



# Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 01-Apr-2020 | Report No: PIDC28725



**BASIC INFORMATION**

**A. Basic Project Data**

Country Lao People's Democratic Republic	Project ID P173407	Parent Project ID (if any)	Project Name Lao PDR Global Partnership for Education III: Learning and Equity Acceleration Project (P173407)
Region EAST ASIA AND PACIFIC	Estimated Appraisal Date Jul 20, 2020	Estimated Board Date Mar 18, 2021	Practice Area (Lead) Education
Financing Instrument Investment Project Financing	Borrower(s) Ministry of Finance	Implementing Agency Ministry of Education and Sports, Lao PDR	

**Proposed Development Objective(s)**

To improve learning outcomes in early/primary grades in target districts and strengthen teacher and system performance in Lao PDR.

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

**SUMMARY**

<b>Total Project Cost</b>	47.50
<b>Total Financing</b>	47.50
<b>of which IBRD/IDA</b>	30.00
<b>Financing Gap</b>	0.00

**DETAILS**

**World Bank Group Financing**

International Development Association (IDA)	30.00
IDA Credit	30.00



**Non-World Bank Group Financing**

Trust Funds	17.50
Education for All Supervising Entity	17.50

Environmental and Social Risk Classification  
Moderate

Concept Review Decision  
Track II-The review did authorize the preparation to continue

Other Decision (as needed)

**A. Introduction and Context**

Lao PDR is a lower middle-income country with a GDP per capita of USD 2,542 in 2018.<sup>1</sup> It has been one of the fastest growing economies in East Asia and the Pacific. Growth has been driven largely by the construction sector, energy and mining, and the service sector. Growth has, however, moderated over the past few years. In 2019, growth is estimated to have declined to 5.2 percent from over 7 percent in 2016, the lowest in two decades.<sup>2</sup> The slowdown in growth is the combined result of the severe impact of natural disasters on the agricultural sector, the tightening of public expenditure, and moderate credit growth. Despite efforts to contain public expenditure, weak revenue collection has resulted in an elevated fiscal deficit while debt levels continue to rise. Furthermore, recent estimates suggest that while poverty fell by 6.3 percentage points between 2012/13 and 2018/19, the rate of poverty reduction was slow compared to that of economic growth, indicating that growth has not been as poverty-reducing as expected.<sup>3</sup>

The tightening of public expenditure has impacted human capital investments in Lao PDR, which need urgent attention: a child born in Lao PDR today can expect to be only 45 percent as productive when he/she turns 18 years as someone who enjoyed complete education and full health.<sup>4</sup> Yet, education expenditure as a percentage of public expenditure decreased from 12.46 percent in 2017 to 11.62 percent in 2019; as a percent of GDP, it decreased from 3.11 percent to 2.59 percent over the same period. Significantly reduced public spending, combined with inefficiencies in spending, threaten the Government’s ability to achieve its human capital objectives. Furthermore, limited protection in the face of natural calamities impoverish already poor families, making it difficult for them to continue investing in their children’s education. With a growing

<sup>1</sup> <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=TH-VN-KH-LA-MM>

<sup>2</sup> World Bank. 2020. Lao PDR Quarterly Economic Update. Draft.

<sup>3</sup> World Bank. Forthcoming. Lao PDR Poverty Assessment. Draft.

<sup>4</sup> [https://databank.worldbank.org/data/download/hci/HCI\\_2pager\\_LAO.pdf](https://databank.worldbank.org/data/download/hci/HCI_2pager_LAO.pdf)



population and a fertility rate of 2.7, Lao PDR will continue to see an increase in the proportion of young people in its population. Without strong investments early in education, Lao PDR will risk meeting SDG 4, while jeopardizing its capacity for long-term economic growth.

### **B. Sectoral and Institutional Context**

Lao PDR has made important strides in building its human capital base by improving access to early childhood education (ECE) and nearly achieving universal basic education. Pre-school enrollment rates increased from 39.1 percent (2013-14) to 58.8 percent (2018-19).<sup>5</sup> Net primary enrollment was 99 percent in 2018-2019, with gender parity. However, drop-out rates at the primary level are still high (only 79 percent of pupils starting in Grade 1 reach Grade 5).<sup>6</sup> Student learning levels are also low: over 25 percent of 4<sup>th</sup> graders cannot read even three words of Lao correctly.<sup>7</sup> While a child in Lao PDR goes to school for 10.8 years, he/she learns only the equivalent of 6.4 years. Outcomes are the lowest amongst children living in rural areas, children in the poorest quintile and children of mothers with no education. Three factors explain low learning levels. First, a large number of children do not receive adequate nutrition and early stimulation during the early years, the period when the brain develops the fastest. If and when children in Lao PDR attend preschool, they are attended to by poorly trained caregivers and teachers, with few age-appropriate developmental resources. Second, teachers remain ill-equipped to teach: a recent study found that only 2.4 percent of 4<sup>th</sup> grade teachers were proficient in 4<sup>th</sup> grade math and Lao.<sup>8</sup> Third, schools are poorly managed. Principals are overburdened with tasks unrelated to management, with nearly half reporting the school management committees of their school as dysfunctional.

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<sup>5</sup> Lao PDR EMIS data

<sup>6</sup> Ibid. LSIS data, however, suggest higher drop-out rates

<sup>7</sup> World Bank. 2018. Delivery of Education Services in Lao PDR. SABER-SDI.

<sup>8</sup> Ibid



## C. Relationship to CPF

The proposed project is closely aligned with the CPF (2017-2021) pillar of investing in people, the Human Capital Project, World Bank's corporate target on reducing learning poverty, and the Education GP's Strategy. By improving access to the quality of early childhood development, the proposed project will invest in the critical period of brain development and give young people a stronger start in life. By supporting teachers to deliver the new curriculum effectively, it will ensure that the years spent in primary school translate to learning. Through investments in strengthening the school system, assessment and project management, the proposed project will provide a strong environment for students to learn and teachers to teach effectively.

## C. Proposed Development Objective(s)

To improve learning outcomes in early/primary grades in target districts and strengthen teacher and system performance in Lao PDR .

### Key Results (From PCN)

The following indicators will be monitored to measure the performance of project outcomes in selected districts.

- Increase in the percentage of 4<sup>th</sup> grade students<sup>9</sup> who can read a grade-appropriate paragraph, disaggregated by gender and ethnic group [Learning and Equity]
- Reduced student drop-out rates in primary education by sub-group [Efficiency and equity]
- Improved teaching practices as measured by *Teach*<sup>10</sup>, with a focus on the gap between target and other districts [Learning and Equity]
- Improved school management as measured through a school management index [Accountability and efficiency]
- Number of direct project beneficiaries (including percentage female and ethnicity) [Equity]

## D. Concept Description

### A. Concept

#### 1. Description

GPE III will adopt a systems approach to improving learning by using the following framework: (1) *Learners* are prepared and motivated to learn; (2) *Teachers* are effective and valued; (3) *School systems* are well-managed.

<sup>9</sup> 4<sup>th</sup> grade is being chosen as there is a baseline from SABER SD 2017, with a new round in September 2020. An alternative is to use the Grade 3 ASLO conducted in 2017, but the data are not publicly available yet, and hence there is no baseline.

<sup>10</sup> *Teach* is a World Bank open access classroom observation tool to measure teacher practices. *Coach* is a tool to provide tailored support to teachers based on their areas of difficulty as identified by *Teach*.



Cross-cutting areas will include: (1) improving data quality, with a focus on student learning and teacher outcomes; (2) safe learning environments; (3) technology; and (4) equity. Based on this framework, the Project proposes three components: (1) Prepared Learners; (2) Prepared Teachers; and (3) Effective Systems. Annex 1 presents the results chain.

### Component 1: Prepared Learners

Schools cannot produce learning without prepared, present and motivated learners.<sup>11</sup> Globally, too few children have access to early learning opportunities, including early stimulation, that prepare them for Grade 1. Pre-school enrollment (age 3-5) has been a long-standing priority for the Government of Lao PDR, with pre-school enrollment rates having increased from 39.1 percent (2013-14) to 58.8 percent (2018-19). Today, nearly 2/3<sup>rd</sup> of grade 1 students have had some pre-school experience in Lao PDR.

The government's forthcoming Education and Sports Sector Development Plan 2021-25 (ESSDP) lays emphasis on expanding pre-school access and improving quality. Currently, nearly 70 percent of 3-5 year-olds have access to some form of pre-school, including access to pre-primary classrooms for 5-year-olds in 27 percent of primary government schools. Nevertheless, nearly 30 percent under the age of 5 — a crucial period for neural development — either have no access to early childhood learning opportunities or must rely on sporadic pilot/non-governmental efforts. This component proposes four sets of activities: (1) Continuation and scaling of the Community Child Development Group intervention piloted under the Government of Lao PDR-World Bank Early Childhood Education Project (ECE Project) targeting 3-5-year-olds in community-based settings, with the goal of reaching disadvantaged groups. Impact evaluation results suggest positive child development results in all developmental domains; (2) Pre-service and in-service training in Multi-age teaching targeted at 3-5-year-olds attending pre-primary classes meant for 5-year-olds, also piloted under the ECE Project, and showing positive impact evaluation results; (3) Development of play-based content and activities for 3-4-year-olds; and (4) Reading Readiness Program, piloted under GPE II. The Reading Readiness Program uses a new pedagogical approach and materials to help 5-year-olds develop key pre-literacy skills to smoothen the transition to Grade 1, such as vocabulary, print awareness, phonological awareness, narrative production and comprehension, and emergent literacy.

Along with the World Bank, UNICEF, Save the Children, Room to Read, Humanity and Inclusion, and Plan International have been supporting the government in early childhood development in Lao PDR, while the Ministry of Education and Sports' (MOES) Research Institute for Educational Sciences, the Learn to Read Coalition and the World Bank partnered on the development of the Reading Readiness Program. Since the design of the proposed programs for the Project has been closely evaluated and monitored, *the focus of preparation will be on*: (1) fine-tuning design and process elements of the interventions based on impact evaluation and process monitoring results; (2) building synergies with other development partner efforts; (3) designing a financial sustainability plan for scaling informal pre-school (likely alternative to formal, given tight quota on new teacher hiring); and (4) exploring mechanisms for influencing the pre-primary teacher standards and curriculum, proposed to be developed during the 9<sup>th</sup> ESSDP.

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<sup>11</sup> World Bank. 2017. Learning to Realize the Promise of Education. WDR 2018.



## Component 2: Prepared Teachers

Teachers are the single most important school-based resource for improving student learning.<sup>12</sup> For students to learn, teachers need to be present, motivated to teach, have adequate content knowledge, and teach effectively. Classrooms across Lao PDR, however, have teachers with little mastery over the subjects they are to teach and poor teaching skills. Preservice training is provided by 8 Teacher Training Colleges (TTC), and in-service training has been large funded by Development Partners (DPs). While most teachers take part in some in-service training, traditionally, this has been top-down and theoretical, too little, infrequent, and not translated into strong teacher performance. Lao PDR also has a system of pedagogic advisors meant to mentor and motivate teachers, but the system has fallen short of expectation due to limited funding and weak skills of pedagogic advisors.

Recently, DFAT and EU-funded BEQUALI revised the primary curriculum (Grade 1 and 2) in all subjects, except math, which was undertaken by JICA (Grades 1-2). This was accompanied by limited teacher training. BEQUAL II (2020-2025) will focus on Grades 3-5, while JICA will continue to support the implementation of Grades 3-5 math curriculum in its on-going technical cooperation project. During the same period, JICA is planning to fund the construction of demonstration schools attached to each of the 8 TTCs, which will serve as model schools and sites for training and piloting new teaching/learning methodologies for TTC teachers and students. This component proposes the following set of activities: (1) Improving the professional prestige of teaching (teacher standards and performance appraisal for ECE and primary teachers; building teacher intrinsic motivation, potentially through technology-based grievance redress mechanisms); (2) Improving the quality of teacher preparation and development by (i) strengthening TTCs as high-quality centers for pre-service and in-service training; pedagogic advisor training; content upgrading; and a school-based system for continuous professional development; and (ii) facilitating training programs to implement the new curricula for pre-primary and primary school teachers in all subjects nationwide; and (3) Ensuring schools have the teachers they need by supporting the design of an incentive plan to facilitate teacher redeployment across districts. An important focus will be supporting multi-grade teachers and teachers with large numbers of ethnic/disadvantaged students.

As discussed, BEQUAL and JICA are playing an important role in strengthening the teacher preparation system alongside the proposed Project. Additionally, (i) European Union is supporting the government in streamlining teacher allocation through budget support, with a disbursement-linked indicator tied to teacher allocation; (ii) UNESCO is developing a teacher policy; (iii) MOES is finalizing the sections on teachers in the 9<sup>th</sup> ESSDP; and (iv) UNICEF has been supporting other teacher policies. *During preparation*, the team will (i) fine-tune the proposed set of activities; (ii) clarify implementation arrangements between the Department of Teacher Education and the Teacher Development Center, which currently have overlapping responsibilities; (iii) identify areas of overlap, streamline and harmonize the work on teacher preparation and allocation; (iv) explore incorporating *Teach and Coach* and leveraging technology; and (v) exploring using mass media to improve teacher prestige.

## Component 3: Effective systems

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<sup>12</sup> Bêteille, T. and Evans, D., 2019. Successful Teachers, Successful Students: Recruiting and Supporting Society's Most Crucial Profession. *World Bank*. <http://documents.worldbank.org/curated/en/235831548858735497/Successful-Teachers-Successful-Students-Recruiting-and-Supporting-Society-s-Most-Crucial-Profession.pdf>.



Teachers cannot do it alone. Strong school management and governance are crucial for building safe learning environments and motivating high-quality teacher performance as envisioned in Component 2. Most school principals in Lao PDR report receiving inadequate support, and teachers report infrequent support from pedagogic advisors.<sup>13</sup>

GPE II emphasized school-based management (SBM) and school block grants. The proposed component will focus on strengthening systems through effective leadership, support and management. It will pursue the following sets of interventions: (1) strengthening school-based management by defining relevant standards and through a complete cycle of SBM training and coaching to school principals, VEDC, teachers and pedagogical advisors. The training and coaching will include formative student assessment, how to organize cluster-based programs, conduct internal and external supervision, addressing the needs of disadvantaged groups; and school autonomy and accountability; (2) strengthening institutional capacity in the Provincial Education and Sports Services, District Education and Sports Bureaus, and clusters to enhance their efficiency, effectiveness and accountability; (3) school block grants for improving school development; and (4) strong project management (strong monitoring and evaluation, including designing and implementing a harmonized system for measuring student learning at the system level; coordination across MOES departments at the national and sub-national levels, Education Sector Working Group, and GPE III Coordination Committee; fiduciary responsibilities; and managing safeguards and risks).

The EU and UNICEF have been supporting the government on developing Fundamental Quality Standards (FQS) for schools, while BEQUAL has incorporated an assessment rubric in teacher guides. *During preparation*, the team will: (i) agree with MOES and DPs on a concept for SBM; (ii) finetune the proposed interventions based on the material developed during GPE II and lessons learned; (iii) engage with relevant DPs to harmonize efforts on SBM and formative assessment; (iv) identify key departments to work with: two key departments, the Educational Standards and Quality Assurance Center and IFEAD, for instance, appear to have overlapping ToRs; the goal will be to identify and define clear roles.

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

Summary of Screening of Environmental and Social Risks and Impacts

Environmental risk is Moderate. The project will involve physical construction works such as office and school construction and renovation, some environmental impact is anticipated due to the civil work activities. However, the

<sup>13</sup> World Bank. 2018. Delivery of Education Services in Lao PDR. SABER-SDI.





impact is not expected to be irreversible, unprecedented or complex, most likely to be small, localized, temporary, and can be mitigated through proper project design, implementation of site-specific environmental management plan (SSESMP) for the new construction works and standardize environmental code of practices (ECOP) for the renovation works.

Social risk is moderate. The project activities are nationwide with a focus on districts with poor education performance, many of which are likely to be rural districts and include ethnic populations that speak Lao as a second language. Civil works are likely to be minor and involve easily manageable site-specific community health and safety risks and small numbers of locally sourced labor. Risk that the programmatic activities may extend underrepresentation and under-enrollment of vulnerable and marginal ethnic groups require addressing with appropriate social inclusion measures incorporated into project design.

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## **CONTACT POINT**

### **World Bank**

Tara Beteille, Ezequiel Molina  
Senior Economist

### **Borrower/Client/Recipient**

Ministry of Finance

### **Implementing Agencies**

Ministry of Education and Sports, Lao PDR  
Khampaseuth Kitignavong  
Mrs  
khampaseuth.kitignavong@yahoo.com



**FOR MORE INFORMATION CONTACT**

The World Bank  
1818 H Street, NW  
Washington, D.C. 20433  
Telephone: (202) 473-1000  
Web: <http://www.worldbank.org/projects>

**APPROVAL**

Task Team Leader(s):	Tara Beteille, Ezequiel Molina
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**Approved By**

Environmental and Social Standards Advisor:	Anita Soukhaseum	16-Mar-2020
Practice Manager/Manager:	Toby Linden	16-Mar-2020
Country Director:	Nicola Pontara	02-Apr-2020