority on accepting girls, separate toilets for girls, and implementation of the policy on expanding upper secondary school provision to every district."*^h Nevertheless, there are some differences between urban and rural areas, and between provinces. Moreover, there are still too many boys and girls dropping out at upper secondary levels, especially in rural areas and in grade 12. At higher education level, young girls remain underrepresented (41.6% female students in 2015).ⁱ Rural families are generally poor and girls are encouraged to enter the labor market early; rural girls also marry when they are very young.

Overall, gender balance in the teaching profession has almost been achieved (49.1% female teachers).^f However, the proportion of female teachers in rural areas remains low (47.6%); it is also much lower at the upper secondary level (30.6%). At the secondary level, the percentage of female in teaching staff was 38.5% in rural areas (40.3% at national level), and the percentage of female in nonteaching staff was 22.6% in rural areas (24.5% at national level).^j The proportion of women in management positions in the education sector is extremely low. For example, there were only 11% female school principals, 4% female directors of Provincial Office of Education, and 10% department directors at central level in 2015.^f

The Gender Mainstreaming Strategic Plan (GMSP) in Education, 2016–2020ⁿ recognizes some key challenges that remain to be addressed: (i) few women in management positions at the national and subnational levels; (ii) teachers' houses not meeting the needs of female teachers; and (iii) remaining social stereotypes.

2. Does the proposed project or program have the potential to contribute to the promotion of gender equity and/or empowerment of women by providing women's access to and use of opportunities, services, resources, assets, and participation in decision-making?

Yes No Please explain.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality?

Yes No Please explain.

4. Indicate the intended gender mainstreaming category:

GEN (gender equity) EGM (effective gender mainstreaming)
 SGE (some gender elements) NGE (no gender elements)

The design and monitoring framework refers to the adoption and implementation of the GMSP in Education, 2016–2020,^f which will also be reflected in the policy matrix. A gender action plan will be developed for the project component of USESDP 2, which will aim to support key actions included in the GMSP action plan.

III. PARTICIPATION AND EMPOWERMENT

1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people? Identify how they will participate in the project design.

The main stakeholders include female and male students, teachers, education managers, officials from MOEYS including the Gender Mainstreaming Action Group (GMAG), and other relevant ministries, nongovernment organizations (NGOs), and development partners working in the secondary education arena. There are no negatively affected people. Extensive discussions and consultations will be held with the government and other stakeholders and beneficiaries at the national and subnational levels, particularly with respect to the gender-responsive policy actions to be implemented under the program.

2. How can the project contribute (in a systemic way) to engaging and empowering stakeholders and beneficiaries, particularly, the poor, vulnerable and excluded groups? What issues in the project design require participation of the poor and excluded?

The program will track dropouts, reduce regional and gender disparities in teaching resources, improve the relevance of the curriculum to emerging labor market demands, and promote pro-poor gender-responsive planning and budgeting.

3. What are the key, active, and relevant civil society organizations in the project area? What is the level of civil society organization participation in the project design?

NGO Education Partnership (NEP) is the key umbrella organization for NGOs working in the education sector, they will be consulted during the program processing and implementation to inform the design and monitoring of the policy matrix actions.

Information generation and sharing Consultation Collaboration Partnership

4. Are there issues during project design for which participation of the poor and excluded is important? What are they and how shall they be addressed? Yes No

Consultation with vulnerable groups of students and teachers and staff in remote and underserved areas will be important to ensure that issues related to access, relevance, and quality are addressed.

IV. SOCIAL SAFEGUARDS

A. Involuntary Resettlement Category A B C FI

1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement? Yes No

2. What action plan is required to address involuntary resettlement as part of the project preparatory TA or due diligence process?

Resettlement plan Resettlement framework Social impact matrix
 Environmental and social management system arrangement None

B. Indigenous Peoples Category A B C FI

1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples? Yes No

2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain? Yes No

3. Will the project require broad community support of affected indigenous communities? Yes No

4. What action plan is required to address risks to indigenous peoples as part of the project preparatory TA or due diligence process?

Indigenous peoples plan Indigenous peoples planning framework Social Impact matrix
 Environmental and social management system arrangement None

Project areas to be identified during project preparation. Should anticipated benefits to indigenous peoples be confirmed, the measures benefiting indigenous peoples and means to monitor and evaluate these benefits will be incorporated into the project design in lieu of a separate indigenous peoples' planning document.

V. OTHER SOCIAL ISSUES AND RISKS

1. What other social issues and risks should be considered in the project design? NA

Creating decent jobs and employment Adhering to core labor standards Labor retrenchment
 Spread of communicable diseases, including HIV/AIDS Increase in human trafficking Affordability
 Increase in unplanned migration Increase in vulnerability to natural disasters Creating political instability
 Creating internal social conflicts Others, please specify _____

2. How are these additional social issues and risks going to be addressed in the project design?

VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT

1. Do the terms of reference for the project preparatory TA (or other due diligence) contain key information needed to be gathered during project preparatory TA or due diligence process to better analyze (i) poverty and social impact; (ii) gender impact, (iii) participation dimensions; (iv) social safeguards; and (v) other social risks. Are the relevant specialists identified?

Yes No Gender and social safeguards specialists have been included in the transaction TA.

2. What resources (e.g., consultants, survey budget, and workshop) are allocated for conducting poverty, social and/or gender analysis, and participation plan during the project preparatory TA or due diligence? During program preparation, the project team will conduct consultations among a wide range of stakeholders at the national and subnational levels, particularly with regard to policy development and the anticipated outcomes.

^a Government of Cambodia. 2013. Rectangular Strategy for Growth, Employment, Equity and Efficiency, Phase III. Phnom Penh.

^b Government of Cambodia. 2014. *National Strategic Development Plan 2014-2018*. Phnom Penh.

^c Ministry of Education, Youth and Sport (MOEYS). 2014. *Education Strategic Plan, 2014-2018*. Phnom Penh.

^d ADB. 2014. *Country Partnership Strategy: Cambodia, 2014-2018*. Manila.

^e Government of Cambodia, Ministry of Economy and Finance. *Public Financial Management Reform Program*. 2013. Phnom Penh.

^f Government of Cambodia, MOEYS. 2015. *Gender Mainstreaming Strategic Plan in Education 2016-2020*. Phnom Penh.

^g Government of Cambodia, MOEYS. Education Management Information Systems Office, Department of Planning. 2014. *Education Statistics and Indicators 2013-2014*. Phnom Penh.

^h Government of Cambodia, National Education for All Committee. 2015. *The National Education for All 2015 Review Report*. Phnom Penh.

ⁱ Government of Cambodia, MOEYS. 2016. *Education Statistics and Indicators 2015–2016*. Phnom Penh.

Source: Asian Development Bank.