Project Administration Manual

Project Number: 44213-018
March 2018

People's Republic of Bangladesh: Secondary Education Sector Investment Program – Tranche 3

Asian Development Bank

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People's Republic of Bangladesh: Secondary Education Sector Investment Program (Tranche 3)

ABBREVIATIONS

ADB	–	Asian Development Bank
AFR	–	annual fiduciary review
AOP	–	annual operation plan
BANBEIS	–	Bangladesh Bureau of Educational Information and Statistics
BISE	–	Board of Intermediate and Secondary Education
CPD	–	continuous professional development
DIA	–	Directorate of Inspection and Audit
DLI	–	disbursement-linked indicator
DME	–	Division of Madrasah Education
DMF	–	design and monitoring framework
DRSP	–	Developing Reading Skills Program
DSHE	–	Directorate of Secondary and Higher Education
e-GP	–	electronic government procurement
EED	–	Education Engineering Department
EMIS	–	education management information system
FPW	–	Finance and Procurement Wing
GAP	–	gender action plan
GMS	–	grant management system
HSTTI	–	higher secondary teacher training institute
IBAS	–	Integrated Budget and Accounting System
ICT	–	information and communication technology
IDA	–	International Development Association
IFR	–	interim (unaudited) financial report
ILC	–	ICT learning Center
IPSC	–	Inter-ministerial Program Steering Committee
IVA	–	independent verification agency
M&E	–	monitoring and evaluation
MEW	–	Monitoring and Evaluation Wing
MMC	–	madrasah management committee
MOE	–	Ministry of Education
MOF	–	Ministry of Finance
MPO	–	monthly payment order
NAEM	–	National Academy for Education Management
NCB	–	national competitive bidding
NEP	–	National Education Policy
NSA	–	National Student Assessment
NCTB	–	National Curriculum and Textbook Board
PBH	–	program budget head
PCU	–	program coordination unit
PDW	–	Planning and Development Wing
PFM	–	procurement and financial management
PSTP	–	Practical Science Teaching Program
PSU	–	program support unit
PVV	–	pre-vocational and vocational
SEDP	–	Secondary Education Development Program
SESIP	–	Secondary Education Sector Investment Program
SEQAEP	–	Secondary Education Quality and Access Enhancement Project

SMC	–	school management committee
SPS	–	Safeguard Policy Statement
SPSC	–	sector program steering committee
SPSU	–	sector program support unit
SSC	–	secondary school certificate
SSQS	–	Secondary School Quality Standards
SWAp	–	sector-wide approach
TA	–	technical assistance
TEC	–	teacher education college
TOR	–	terms of reference
TST	–	time-spent-teaching
TTC	–	teacher training college
TQI	–	Teaching Quality Improvement in Secondary Education Project
UNESCO	–	United Nations Educational, Scientific and Cultural Organization
UNICEF	–	United Nations Children's Fund
USEO	–	upazila secondary education office
ZEO	–	zonal education office

CONTENTS

ANNEXES:

Project Administration Manual Purpose and Process

The project administration manual (PAM) describes the essential administrative and management requirements to implement the project on time, within budget, and in accordance with the policies and procedures of the government and Asian Development Bank (ADB). The PAM should include references to all available templates and instructions either through linkages to relevant URLs or directly incorporated in the PAM.

The Ministry of Education and the Directorate of Secondary and Higher Education is wholly responsible for the implementation of ADB-financed projects, as agreed jointly between the borrower and ADB, and in accordance with the policies and procedures of the government and ADB. ADB staff is responsible for supporting implementation, including compliance by the Ministry of Finance, of their obligations and responsibilities for project implementation in accordance with ADB's policies and procedures.

At loan negotiations, the borrower and ADB shall agree to the PAM and ensure consistency with the loan agreement. Such agreement shall be reflected in the minutes of the loan negotiations. In the event of any discrepancy or contradiction between the PAM and the loan agreement, the provisions of the loan agreement shall prevail.

After ADB Board approval of the project's report and recommendations of the President (RRP), changes in implementation arrangements are subject to agreement and approval pursuant to relevant government and ADB administrative procedures (including the Project Administration Instructions) and upon such approval, they will be subsequently incorporated in the PAM.

I.   PROJECT DESCRIPTION

1.   The government takes reform of secondary education (grades 6–12), as the foundation for a skilled labor force and prepares the youth to meet the requirements of a rapidly developing economy. The Secondary Education Sector Investment Program (SESIP) (2013–2023) supports the government's sector investment program in a flexible manner to optimize the pace of the systematic reforms envisioned in the secondary education sector road map. These include (i) advanced teaching and learning programs that use information and communication technology (ICT); (ii) improvement of science, mathematics, English, and pre-vocational and vocational (PVV) programs; and (iii) improved teacher development and examination reforms. It promotes gender-equitable and pro-poor stipends for students, more decentralized and efficient allocation and use of resources, as well as strengthened sector performance monitoring. SESIP helps the government to shift attention from inputs to priority results linking with disbursement. It further supports the phased transition to a sector-wide approach (SWAp)[1] for improved aide effectiveness and better development partner coordination building on the successes in primary education.[2]

2.   The government decided to adopt a SWAp for the next phase of the government sector program, the Secondary Education Development Program (SEDP) in 2017–2023 and incorporated the sector road map supported by SESIP. An estimated total cost of SEDP is around $18.5 billion, and the government invites development partners including Asian Development Bank (ADB) and the World Bank to support it. SESIP Project 3 will support the subsets of SEDP. It has been prepared by rationalizing and consolidating strategic interventions of SESIP Project 1 and 2 and other ongoing projects supported by ADB and the World Bank.[3] In responding to the government's request, ADB and the World Bank adopted a harmonized approach. Two banks worked closely to assist the government in developing the program design with a common disbursement-linked indicator (DLI) matrix and performance indicators during the joint processing mission in 2016–2017.[4] The United Nations Educational, Scientific and Cultural Organization (UNESCO) and United Nations Children's Fund (UNICEF) will also provide technical assistance (TA) to SEDP. Implementation arrangement, monitoring, and reporting of SESIP Project 3 will be aligned and the same with SEDP.

A.   Impact and Outcome

3.   The impact is a more efficient, equitable, and higher quality secondary education system (National Education Policy [NEP], 2010 and Secondary Education Sector Road Map, 2013–2023). The outcome for Tranche 3 will be improved student outcomes in secondary education and the effectiveness of secondary education system.

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[1] All significant funding for the sector supports a single sector policy and expenditure program, under government leadership, adopting common approaches across the sector and progressing towards relying on government procedures for all funds. (M. Foster 2000. Experience with Implementing Sector Wide Approaches. ODI)

[2] 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. The project adopts SWAp supported by ADB, Australian Agency for International Development, Canadian International Development Agency, Department for International Development of the United Kingdom, European Union, Japan International Cooperation Agency, Swedish International Development Cooperation Agency, UNICEF, and the World Bank.

[3] ADB. 2012. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to the People's Republic of Bangladesh for the Second Teaching Quality Improvement Project.* Manila; World Bank-supported Secondary Education Quality and Access Enhancement Project.

[4] It was also agreed that the joint review mission of the two banks, including DLI verification mission, will be undertaken during the implementation.

B.   Outputs/Results Areas

4.   SESIP Tranche 3 has three outputs/results areas: (i) quality and relevance of secondary education enhanced; (ii) equitable access and retention increased; and (iii) education management and governance strengthened.

1.   Results area 1: quality and relevance of secondary education enhanced

5.   To enhance the quality and relevance of secondary education, the program aims to carry out a range of reforms and strategic interventions focused on curriculum, examinations and assessment, teacher development, availability of qualified teachers, and teaching-learning practices particularly in English, math, Bangla, and science. ICT for pedagogy and PVV programs in general stream will also be emphasized. The key elements of the reforms are presented in the following sub-results areas.

a.   Sub-results area 1.1: quality and relevance of curriculum improved

6.   Currently, there is no policy framework for systematic curriculum revision and implementation. The current secondary education curriculum is not fully integrated across different grades and subjects, not sufficiently competency-based nor benchmarked against national learning goals, and is perceived to be too heavy and thus, not catering to the needs of diverse student populations. The National Curriculum and Textbook Board (NCTB) revised the secondary curriculum in 2012. Moreover, NCTB is not adequately staffed with curriculum specialists.

7.   The program aims to (i) review and revise the secondary education curriculum for grades 6 to 12 to promote competency-based teaching-learning; (ii) make it more responsive to labor market demands, relevant to real-life situation; and (iii) cater to the diverse needs and aspirations of secondary school students for life-long learning. Building on the achievement of SESIP, a National Curriculum Policy Framework, covering pre-primary through Class XII, will be approved and implemented which will provide policy and technical guidance on curriculum revision, including the following elements: grade-wise and subject-wise learning outcomes and competency skills, with focus on real-life applications of learning. Textbooks and other instructional materials for grades 6 to 12 will be developed to support implementation of the revised curriculum. Appropriate supplementary teaching and learning materials will be developed and disseminated, including e-learning modules. In addition, the program will support restructuring and strengthening of NCTB with special emphasis on posting of subject-based curriculum specialists based on approved staffing guidelines. This will help NCTB to carry out its primary functions on curriculum revision, instructional material development, and curriculum dissemination including preparation of participatory training manuals, core trainers, and master trainers effectively. In close cooperation with NCTB, relevant Directorate of Secondary and Higher Education (DSHE) Wings are responsible for effective curriculum implementation. DSHE (Training Wing) will be strengthened with additional manpower[5] and is responsible for training of teachers for curriculum delivery and continuous professional development (CPD). DSHE Planning Wing will be responsible for planning of curriculum implementation, and DSHE Monitoring and Evaluation Wing (MEW) and Education Management Information System (EMIS) Wing will be

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[5]   (i) Deputy director (Curriculum); (ii) AD (Curriculum); (iii) PO (Curriculum); plus, computer operator and support staff. Technical terms of reference will be prepared to ensure recruitment for curriculum posts and that qualified persons are appointed to the positions.

tasked on data collection, monitoring, analysis, and reporting of curriculum implementation. Feedback reporting will ensure CPD will be data-driven and needs-based.

b.   Sub-results area 1.2: teacher capacity strengthened

8.   The key factors limiting the development of an effective secondary education teaching force include (i) absence of a comprehensive policy for teacher professional development (recruitment, career path, CPD, pre-service and in-service teacher trainings, and recognition of prior learning);[6] (ii) lack of harmonization in teacher training programs implemented by different projects (potential duplication, variation in quality of coverage, and service delivery); and (iii) inadequate capacity of existing training providers to meet the current needs for pre-service, in-service, and CPD trainings.

9.   The objective of this sub-results area is to upgrade and strengthen the quality and capacity of DSHE professional development training for teachers to enable them to facilitate quality and relevant learning outcomes in classrooms. The program will build on achievements of the Teaching Quality Improvement Project (TQI) and SESIP, and support (i) development and implementation of Secondary Teacher Development Policy which outlines career paths and registration, pre-service teacher education, needs-based in-service CPD, monitoring and mentoring, and institutional set-up and linkages for secondary level teachers and sustainable strategies for providing training opportunities and professional support to teachers; (ii) review and upgrading of pre-service training curriculum for competency-based B.Ed. and M.Ed.; (iii) strengthening and upgrading current government teacher training colleges (TTCs) to teacher education colleges (TECs) as pre-service training providers, including upgrading all the 14 government TECs to centers of excellence; (iv) provision of in-service teacher training for CPD to all the secondary-level teachers; and (v) upgrading and strengthening of higher secondary teacher training institutes (HSTTIs) to expand and improve delivery capacity for quality in-service trainings. The Training Wing, DSHE will be responsible for coordinating and managing the implementation of this sub-results area by mobilizing suitable field-level manpower to strengthen national training capacity. The program will support strengthening of government teacher development and training capacity, and strategically engage partner agencies and training providers on needs-basis.

c.   Sub-results area 1.3: teaching-learning in Bangla, English, mathematics, and science improved

10.   Student learning outcomes in some key subjects like Bangla, English, mathematics, and science remain much below the expected learning levels. There is a shortage of qualified teachers in these subjects, particularly in rural areas. Declining enrollment in science subject is a serious concern for the country, particularly for madrasahs. Reading skills and proficiencies among children are still limited due to lack of skilled teachers, language-specific laboratories, and age-appropriate reading materials, particularly in rural areas.

11.   This sub-results area aims to strengthen teaching and learning of Bangla, English, mathematics, and science. Activities supported under the proposed SESIP would include (i) DSHE/Ministry of Education (MOE) to formulate and implement a strategic plan for improving

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[6] As of 2017, there are 14 government TTCs and 94 nongovernment TTCs which are offering B.Ed. courses, affiliated to the National University. Some universities, including Open University are also providing B.Ed. and M.Ed. courses. There are five higher secondary teacher training institutes providing in-service teacher training for teachers at grade 11 and 12 levels.

teaching and learning in Bangla, English, mathematics, and science; (ii) building on the success of the Secondary Education Quality and Access Enhancement Project (SEQAEP), deploy qualified, subject-trained additional teachers[7] for these subjects to needy schools throughout the country based on gap analysis and needs assessment of institutions; (iii) building on the SESIP Practical Science Teaching Program (PSTP), scale up, monitor, and enrich the PSTP in all secondary-level institutions; (v) expand SEQAEP's Developing Reading Habit Program to focus on development and assessment of student reading skills; and (v) pilot and scale up English listening and speaking laboratory program with refurbishment, training, and equipment to 1,000 schools to improve teaching and learning for practical English skills.[8]

12.   Support for additional teachers will include (i) recruitment and remuneration, (ii) pre-deployment training, (iii) supply of instructional materials, and (iv) incentive for remedial classes and posting in remote and disadvantaged schools. Existing additional teachers recruited under SEQAEP will be continued as additional teachers under SESIP. The PSTP would support (i) supply of science equipment to institutions, (ii) enrichment training and monitoring of science teachers, (iii) organizing of school-based science groups, and (iv) organizing science fairs at national and district levels. ICT in pedagogy teaching and learning will be continued based on SESIP in all subjects. Building on SEQAEP achievement, the Developing Reading Habit Program will be reviewed and strengthened with greater emphasis on development and assessment of student reading skills. The new Developing Reading Skills Program (DRSP) will be rolled out in phases to all secondary-level institutions to enhance the reading skills and reading competencies among secondary students. The DRSP will include the provision of age-appropriate books, training of librarians, libraries and digital libraries, as well as monitoring of reading skills by assessment of student reading skills. DSHE will implement the DRSP in partnership with an appropriate partner agency.

d.   Sub-results area 1.4: Classroom assessment procedures and national learning assessment and examinations improved

13.   The current public examination system in secondary education in Bangladesh tends to encourage memorization and rote learning-oriented educational practices. Examinations in Bangladesh are also not standardized with the implication that they are not comparable across multiple boards and across time. The Learning Assessment of Secondary Institutions has been initiated under SEQAEP and will be reviewed and further strengthened for institutionalization. It will be reviewed and upgraded to the National Student Assessment (NSA). It will capture key elements of national Sustainable Development Goal 4 achievements, including reading skills achievement levels. In addition, there is a need to strengthen a school-based assessment for students such as continuous assessment (formerly school-based assessment) and creative question implemented by the Bangladesh Examination Development Unit and Board of Intermediate and Secondary Education (BISE), based on successful expansion through SESIP. The NCTB will work closely with the Bangladesh Examination Development Unit/BISE on continuous assessment to ensure alignment and assessment of defined curriculum outcomes and competencies.

14.   The objective of this sub-results area is to strengthen classroom assessments, undertake examination reforms and institutionalize a large-scale credible learning assessment system. The

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[7] Additional teachers are non-monthly payment order (MPO) teachers who will be recruited on contractual basis. Additional teachers will not be automatically converted to regular MPO teachers unless they are re-recruited as such through normal official procedure for MPO teachers.

[8] It is expected that the Department for International Development will provide support including technical assistance to develop and implement English listening and speaking laboratory program.

program will support the (i) establishment and operationalization of a National Assessment Center, an autonomous agency responsible for research, development, and assessment of national examinations and student assessment; (ii) formulation and implementation of a national examination and assessment plan for secondary-level examinations (junior school certificate, secondary school certificate [SSC], and higher secondary school certificate); (iii) facilitate a move towards international best practice and standardization of examination across subjects, years, and boards (quality improvement and standardization of test items, administration, marking process, and results); (iv) implementation of continuous assessment; (v) capacity development of BISE based on its capacity assessment; (vi) implementation of NSA; and (vii) introduction of school-based diagnostic assessment in grade 6. The program will pilot and scale up diagnostic assessment in phases to cover all secondary-level institutions.

15.   Key NSA activities will include (i) strengthening of design and analysis, as well as feedback to policy makers and quality improvement process; (ii) establish an assessment baseline; (iii) implementation every 2 years (2019 and 2021) on nationally representative samples of grade 8 and 10 students in reading of Bangla, English, and mathematics, and also on contextual factors that may influence student learning; and (iv) utilization of NSA results as a long-term monitoring tool to measure improvement in learning outcomes.

e.   Sub-results area 1.5: use of information and communication technology for pedagogy enhanced

16.   The objective of this sub-results area is to promote integration of ICT for pedagogy in teaching-learning highlighted in the NEP, 2010 and in the Digital Bangladesh initiative. MOE has made ICT subject compulsory, yet student access to ICT is limited. To build-up and strengthen ICT in schools, SESIP Tranche 1 and Tranche 2 supports Phase 1 of the ICT Learning Center (ILC) Program in 640 schools and madrasahs. A comprehensive ILC implementation plan was prepared and approved by MOE in 2015. The plan covers (i) arrangements for procurement of civil works and equipment, (ii) service procurement-supported installation of ILC, (iii) procurement of e-learning materials, (iv) preparation of training manuals, and (v) training of 6,400 teachers on ICT for pedagogy and 640 head teachers for ICT management. (vi) There is also provision for foreign training for 640 teachers and 640 head teachers for ICT for pedagogy and ICT management.

17.   Refurbishment of 640 classrooms and installation of the necessary furniture and electrical set-up is complete. Procurement of ICT equipment is underway, and installation of ILCs is expected to be completed by 2017. Training of teachers and head teachers will begin by Q3 of 2017. ILCs are expected to be fully operational by January 2018 using existing e-learning modules prepared under the TQI II project, now nationally available for download. Customized, subject-based e-learning modules for Bangla, English, mathematics, science, and global studies will be ready for use by June 2018. SESIP includes sub-programs for ICT Sustainability Plan and a School Connectivity Feasibility Study that will begin in June 2017. These sub-programs require collection of data which will allow for the assessment of the preparedness (maturity) and progress of schools in the implementation of sustainability plan (i.e., development of appropriate ICT infrastructure including connectivity, comprehensive repository of e-learning materials, effective usage and performance of ILC, appropriate level of ICT and ICT for Pedagogy skills, reliable operational environment, sustainability potential in the sense of attitudes of stakeholders, and improvement of teaching). The ILC program will be scaled up under SESIP.

f.   Sub-results area 1.6: labor market relevance improved

18.   To address the issue of limited relevance of secondary education in the labor market, this sub-results area aims to impart employable skills to secondary-level students to improve the labor market outcomes of those who choose to enter the workforce. In this context, SESIP has initiated the first phase of the NEP mandate of PVV education for secondary-level students in 640 institutions with two new classrooms, equipment procurement, preparation of manuals, and training of 1,280 teachers for deployment to introduce and strengthen SSC vocational programs in the selected schools. NCTB, in coordination with the Directorate of Technical Education and the Bangladesh Technical Education Board, will provide the leadership for applying existing Bangladesh Technical Education trades to the PVV program. The program will strengthen existing SSC vocational programs and introduce PVV programs in new schools. Under SESIP Tranche 2, PVV implementation plan has been prepared based on wide stakeholder consultation and through a national targeted needs assessment to (i) determine the program arrangement strategies, and (ii) identify the relevant trades to introduce and strengthen in selected institutions. It is expected by June 2017 that institution selection will be finalized, and civil works on the initial 640 schools can begin.

19.   Under SESIP, the PVV program will continue based on the PVV implementation plan underscored by the Sustainable Development Goals' emphasis on skills development. It is anticipated that implementation of the SESIP Tranche 2 provision will be fully implemented, with school classrooms constructed, teachers selected and trained (two per school), and students recruited by the 2019 school year. By 2021, Phase 1 of the program will be reviewed and expanded to another 640 schools by 2023.

2.   Results area 2: equitable access and retention increased

20.   Despite the remarkable improvement in access to secondary education, equitable access for children from disadvantaged background and retention particularly for female students remain as significant challenges for the sector. The program primarily aims to increase grade-to-grade transition rate for boys and girls especially in disadvantaged areas, and cycle completion especially for females and secondary enrollment in disadvantaged areas.

a.   Sub-results area 2.1: school infrastructure development

21.   Physical facilities of nongovernment secondary-level institutions are generally thought to be inadequate. However, with the rapid institutionalization of the Secondary School Quality Standards (SSQS) under SESIP, DSHE now has the capability to assess with assurance institution-wise infrastructure needs using up-to-date, verified data available in the DSHE EMIS. While civil works management and monitoring capacity of the Education Engineering Department (EED) needs strengthening, good progress has been made in EED with the introduction of the electronic government procurement (e-GP) for tendering, and proposed additional manpower is in the final stages of approval by MOE. Furthermore, under SESIP, the NEP-mandated National Education Institution Construction Policy Guidelines and the Guidelines for Minimum Construction Standards are in the final stages of approval. It includes disaster preparedness and mitigation sections. Together, these developments allow DSHE to prepare a needs-based infrastructure development plan for targeted infrastructure development in the new program.

22.   The objective of this sub-results area is to undertake needs-based education institution infrastructure development that best ensures improvement of access and quality learning outcomes for students within the assessed capacity of MOE EED. SESIP interventions include (i) EED re-organization and capacity development (strengthened decentralization, expansion of e-GP, and construction and safeguard monitoring, including establishing an Environmental

Safeguard Unit in EED); (ii) implementation of the National Education Institution Construction Policy Guidelines and Guidelines for Minimum Construction Standards; (iii) implementation of the needs-based National Education Infrastructure Development Plan based on SSQS; (iv) piloting of public–private partnership model in institution construction; and (v) planning and monitoring of needs-based infrastructure development (classroom construction and refurbishment) in at least 1,500 needy institutions. Furthermore, this sub-results area will also monitor other infrastructure development needs of relevant agencies and institutions, including construction of (i) National Assessment Center, (ii) 490 upazila secondary education offices (USEOs), (iii) 20 new residential schools in underserved areas, (iv) 89 teacher dormitories in SEDP schools, (v) 13 new HSTTIs, (vi) five new TTCs (TECs), as well as (vii) five existing HSTTIs and 14 existing government TTCs to become centers of excellence. DSHE will be mainly responsible for needs identification and planning for infrastructure development, and EED will administer, supervise, and monitor all the civil works in the secondary education sector.[9] Construction will be supported by SEDP (the government' program), and SESIP Tranche 3 will monitor the progress of the implementation and provide capacity building support.

b.   Sub-results area 2.2: access and retention improved

23.   Despite the significant expansion of enrollment in secondary education, retention and transition remain as a considerable challenge especially for female students and students from disadvantaged background and geographical areas. Among the underlying factors, costs of schooling play a key role, both in the form of direct costs such as tuition, contribution, accommodation, learning materials, and indirect opportunity cost. Furthermore, social factors, such as early marriage and season-related absences have a significant impact of retention of both girls and boys. Currently, multiple stipend programs are implemented with varying rates and selection criteria and procedures aimed at improving access and retention.

24.   The objective of this sub-results area is to address the issue of low transition from primary to secondary school, low transition rate between the secondary grades, and low retention at higher grades particularly for children from disadvantaged backgrounds. The proposed program will harmonize the currently implemented multiple stipend schemes with varying rates and modalities into a single stipend program. The harmonized stipends program will be based on poverty-targeting selection (combination of school-based screening and proxy means testing), and to the extent possible, using the available poverty ID database in the country.[10] The harmonized stipends program will be implemented in all upazilas from the first year covering from grades 6 to 12, and administered using a harmonized stipend operations manual. One of the compliance criteria will be remaining unmarried, though additional compliance criteria and other retention measures will be considered in addition to remaining unmarried. Disbursement of stipends to beneficiary students will be based on award confirmation forms. A mechanism will be established to verify compliance through a grant management system (GMS). Third-party verifications will be undertaken at the baseline and endline to assess the extent of inclusion and exclusion errors, and compliance with eligibility criteria. It is expected that around 30% of total students will benefit from the harmonized stipends program annually. DSHE's capacity will be assessed to undertake the stipend management. A program transition plan will be prepared and implemented for full takeover and management by 2022 that covers SESIP programs including stipend. DSHE's proposed stipend unit, temporarily supported by engagement of external partner agencies for proxy means testing data processing and stipend disbursement, will be responsible for implementation of the harmonized stipend program with phased transition of responsibility to

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[9] Tender processing and safeguard monitoring will follow ADB guidelines.
[10] Bangladesh Bureau of Statistics' national poverty ID database is expected to be available from 2018.

DSHE after 2 years (2020). Innovations, such as electronic fund transfer and national poverty database, will be adopted.

25.   SESIP's Student Support Initiative will be expanded under the program. It is an integrated and coherent, four-pillared initiative which began under SESIP Tranche 2 to strengthen access and retention in the poorest and most disadvantaged students. The four pillars are the (i) Resource Teacher Program in 1,000 schools, (ii) National Campaign for Student Counseling, (iii) Community Awareness Program on sexual harassment, and (iv) Upazila Awards Program.

26.   An incentive program for recruitment and mobilization of teachers to remote areas will be planned and implemented in 1,000 of the neediest schools. This program will provide cash subvention to non-monthly payment order (MPO) teachers recruited by schools based on eligibility criteria to be formulated. Special provision will be given to female teacher recruitment (confirmation needed by MOE).

c.   Sub-results area 2.3: cycle completion for girls and disadvantaged areas enhanced

27.   Recent analysis shows that the national average of post junior school certificate transition (from Class VIII to Class IX) is 86% (84% for girls). However, when data are disaggregated geographically, typically deprived areas (haor, coastal, hilly, and river/char areas), the transition rate is approximately half of the national average. Given this, SEDP will also give special attention to retention in disadvantaged areas. The program will pilot strengthening local government to support improved transition rates.

28.   The purpose of this sub-results area is to design and implement adolescent girls program and grade retention program to address the key issues affecting drop-outs among adolescent girls and students in geographically disadvantaged areas. The proposed programs will design, pilot and scale-up (i) adolescent girls program in collaboration with the Ministry of Health, and (ii) a geographically disadvantaged program with the local government (union level). The key features of the proposed adolescent girls program would include (i) provision of supplementary incentives for female students; (ii) separate functional toilets for girls; (iii) enrichment of adolescent health in curriculum with targeted training of teachers and counseling of girls; (iv) promotion of menstrual hygiene with disposal facilities; (v) awareness raising for students, teachers, and community; (vi) formation of school-based girls committees supported by female guardian teacher; and (vii) introduction of student and peer counseling. The adolescent girls program will be piloted in 16 selected upazilas and scaled up nationwide in phases to at least 50% of secondary-level institutions. Building on SESIP's achievement on the Life-Skill Based Program, SESIP would also support its expansion by training all secondary and madrasah teachers. To further enhance the effectiveness of these interventions, this sub-results area will also support implementation of relevant nationwide awareness raising campaigns. DSHE will be responsible for implementing this sub-results area in partnership with the Ministry of Health and other development partners and nongovernment organizations. The key features of the geographically isolated program are as follows: (i) situational analysis study to determine main causes and establish a baseline; (ii) identify and support families with adolescent children to keep their children in school; (iii) assess and supply transportation, such as boats in haor areas, or accompaniment for girls to and from schools; and (iv) strengthen local government union service centers to support transition and retention programs.

29.   These programs would be complemented by the government's policy to increase the availability of female teachers in rural areas and in madrasahs (currently less than 25% of all

teachers are females, much lower in rural areas and madrasahs). Teacher recruitment and deployment policy and implementation is expected to incorporate this strategic focus.

3. Results area 3: education management and governance strengthened

30. Despite the remarkable expansion of secondary education, the governance, management, and administration of the sector remain fragmented, and still call for further streamlining and capacity building at central, regional, and institution levels. In this context, the primary objective of this results area is to strengthen the education system for improving governance, management, administration, and monitoring of the secondary education sector.

a. Sub-results area 3.1: decentralized education management strengthened

31. Currently, DSHE's capacity at the central level is fully absorbed by administrative tasks, leaving little to program activities, which are currently undertaken through stand-alone projects. Good progress has already been made in terms of decentralization, particularly in the areas of institutionalization of USEOs, and decentralization of MPO administration in zonal education offices (ZEOs) through SESIP. Yet many challenges remain, including limited scope of decentralization, incomplete financial and MPO authority delegation to ZEOs, and hundreds of posts at local offices yet to be regularized.

32. The objective of this sub-results area is to develop and implement a feasible decentralization plan towards more efficient and effective education management for secondary education. The program would support (i) strengthening of MPO decentralization at ZEOs (including regularization of field level positions, delegation of financial authority, establishing zonal offices as procurement entities, and monitoring of school and teacher performance); (ii) capacity building and streamlining functions of district education offices and USEOs (including strengthening fiduciary systems, regularizing field staff, streamlining and modernizing data management systems, school performance monitoring and feedback to schools, managing and administering locally-based teacher development activities); and (iii) strengthening of school management committees (SMCs)/madrasah management committees (MMCs) including revision of management guidelines, increased independent accountability measures, training, and awareness raising (more details in sub-results area under school management and accountability).

b. Sub-results area 3.2: education management information system and monitoring and evaluation strengthened

33. Current EMIS and monitoring and evaluation (M&E) arrangements include (i) Bangladesh Bureau of Educational Information and Statistics (BANBEIS) which collects and publishes comprehensive school census data on the sector covering students, teachers, and institutions; (ii) DSHE's EMIS administers MPO, and collects and maintains institution-level data on all aspects of individual institutions (MPO and non-MPO teachers, teacher training records, subject group data, number of computers, gender-related data, school performance data, SSQS infrastructure and electricity supply data, etc.); (iii) SEQAEP collects, maintains, and utilizes project-specific data on students, teachers, and institutions (13 modules covering stipends, tuition, and grants) with support from the Local Government Engineering Department; (iv) Directorate of Inspection and Audit (DIA) carries out performance-audit of institutions; and (iv) MEW of DSHE is expected to be regularized by end of 2017, publishes monitoring reports using project-data from SESIP, SEQAEP, and TQI on implementation progress; mobilizes BANBEIS to collect and publish

compliance verification and annual school census data; carries out impact evaluation activities with support from survey firms.

34.   The objective of this sub-results area is to enhance reliability and utilization of data systems through strengthened and harmonized EMIS and M&E systems. The program will support the following activities: (i) upgrading and maintenance of DSHE EMIS to EMIS Wing under the director general of DSHE (manpower, software, including web-based system and integration to a uniform platform, and hardware); (ii) establishment of a functional EMIS data center; (iii) upgradation of EMIS and software, and integration in a single platform; (iv) strengthening verification of self-reported EMIS data; (v) undertaking a school mapping exercise based on population data, and publish maps on public-accessible, web-based system through BANBEIS; (vi) publication of annual EMIS report that will include information on students (enrollment, drop-out, repetition, transition), teachers (subject-wise, qualification, gender), school facilities (classrooms, ICT, science labs, library, etc.), and school finances (including financial statements of grants); (vii) third-party study undertaken for EMIS baseline verification of data validity and reliability; (viii) establishing a student management information system; (ix) web-based data management training to all field officials; (x) undertaking of M&E activities and publication of M&E report that will include, among others, program implementation progress (physical and financial), achievement of key performance indicators and intermediate outcome indicators, and compliance on eligibility and funds utilization (data to come from the GMS); and (xi) strengthening of web-based data management and monitoring capacity at the field-level (ZEOs, district education offices, USEOs, and institutions), including regularization of posts and establishing a monitoring and reporting mechanism. Annual EMIS analytical reports will be published. Annual M&E reports will be published by April and October respectively to take stock of the status and achievements in the secondary education sector.

c.   Sub-results area 3.3: teacher management and accountability improved

35.   Teachers are the most important assets in teaching and learning process. Since over 98% of secondary schools are nongovernment, the government's support to secondary education comes in the form of the MPO system that provides teacher salary to approved MPO institutions. The well-intended policy and the instrument based on a public–private partnership suffers from several weaknesses: (i) centralized MPO system has resulted in inefficient accountability of needs-based MPO institutional awards and management (recently, online MPO processing system has been established and decentralized, though funding authority is still centralized); (ii) absence of a clear mechanism to provide adequate population and demographic-related MPO support based on actual needs, particularly for shortages of subject-based positions, resulting in a significant share of teachers financed by school fees (as a consequence, school-paid teachers are significantly underpaid relative to MPO teachers); and (iii) inadequate compliance monitoring and enforcement with MPO guidelines, including performance monitoring on MPO-supported teachers.

36.   This sub-results area aims to rationalize the MPO system to improve equity (needs-based allocation), efficiency (of selection and payment process), and compliance. Under this sub-results area, the program will support (i) establishment and capacity development of a nongovernment teachers selection commission; (ii) revision of MPO policy and implementation; (iii) introduction of teacher performance management measures, including time-spent-teaching (TST) monitoring; (iv) formulation and institutionalization of teacher career path; and (v) deployment of adequate numbers of qualified subject-based teachers. MOE will formulate and approve an MPO rationalization plan and update the MPO implementation guidelines. The guidelines will include

the following: (i) need-based allocation of positions by schools; (ii) deployment and redeployment of MPO teachers; (iii) transparency in MPO teacher selection; (iv) monthly payment to teachers based on compliance certificates; and (v) incentives to teachers serving in geographically and other disadvantaged areas. A mechanism will be established to track, record, and report teachers' TST with participation of students in a transparent and sustainable way. TST monitoring will be expanded to at least 50% of secondary-level institutions.

d. Sub-results area 3.4: school management and accountability improved

37. The SMC MMC policy has been a backbone of decentralized school management for nongovernment secondary institutions. However, because of inadequate financial resources and lack of proper incentive mechanisms, the SMC/MMC's role in holding teachers and schools accountable for delivery of quality education has been generally ineffective.

38. The purpose of this sub-results area is to strengthen school management capacity, promote community engagement and improve accountability mechanism. The program will provide to institutions (i) accountability and performance grants (for institutions meeting accountability criteria such as Parents-Teachers Association, social audit, EMIS data, etc., and for institutions meeting performance indicators such as student attendance, retention, teacher attendance and TST, and student learning outcomes); (ii) earmarked need-based grants to improve water and sanitation facility; and (iii) earmarked non-MPO salary grants for unserved students. Implementation of the grants scheme will be supported by comprehensive school grant guidelines which will include grants funding formula, criteria, and procedure for selection of beneficiary institutions, disbursement of funds, and compliance monitoring on grants eligibility and utilization through GMS. The grants scheme will be disseminated to stakeholders through education awareness and community mobilization initiatives.

39. To strengthen school management, the program will also support leadership professional development for institution heads through dedicated management training provided by the National Academy for Education Management (NAEM), NCTB, DSHE, and other suitable agencies. A strong focus of this training will be on monitoring and mentoring of teachers.

e. Sub-results area 3.5: sector planning, management, and coordination strengthened

40. In the context of the proposed harmonized and results-based SESIP, this sub-result area aims to strengthen planning, budgeting, procurement, management, and coordination.

41. **Planning and budgeting.** Based on the SESIP 5-year program document, annual work plan and budget will be detailed in the annual operation plan (AOP) covering revenue and capital expenditures. AOP will be the basis for budget allocation, release, and expenditures. The Budget and Finance Committee, headed by the additional secretary (Budget Division, Ministry of Finance [MOF]) will provide guidance to the implementation of AOP as needed.

42. **Sector coordination.** Sector coordination will be enhanced through establishment and operationalization of the program coordination unit (PCU) in MOE and the program support unit (PSU) in DSHE. The PCU will prepare an integrated AOP, with detailed work plan and budget allocation of program under DSHE and other implementing agencies, carry out periodic review of program implementation progress, and harmonize development partner support. The PCU and

PSU will harmonize and manage technical support activities across DSHE and other implementing agencies.

43.   **Management capacity.** Management capacity will be strengthened through a streamlined program implementation structure which will include a (i) mechanism for program coordination and technical support, including establishment of the PSU; (ii) rationalized units and manpower/staffing (with roles and responsibilities) at the central and local offices; (iii) reduction of stand-alone projects and project implementation units; and (iv) transition mechanism to complete the harmonization by midterm review. The program implementation and management capacity will be further supported by provision of a technical assistance managed by the PSU in DSHE.

44.   **Fiduciary management.** Fiduciary management will be enhanced through (i) regularization and capacity development of the Finance and Procurement Wing (FPW) of DSHE; (ii) decentralization of procurement to zonal offices by making ZEO procurement entities; (iii) use of the Integrated Budget and Accounting System (IBAS++) and e-GP system for financial management reporting and procurement management; and (iv) establishment and operationalization of a GMS to ensure that funds are disbursed to eligible beneficiaries and are used for the intended purposes. The program will also support performance audit of institutions carried out by the DIA. Furthermore, independent annual fiduciary reviews (AFRs) will be undertaken.

II.   IMPLEMENTATION PLANS

A.   Project Readiness Activities

Table 1: Project Readiness Activities for Tranche 3

	Indicative Activities	Aug 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	Responsibility
1	Program document approval				➢				MOF/MOE/DSHE
2	Government budget inclusion	➢							MOE/DSHE
3	Loan negotiation					➢			ADB/MOE/ERD
4	ADB management approval			➢			➢		ADB
5	Loan signing				➢			➢	ADB/ERD
6	Government legal opinion provided			➢			➢		MOF/ERD
7	Loan effectiveness				➢			➢	ADB/ERD

ADB = Asian Development Bank, DSHE = Directorate of Secondary and Higher Education, ERD = Economic Relations Division, MOE = Ministry of Education, MOF = Ministry of Finance.
Source: Asian Development Bank.

B.   **Overall Project Implementation Plan**

Table 2: Implementation Plan for Tranche 3[11]

Task Breakdown	2018				2019				2020				2021				2022				2023	
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2
1. Quality and relevance of secondary education enhanced																						
1.1. Quality and relevance of curriculum improved																						
1.1.1. National Curriculum Policy Framework			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
1.1.2. Revision of 2012 Curriculum			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
1.1.3. Practical science teaching			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
1.1.4. Strengthening of NCTB			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
1.1.5. E-learning module preparation for universal topics			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
1.2. Teacher capacity strengthened																						
1.2.1. Secondary Teacher Development Policy			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■		
1.2.2. Strengthening teacher education			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
1.2.3. In-service teacher professional development capacity strengthening			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
1.2.4. Education management strengthened				■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
1.2.5. Head Teacher Leadership Program				■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
1.3. Teaching and learning in English, math, science, Bangla, and ICT improved																						
1.3.1. Teaching and learning in English, Math, Science, Bangla, and ICT improved			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
1.3.2. Innovation and development fund			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
1.4. Reading habit and reading skills among secondary students strengthened																						
1.4.1. Developing Reading Habit Program			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
1.4.2. Reading Skills Program			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
1.5. National examinations and classroom assessment improved																						
1.5.1. National Assessment Center and Examination Quality Assurance System			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
1.6. Use of ICT for pedagogy enhanced																						
1.6.1. ICT for Pedagogy Program			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
1.7. Labor market relevance improved																						
1.7.1. Pre-Vocational and Vocational Program			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
2. Equitable access and retention increased																						
2.1. School infrastructure improved																						
2.1.1. EED capacity strengthening (includes PPP)			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
2.2. Access and retention improved																						
2.2.1. Harmonized stipend program			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
2.2.2. Performance incentive awards for teachers and students				■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
2.3. Cycle completion for girls enhanced																						

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[11] To be updated annually and submitted to ADB with contract and disbursement projections for the following year.

Task Breakdown	2018				2019				2020				2021				2022				2023	
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2
2.3.1.Adolescent Girls Program			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
3. Education management and governance strengthened																					■	
3.1. Decentralized education management strengthened																						
3.1.1.Education management decentralization including MPO rationalization				■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
3.2. Education information management strengthened																						
3.2.1.EMIS upgradation and strengthening					■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
3.3. Teacher management and accountability improved																						
3.3.1.Nongovernment Teacher Selection Commission Program				■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
3.3.2.Teacher career path					■	■	■	■	■	■			■	■	■		■	■	■		■	
3.4. School management improved																						
3.4.1.School Management and Accountability Grants Program				■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
3.5. Sector planning, management, and coordination strengthened																						
3.5.1.Procurement and fiduciary management capacity enhancement			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
3.5.2.Restructuring and strengthening of DSHE			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
3.5.3.Strengthening planning and development capacity				■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
3.6. Monitoring and evaluation system strengthened																						
3.6.1.Effective and transparent quality education management			■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
3.6.2.DIA restructuring and strengthening				■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■

DIA = Directorate of Inspection and Audit, DSHE = Directorate of Secondary and Higher Education, EED = Education Engineering Department, EMIS = educational management information system, ICT = information and communication technology, MPO = monthly payment order, NCTB = National Curriculum and Textbook Board, PPP = public–private partnership.

Source: Asian Development Bank.

III.   PROJECT MANAGEMENT ARRANGEMENTS

A.   Project Implementation Organizations: Roles and Responsibilities

Table 3: Summary of Implementation Arrangements

Project Implementation Organizations	Management Roles and Responsibilities
Executing agency (MOE)	Overall responsibility for policy guidance, coordination, and oversight for program implementation
Program coordination unit	Overall responsibility for coordinating MOE's divisions and implementing agencies and co-implementing agencies for program implementation
Inter-ministerial program steering committee	Provide policy advice
Implementing agency (DSHE)	Implement program activities by the functional wings with coordination and cooperation with co-implementing agencies
Budget and finance committee	Review quarterly progress on expenditures on DLIs and ensure adequate resource allocation and timely fund release
Program implementation committee	Overall implementation and coordination of program activities at practical level
Program support unit	Support to DSHE and all co-implementing agencies to implement the program and administer the TA

DLI = disbursement-linked indicator, DSHE = Directorate of Secondary and Higher Education, MOE = Ministry of Education, SEDP = Secondary Education Development Program, TA = technical assistance.
Source: Asian Development Bank.

45.   Project 3 implementation arrangement will be the same with SEDP. MOE will serve as the executing agency and will have the overall responsibility for policy guidance, coordination and oversight for program implementation. A PCU, headed by an additional secretary, will be established under the MOE which oversees Secondary and Higher Education Division and Division of Madrasah Education (DME) for (i) coordinating all development partner financing in secondary education, including joint reviews and missions; (ii) conducting annual reviews on program progress; (iii) assisting DSHE and co-implementing agencies to prepare the AOP; and (iv) working as a secretariat for the Inter-ministerial Program Steering Committee (IPSC), and reporting to the IPSC. The IPSC, headed by the secretary of Secondary and Higher Education Division, DME will be responsible for approval of the AOP and providing policy advice. The Budget and Finance Committee under the Finance Division, MOF will be established to review quarterly progress on expenditures on DLIs and ensure adequate resource allocation and timely fund release.

46.   DSHE will be the main implementing agency. There will be two executive program directors: (i) director general, DSHE; and (ii) director general, DME. A PSU will be established in DSHE headed by the executive program director (ex-officio director general, DSHE), with support from executive program director, DME. A joint director will be in charge of daily PSU activities. All implementation of the program will be undertaken by the line directors in DSHE and DME, and co-implementing agencies. The PSU is an administrative unit to support all of DSHE and co-implementing agencies to implement the program and administer technical assistance. A Program Implementation Committee, chaired by the program director (director general, DSHE) will be responsible for overall implementation and coordination of program activities. PSU will primarily be responsible for coordinating concerned directorates and agencies. PSU will support (i) planning, budgeting, AOP and annual procurement plan preparation, program implementation, and M&E; (ii) deployment of other implementing partners and service providers; (iii) undertaking service procurement and financial management (the majority of procurement will be done by DSHE FPW); (iv) consolidating all required physical and financial reporting to effectively implement the program; (v) ensuring that DLIs are achieved and reported on time; and (vi) monitoring the implementation and compliance with social and environmental systems. DME will have similar responsibilities.

47.   The co-implementing agencies include NCTB, BISE, EED, NAEM, DME, Bangladesh Madrasah Education Board), and BANBEIS.

48.   There will be independent verification agencies (IVAs) commissioned by the MOE to carry out the verification of the achievement of ADB and the World Bank DLIs. DSHE field offices such as zonal, district, and USEO will play a frontline role to provide implementation and monitoring support on delivery of the program interventions at the school level, including monitoring and mentoring of teachers. The co-implementing agencies include the NCTB, BISE, EED, NAEM, Bangladesh Madrasah Education Board, BANBEIS, National University, National Teacher Education Council, Nongovernment Teachers Registration and Certification Authority, Bangladesh Open University, DIA, Nongovernment Teachers Selection Commission, and Bangladesh Madrasah Teacher Training Institute. In addition, the AOP will be prepared by the government, ADB, and the World Bank jointly.

49.   Recruitment of TA consultants will follow the World Bank International Development Association guidelines. DSHE will prepare the terms of reference (TOR) for the consultants, with assistance from ADB, World Bank, and other relevant development partners. All TORs for selection of consultants will be agreed by the government, ADB, World Bank, and other development partners. The TA project will be managed by the PSU. Types of TA projects will be a combination of individual consultants and firm consultants as agreed and will be strategically planned to ensure timeliness of deployment for good alignment with the program implementation plan.

B.   Key Persons Involved in Implementation

Table 4: Key Persons Involved in Implementation

Executing Agency	
Ministry of Education	Mr. Md. Sohorab Hossein Secretary Ministry of Education Bangladesh Secretariat Tel: +88-02-716-7577 Email address: info@moedu.gov.bd
Implementing Agency	moedu.gov.bd
Directorate for Secondary and Higher Education	Dr. S M Wahiduzzaman Director General Directorate for Secondary and Higher Education Shikkha Bhaban, 16, Abdul Gani Road, Dhaka 1000 Bangladesh Tel: +88-02-955-7934 Email address: dg.dshe@moedu.gov.bd
ADB	
Division Director	Mr. Sungsup Ra Director Human and Social Development Division South Asia Department Asian Development Bank Tel: +632 632 4629 sungsupra@adb.org
Mission Leader	Mr. Eisuke Tajima Senior Social Sector Specialist Human and Social Development Division South Asia Department Asian Development Bank Tel: +632 632 6809 etajima@adb.org
Key Mission Member	Mr. SM Ebadur Rahman Senior Social Sector Officer

	Bangladesh Resident Mission South Asia Department Asian Development Bank Tel: +81-2-855-12297 smerahman@adb.org

C. Project Organization Structure

50. The flow charts show the reporting lines' essential internal structures of key organizations involved in implementation.

Figure 1: SEDP Implementation Arrangement Structure
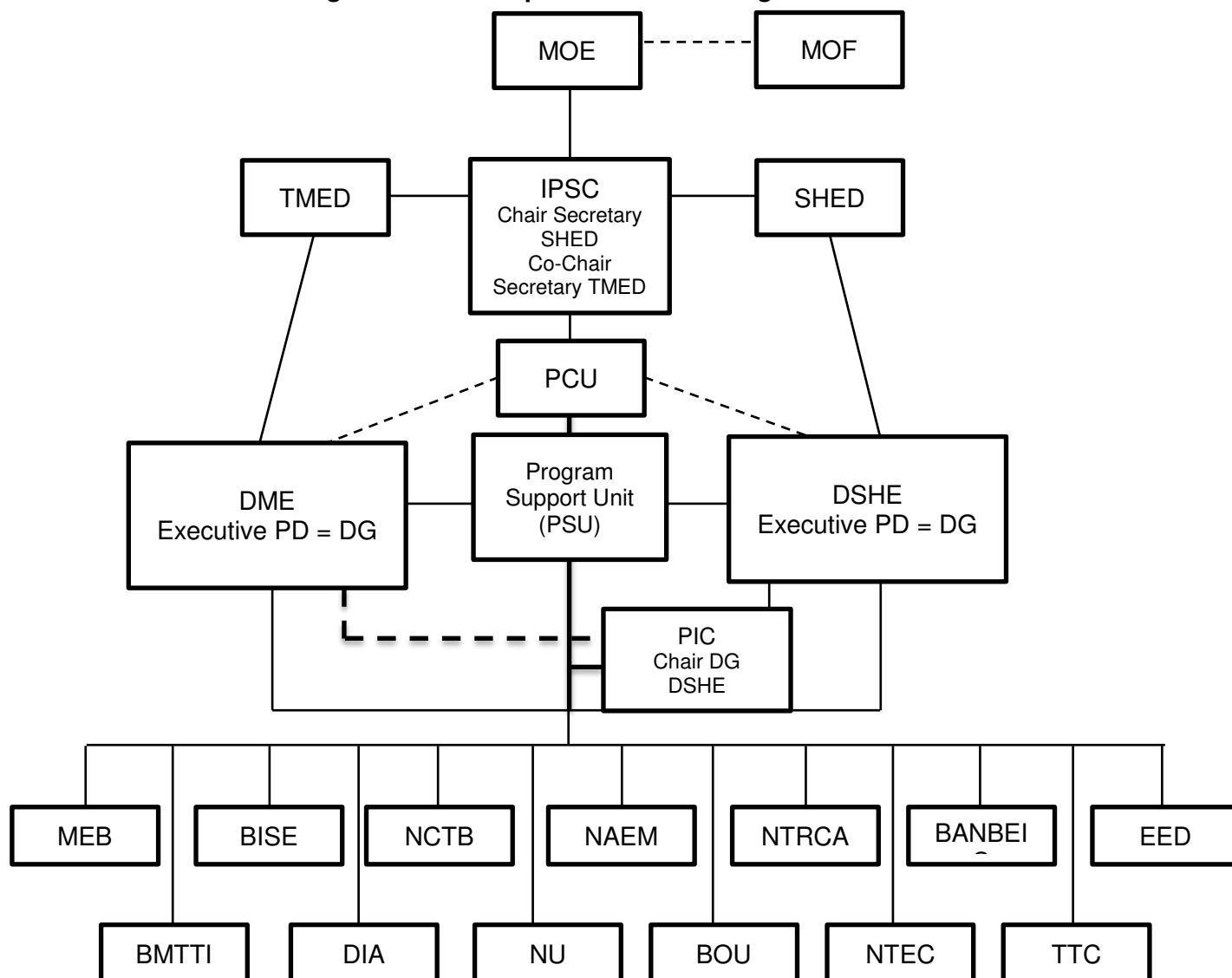
Figure 2: SEDP/SESIP Tranche 3 DSHE Organizational Structure
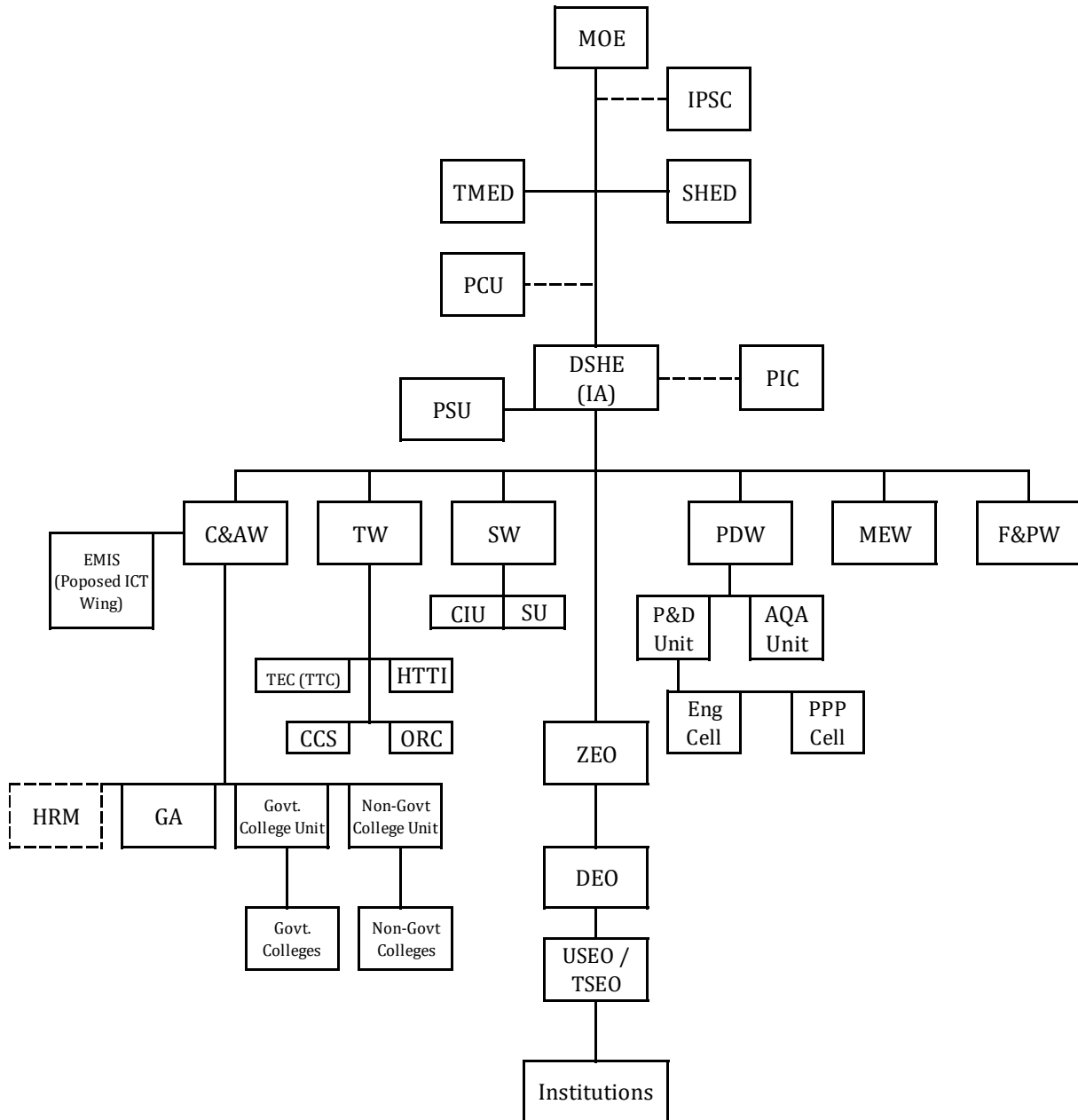
Figure 3 SEDP/SESIP Program Support Unit[12]

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┌ ─ ─ ─ ─ ─ ─ ─ ─ ┐        ┌──────────────────┐
│   Executive     │        │    Executive     │
│ Program Director│ ─ ─ ─ ─│ Program Director │
│ (Ex-officio DG, │        │ (Ex-officio DG,  │
│      DME)       │        │      DSHE)       │
└ ─ ─ ─ ─ ─ ─ ─ ─ ┘        └──────────────────┘
         ┆                          │
         └ ─ ─ ─ ─ ─ ─ ─ ─┐   ┌─────────────┐
                          └ ─ │ Joint Director (1) │
                              └─────────────┘
```

Deputy Director	**Deputy Director**
Assistant Director	Assistant Director	Assistant Director	Assistant Director
Program Officer	Program Officer	Program Officer	Program Officer

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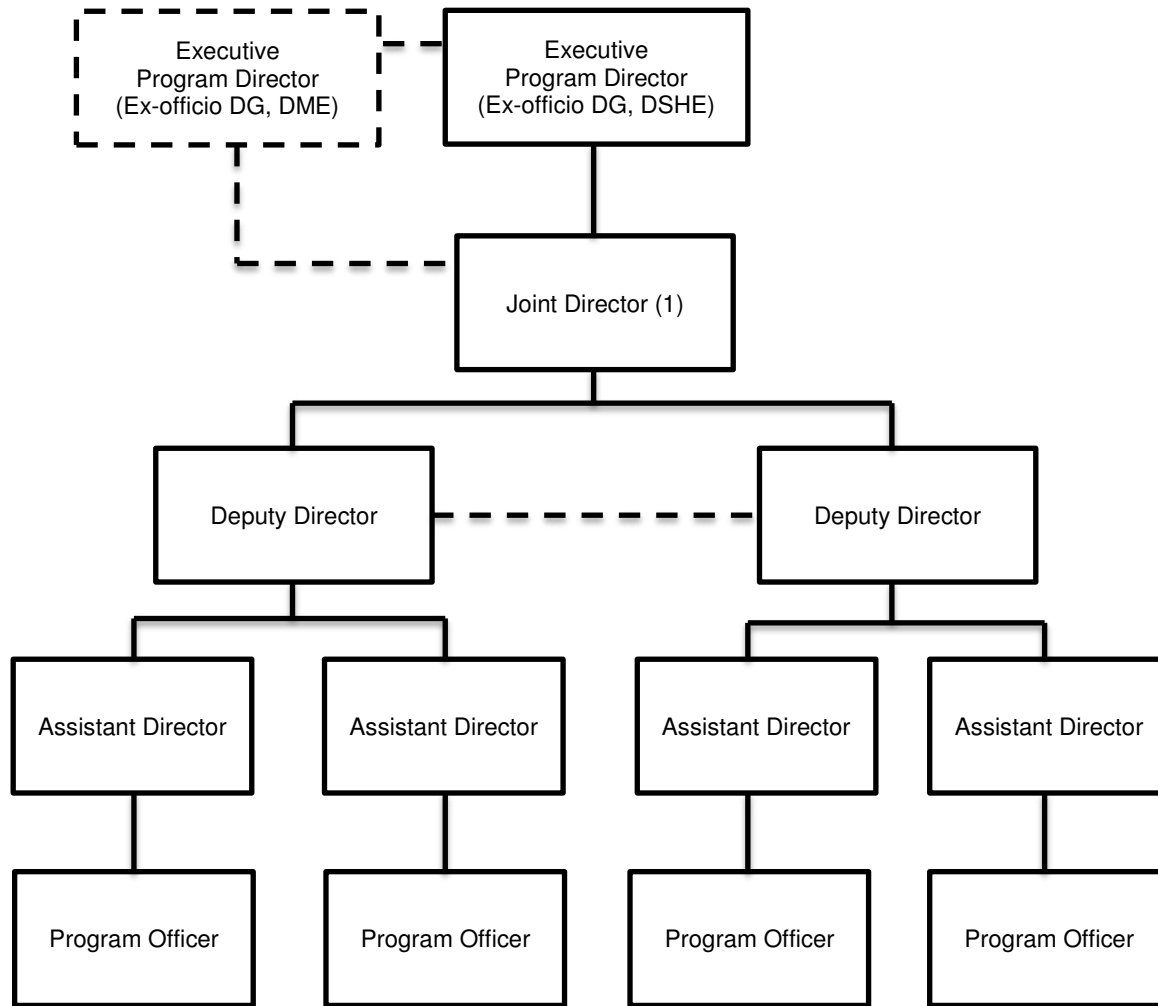
[12] Support staff are not reflected.

Figure 4 – Directorate of Madrasah Education[13]

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                                    ┌─────────────────────┐
                                    │   Director General  │
                                    └─────────────────────┘
                    ┌──────────────────────────────┴──────────────────────────────┐
        ┌─────────────────────┐                                      ┌─────────────────────┐
        │ Director (Administration │                                  │  Director (Training & │
        │   and Finance)       │                                      │   Development)       │
        └─────────────────────┘                                      └─────────────────────┘
                    │                                                            │
     ┌──────────────┴──────────────┐                              ┌─────────────────────┐
┌──────────────┐          ┌──────────────┐                        │  Deputy Director     │
│Deputy Director│          │Deputy Director│                        │ (Training & Development)│
│(Administration)│         │   (Finance)  │                        └─────────────────────┘
└──────────────┘          └──────────────┘
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Assistant Director (Govt & Senior	Assistant Director (Admin)	Assistant Director (Dakhil & Ebtadevie)	Assistant Director (Finance)	Assistant Director (Audit & Law)	Inspector (One for each Division)	Assistant Director (Training & Physical Ed.)	Assistant Director (Research & Development	Librarian cum Document Officer	Assistant Programmer
	Administrative Officer		Accounts Officer	Upper Division Assistant cum C.O.	Computer Operator (2)	Upper Division Assistant cum C.O.	Upper Division Assistant cum C.O.	Data Entry Operator	Data Entry Operator

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[13] All support staff not shown.

Table 5: Composition of Committees/Units

Committee	Composition
Interministerial Program Steering Committee (IPSC)	Chair - Secretary, Secondary and Higher Education Division (SHED), MOE Co-chair- Secretary, Technical and Madrasa Education Division, MOE Member Secretary, Joint Chief, Planning, SHED, MOE DG, DSHE Additional Secretary (Development and Secondary), MOPME Representative, Budget Wing, FD, MOF Representative, ERD, MOF Division Chief, Planning Commission Representative, CGA, MOF Joint Secretary (Development), MOHFW DG, BMEB Director, PDW, DSHE
Program Coordination Unit (PCU)	Head - Additional Secretary, SHED, MOE Officers on deputation Staff and consultants
Program Implementation Committee (PIC)	Chair – DG, DSHE Co-chair – DG, Directorate of Madrasah Education Director, SW, PDW, MEW, FPW, ACW, TW Representatives of Partner Agencies- NAEM, NCTB, BISE, NTRCA, NU, BOU, BANBEIS, DIA, DME, BMEB, EED, NTEC
Budget and Finance Committee (BFC)	Chair – Additional Secretary, Budget 1, FD, MOF Additional Secretary, Development, SHED, MOE Additional Secretary, Secondary, SHED MOE Joint Secretary, Budget, FD, MOF Representative, CGA

IV.   COSTS AND FINANCING

A.   Investment and Financing Plan for Tranche 3

51.   The total cost of SEDP is $17.208 billion. SESIP Tranche 3 supports the subsets of SEDP. Tranche 3 is estimated at $1,996.9 million through the government's treasury system. The government has requested a loan of $225 million equivalent from ADB's concessional ordinary capital resources (Tranche 3) to finance 11% of the SESIP program cost. The government is to provide $1,251.9 million and the World Bank will provide $520 million. Table 6 shows the financing plan.

Table 6: Tranche Investment Plan of SEDP ($ million)

Item	Amount
A.	
1. Output 1: Quality and relevance of secondary education enhanced	555.0
2. Output 2: Equitable access and retention increased	815.0
3. Output 3: Education management and governance strengthened	510.2
4. Tax and duties	28.7
Subtotal (A1)	1,908.9
A.2 Contingencies	79.0
A.3 Financing charge during implementation	9.0
SESIP Tranche 3 /Total SEDP result frameworks cost (A+A2+A3)	1,996.9
B. Ongoing recurrent cost	**15,211.2**
Total	17,208.1

Source: Asian Development Bank estimates.

Table 7: Financing Plan

Source		Amount ($ million)	Share of Total (%)
ADB			
Ordinary capital resources (concessional loan)		225.0	11.0%
Government		1,251.9	63.0%
World Bank		520.0	25.0%
	Total	1,996.9	**100.0%**

ADB = Asian Development Bank.
Source: Asian Development Bank estimates.

B.   Cost Estimates Preparation and Revisions

52.   The cost estimates have been prepared by ADB based on information provided by the DSHE. The cost estimates may be further revised by the DSHE during implementation in close discussion with ADB.

C.   Key Assumptions

53.   The following key assumptions underpin the cost estimates and financing plan:

(i)   Exchange rate: Tk80.00 = $ 1.00 (as of 14 June 2017)
(ii)   Price contingencies based on expected cumulative inflation over the implementation period are as follows:

Table 8: Escalation Rates for Price Contingency Calculation

Item	2018	2019	2020	2021	2022	Average
Foreign rate of price inflation	1.5%	3.41%	4.96%	6.54%	8.14%	4.91%
Domestic rate of price inflation	6.3%	14.17%	21.36%	29.01%	37.14%	21.6%

Source: Cost Escalation Factors (https://lnadbg1.adb.org/erd0004p.nsf). ADB staff estimates.

(iii)   In-kind contributions cannot be easily measured and have not been quantified

D.   Detailed Cost Estimates by Expenditure Category

Table 9: Detailed Cost Estimates by Expenditure Category

	(Local million)			(US$ million)			% Total Cost
	Local	Foreign	Total	Local	Foreign	Total	
A. Investment Costs [a]							
1.Vehicles	126.0	-	126.0	1.6	-	1.6	0.0%
2.Equipment	3,258.2	-	3,258.2	40.7	-	40.7	0.2%
3.Furniture	346.0	-	346.0	4.3	-	4.3	0.0%
4.Training							0.0%
Local Training	9,467.5	-	9,467.5	118.3	-	118.3	0.7%
Overseas Training	1,422.0	-	1,422.0	17.8	-	17.8	0.1%
Subtotal	10,889.5	-	10,889.5	136.1	-	136.1	0.8%
5. Seminars & Workshops	201.0	-	201.0	2.5	-	2.5	0.0%
6. Studies	3,204.0	-	3,204.0	40.1	-	40.1	0.2%
7. Social Awareness and Campaign	460.0	-	460.0	5.8	-	5.8	0.0%
8. Grants	102,973.0	-	102,973.0	1,287.2	-	1,287.2	7.5%
9. Manpower	31,247.0	-	31,247.0	390.6	-	390.6	2.3%
A. Total Base Cost [b]	**152,704.7**	**-**	**152,704.7**	**1,908.9**	**-**	**1,908.9**	11.1%
B. Contingencies [c]							0.0%
Physical Contingencies	264.0	-	264.0	3.3	-	3.3	0.0%
Price Contingencies	6,056.0	-	6,056.0	75.7	-	75.7	0.4%
Total Contingencies (B)	**6,320.0**	**-**	**6,320.0**	**79.0**	**-**	**79.0**	0.5%
C. Financing Charges During Implementation [d]	**720.0**		**720.0**	**9.0**		**9.0**	0.1%
D. Total SEDP results framework cost (A+B+C)	**159,744.7**	**-**	**159,744.7**	**1,996.9**	**-**	**1,996.9**	11.6%
E. Ongoing Recurrent cost (based on current trend)	**1,216,918.9**		**1,216,918.9**	**15,211.2**		**15,211.2**	88.4%
F. Total SEDP Program cost (D+E)	**1,376,663.6**	**-**	**376,663.6**	**17,208.1**	**-**	**17,208.1**	100.0%

Note: Numbers may not sum precisely due to rounding
[a] In June 2017 prices.
[b] This includes taxes and duties to be financed by the Government of Bangladesh
[c] Physical contingencies computed at 6% for civil works and equipment. Price contingencies are computed at 6.3% on local currency costs; includes provision for potential exchange rate fluctuation under the assumption of a purchasing power parity exchange rate.
[d] Interest charges on the ADB loan will be capitalized at 2% per annum during implementation period.
Source: Government of Bangladesh and Asian Development Bank estimates.

E.   Allocation and Withdrawal of Loan Proceeds

54.   The allocation for Tranche 3 are as follows:

Table 10: Loan No. XXXX-BAN(COL): SESIP Tranche 3
Allocation and Withdrawal of Loan Proceeds

Number	Item	Total Amount Allocated for ADB Financing ($)
1	Year 1 DLI 1	5,000,000
2	Year 1 DLI 4	5,000,000
3	Year 1 DLI 6	10,000,000
4	Year 1 DLI 7	5,000,000
5	Year 1 DLI 8	10,000,000
6	Year 2 DLI 1	5,000,000
7	Year 2 DLI 2	5,000,000
8	Year 2 DLI 3	5,000,000
9	Year 2 DLI 4	5,000,000
10	Year 2 DLI 5	5,000,000
11	Year 2 DLI 6	5,000,000
12	Year 2 DLI 7	5,000,000
13	Year 2 DLI 8	15,000,000
14	Year 3 DLI 1	10,000,000
15	Year 3 DLI 2	10,000,000
16	Year 3 DLI 3	10,000,000
17	Year 3 DLI 4	10,000,000
18	Year 3 DLI 6	5,000,000
19	Year 3 DLI 7	5,000,000
20	Year 3 DLI 8	10,000,000
21	Year 4 DLI 1	5,000,000
22	Year 4 DLI 3	10,000,000
23	Year 4 DLI 4	5,000,000
24	Year 4 DLI 5	5,000,000
25	Year 4 DLI 6	5,000,000
26	Year 4 DLI 7	5,000,000
27	Year 4 DLI 8	10,000,000
28	Year 5 DLI 2	10,000,000
29	Year 5 DLI 3	10,000,000
30	Year 5 DLI 4	5,000,000
31	Year 5 DLI 6	10,000,000
	Total	**225,000,000**

ADB = Asian Development Bank
Source: Asian Development Bank Loan Financial Information System.

F. **Detailed Cost Estimates by Outputs and/or Components**

Table 11: Detailed Cost Estimates by Outputs
($ million)

Items	Total Amount	Output-1		Output-2		Output-3		Output-4	
		Amount	% of Cost Category	Amount	% of Cost Category	Amount	% of Cost Category	Amount	% of Cost Category
A. Investment Costs [a]									
1.Vehicles	1.6	1.3	79%		0%	0.3	21%		0%
2.Equipment	40.7	31.6	78%	2.6	6%	6.5	16%		0%
3.Furniture	4.3	4.2	96%	0.0	1%	0.1	3%		0%
4.Training									
Local Training	118.3	97.0	82%	5.5	5%	15.9	13%		0%
Overseas Training	17.8	6.9	39%			10.9	61%		0%
Subtotal	136.1	103.9	76%	5.5	4%	26.8	20%	-	0%
5. Seminars & Workshops	2.5	1.5	59%	0.2	7%	0.9	34%		0%
6. Studies	40.1	10.6	26%	8.0	20%	21.5	54%		0%
7. Social Awareness and Campaign	5.8	3.8	65%	2.0	35%				0%
8. Grants	1,287.2	396.5	31%	469.2	36%	421.5	33%		0%
9. Manpower	390.6	6.8	2%	342.9	88%	40.9	10%		0%
A. Total Base Cost [b]	**1,908.9**	**560.0**	**29%**	**830.4**	**44%**	**518.5**	**27%**	**-**	**0%**
B. Contingencies [c]									
Physical Contingencies	3.3	3.3	100%		0%		0%		0%
Price Contingencies	75.7	25.0	33%	25.0	33%	25.7	34%		0%
Total Contingencies (B)	**79.0**	**28.3**	**36%**	**25.0**	**32%**	**25.7**	**33%**	**-**	**0%**
C. Financing Charges During Implementation [d]	9.0	3.0		3.0		3.0	33%		0%
D. Total SEDP results framework cost (A+B+C)	**1,996.9**	**591.3**	**30%**	**858.4**	**43%**	**547.2**	**27%**	**-**	**0%**
E. Ongoing Recurrent cost (based on current trend)	**15,211.2**		**0%**		**0%**		**0%**	**15,211.2**	**100%**
F. Total SEDP Program cost (D+E)	**17,208.1**	**591.3**	**3%**	**858.4**	**5%**	**547.2**	**3%**	**15,211.2**	**88%**

Note: Numbers may not sum precisely due to rounding

[a] In June 2017 prices.

[b] This includes taxes and duties to be financed by the Government of Bangladesh.

[c] Physical contingencies computed at 6% for civil works and equipment. Price contingencies are computed at 6.3% on local currency costs; includes provision for potential exchange rate fluctuation under the assumption of a purchasing power parity exchange rate.

[d] Interest charges on the ADB loan will be capitalized at 2% per annum during implementation period.

Source: Government of Bangladesh and Asian Development Bank estimates

G. Detailed Cost Estimates by Year

Table 12: Detailed Cost Estimates by Year
($ million)

Items	Total Cost	Year 1	Year 2	Year 3	Year 4	Year 5
A. Investment Costs [a]						
1.Vehicles	1.6	0.7	0.9	-	-	-
2.Equipment	40.7	4.4	3.2	16.4	2.1	14.6
3.Furniture	4.3	2.1	0.6	1.0	-	0.6
4.Training						
Local Training	118.3	23.8	22.8	25.6	22.8	23.4
Overseas Training	17.8	3.1	3.8	5.6	2.6	2.6
Subtotal	136.1	26.9	26.6	31.2	25.4	26.0
5. Seminars & Workshops	2.5	1.1	0.4	0.4	0.4	0.2
6. Studies	40.1	5.9	11.0	8.9	11.3	3.0
7. Social Awareness and Campaign	5.8	1.8	1.0	1.0	1.0	1.0
8. Grants	1,287.2	186.9	260.6	264.3	281.0	294.5
9. Manpower	390.6	77.8	78.3	78.3	78.3	77.8
Total Base Cost [b]	**1,908.9**	**307.5**	**382.7**	**401.5**	**399.4**	**417.8**
B. Contingencies [c]						
Physical Contingencies	3.3	0.5	0.5	0.8	0.5	1.0
Price Contingencies	75.7	5.6	12.8	19.7	3.1	34.5
Total Contingencies (B)	**78.9**	**6.1**	**13.3**	**20.4**	**3.6**	**35.5**
C. Financing Charges During Implementation [d]	**9.0**	**1.0**	**2.0**	**2.0**	**2.0**	**2.0**
D. Total SEDP results framework cost (A+B+C)	**1,996.9**	**314.6**	**398.0**	**423.9**	**405.0**	**455.3**
E. Ongoing Recurrent cost (based on current trend)	**15,211.2**	**2,594.4**	**2,845.7**	**3,121.9**	**3,223.4**	**3,425.9**
F. Total SEDP Program cost (D+E)	**17,208.1**	**2,909.0**	**3,243.7**	**3,545.8**	**3,628.4**	**3,881.1**
% of Total Project Cost	**100%**	**17%**	**19%**	**21%**	**21%**	**23%**

Note: Numbers may not sum precisely due to rounding.

[a] In June 2017 prices.

[b] This includes taxes and duties to be financed by the Government of Bangladesh.

[c] Physical contingencies computed at 6% for civil works and equipment. Price contingencies are computed at 6.3% on local currency costs; includes provision for potential exchange rate fluctuation under the assumption of a purchasing power parity exchange rate.

[d] Interest charges on the ADB loan will be capitalized at 2% per annum during implementation period.

Source: Government of Bangladesh and Asian Development Bank estimates.

H.   Contract Awards and Disbursement S-Curve

Table 13: Contract Awards and Disbursement Projections (Tranche 3 Loan)

	Contract Awards (in USD million)							Disbursements (in USD million)					
	Q1	Q2	Q3	Q4	Total	Cum.		Q1	Q2	Q3	Q4	Total	Cum.
2018	-	-	-	15.00	15.00	15.00	**2018**	-	-	-	15.00	15.00	15.00
2019	-	-	-	25.00	25.00	40.00	**2019**	-	-	-	25.00	25.00	40.00
2020	-	-	-	30.00	30.00	70.00	**2020**	-	-	-	30.00	30.00	70.00
2021	-	-	-	20.00	20.00	90.00	**2021**	-	-	-	20.00	20.00	90.00
2022	-	-	-	20.00	20.00	110.00	**2022**	-	-	-	20.00	20.00	110.00
2023	-	-	-	115.00	115.00	225.00	**2023**	-	-	-	115.00	115.00	225.00

Note: For projection purposes, only up to half of the maximum allocation for the year will be committed every year.

S-Curve for Tranche 3 Loan
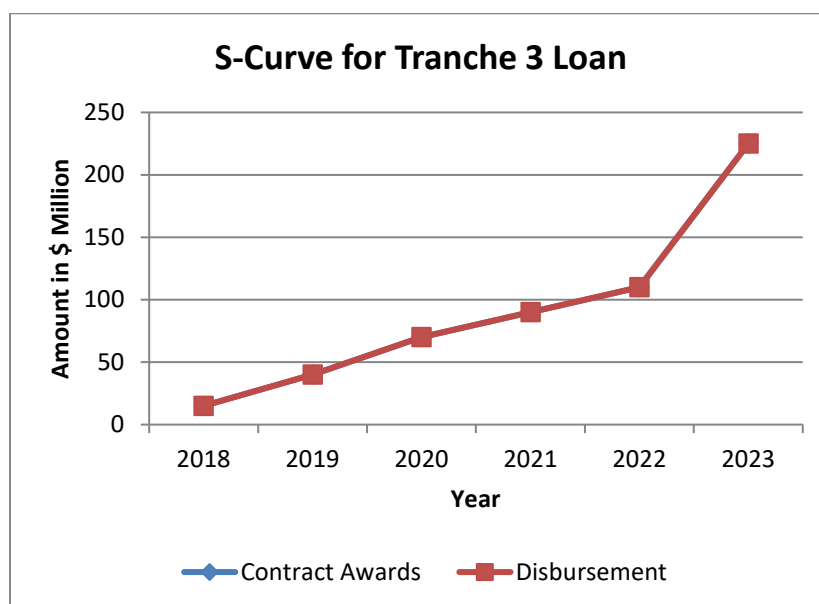
V.   FINANCIAL MANAGEMENT

A.   Financial Management Assessment

55.   The financial management assessment was conducted in June–July 2017 in accordance with ADB's Guidelines for the Financial Management and Analysis of Projects and the Financial Due Diligence: A Methodology Note. The financial management assessment considered the capacity of the government's treasury system, executing agency, and implementing agency, including funds flow arrangements, staffing, accounting and financial reporting systems, financial information systems, and internal and external auditing arrangements. Based on the assessment, the key financial management risks identified are capacity to plan, manage, implement, and monitor sector reforms. These constraints are pervasive in the public administration system. It is concluded that the overall pre-mitigation financial management risk is substantial. The executing and implementing agency, together with the MOF, have agreed to implement an action plan as

key measures to address the deficiencies. The financial management action plan is provided in Annex 6.

56.   Strategy to mitigate the risk has been taken for the whole SESIP facility period, to strengthen the national treasury system,[14] working closely with MOF, Finance Division. In line with the National Procurement and Financial Management (PFM) Reform Strategy (2016–2021) which aims at developing a single harmonized budget and improvement of credibility of the national annual budget, the government decided that the SESIP Tranche 3 will be taken as a national pilot for introduction of a single budget system. SESIP assists the government to take a major step towards improved budget management, budgeting, allocation, execution, and reporting. Given this context, SESIP will continue assisting implementation of IBAS++ in secondary education as major risk mitigation measures. It will facilitate more accurate financial transactions and recording, enhanced transparency through detail reporting, and compatibility of classification consistent with the international standard. It will have centralized internet and oracle base software which allow budget preparation, budget distribution in the field level offices, fund release, re-appropriations, and payment processing through automated reconciliations. Other risk mitigation measures for smooth implementation of single budget system was agreed with the government and documented in the PFM action plan (Annex 6).

57.   Key reforms in the government IBAS have helped improve financial management through extensive support of the Strengthening Public Expenditure Management Program. Expanded IBAS is gradually gaining trust of foreign-aided programs and projects that are willing to channel funds through its system. To further improve financial management practices and mitigate fiduciary risks, measures which were put in the PFM action plan are the following: (i) reflect SESIP resource requirements in the medium-term budget framework; (ii) agree with MOF on advance ceilings for selected cost centers for meeting immediate cash requirements; (iii) select IBAS-generated reports for program financial monitoring purposes and the form and content of the financial statements for annual reporting purposes; (iv) agree on an action plan for the implementation of Budget and Financial Management Information System; and (v) develop and implement a capacity development plan for MOE internal audit.

58.   SESIP Tranche 3 will continue supporting MOF taking MOE for a pilot of IBAS++[15] implementation. With ADB's on-gong TA support, development of software of the Budget and Financial Management Information System and its users' manual were prepared. This supports IBAS++ implementation. Tranche 3 will support training and operationalization to strengthen financial management in secondary education sector. DSHE FPW will be responsible for the implementation.

59.   In addition to the MOE and DSHE-led risk mitigation measures, ADB will also conduct an AFR. A special review may also be conducted should needs arise. The government, ADB, and the World Bank will jointly select themes of the AFR and agree on the TORs every year. ADB will finance and recruit the AFR consultants through separate sources. The government, ADB, and the World Bank will agree on actions to be implemented based on the recommendations of AFR and update the PFM action plan. Implementation of agreed actions in the updated PFM action plan will trigger achievement of DLI 8 (Strengthened Risk Management). The PFM action plan and generic TORs for the AFR including post-procurement review are attached as Annexes 6 and 5.

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[14] As ADB's funds flow into the Ministry of Finance Treasury Accounts.
[15] Updated upcoming version of IBAS.

60.   SESIP expenditure framework that includes ADB loan proceeds is composed of eligible expenditure items from both development and non-development expenditures. These program budget heads (PBHs) includes salaries of teachers and secondary education personnel, allowance, goods, grants to nongovernment schools, stipends, training, school repair and maintenance, surveys and studies, and seminars and workshops. PBHs exclude expenditures related to higher education, technical education, and ongoing government and foreign-aided projects, and civil works. A list of PBHs for Tranche 3 with broad financial allocation in accordance with government chart of account is in Annex 8.

B.   Disbursement

61.   ADB will disburse the loan to the government's consolidated fund to a designated account with the Bangladesh Bank. MOE, DSHE, and co-implementing agencies will follow the regular government system for budget execution, and payment will be made through the Controller General of Accounts system. Funds will flow from the Treasury Account to co-implementing agencies (legally autonomous institutions directly).

62.   Disbursement will be made semiannually in May and November on a reimbursement basis with amounts contingent upon (i) achieving DLIs verified by the IVA commissioned by MOE; and (ii) submission of interim (unaudited) financial reports (IFRs) for the corresponding period which will evidence that government spending on the SESIP PBHs exceeds ADB's contribution for the corresponding period. The IFRs will be prepared by the DSHE FPW with support from the chief accounting officer, MOE based on the IBAS-generated budget management reports in accordance with the IFR format and submitted by MOE to ADB. Disbursement arrangements are in accordance with ADB's *Loan Disbursement Handbook* (2017, as amended from time to time), and detailed arrangements agreed upon between the government and ADB. The IFR will serve as the simplified statement of expenditure in terms of the Loan Disbursement Handbook and supporting invoices shall not be required to be submitted.

63.   A set of DLIs have been selected from the program result framework for Tranche 3. The DLIs show sector outcomes, intermediate outcomes, institutional development, and performance results. Total of 35 disbursement-linked results have been set in the eight DLI areas in quality, access and retention, sector management and fiduciary management. On DLI 8 in year 1, DLI 6 in year 2, DLI 2 and DLI 3 in year 5, disbursement will be made on sub-DLI basis. There are no partial disbursements.

64.   For each DLI, MOE and DSHE, in support of the sector program support unit (SPSU), will send a report with evidence of DLI achievement according to the DLI protocol to ADB. All DLIs need to be achieved to receive disbursement for respective DLIs. The funds linked to DLIs can be disbursed in the following disbursement schedule if (i) DLIs are achieved, and (ii) submission of IFR for the corresponding period which will evidence that government spending on the SESIP PBH exceeds ADB's contribution for the corresponding period. The agreed DLI matrix, DLI verification, and DLI disbursement table are in Annex 2 respectively.

65.   To ensure effective project implementation and timely disbursement, MOE in close coordination with MOF and Bangladesh Bank, will be responsible for (i) preparing disbursement projections, (ii) collecting supporting documents, (iii) preparing withdrawal applications, and (iv) sending them to ADB.

66.   Pursuant to ADB's Safeguard Policy Statement (SPS) (2009),[16] ADB funds will not be applied to the activities described in the ADB Prohibited Investment Activities List set forth in the SPS. None of the PBHs of MOE or the PBHs includes any of the items from the prohibited investment activities list.

67.   The program financial statements for Tranche 3 should reflect (i) aggregate procurement review value from ADB's non-member countries, and (ii) the Simplified Statement of Expenditure and a reconciliation of Eligible Expenditure Categories to show that on a yearly basis, expenditure under the eligible PBHS (net of any declared misprocurement) cumulatively exceeds amounts due from ADB under the DLI matrix.

C.   Accounting

68.   The program financial statements will be prepared in accordance with international accounting best principles and practices as well as government's accounting laws and regulations. The SESIP financial statements, includes a Statement of Sources and Uses of Funds, Expenditures by the program result areas, Statement of Budget vs. Actual, and related explanatory notes. The Sources and Uses of Funds shall comprise all sources of funds, including from ADB, other donors, and the government (consolidated expenditure in eligible PBHs non-development budget) which shall be funded by ADB. These financial statements shall be audited annually, in accordance with appropriate auditing standards consistently applied, by independent auditors whose qualifications, experience, and TOR are acceptable to ADB.

D.   Auditing and Public Disclosure

69.   The MOE will submit the audited accounts in English language to ADB within 9 months of the end of each fiscal year.

70.   The audit report for the program financial statements will include a management letter and auditor's opinions, which cover (i) whether the program financial statements present an accurate and fair view or are presented fairly, in all material respects, in accordance with the applicable financial reporting standards; (ii) whether the proceeds of the loan were used only for the purpose(s) of the program; and (iii) whether the borrower or executing agency was in compliance with the financial covenants contained in the legal agreements (where applicable).

71.   Compliance with financial reporting and auditing requirements will be monitored by review missions and during normal program supervision, and followed up regularly with all concerned, including the external auditor.

72.   The government, MOE, and DSHE have been made aware of ADB's approach to delayed submission, and the requirements for satisfactory and acceptable quality of the audited program accounts.[17] ADB reserves the right to commission a supplementary audit to confirm that the share

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[16] Available at: http://www.adb.org/Documents/Policies/Safeguards/Safeguard-Policy-Statement-June2009.pdf.

[17] ADB's approach and procedures regarding delayed submission of audited project financial statements:
  (i)   When audited project financial statements are not received by the due date, ADB will write to the executing agency advising that (a) the audit documents are overdue; and (b) if they are not received within the next 6 months, requests for new contract awards and disbursement such as new replenishment of imprest accounts, processing of new reimbursement, and issuance of new commitment letters will not be processed.
  (ii)   When audited project financial statements are not received within 6 months after the due date, ADB will withhold processing of requests for new contract awards and disbursement such as new replenishment of imprest accounts, processing of new reimbursement, and issuance of new commitment letters. ADB will (a) inform the

of ADB's financing is used in accordance with ADB's policies and procedures. The Statement of Audit Needs is in Annex 7.

73.   Public disclosure of the audited program financial statements, including the auditor's opinion on the project financial statements, will be guided by ADB's Public Communications Policy (2011).[18] After the review, ADB will disclose the audited program financial statements and the opinion of the auditors on the program financial statements no later than 14 days of ADB's confirmation of their acceptability by posting them on ADB's website. The management letter, additional auditor's opinions, and audited entity financial statements will not be disclosed.[19]

VI.   PROCUREMENT

A.   Procurement of Goods

74.   The government will carry out and be accountable for all procurement of goods. All goods costing less than $2 million will be procured using the national competitive bidding (NCB) method in accordance with the government's Public Procurement Act, 2006 and Public Procurement Rules, 2008 with NCB modifications applicable to Bangladesh as agreed between the government and ADB. Goods above the NCB thresholds will be procured using ADB's *Guidelines on Procurement* (2015, as amended from time to time) and standard bidding documents.[20] International competitive bidding, and higher value contracts will be excluded from SESIP Tranche 3 scope (they are included in the SEDP). World Bank will provide the TA and the recruitment of consultants will be following International Development Association guidelines. The procurement plan will be updated annually and submitted to ADB (with only NCB packages which SESIP covers) during the DLI verification mission.

75.   An 18-month procurement plan indicating threshold and review procedures, goods packages, and national competitive bidding guidelines is in Section C.

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executing agency of ADB's actions; and (b) advise that the loan may be suspended if the audit documents are not received within the next 6 months.

(iii) When audited project financial statements <u>are not received within 12 months after the due date</u>, ADB may suspend the loan.

[18] Public Communications Policy: http://www.adb.org/documents/pcp-2011?ref=site/disclosure/publications.

[19] This type of information would generally fall under public communications policy exceptions to disclosure. ADB. 2011. *Public Communications Policy*. Paragraph 97(iv) and/or 97(v).

[20] The first goods package of Tranche 2 was subject to prior review of ADB and the approval of the master bidding document by ADB in March 2015 (for e-Bid document of Package GD 55). The approved document has been used as master document for NCB. The procurement training has been on track. In addition, the annual procurement review embedded in the program design gives assurances of improving procurement actions made by MOE and DSHE.

B.   Procurement Plan

Basic Data

 # Tranche-3 Procurement Plan

Project Name: Secondary Education Sector Investment Program (SESIP)-**Tranche-3**	
Project Number: 44213-018	**Approval Number**: LXXXX-BAN
Country: BANGLADESH	**Executing Agency**: Ministry of Education (MOE)
Project Procurement Classification: Category B	**Implementing Agency:** Directorate of Secondary and Higher Education (DSHE)
Procurement Risk: Average	

Project Financing Amount: $3,060 million
  ADB Financing: $225 million
  Non-ADB Financing: Co-financing (ADB Administered): US $ XXX million
	Project Closing Date: 30 June 2023

Date of First Procurement Plan: 12 Jun 2017	**22 January 2018**

A.   Methods, Thresholds, Review and 18-Month Procurement Plan
1.   Procurement and Consulting Methods and Thresholds

Except as the Asian Development Bank (ADB) may otherwise agree, the following process thresholds shall apply to procurement of goods.

Procurement of Goods		
Method	**Threshold**	**Comments**
National Competitive Bidding (NCB) for Goods	Below $ 2 million	All packages are subject to post review. Approved Master Bidding Document (MBD)/e-MBD will be used for bidding/e-Bidding process. Government electronic procurement (e-GP) will be used for all packages.
National Competitive Bidding (NCB) for Goods (Frame work contracts)	Below $ 2 million	First package is subject to prior review. All subsequent packages are subject to post review. Approved e-GP master bidding document will be used for framework contracts.
Shopping for Goods	Below $100,000	N/A

Source: Asian Development Bank.

2.   Goods and Works Contracts Estimated to Cost $ 1 Million or More

The following table lists goods and works contracts for which the procurement activity is either ongoing or expected to commence within the next 18 months.

Goods							
Package Number	**General Description**	**Estimated Value (In US $)**	**Procurement Method**	**Review (Prior / Post)**	**Bidding Procedure**	**Advertisement Date (quarter/year)**	**Comments**
GD-01-02	Purchase of Science Equipment and Furniture for Establishing Science group in non-science group Schools & Madrasahs.	2.870 m	NCB	Post	ISIE	Q2/2019	Two packages, two contracts for Y1 by BMEB.
GD-03-04	Purchase of Science Equipment and Furniture for	2.870 m	NCB	Post	IS1E	Q3/2018	Two packages for two

Package Number	General Description	Estimated Value	Number of Contracts	Procurement Method	Review (Prior / Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
	Establishing Science group in non-science group Schools & Madrasahs (need based)							contracts for Y1 by DSHE.
GD-05-06	Printing of all different types of Manuals/ training/Reports for harmonized stipend, School management, Pre-Voc and Voc, LSB, Data management, CPD, IDF, STDP, ACT/ICT program, CAD, quality assurance program, etc.	3.524 m	2	Post	1S1E	Q2/2018		Two Frame work contracts (by DSHE) under two packages. One for Y1-Y3 and other is for Y4-Y5 with staggered supply.
GD-07-08	Computer, Equipment and Accessories for 5 COEs	2.187 m	2	NCB	Post	ISIE		Two package, Two contracts for Y2.
GD-09	Computer, Equipment, Equipment and accessories for ILC	1.455 m	1	NCB	Post	1S1E		One Package for one Contract for Y2.
GD-10	Furniture for 5 New TECs and Upgraded TECs.	2.500 m	2	NCB	Post	ISIE		One package, two lot contracts for Y2/Y3

Works

Package Number	General Description	Estimated Value (In US $)	Procurement Method	Review (Prior / Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
Not Applicable							

3. Consulting Services Contracts Estimated to Cost $100,000 or More

The following table lists consulting services contracts for which the recruitment activity is either ongoing or expected to commence within the next 18 months.

Package Number	General Description	Estimated Value	Recruitment Method	Review (Prior / Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
Not Applicable							

4. Goods Contracts Estimated to Cost Less than $1 Million and Consulting Services Contracts Less than $100,000 (Smaller Value Contracts

The following table groups smaller-value goods, works and consulting services contracts for which the activity is either ongoing or expected to commence within the next 18 months.

Goods

Package Number	General Description	Estimated Value	Number of Contracts	Procurement Method	Review (Prior / Post)	Bidding Procedure	Advertisement Date (quarter/ year)	Comments
GD-11-12	Printing of revised Curriculum, NCPF & TCG	0.772 m	2	NCB	Post	ISIE	Q1/2019 & Q3/2021	Two Framework contracts (by NCTB) under

								two packages. First one is for Y1-Y3 & Second for Y4-Y5 with staggered supply.
GD-13	Printing of Refresher, CPD, IDF Training Materials & STDP, Need Assessment and Impact study on ACT program.	0.268 m	1	NCB	Post	ISIE	Q2/2019	One Frame work Contract under one package (by DSHE) with staggered supply for Y1.
GD-14	Printing training and materials for EED	0.063 m	1	NCB	Post	1S1E	Q1/2018	One Framework contract (by EED) under one package for Y1-Y3 with staggered supply.
GD-15	Computer, Equipment, Software & Peripherals and Furniture for NCTB Strengthening	0.566 m	2	NCB	Post	ISIE	Q3/2018	One Package two lot contracts for Y1.
GD-16-24	Computer and accessories, Equipment for Establishment of ICT Lab.	6.250 m	9	NCB	Post	ISIE	Q3/2019	Nine Package for nine Contracts under nine DSHE Zones. Average estimated cost is 0.65 m US $. However, per contract estimate may vary during preparation of official cost estimates.
GD-25	Computer and accessories, Equipment for 5 Newly Established TEC and 14 Upgraded TEC.	0.250 m	1	NCB	Post	ISIE	Q3/2019	One Package for one Contract for Y1.

GD-26	Vehicle for NCTB (Jeep and Microbus)	0.038 m	1	NCB	Post	ISIE	Q2/2018	One Package, one contract for Y1.
GD-27	Vehicle (4WD/& Microbus) 4 HTTIs & DSHE (FPW for Procurement & Fiduciary management)	0.775 m	1	NCB	Post	ISIE	Q2/2018	One Package for One Contract (by DSHE) for Y1.
GD-28	Computer, Equipment and Furniture under Harmonized Stipend Programme.	0.50 m	1	NCB	Post	1S1E	Q3/2018	One Package for One Contract for Year-1.
GD-29	Computer, Software, Peripherals, Equipment and furniture (for women hostel) for NAEM Education Management and NAEM strengthening	1.625 m	2	NCB	Post	ISIE	Q2/2019	One Package, two lot contracts for Y1/Y2.
GD-30-31	Class room Furniture for Need based Infrastructure under EED	0.200 m	2	NCB	Post	ISIE	Q2/2019 Q2/2021	Two Packages for Two Contracts. One Package is for Y1 and the other is for Y4.
Consulting Services								
Package Number	**General Description**	**Estimated Value**	**Number of Contracts**	**Recruitment Method**	**Review (Prior / Post)**	**Advertisement Date (quarter/year)**	**Type of Proposal**	**Comments**
Not Applicable								

B. Indicative List of Packages Required Under the Project

\# The following table provides an indicative list of goods, works and consulting services contracts over the life of the project, other than those mentioned in previous sections (i.e., those expected beyond the current period).

Goods							
Package Number	**General Description**	**Estimated Value (cumulative)**	**Estimated Number of Contracts**	**Procurement Method**	**Review (Prior / Post)**	**Bidding Procedure**	**Comments**
GD-32	Computer, Equipment, accessories and	1.250 m	2	NCB	Post	1S1E	One Package, two lot contracts for Y3/Y4.

	Furniture for Pre-Voc & Voc.						
GD-33	Furniture for 86 SESDP Schools Dormitories in Underserved Areas	0.990 m	1	NCB	Post	ISIE	One Package for one Contract for Y3.
GD-34	Computer, Equipment, Accessories and Furniture for New HTTIs	0.850 m	1	NCB	Post	1S1E	One Package for one Contract for Y2/Y3.
GD-35	Computer, Equipment, accessories and Furniture for USEO's	0.325 m	2	NCB	Post	1S1E	One Package, two lot tender for two contracts for Y3.
GD-36	Science Equipment for Newly Constructed Schools in Underserved Areas	0.225 m	1	NCB	Post	ISIE	One Package for one Contract for Y3.
GD-37	Purchase of Learning Materials	0.012 m	1	NCB	Post	1S1E	One Package for One Contract for Y3.
GD-38	Computer and Equipment for NTSC offices	0.525 m	1	NCB	Post	1S1E	One Package for One Contract for Year-2.
GD39	Computer, Equipment and Furniture for DSHE Restructuring	0.250 m	1	NCB	Post	1S1E	One Package under DSHE for one Contract for Y2/Y3.
GD-40	Vehicles for NAEM (Jeep and Microbus)	0.200 m	1	NCB	Post	ISIE	One Package for one contract for Y3.
GD-42	Vehicles for Newly Established TEC (Jeep and Microbus)	0.200 m	1	NCB	Post	ISIE	One Package for one Contract for Y3.
GD-43	Vehicle for Non-Government Teachers Selection Commission (Jeep and Microbus)	0.200 m	1	NCB	Post	ISIE	One Package for one Contract for Y2.
GD-44	Furniture for COEs	0.425 m	1	NCB	Post	ISIE	One package for one Contract in Y2
GD-45-46	Furniture for ILC	1.98 m	2	NCB	Post	ISIE	Two packages for two contracts under EED head office for Y2.
GD-47	Furniture for Residential Schools for Underserved Areas.	0.200 m	1	NCB	Post	ISIE	One Package for one Contract for Y3.

Consulting Services							
Package Number	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Review (Prior / Post)	Type of Proposal	Comments
Not Applicable							

NOTE-1: Secondary Education Sector Development Program (SEDP) will be financed out of Government non-development /unified single budget. As per the requirement of the country system (PPA/PPR), each implementing agency needs to prepare Annual Procurement Plan (APP) at the outset of the FY based on the allocation under AOP in non-development/single budget to the PA. Country system (PPR) provides for revision of the APP quarterly with the

approval of the HOPE. However, any required change which is not consistent with the ADB's procurement Plan, will need to be prior concurred by ADB.

NOTE-2: In case of computer and equipment and also furniture, if similar time can be planned for invitation of Tender under the same agency, more than one similar package (s) can be clubbed together and tendered in a single package to minimize the cost and time. All contracts, as agreed, will be processed thorough e-GP.

NOTE-3: Consultant Services will be processed under TA of WB and not included in this indicative Procurement Plan. Civil works packages are also excluded since ADB is not financing any civil works under T3.

NOTE-4: This plan is indicative. Each agency can include packages in their first year APP to be prepared following country procurement system and based on Y1 packages mentioned under comment column.

C.   List of Awarded and On-going, and Completed Contracts

The following tables list the awarded and ongoing contracts and completed contracts.

1. Awarded and Ongoing Contracts

Package Number	General Description	Estimated Value	Contract Value	Procurement Method	Advertisement Date (quarter/ year)	Date of ADB Approval of Contract Award	Comments
Goods							
Nil							

Package Number	General Description	Estimated Value	Contract Value	Procurement Method	Advertisement Date (quarter/ year)	Date of ADB Approval of Contract Award	Comments
Works							
Nil							

Package Number	General Description	Estimated Value	Contract Value	Recruitment Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Comments
Consulting Services							
Nil							

2. Completed Contracts

				Goods and Works				
Package Number	General Description	Estimated Value	Contract Value	Procurement Method	Advertisement Date (quarter/ year)	Date of ADB Approval of Contract Award	Date of Completion	Comment
Goods								
Nil								

				Goods and Works				
Package Number	General Description	Estimated Value	Contract Value	Procurement Method	Advertisement Date (quarter/ year)	Date of ADB Approval of Contract Award	Date of Completion	Comment
Works								
Nil								
				Consulting Services				
Package Number	General Description	Estimated Value	Contract Value	Recruitment Method	Advertisement Date (quarter/year)	Date of ADB Approval of	Date of Completion	Comment

					Contract Award		
Nil							

D.   Non-ADB Financing

The following table lists goods, works and consulting services contracts over the life of the project, financed by Non-ADB sources

Goods and Works					
Package number	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Procurement Method	Comments
Goods					
Not Applicable					

Goods and Works					
Package Number	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Procurement Method	Comments
Works					
Not Applicable					

Consulting Services					
Package number	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Comments
Not Applicable					

E.   National Competitive Bidding

1.   General

The procedures to be followed for national competitive bidding shall be those set forth for the National Open Tendering Method in the Government's *Public Procurement Rules, 2008* (as updated and issued pursuant to the Bangladesh *Public Procurement Act, 2006*) with the clarifications and modifications described in the following paragraphs required for compliance with the provisions of the Procurement Guidelines.

2.   Advertising

Bidding of NCB contracts estimated at US $ 500,000 or more for goods and related services or US $1,000,000 or more for civil works shall be advertised on ADB's website via the posting of the Annual Procurement Plan.

3.   Anti-Corruption

Definitions of corrupt, fraudulent, collusive and coercive practices shall reflect the latest ADB Board-approved Anti-Corruption Policy definitions of these terms and related additional provisions (such as conflict of interest, etc.).

4.   Location of Bid Submission

Submission of bids to 'primary' and 'secondary' locations, or 'multiple droppings' of bids, shall not be required or allowed. Advertisements and bidding documents shall specify only one location for delivery of bids.

5.   Rejection of All Bids and Rebidding

Bids shall not be rejected and new bids solicited without ADB's prior concurrence.

6.   Member Country Restrictions

Bidders must be nationals of member countries of ADB, and offered goods must be produced in member countries of ADB.

7.   Lottery

A lottery system shall not be used to determine a successful bidder, including for the purpose of resolving deadlocks.

8.   Qualification Requirements

A successful bidder must be determined by an assessment process that shall include the application of qualification requirements to all bids.

9.   Rejection of Bids

A bid shall not be rejected on the grounds that its bid price is not within a percentage range above or below the contract estimate.

VII.   SAFEGUARDS

76.   **Safeguards.[21]** As ADB's support does not include any civil work component, no adverse impact of environment and resettlement is envisaged. The program supports all the students including small ethnic minority people to benefit from improved secondary education in access, retention, and quality. Some program activities which needs special attention was documented in the small ethnic minority community people's plan.

77.   **Prohibited investment activities.** Pursuant to ADB's SPS (2009), ADB funds may not be applied to the activities described on the ADB Prohibited Investment Activities List set forth at Review Assessment Framework prepared for the whole tranche related to the SPS (2009).

VIII.   GENDER AND SOCIAL DIMENSIONS

78.   The gender action plan (GAP) prepared for Tranche 3 supports the purpose and overall objectives of SESIP by explicit integration of gender concerns within the program outputs. Specific actions and targets are set out in the GAP, with some of these targets included in the design and monitoring framework (DMF). Specific activities of the GAP are in Annex 3.

IX.   PERFORMANCE MONITORING, EVALUATION, REPORTING, AND COMMUNICATION

A.   Program Design and Monitoring Framework

79.   The DMF is a summary of the program design and contains the core indicators that focus on the overall project results. Impact and outcome are achieved through results area inputs aimed at achievement of performance targets and/or output indicators. The DMF defines the extent of ADB inputs for SESIP target achievement.

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[21] All the framework documents in environment, resettlement, and small ethnic community people were prepared for the facility development in 2013.

Table 14: Design and Monitoring Framework for Tranche 3

Impact the Project is Aligned with			
A more efficient, equitable, and higher quality secondary education system (National Education Policy, 2010 and Secondary Education Sector Road Map, 2013–2023)			

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting	Risks
Outcome Student outcomes[22] in secondary education and effectiveness of secondary education system improved	a. GER secondary education (grades 6–10) increased from 74.23% (girls: 81.74%) in 2016 to 82% in 2023 (girls: 85%)	a. BANBEIS/DSHE EMIS	Weak coordination to implement the sector program with results-based approach
	b. Grade-wise transition rate from 8 to 9 increased from 83% (girls: 82%) in 2016 to 85% in 2023 (girls: 86%)	b. BANBEIS/DSHE EMIS	
	c. Results of the NASS, 2019 in Bangla, English, and math improved by 5% in each subject, based on 2017 baseline[23]	c. NASS reports	
Outputs 1. Quality and relevance of secondary education enhanced	1a. By 2023, revised curriculum following NCPF in all schools and madrasahs delivering improved content and teaching methodology with gender-responsive approach implemented (Baseline: N/A)	1.a DSHE's secondary education sector performance report	
	1b. By 2023, practical science teaching in all schools and madrasahs introduced (Baseline: 5,000 schools and madrasahs)	1b. Third-party evaluation report on DLI achievement	
	1c. By 2021, e-learning in at least 40% schools and 10% madrasahs implemented (Baseline: N/A)	1c. DSHE's secondary education sector performance report	
	1d. By 2023, hands-on pre-vocational subject in 30% schools and madrasahs at grades 6–8 implemented (Baseline: 0)	1d. DSHE's secondary education sector performance report	
	1e. In 2019 and 2022, NASS conducted (Baseline: N/A)	1e. NASS report	
	1f. By 2022, Secondary Teacher Development Policy by MOE approved (Baseline: N/A)	1f. MOE's approved Secondary Teacher Development Policy	
2. Equitable access and retention increased	2a. By 2022, grade 10 retention rate of poverty targeted stipend recipients including girls reached 70% (Baseline: N/A)	2a. Independent verification report	Continued early marriage especially among female students, and increased opportunity costs for schooling
	2b. By 2018, Maintenance Policy for School Facilities with gender-responsive approach as per Education Institution Construction	2b. MOE's approved policy	

[22] Students' outcome refers refer to enrollment, retention, completion, and learning levels.
[23] Results of the NASS will be produced and verified in 2018. Gender targets will also be set in 2018.

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting	Risks
	Policy Guidelines is approved (Baseline: N/A)		
	2c. By 2018, adolescent girls' program plan and water and sanitation plan approved (Baseline: 0)	2c. MOE's approved implementation plan	
	2d. By 2023, incentive mechanism for female teachers in 400 schools and 100 madrasahs in disadvantaged areas piloted (Baseline: N/A)	2d. MOE's pilot report	
3. Education management and governance strengthened	3a. By 2019, the MPO Rationalization Plan is approved by MOE (Baseline: N/A)	3a. MOE's approved plan	
	3b. By 2021, annual EMIS report with sex-disaggregated data published (Baseline: N/A)	3b. Annual EMIS report	
	3c. By 2023, 90% of 700 DDOs (including all 100 females) for IBAS++ implementation trained (Baseline: 0)	3c. MOE's training report	
	3d. By 2019, e-GP for 100% non-ICB contracts in all the co-implementing agencies under tranche 3 rolled out (Baseline: 0)	3d. e-GP web page	

Key Activities with Milestones
1. Quality and relevance of secondary education enhanced
1.1 By 2019, NCPF implementation plan will be developed.
1.2 By 2019, all science teachers will receive follow-up training on practical science teaching.
1.3 By 2019, e-learning modules for six more subjects (in addition to five core subjects) will be developed.
1.4 By 2022, secondary teacher development policy will be developed.
1.5 By 2021, quality improvement recommendations will be implemented in all government teacher education colleges (presently named teacher's training colleges).
1.6 By 2019, Continuous Professional Development Training for 20% teachers (female: 20%) will be conducted.
1.7 By 2018, National Assessment Center Plan will be developed.
1.8 By 2021, item bank for question setting of public examinations will be implemented by BISE.
1.9 By 2022, learning assessment in SEQAEP-supported institutions will be upgraded to the NASS with improved methodology.
2. Equitable access and retention increased
2.1 By 2020, the National Education Institutions Construction Policy Guidelines will be implemented by EED.
2.2 By 2019, harmonized stipend program will be implemented.
2.3 By 2020, pilot on incentive mechanism for female teachers will be initiated in 50 upazilas.
2.4 By 2019, implementation plan on water and sanitation program for adolescent girls will be prepared.

3. Education management and governance strengthened
3.1 By 2018, a comprehensive rationalized decentralization plan of DSHE will be developed.
3.2 By 2020, a new MPO guideline will be developed and distributed to all education offices.
3.3 By 2021, a comprehensive, upgraded EMIS including school GMS will be implemented.
3.4 By 2018, training manuals of IBAS++ implementation will be developed.
3.5 From 2018 to 2022, annual fiduciary review will be conducted every year.
3.6 By 2018, result-based, unified, and harmonized M&E tools developed and implemented.

| **Inputs** |
| ADB: $225 million (loan) |
| Government: $1,251.9million |
| World Bank: $520 million (collaborative parallel cofinancing) |
| UNICEF and UNESCO to provide TA grant. |
| **Assumptions for Partner Financing** |
| To achieve the set outcome, the support, including TA, provided by the development partners is essential. |

[a] Government of Bangladesh, Ministry of Education. 2010. *National Education Policy, 2010.* Dhaka.

ADB = Asian Development Bank, BANBEIS = Bangladesh Bureau of Educational Information and Statistics, BISE = Board of Intermediate and Secondary Education, DDO = drawing and disbursement officer, DSHE = Directorate of Secondary and Higher Education, DLI = disbursement-linked indicator, e-GP = electronic government procurement, EED = Education Engineering Department, EMIS = education management information system, GER = gross enrollment ratio, GMS = grant management system, IBAS = Integrated Budget and Accounting System, ICB = international competitive bidding, M&E = monitoring and evaluation, MPO = monthly payment order, MOE = Ministry of Education, NASS = National Assessment of Secondary Students, NCPF = National Curriculum Policy Framework, SEQAEP = Secondary Education Quality and Access Enhancement Project, TA = technical assistance, UNESCO = United Nations Educational, Scientific and Cultural Organization, UNICEF = United Nations Children's Fund.

Source: Asian Development Bank.

B.   Monitoring

80.   **Program performance monitoring.** SESIP monitoring, communication, and reporting will be built on those established under SEDP and governed through organization arrangements which provide the framework for undertaking reliable monitoring, effective communication, and timely reporting. The PSU under the authority of the director general, DSHE, in collaboration with the DSHE Planning and Development Wing (PDW), will be the primary line agency responsible for coordination of information flow, aggregation of the required raw and/or processed data from responsible co-implementing agencies and their respective outputs, and preparing all SESIP-related institutional performance reports. DSHE MEW will have the primary responsibility to undertake field-based monitoring supported by the EMIS. SPSU oversight and guidance for monitoring and reporting is undertaken by the sector program implementation committee. It will guide report preparation, make recommendations to improve monitoring and reporting systems and processes, and approve reports for MOE and sector program steering committee (SPSC) review. Prior to submission of reports to ADB, full endorsement of all reports will be undertaken quarterly by the SPSC, headed by the MOE secretary. Financial monitoring will be guided by the PFM action plan, with specific time-bound reporting detailed in the reporting arrangements presented below. Financial monitoring will be undertaken by DSHE through SPSU with the intent of transferring this responsibility to the functional FPW established with DSHE reorganization. MOE chief accounting office will provide support as needed. The annual post procurement review will be undertaken by DSHE PDW with support from the SPSU.

81.   Monitoring and reporting for the program are guided by the (i) Tranche 3 results framework with (ii) the DLI matrix and verification protocol that indicates how DLI achievement will be measured and (iii) availability of a complete set of program outputs and financial review reports that evidence the level and extent of program achievement. The program DMF serves as the guide for key results output monitoring to evidence results-based achievement required for disbursement under the facility. The DLI matrix and verification protocols identify specific priority outputs and respective indicators of achievement. Financial reporting intends to improve the system and process status, identifying inefficiencies to enable targeted improvement measures within SESIP. Output achievement, evidence aggregation, and report preparation will lie with MOE, facilitated through DSHE's SPSU, PDW, M&E, and the FPW.

82.   **Monitoring arrangement.** Program monitoring will be coordinated and facilitated through the PSU. SESIP inception will include preparation by PSU technical staff of an AOP that details

a time-bound monitoring framework with reporting arrangements for each results framework output area, output indicators, and persons/agencies responsible. The key performance indicators in Tranche 3 DMF will be the basis for the monitoring framework. The DSHE monitoring report and relevant output documents, such as policies and plans, will constitute the key monitoring reference points for output assessment and achievement verification. Verification evidence will be taken from EMIS and field monitoring as well. Separate DLI achievement report and IFR will be required to support program output verification for loan disbursement based on the schedule and discussed in more details below.

83.   Co-implementing agencies, such as NCTB and BISE will have the responsibility of preparing quarterly reports to inform DSHE of their respective progress towards output achievement. The details, timing, and communication arrangements of these reports will be decided during SESIP inception and will be included in the AOP monitoring framework to be prepared by SPSU.

84.   The DSHE monitoring report will serve as the Tranche 3 monitoring report and will be prepared quarterly by the DSHE MEW, in cooperation with and defined input from M&E, EMIS, and co-implementing agencies with the support of consultants. The report will detail SESIP implementation and output achievement status based on verification evidence as defined by output indicators in the AOP monitoring framework. The SPSU will prepare the format of the report. The DSHE monitoring report will provide the basis for the semi-annual DLI achievement report. The DSHE monitoring report will serve as the SESIP quarterly report to ADB. The Q1 and Q3 DSHE monitoring reports will include updates of compliance with social and environmental safeguards, policy matrix, and the GAP, serving as the semiannual program implementation status report.

85.   The DLI achievement report will be prepared by the PSU and approved by the SPSC. All the reports will be verified by an IVA commissioned by MOE. The report will then be submitted to ADB and the World Bank prior to fielding of the scheduled DLI verification mission. The August report will indicate status and level of achievement for the previous fiscal year DLI targets. The February report will be a follow-up report for any unmet DLI for the previous fiscal year as reported in August. The overall responsibility and approval of this report lies with the secretary, MOE. Preparation of the report will be undertaken by DSHE PDW in cooperation and with defined input from M&E, EMIS, and co-implementing agencies. The PSU will provide TA and DSHE reporting capacity building. The DLI matrix and verification protocol (see Annex 2) provides specific target and achievement indicators for each within Tranche 3 period.

86.   The IFR is required for disbursement. The report will be generated quarterly from the IBAS by the FPW, under the authority of the director general, and endorsed by the MOE and chief accounts officer. A combined 9-month report (October–December, January–March, and April–June) will be submitted to ADB prior to fielding of the October mission.

87.   Procurement-related monitoring and reporting will be undertaken by relevant stakeholders and ADB for procurement quality assurance (see PFM action plan, Annex 6). PSU, in close collaboration with the PDW and EED, will prepare annual procurement plans with monitoring and reporting arrangements for SESIP activities 1 month prior to the start of the fiscal year. Annual post procurement reviews will be undertaken by MOE as required. Additional post procurement reviews will be undertaken by ADB annually of at least 20% of the contracts awarded that year for independent quality assurance oversight.

88.   MOE and DSHE shall maintain and regularly update a (i) project and procurement management information system, and (ii) comprehensive program website. The program website shall disclose information about all material matters relating to the program and its implementation, including details about each package (for which PSU shall maintain separate records), and achievement of DLIs. In relation to procurement, the website shall include information on package number and name, location of the school, estimated cost, financing agency, date of issue of invitation for bids, date and time of submission and opening of bids, bid opening location, bid opening committee, bid opening statement, names of bidders that purchased the bidding documents, names of bidders that submitted bids, names of the bid evaluation committee, name of the approving authority, name, designation and telephone number of officer in charge for implementation, name of the successful bidder, contract amount, date of start, and scheduled date of completion.

89.   **Safeguard monitoring: environment and involuntary resettlement.** Environmental resettlement and compliance monitoring, in line with the monitoring arrangement stipulated in the agreed environmental framework, will be carried out.

90.   **Social safeguard monitoring: small ethnic community peoples.** Reporting will occur in line with the agreed small ethnic community people's plan and its framework. This information will be obtained from DSHE EMIS and MEW will provide the information to PSU.

91.   **Gender and social dimensions monitoring.** The GAP identifies specific gender- and social dimension-related tasks and assurances to be undertaken during SESIP implementation. Each results area output activities have corresponding targets/indicators agreed upon by the MOE and ADB. Each of the target/indicators intends to give preference to the inclusion of girls and women in SEDP/SESIP implementation.

C.   Evaluation

92.   **Program review and reporting.** ADB will field semiannual review missions together with the World Bank. The review missions will verify achievement of annual DLIs, review program implementation progress, assess compliance with covenants, social safeguards and GAP, and compliance with fiduciary oversight arrangements.

93.   In addition to the MOE and DSHE-led risk mitigation measures, ADB together with the World Bank will conduct an AFR funded by ADB's TA resources. AFR will include an annual post-procurement review. A special review may also be conducted should needs arise. MOE, DSHE, and ADB will jointly select themes of the AFR and agree on the TORs every year. ADB will finance and recruit the AFR consultants through separate sources. The government, ADB, and World Bank will agree on actions to be implemented based on the recommendations of the AFR and will update the PFM action plan. Implementation of agreed actions in the updated PFM action plan will trigger achievement of DLI 8. Generic TORs for the AFR are in Annex 5.

D.   Reporting

94.   Within 6 months of physical completion of the project, the executing agency will submit a project completion report to ADB. DSHE will provide ADB with (i) quarterly progress reports in a format consistent with ADB's project performance reporting system; (ii) consolidated annual reports including (a) progress achieved by output as measured through the indicator's performance targets, (b) key implementation issues and solutions, (c) updated procurement plan,

and (d) updated implementation plan for the next 12 months; and (iii) a project completion report[24] within 6 months of physical completion of the project. To ensure that projects will continue to be both viable and sustainable, project accounts and the executing agency audited financial statement together with the associated auditor's report, should be adequately reviewed.

95.   **Financial review and reporting.** MOE and DSHE, in collaboration with the Controller General of Accounts, shall submit quarterly IFRs for monitoring purposes, with a form and content similar to the annual financial statements.

E.   Stakeholder Communication Strategy

96.   Major task of the PSU is to ensure that the project information is reflected in the procurement management information system. Progress reports are uploaded in the project website to inform the public of regular progress made by the project. It will also highlight initiatives to undertake various activities: (i) social marketing to mobilize communities and to raise awareness of the benefits of the programs, (ii) job placement, (iii) ensure social safeguards and occupational health and safety measures, and (iv) highlight measures to ensure greater participation of women and special efforts to target disadvantaged groups including people with disability. The communication strategy will also highlight various initiatives. Tranche 3 will also provide strengthened EMIS which presents latest information on secondary education information online. Central Procurement Technical Unit's e-GP web page and MOF's IBAS++ also provide relevant information on procurement and budget information. The project also strengthens communication strategy for some selected activities on national campaign and community campaign for raising awareness and possible behavior changes. Working closely with other development partners including UNICEF, the strategy will be developed and implemented accordingly.

X.   ANTICORRUPTION POLICY

97.   ADB reserves the right to investigate, directly or through its agents, any violations of the Anticorruption Policy relating to the project.[25] All contracts financed by ADB shall include provisions specifying the right of ADB to audit and examine the records and accounts of the executing agency and all project contractors, suppliers, consultants, and other service providers. Individuals and/or entities on ADB's anticorruption debarment list and Central Procurement Technical Unit's debarment list are ineligible to participate in ADB-financed activity and may not be awarded any contracts under the project.[26]

98.   To support these efforts, relevant provisions are included in the loan agreement and the bidding documents for the project.

XI.   ACCOUNTABILITY MECHANISM

99.   People who are, or may in the future be, adversely affected by the project may submit complaints to ADB's Accountability Mechanism. The Accountability Mechanism provides an independent forum and process whereby people adversely affected by ADB-assisted projects can voice, and seek a resolution of their problems, as well as report alleged violations of ADB's

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[24] Project completion report format is available at: http://www.adb.org/Consulting/consultants-toolkits/PCR-Public-Sector-Landscape.rar.
[25] Anticorruption Policy: http://www.adb.org/Documents/Policies/Anticorruption-Integrity/Policies-Strategies.pdf
[26] ADB's Integrity Office web site: http://www.adb.org/integrity/unit.asp

operational policies and procedures. Before submitting a complaint to the Accountability Mechanism, affected people should make an effort in good faith to solve their problems by working with the concerned ADB operations department. Only after doing that, and if they are still dissatisfied, should they approach the Accountability Mechanism.[27]

XII.   RECORD OF CHANGES TO THE PROJECT ADMINISTRATION MANUAL

100.   All revisions and/or updates during the course of implementation should be retained in this section to provide a chronological history of changes to implemented arrangements recorded in the project administration manual, including revision to contract awards and disbursement s-curves.

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[27] Accountability Mechanism. http://www.adb.org/Accountability-Mechanism/default.asp.

ANNEX 1
SECONDARY EDUCATION SECTOR ROAD MAP (2013–2023)[1]

Impact: Percentage of youth employment with secondary education certificate in formal employment sector (excluding self-employment and informal sector) increased from 22% in 2010 to 46% in 2030 (Baseline: Housing and Social Census 2011–Socio Economic and Demography Report 2011)	

Outcome: A more efficient, equitable, and quality secondary education system - Gross enrollment rate (grades 9–10) increased from 61.9% (66.9% for girls) to 71.0% (76.0% for girls) - Cycle completion rate (grades 6–10) increased from 46.4% (43.6% girls and 51.6% madrasah) in 2011 to 58.0% (55.0% girls and 62.0% madrasah) in 2023 - National student assessment for grades 8 and 10 piloted, applied, and improved	

Result Areas	Key Performance Indicators
Key Result Area 1: Quality and relevance of secondary education enhanced	
1.1 Quality and relevance of curriculum improved	◦ NCPF for all streams of school education, including general schools, madrasahs, and vocational schools (grades 1–12), that defines core competencies and learning benchmarks approved and implemented ◦ 20,000 schools deliver an advanced teaching and learning particularly in science, mathematics, and English using ICT-based and other modern tools and equipment
1.2 Teacher capacity strengthened	◦ NTDP approved and implemented; this includes approval and implementation of the National Framework for Secondary Teacher Pre-service Curriculum specified for all TTCs, including agreed service standards ◦ At least 15 TTCs are awarded a Center of Excellence status in English, science, and mathematics
1.3 Classroom assessment procedures and national assessment and examinations improved	◦ NSA Plan approved and implemented; NSA for grades 8 and 10 are piloted, applied, and improved ◦ National Examination Policy, including adaption of new exam innovations that assesses the competencies identified in the NCPF, approved and implemented
1.4 Use of ICT for pedagogy enhanced	◦ ICT Master Plan approved and implemented ◦ All secondary schools equipped with ICT facilities (ICT lab, multimedia classrooms, digital contents, and library) that are effectively used ◦ E-learning modules of Bangla, English, mathematics, science, and other relevant subjects are developed and used in at least 10,000 schools
1.5 Labor market relevance improved	◦ Pre-vocational and vocational subjects developed and introduced to grades 8–9
Key Result Area 2: Equitable access and retention increased	
2.1 School infrastructure improved	◦ Secondary school five-year rolling need-based infrastructure development plan (new construction and rehabilitation) developed, approved, and implemented; about 7,000 schools in underserved areas expanded
2.2 Access and retention improved	◦ A more efficient and harmonized stipend program is implemented; 80% of stipend recipients are retained in school ◦ Capacity of DSHE in stipend program implementation, monitoring, and evaluation increased
Key Result Area 3: Education management and governance strengthened	
3.1 Decentralized education management strengthened	◦ A fully functioning decentralized secondary education management in all zones, districts, upazila, and schools (infrastructure, capacity) ◦ Effective systems of resource allocation to schools, which includes improved MPO system and grants to school in place

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[1] Secondary schools in this road map include all types of government and nongovernment education institutions which provide secondary education. They are (i) general schools, (ii) technical schools, and (iii) madrasah schools.

3.2 Strengthened education information management	◦ Strengthened and harmonized operations and sets of education databases between BANBEIS and the DSHE EMIS ◦ All teachers and education managers trained to operate upgraded school-based EMIS
3.3 Teacher management improved	◦ NTSC established and operationalized ◦ Teacher performance management system in place and operational
3.4 Effective planning, management, coordination, and harmonization	◦ Harmonized secondary education program funded from domestic and external resources under a common secondary education program framework in line with NEP and using MTBF as sector financing framework ◦ MOE and DSHE re-organized to strengthen capacity in results-based sector planning and management under a SWAp ◦ MOE and relevant agencies strengthened capacity in procurement, financial management, and good governance
3.5 Monitoring, evaluation, and reporting strengthened	◦ MTBF and the annual development plan harmonized and consistent with NEP priority goals and objectives ◦ Annual Secondary Education Sector Performance Reports are approved, shared, and used as a basis for planning ◦ M&E system strengthened and institutionalized

BANBEIS = Bureau of Educational Information and Statistics, DSHE = Directorate of Secondary and Higher Education, EMIS = Education Management Information System, ICT = information and communication technology, M&E = monitoring and evaluation, MOE = Ministry of Education, MPO = monthly payment order, MTBF = medium-term budget framework, NCPF = National Curriculum Policy Framework, NEP = National Education Policy, NSA = National Student Assessment, NTDP = National Teacher Development Policy, NTSC = Nongovernment Teacher Selection Commission, SWAp = sector-wide approach, TTC = teacher training college.
Source: Asian Development Bank.

ANNEX 2
DISBURSEMENT-LINKED INDICATOR MATRIX AND VERIFICATION PROTOCOL AND SCHEDULE

Table 1: DLI Matrix for ADB and World Bank

DLI	DLI Baseline	Disbursement-Linked Results				
		Year 1 (Jul 2017–Jun 2018)	Year 2 (Jul 2018–Jun 2019)	Year 3 (Jul 2019–Jun 2020)	Year 4 (Jul 2020–Jun 2021)	Year 5 (Jul 2021–Jun 2022)
DLI 1 Effective and relevant curriculum is in place (4 DLRs)	Secondary education curriculum (2012) does not adequately serve the needs of diverse student population	NCPF from pre-primary to grade12 approved by MOE	NCTB strengthened with adequate staffing with appropriate qualifications and specialization	Revised national curriculum for grades 6–12 developed based on the NCPF	E-learning and digital universal content of curriculum available at all institutions	
DLI 2 Assessment and examination system reforms implemented to improve teaching learning (4 DLRs)	Activities underway to support examination reforms but no National Examination Policy		Institution-based diagnostic assessments of students entering grade 6 is undertaken to gauge their readiness for secondary education	NASS, 2019 carried out on nationally representative sample in grades 8 and 10 (English, mathematics, Bangla)		NASS, 2021 and standardized exam results analyzed, disseminated, and feedback into system improvement Standardized SSC and HSC examinations implemented across all boards
DLI 3 Improved teaching-learning in Bangla, English, mathematics, and science (5DLRs)	Unavailability of qualified subject teachers		Deployment of additional qualified and trained subject teachers in English, mathematics, and science in 4,000 targeted schools	Practical science teaching implemented in 15,000 institutions	Reading skills proficiency improved by 10%	Learning levels improved in English and mathematics by 5% Practical science teaching practiced in 20% of secondary institutions

DLI	DLI Baseline	Disbursement-Linked Results				
		Year 1 (Jul 2017–Jun 2018)	Year 2 (Jul 2018–Jun 2019)	Year 3 (Jul 2019–Jun 2020)	Year 4 (Jul 2020–Jun 2021)	Year 5 (Jul 2021–Jun 2022)
DLI 4 Improved teacher management and accountability **(5DLRs)**	Limited teacher accountability	Incentive scheme for teachers in geographically disadvantaged areas implemented in at least 10,000 institutions	Teachers' TST monitoring system piloted in 1,500 institutions (two schools and one madrasah in each upazila)	MPO rationalization plan approved and MPO implementation guidelines updated	50% of institutions have TST monitoring system in place	Teacher (re)deployment payment fully compliant with MPO rationalization plan and updated guidelines
DLI 5 Improved school management and accountability **(2 DLRs)**	Schools have low accountability standards		Performance-based grants for institutions meeting minimum accountability requirements and achieving performance indicators implemented in at least 5,000 institutions		Performance-based grants for institutions meeting minimum accountability requirements and achieving performance indicators implemented in at least 7,500 institutions	
DLI 6 Improved grade retention and cycle completion **(6 DLRs)**	Grade 10 retention rate All: 69 Girls: 66 Stipend Beneficiary: disadvantaged Upazilas:	Harmonized stipend program approved by MOE	Nationwide roll-out of implementation of harmonized stipends program for grades 6–12 AGP (that includes among others separate girls' toilets, counseling/awareness) including action plan approved by MOE	AGP implemented in all institutions in selected two selected divisions	Grade 10 retention rate (of those started grade 6) of AGP beneficiaries reaches 68%	Grade 10 retention rate (of those started grade 6) of stipends beneficiaries reaches 70%
DLI 7 Institutional capacity strengthened	Fragmented institutional structure and need for	MOE's secondary education budget FY2018–2019 allocation consistent	MOF and MOE release the fund inclusive of advance by the beginning of	Reduction of stand-alone projects by 30%	MOF and MOE release the fund inclusive of advance by the beginning of	

DLI	DLI Baseline	Disbursement-Linked Results				
		Year 1 (Jul 2017–Jun 2018)	Year 2 (Jul 2018–Jun 2019)	Year 3 (Jul 2019–Jun 2020)	Year 4 (Jul 2020–Jun 2021)	Year 5 (Jul 2021–Jun 2022)
(4 DLRs)	enhanced implementation capacity for results-based program	with SEDP expenditure framework	each quarter based on the ADP/AOP allocation		each quarter based on the ADP/AOP allocation	
DLI 8 Enhanced fiduciary management and data systems

(5 DLRs) | Fiduciary system needs to be enhanced

MOE as a pilot ministry for IBAS++

x% of packages processed through e-GP | Enhanced fiduciary system is in place, including qualified and adequate PFM staff/posts at the Procurement and Finance Wing; at least 60% of goods and works packages included in the annual procurement plan is processed through e-GP portal

Enhanced EMIS, including school GMS, MPO management, and M&E reporting established | Agreed actions included in the updated PFM action plan based on the recommendations of the periodic fiduciary review in the previous year are implemented | Agreed actions (e.g., IBAS++ rolled-out nationally to all DDOs and 100% non-ICB contracts initiated and completed through e-GP) included in the updated PFM action plan implemented | Enhanced EMIS, including school GMS, MPO management, and M&E reporting fully operational | |
| Total DLRs = 35 | | 7 | 8 | 7 | 7 | 6 |

ADB = Asian Development Bank, ADP = annual development program, AGP = Adolescent Girls' Program, AOP = annual operation plan, DDO = drawing and disbursement officer, DLI = disbursement-linked indicator, DLR = disbursement-linked result, e-GP = electronic government procurement, EMIS = education management information system, GMS = grant management system, HSC = higher secondary school certificate, IBAS = Integrated Budget and Accounting System, ICB = international competitive bidding, M&E = monitoring and evaluation, MOE = Ministry of Education, MOF = Ministry of Finance, MPO = monthly payment order, NASS = National Assessment of Secondary Students, NCPF = National Curriculum Policy Framework, NCTB = National Curriculum and Textbook Board, PFM = procurement and financial management, SEDP = Secondary Education Development Program, SSC = secondary school certificate, TST = time spent teaching.
Source: Asian Development Bank.

Table 2: SEDP DLI Verification Protocol

Area	DLR	Definition/Description of Achievement	Scalability (Yes/No)
DLI 1 Effective and relevant curriculum is in place	**Year 1** NCPF for pre-primary to grade 12 approved by MOE	NCPF provides policy and technical guidance for a systematic curriculum revision and includes inter alia the following elements: (i) learning policy; (ii) staffing guidelines; (iii) role and responsibilities of teachers, head teachers/supers involved towards effective curriculum implementation; (iv) role and responsibilities of NCTB and other relevant agencies; and (v) curriculum review and revision cycle and dissemination. This DLR is achieved when NCPF is approved by MOE, based on the following processes: (i) NCTB mobilizes specialists to prepare the NCPF based on the approved concept paper; and (ii) MOE approves the NCPF as recommended by NCTB, and disseminates to concerned stakeholders.	No
	Year 2 NCTB strengthened with adequate staffing with appropriate qualifications and specialization	This DLR is achieved when (i) more than 80% of existing staffing positions are filled with specialists (for curriculum revision, instruction materials development, and dissemination) based on staffing guidelines; (ii) revised organogram is approved; and (iii) implementation plan to make the revised NCTB structure operational is approved.	No
	Year 3 Revised national curriculum for grades 6–12 developed based on the NCPF	This DLR is achieved when (i) revised curriculum is approved by National Curriculum Coordination Committee of MOE as recommended by NCTB, and (ii) revised curriculum is disseminated as per NCPF to concerned stakeholders.	No
	Year 4 E-learning and digital universal content of curriculum available in all institutions	E-learning and digital universal content means electronic learning materials that support students' learning of curriculum-related universal concepts and applications that are inherent in the concerned subjects. This DLI will be achieved if (i) universal content electronic materials in five core subjects are available at all institutions; (ii) at least 10% of institutions report the use of these materials by teachers and students as recorded in the administrative log books. for teacher and student use; (iii)electronic verification and independent verification sample survey of teachers and students find that e-learning and digital content materials are available in schools, and that teachers and students report using; and (iv) sample of central and/or local admin logs show evidence of student use.	No
DLI 2 Assessment and examination system reforms	**Year 2** Institution-based diagnostic assessments of students entering grade 6 is undertaken to	Institution-based diagnostic assessment is a system and process of assessing students at grade 6 by the first month of each academic year with the purpose of providing remedial measures to students failing to achieve a minimum level of pre-defined competency. This DLR will be achieved when (i) MOE approves implementation guidelines outlining the modality of diagnostic assessment; (ii) DSHE approves implementation plan	No

Area	DLR	Definition/Description of Achievement	Scalability (Yes/No)
implemented to improve teaching-learning	gauge their readiness for secondary education	(dissemination of guidelines, training of teachers, printing of assessments tools, administration of assessments, analysis of web-enabled data, and provision of remedial class support including deployment of temporary teachers); and (iii) diagnostic assessments is to be carried out to at least 20% of the institutions.	
	Year 3 NASS, 2019 carried out on nationally representative sample in grades 8 and 10 (English, mathematics, Bangla)	NASS is an assessment of national curriculum-based learning levels of secondary students on a nationally representative sample (LASI has been renamed as NASS). This DLR is achieved when (i) NASS, 2019 framework (specifying grades, subjects, sampling method, implementation arrangement including data capture methods and verification protocol, and use of assessment results in system improvement) is approved; (ii) NASS is carried out by a specialized international agency supported by national survey firm(s); (iii) the assessment report is endorsed by the steering committee; (iv) findings disseminated publicly; and (v) actionable remedial measures are identified and agreed.	No
	Year 5 Standardized SSC and HSC examinations implemented across all boards	Standardized examinations are those where the questions, conditions for administering, scoring procedures, and interpretations are consistent and are administered and scored in a predetermined, standard manner across subjects, years, and boards. This DLR is achieved when (i) all examination boards carry out the standardized examinations for SSC and HSC in selected subjects, following MOE approved guidelines updated based on the pilots, and (ii) independent consultancy prepares an analytical report on examinations administration and results validate the compliance to approved guidelines of standardized examinations.	No
	Year 5 NASS, 2021 and standardized exams results analyzed, disseminated, and findings feedback into system improvement	NASS-related DLR is achieved when (i) an NASS, 2021 analytical report (based on NASS carried out in 2021) by a specialized international agency is endorsed by the steering committee; (ii) findings disseminated publicly; and (iii) agreed actionable remedial measures are implemented. Standardized examinations-related DLR is achieved when (i) analytical report on standardized exams on SSC and HSC from 2021 is endorsed by the steering committee, (ii) findings disseminated publicly, and (iii) agreed actionable remedial measures are implemented.	No
DLI 3 Improved teaching-learning in Bangla, English,	**Year 2** Deployment of additional qualified and trained subject teachers in English, mathematics,	Deployment of qualified subject teachers involves the following activities: (i) identification of subject-wise teachers in target schools; (ii) deployment from existing pool of teachers where feasible; (iii) enlisting of qualified teachers through online application process; (iv) placement of qualified teachers in schools on need-based basis; (v) contracting of the deployed teachers by concerned SMC; and (vi) orientation of deployed teachers, head teachers/supers, and SMC chair/representative.	Yes (80% fund for first 3,000 institutions, 20% for next

Area	DLR	Definition/Description of Achievement	Scalability (Yes/No)
mathematics, and science	and science in 4,000 targeted schools	This DLR is achieved when (i) DSHE selects additional 2,000 targeted schools following approved selection criteria (2,000 continue from the current scheme); (ii) DSHE enlists (by upazila or other under-served geographic areas) qualified subject teachers following approved criteria and procedures; (iii) institutions (SMC/MMC) contract teachers from the suitable teacher pool; and (iv) DSHE provides incentives to schools for teacher remuneration.	1,000 institutions)
	Year 3 Practical science teaching scheme implemented in 15,000 institutions	Practical science teaching scheme is implemented when the following are available at institutions: science teachers trained in practical science, science kits, and organized science groups. The DLR is achieved when at least 15,000 institutions meet the above criteria.	Yes (80% for 12,000 institutions, 20% for every other 3,000 institutions)
	Year 4 Reading skills in Bangla proficiency improved by 10%	Reading skills proficiency in Bangla refer to the reading level of students in terms of speed, comprehension accuracy, and fluency specified in the NASS. This DLR is achieved when at least 10% increase is seen in the average reading proficiency score among grade 10 students in latest NASS (baseline: NASS, 2017).	Yes (80% fund for 7% improvement)
	Year 5 Learning levels improved in English and mathematics by 5%	This DLR is achieved when at least 5% increase is seen in the shares of grade 10 students achieving grade-level competency for English and mathematics in latest NASS (baseline: NASS, 2017).	No
	Year 5 Practical science teaching scheme implemented in all institutions	This DLR is achieved when (i) all institutions have trained science teachers, science kits, and organized science groups as reported in EMIS web-enabled report; and (ii) practical science teaching-learning is practiced in at least 10% of all institutions as reported from sample classroom observations.	No
DLI 4 Improved teacher management and accountability	**Year 1** Incentive scheme for teachers in geographically disadvantaged areas implemented in at least 10,000 institutions	This DLR is met when the following elements are implemented as per approved manual/guidelines: (i) provision of additional incentives (allowances) for teachers (who are not from the same upazila) serving in institutions in disadvantaged upazilas; (ii) summary report on number of teachers and schools benefiting from the incentives program, and disadvantaged areas; and (iii) evidence of disbursement as generated from the GMS.	Yes

Area	DLR	Definition/Description of Achievement	Scalability (Yes/No)
	Year 2 Teachers' TST monitoring system piloted in 1,500 institutions (two schools and one madrasah in each upazila)	TST refers to the actual time teachers spend inside classrooms. TST monitoring scheme will include the following elements: (i) monitoring indicators, (ii) instruments, (iii) monitoring web-based data accumulation, and (iv) reporting mechanism. TST monitoring system is implemented when the interested institution (i) signs a memorandum of understanding with USEO to initiate the TST scheme, (ii) implements the TST system consistent with the approved guidelines, and (iii) submits a consolidated TST monitoring report per semester to USEOs which includes TST in at least five subjects (English, Bangla, mathematics, science, and ICT/computer). This DLR will be achieved when at least 1,500 institutions implement the TST monitoring system as evidenced in the SEDP implementation progress report.	Yes (for 500 institutions, 50%, 5% for each additional 100 institutions) (With roll-over up to Year 3)
	Year 3 MPO rationalization plan approved and MPO implementation guidelines updated	MPO rationalization plan refers to phased plan on teacher redeployment and reallocation and will include, among others: (i) need-based allocation of positions by schools; and (ii) deployment and re-deployment of MPO teachers. MPO implementation guidelines include: (i) criteria and procedures on MPO teacher selection and deployment/re-deployment, (ii) incentives to teachers serving in rural or hard-to-reach areas; and (iii) non-MPO salary grants to schools in disadvantaged areas (unserved by MPO positions). This DLR is achieved when MOE approves and disseminates MPO rationalization plan and MPO implementation guidelines.	No (With roll-over up to Year 2)
	Year 4 50% of institutions have TST monitoring system in place	This DLR will be achieved when at least 50% of SEDP institutions implement the TST monitoring system as evidenced in the SEDP implementation progress report.	Yes (50% if 25% of institutions have TST, 10% for each additional 5%)
	Year 5 Teacher (re)deployment and payment fully compliant with MPO rationalization plan and updated guidelines	This DLR is met when (i) redeployment/reallocation plan is implemented as per approved MPO rationalization plan and guidelines, (ii) monthly payment to teachers.	No
	Year 2 Performance grants for institutions (meeting minimum accountability	Performance grant provided to institutions for meeting minimum accountability requirements (functional SMC and PTA, annual social audit, EMIS data submission, etc.) and achieving performance targets (student attendance, TST system, teacher attendance, and student achievement in SSC and HSC) as defined in school grant	Yes

Area	DLR	Definition/Description of Achievement	Scalability (Yes/No)
	requirements and achieving performance targets) implemented in phase 1 (5,000 institutions)	manual and linked to PBM. Implementation is considered completed when funds are disbursed to eligible institutions as per approved grants manual and bank reconciliation process is completed. This DLR is achieved when (i) at least 5,000 institutions receive performance grants as per grants manual and PBM-ISAS report, (ii) reports from institutions, and (iii) evidence of funds reaching the institutions as per GMS.	
DLI 5 Improved school management and accountability	Year 1 AGP approved by MOE	AGP aims to promote retention and learning levels of female students in secondary institutions through, among other things: (i) gender and reproductive rights, GEMS, and SRHR issues; (ii) financial assistance to girls for personal hygiene; (iii) separate girls' toilets with basic handwashing facilities; (iv) access to safe drinking water; and (v) community-based counseling and awareness raising, including training teachers for counselor role. This DLR is achieved when (i) AGP is designed in partnership with Ministry of Health and Family Welfare with consideration of Generation Breakthrough Project survey report; and (ii) MOE approves AGP design, implementation arrangements, and costed action plan.	No
	Year 4 Performance-based grants for institutions (meeting minimum accountability requirements and achieving performance targets) implemented in at least 7,500 institutions	This DLR is achieved when (i) at least 7,500 institutions receive performance grants as per grants manual and PBM-ISAS report, and (ii) evidence of funds reaching the institutions as per GMS.	Yes (75% for first 5,000 schools, 5% for each 500 schools)
DLI 6 Improved grade retention and cycle completion	Year 1 Harmonized stipend program approved by MOE	Harmonized stipends program (detailed operation modalities will be defined in the harmonized stipends guidelines as per approved Harmonized Stipend Program) means a single poverty-targeted stipend scheme with following elements: (i) beneficiary selection based on the harmonized stipend program criteria and arrangements; (ii) disbursement of uniform and enhanced stipends to eligible beneficiaries based on award conformation forms; (iii) engagement of partner agencies (commercial bank, PMT administrator for data processing); and (iv) system of compliance verification through GMS. The DLI is achieved when MOE issues order to initiate the approved scheme starting from FY2017–2018.	

Area	DLR	Definition/Description of Achievement	Scalability (Yes/No)
	Year 2 Nationwide roll-out of implementation of harmonized stipends programs for grades 6 –12	This DLI is achieved when (i) appropriate partner agencies are contracted and deployed; (ii) the harmonized stipend program covers all upazilas covering grades 6–12 as per the approved guidelines; and (iii) a system of beneficiary selection, disbursement, and bank reconciliation is in place.	No
	Year 3 AGP implemented in institutions in selected two divisions	This DLR is achieved when (i) target institutions in selected two divisions sign cooperation agreement with USEOs, (ii) focal teachers are trained, (iii) adolescent student group formed, and (iv) AGP interventions initiated.	Yes (50% for 50%, 10% for each additional 10% of all institutions) (With roll-over)
	Year 4 Grade 10 retention rate (of those started grade 6) of AGP beneficiaries to 68%	This DLR is achieved when the EMIS report shows evidence that grade 10 retention rate (those starting grade 6) among AGP beneficiaries reaches 68%.	No
	Year 5 Grade 10 retention rate (of those started grade 6) of stipends beneficiaries to 70%	This DLR is achieved when the EMIS report shows evidence that grade 10 retention rate (those starting grade 6) among stipend beneficiaries reaches 70%.	Yes
DLI 7 Institutional capacity strengthened	**Year 1** MOE's secondary education budget allocation FY2018–2019 consistent with SEDP expenditure framework	This DLR is achieved when the (i) MOE MTBF reflects program and expenditure as per program expenditure framework, and (ii) approved AOP for MOE's secondary education includes budget allocation in Year 2 are in line with the allocation shares of SEDP expenditure framework for key non-salary program implementation cost items (i.e. textbooks and other supplies and services, grants, and stipends).	No
	Year 2 MOF and MOE release the fund inclusive of advance by the beginning of each	This DLI is achieved when fund release, inclusive of advance release order from MOF/MOE, is received by the following dates: (i) 1st quarter advance and fund release by 10 August, (ii) 2nd quarter advance and fund release by 31 October, (iii) 3rd quarter advance and fund release by 31 January, and	No

Area	DLR	Definition/Description of Achievement	Scalability (Yes/No)
	quarter based on the ADP/AOP allocation	(iv) 4th quarter advance and fund release by 30 May.	
	Year 3 Reduction of stand-alone projects by 30%	Definition: Stand-alone projects mean those projects which are under the SEDP program framework but implemented by separate project implementation units.	
DLI 8 Enhanced fiduciary management and data systems	**Year 1** Enhanced fiduciary system is in place	Enhanced fiduciary system is in place when (i) adequate and qualified procurement and financial management staff and specialists at FPW, (ii) APP is prepared and processed through e-GP portal with at least 60% of goods and works contracts, and (iii) IBAS++ is operational at MOE and DSHE.	<u>No</u>
	Year 1 Enhanced EMIS, including school GMS, MPO management, and M&E reporting established	Enhanced EMIS is established when (i) EMIS unit, modules, information system for students, teachers and institutions, web-based system, link with other management information system, reporting system; (ii) Grant Management Unit to process and validate awards to students, teachers and institutions; automation of institutional Academic Supervision Reporting System compliance verification; reconciliation system; (iii) MPO module on compliance is linked to EMIS; (iv) M&E Report on program implementation progress and achievement on key performance indicators; and (v) annual performance report based on national education and result-based indicators.	No
	Year 2 Agreed actions (e.g. regularization of FPW in DSHE) included in the updated PFM action plan based on the recommendations of periodic fiduciary review of the previous year are implemented	Agreed actions include regularization of FPW in DSHE is achieved when it goes to revenue budget and audit reports prepared according to the agreed statement of audit needs (to be agreed year 1)	
	Year 3 Agreed actions (e.g. IBAS++ rolled-out nationally to all DDOs and 100% non-ICB contracts initiated and completed through e-GP) included in the updated PFM action plan implemented	Agreed action include IBAS++ rolled-out nationally to all DDOs and 100% non-ICB contracts initiated and completed through e-GP.	

Area	DLR	Definition/Description of Achievement	Scalability (Yes/No)
	Year 4 MOF and MOE release the fund inclusive of advance by the beginning of each quarter based on the ADP/AOP allocation	This DLI is met when fund release, inclusive of advance release order from MOF/MOE, is received by the following dates: (i) 1st quarter advance and fund release by 10 August, (ii) 2nd quarter advance and fund release by 31 October, (iii) 3rd quarter advance and fund release by 31 January, and (iv) 4th quarter advance and fund release by 30 May.	No
	Year 4 Enhanced EMIS, including school GMS, MPO management and M&E reporting fully operational	Enhanced fiduciary system is in place when: (i) adequate and qualified PFM staff and specialists at FPW, (ii) APP is prepared and processed through e-GP portal with at 100% of goods contracts, and (iii) IBAS++ is operational at MOE and DSHE.	

ADP = annual development program, AGP = Adolescent Girls' Program, APP = annual procurement plan, AOP = annual operation plan, DDO = drawing and disbursement officer, DLI = disbursement-linked indicator, DLR = disbursement-linked result, DSHE = Directorate of Secondary Higher Education, e-GP = electronic government procurement, EMIS = education management information system, FPW = Finance and Procurement Wing, GEMS = Gender Equity Men Scale, GMS = grant management system, HSC = higher secondary school certificate, IBAS = Integrated Budget and Accounting System, ICB = international competitive bidding, ICT = information and communication technology, ISAS = institutional self-assessment summary, M&E = monitoring and evaluation, MMC =Madrasah Management Committee , MOE = Ministry of Education, MOF = Ministry of Finance, MPO = monthly payment order, MTBF = medium-term budget framework, NASS = National Assessment of Secondary Students, NCPF = National Curriculum Policy Framework, NCTB = National Curriculum and Textbook Board, PBM = performance-based management, PFM = procurement and financial management, PMT = Proxy Means Testing, PTA = Parents and Teachers Association, SEDP = Secondary Education Development Program, SMC = school management committee, SRHR = sexual and reproductive health and rights, SSC = secondary school certificate, TST = time spent teaching, USEO = upazila secondary education office.
Source: Asian Development Bank.

Table 3: DLIs for Secondary Education Sector Investment Program (Tranche 3)

DLI	Financial Allocation per DLI (US$ million)					Total Financing Allocated to the DLI	Note
	Year 1 2018	Year 2 2019	Year 3 2020	Year 4 2021	Year 5 2022		
DLI 1 Effective and relevant curriculum is in place	5	5	10	5	0	25	If the DLI achievement is delayed, payment can be made at the next disbursement schedule.
DLI 2 Assessment and examination system reforms implemented to improve teaching-learning	0	5	10	0	10 Sub DLI 1: 5 Sub DLI 2: 5	25	If the DLI achievement is delayed, payment can be made at the next disbursement schedule. Disbursement based on partial achievement can be made. Equal pricing is allocated to each sub DLI.
DLI 3 Improved teaching-learning in Bangla, English, mathematics and, science	0	5	10	10	10 Sub DLI 1: 5 Sub DLI 2: 5	35	If the DLI achievement is delayed, payment can be made at the next disbursement schedule. Disbursement based on partial achievement can be made. Equal pricing is allocated to each sub DLI.
DLI 4 Improved teacher management and accountability	5	5	10	5	5	30	If the DLI achievement is delayed, payment can be made at the next disbursement schedule.
DLI 5 Improved school management and accountability	0	5	0	5	0	10	If the DLI achievement is delayed, payment can be made at the next disbursement schedule.

DLI	Financial Allocation per DLI (US$ million)					Total Financing Allocated to the DLI	Note
	Year 1 2018	**Year 2 2019**	**Year 3 2020**	**Year 4 2021**	**Year 5 2022**		
DLI 6 Improved grade retention and cycle completion	5 5	10 Sub DLI 1: 5 Sub DLI 2: 5	5	5	10	35	If the DLI achievement is delayed, payment can be made at the next disbursement schedule. Disbursement based on partial achievement can be made. Equal pricing is allocated to each sub DLI.
DLI 7 Institutional capacity strengthened	5	5	5	5	0	20	If the DLI achievement is delayed, payment can be made at the next disbursement schedule.
DLI 8 Enhanced fiduciary management and data systems	10 Sub DLI 1: 5 Sub DLI 2: 5	15	10	10	0	45	If the DLI achievement is delayed, payment can be made at the next disbursement schedule. Disbursement based on partial achievement can be made. Equal pricing is allocated to each sub DLI.
Maximum Allocation Per Year	35	50	60	45	35	225	

DLI = disbursement-linked indicator.
Source: Asian Development Bank.

ANNEX 3
GENDER ACTION PLAN FROM THE RESULTS FRAMEWORK

Project Component	Tasks	Targets/ Indicators	Responsibility
Output Quality and relevance of secondary education enhanced	Ensure the gender components and apply gender-responsive approach in development of NCPF and curriculum	By 2018, the NCPF implementation plan developed to make curriculum and teaching materials more market relevant, gender responsive, and inclusive	MOE, DSHE, and PSU Gender specialist of BRM and ADB review mission to monitor
	Include gender components in all the training programs (continuous professional development, curriculum delivery, practical science teaching, and life skills-based education) by DSHE	By 2023, revised curriculum following NCPF in all schools and madrasahs delivering improved content and teaching methodology with gender-responsive approach implemented	
	Teachers in all schools and madrasahs trained in practical science teaching	By 2023, all 357,000 teachers trained on continuous professional development, curriculum delivery, and practical science teaching and life skills-based education) (female: 25%) and all the female science teachers)	
	Teachers trained in implementing e-learning at 640 schools and madrasahs	By 2023, 55,000 teachers trained for practical science teaching (female: 10%; all the female teachers) All the female teachers will have training in e-learning	
	Develop criteria of selection and sample size of NASS, 2019 to present sex-disaggregated results	By 2019, NASS results with good sampling size of sex-disaggregated data (45% girls and 55% boys)	
	Develop the TORs for national campaign on science education with strong gender focus	By 2023, gender-focused national campaign on science teaching conducted	
	Secondary teacher development policy prepared/amended to include strong focus on gender responsiveness	Secondary teacher development policy formulated with gender responsiveness integrated	

Project Component	Tasks	Targets/ Indicators	Responsibility
Output Equitable access and retention increased	Implement harmonized stipend program with targeted approach to improve retention rate	By 2022, grade 10 retention rate of poverty targeted stipend recipients including girls reached 70% (N/A)	MOE, DSHE, EED, and PSU Gender specialist of BRM and ADB review mission to monitor
	Ensure minimum standard of school infrastructure to include safe and gender-friendly environment including separate toilets for girls and boys in the maintenance policy	By 2018, maintenance policy for school facilities developed for improvement of learning environment with gender responsiveness approach	
	Conduct gender assessment to develop a pilot on water and sanitation program for adolescent girls	By 2018, adolescent girls' program plan and water and sanitation plan approved	
	Ensure strong gender responsiveness approach in recommendations to develop incentive program for female teachers in disadvantaged areas	By 2023, incentive mechanism for female teachers in 400 schools and 100 madrasahs in disadvantaged areas piloted	
Output Education management and governance strengthened	Upgrade EMIS including school grants monitoring and performance indicators by sex and collect them regularly	By 2023, EMIS annual report with sex-disaggregated data will be published	MOE, DSHE, and PSU Gender specialist of BRM and ADB review mission to monitor
	Ensure all female DDOs participation in IBAS++ implementation training	By 2023, 90% of 700 DDOs (including all 100 females) for IBAS++ implementation trained	
	Establish project performance indicators that measure the implementation and progress of the GAP, and ensure reporting them in all progress and evaluation reports	By 2023, all databases in secondary education sector included in updated EMIS developed and approved (sex-disaggregated) to monitor GAP progress	
	Ensure the PSU staff provide regular reporting to the gender mainstreaming committee on the progress of the GAP	Training for PSU staff on GAP implementation provided Regular QPR of GAP implementation submitted	

ADB = Asian Development Bank, DDO = drawing and disbursement officer, DSHE = Directorate of Secondary and Higher Education, EED = Education Engineering Department, EMIS = education management information system, GAP = gender action plan, IBAS = Integrated Budget and Accounting System, MOE = Ministry of Education, NASS = National Assessment of Secondary Students, NCPF = National Curriculum Policy Framework, PSU = program support unit, QPR = Quarterly Progress Report, TOR = terms of reference.
Source: Asian Development Bank.

ANNEX 4
FIDUCIARY OVERSIGHT ARRANGEMENT

The Government of Bangladesh and Asian Development Bank have agreed on the fiduciary oversight arrangement to (i) ensure close oversight of eligible expenditures under the Secondary Education Sector Investment Program, and (ii) build a systematic fiduciary oversight in secondary education. Three stages of fiduciary oversight are described in the table below.

Fiduciary Oversight Arrangement

Stages	Activities and Responsible Agencies
I. Regular oversight	1. DSHE through MOE share quarterly Interim Financial Reports to ADB
	2. MOE, DSHE, ADB and World Bank review and agree on annual procurement plans
	3. MOE conducts an annual post procurement review in accordance with PPR, 2008
II. Annual audit by CAG	1. CAG conducts external audit
	(i) CAG shares audit report with ADB and World Bank 9 months after closing of accounts
	(ii) MOE shares with ADB and World Bank agreed follow-up actions for serious audit observations
III. AFR (includes post-procurement review) by ADB[1]	1. ADB conducts an AFR in consultation with MOF, MOE and World Bank; a post-procurement review of 20% of awarded contracts will be conducted as a sub-set of the AFR
	(i) MOE, MOF, ADB and World Bank agree on the AFR's TORs; the TORs may include a review of follow-up of annual audits of the previous year, as required
	(ii) ADB recruits an audit firm and oversees the review
	(iii) ADB shares the AFR report
	(iv) MOE, MOF, ADB and World Bank agree on AFR recommendations to be implemented by respective agencies
	(v) Agreed AFR recommendations are recorded in the updated PFM Action Plan
	2. Implementation of agreed AFR recommendations recorded in the PFM Action Plan trigger achievement of DLI 8 (Enhanced Fiduciary Management and Data System)

ADB = Asian Development Bank, AFR = annual fiduciary review, CAG = Office of the Comptroller and Auditor General, DLI = disbursement-linked indicator, DSHE = Directorate of Secondary and Higher Education, ICB = international competitive bidding, MOE = Ministry of Education, MOF = Ministry of Finance, PFM = procurement and financial management, PPR = Public Procurement Rules, TOR = terms of reference.
Source: Asian Development Bank.

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[1] A separate technical assistance will be provided by ADB to support these reviews.

ANNEX 5
TERMS OF REFERENCE FOR ANNUAL FIDUCIARY REVIEW

A. Background

1. The Secondary Education Sector Investment Program (SESIP) supports secondary education in Bangladesh over 10 years, using a multitranche financing facility (2013–2022). Building on the outputs of the Policy Advisory Technical Assistance, "Develop an Implementation Strategy for the National Education Policy with an Emphasis on the Secondary Education Sector," and "Secondary Education Development Program," SESIP supports the implementation of key reforms envisaged in the National Education Policy, 2010 in a phased manner. SESIP will also adopt a sector-wide approach that supports a government-led common secondary education program framework with enhanced harmonization of Asian Development Bank (ADB) and other development partners' assistance. The Ministry of Education (MOE) is the executing agency and the Directorate of Secondary and Higher Education (DSHE) is the implementing agency of SESIP.

2. Annual fiduciary review (AFR) is being carried out on financial and procurement transactions of each fiscal year (June to July) to provide additional assurance to the reports/ statements presented, to analyze areas of substantial fiduciary concerns and gradually improve the MOE's financial and procurement practices/processes by incorporating specific recommendations of the AFR.

3. SESIP uses the government's public financial management (PFM) system for management of all funding of the program activities including ADB contributions. The use of government PFM system for ADB disbursement to the consolidated fund requires that fiduciary risk can be managed within levels acceptable to the government and development partners (ADB/World Bank). In this respect, a fiduciary risk assessment of SESIP, with due consideration of both PFM and procurement issues, was carried out during preparaton of SESIP's program design in 2012. The level of fiduciary risk was assessed by ADB as acceptable provided that agreed actions to improve the system are implemented and maintained by the Government of Bangladesh. Agreed actions includes, *inter alia*, preparation, approval and implementation of a procurement capacity development plan. It was prepared and approved, and MOE/DSHE is implementing the recommended actions of the plan.

4. Government PFM systems have been strengthened in recent years and now operate with sound controls in place. Reports are produced which provide the government and ADB/World Bank with the ability to monitor both budgeted and actual levels of expenditure in accordance with their information needs. The government's Integrated Budget and Accounting System (IBAS)++ have the capacity to generate reports with required levels of detail. It is expected that the IBAS++ will be strengthened further with support from the Strengthening Public Expenditure Management Program of the Ministry of Finance.

5. All local procurement (national competitive bidding [NCB]) under the program is carried out in accordance with government legal procedures except the first tender for goods and works which are required to be processed based on ADB's master bidding documents approved during Tranche 1. While the International Development Association guidelines will be followed in all consultant recruitment/service packages, the Public Procurement Act, 2006 and Public Procurement Rules, 2008 are also followed with exceptions agreed by the government and ADB/World Bank for NCB and all contracts subject to post review.

B.   Objectives of the Assignment

6.   The AFR consists of a fiduciary review of the financial management system and a post procurement review (PPR) of procurement transactions. It provides additional assurance to the IBAS-generated budget management reports constituting the statement of expenditures for financial monitoring purposes. In addition, the AFR focuses on reviewing selected risk-areas on a yearly basis including areas identified by annual reports of the Office of the Comptroller and Auditor General (OCAG). The purpose of the PPR is also to assess the procurement processes, and to provide inputs for the fiduciary review. The AFR will provide concrete recommendations for improvement and value addition in the proposed risk areas subjected for review.

C.   Scope of the Services and Key Tasks

7.   The AFRs of each year will be implemented with focus on some selected areas that will be decided jointly with the government. The following are suggested areas of focus for the AFR for the duration of SESIP Tranche 3/SEDP based on information from a sample of divisions, districts, and upazilas with sampling based on agreed criteria (stratified sampling):

1.   <u>Review of the Financial Management</u>

8.   The review should include overall assessment of the financial management system, including internal controls covering aspects such as (i) adequacy and effectiveness of accounting, financial and operational controls, and any needs for revision; (ii) level of compliance with established policies, plans and procedures; (iii) reliability of accounting systems, data and financial reports; (iv) methods of remedying weak controls or creating them where there are none; (v) verification of assets and liabilities; and (vi) integrity, controls, security and effectiveness of the operation of the computerized system. The assessment should be based on the sample as specified under the specific tasks described below:

> (i)   Review of payment processing including sample testing using information from the IBAS reports and cashbooks sample from drawing and disbursement officers. This will include a review of average days between receiving a request for payment and payment date, with focus on any specific staff member who is consistently above the average;
> (ii)   Reconciliation of all the financial information (reconciliation includes between IBAS and drawing and disbursement officer cashbooks and ledgers using the IBAS-generated reports);
> (iii)   Review of booking and clearing of advances;
> (iv)   Verification of monthly payment order, application, disbursement procedures;
> (v)   Review of school grant management;
> (vi)   Review issues arising from OCAG annual audit reports.
> (vii)   Review the previous years' AFR recommendations and comments on the improvement. Also, identify the reasons for non-improvement and provide suggestions, if any; and
> (viii)   Other issues that may arise during fiduciary review.

9.   The AFR should include, but not necessarily be limited, to an assessment of the financial management system, including internal controls. This would include aspects such as (i) adequacy and effectiveness of accounting, financial and operational controls, and any needs for revision; (ii) level of compliance with established policies, plans and procedures; (iii) delegation of financial power, reliability of data and financial reports; (iv) methods of remedying weak controls; (v)

verification of assets and liabilities; and (vi) integrity, controls, security and effectiveness of the operation of the computerized system/management information system. The assessment should be based on the sample as specified under the specific tasks described below.

D.   Specific tasks for the AFR FY XXXX-XX

10.   The AFR FY XXXX-XX will focus on the following areas:

(i)   ……………..
(ii)   ……………..
(iii)   Other fiduciary issues arising from OCAG annual audit reports, previous fiduciary reviews, and PPRs.

2.   Post-Procurement Review

11.   The PPR will cover review of 20% (to be discussed) of awarded contracts under NCB goods. For guidance on preparation of the PPR report, a sample report format is given in the attachment.

12.   The post procurement review will include, but not limited to the following related documentation:

(i)   ADB and government procurement plans in effect at the time of bidding;
(ii)   Estimated cost and official estimates;
(iii)   Invitation of bids, advertising procedures, and minimum bidding period;
(iv)   Bidding documents used and addenda;
(v)   Selling of bidding documents, pre-bid meeting, and bid opening reports;
(vi)   Receipt and opening of bids and late bids;
(vii)   Bid security, forms, and time coverage;
(viii)   Bid evaluation, post qualification, and recommendations for award;
(ix)   Rejection of bids and procedures for rejection;
(x)   Contract approval, awarding, and conclusion of contract;
(xi)   Complain handlings;
(xii)   Time taken for processing of various procurement actions as against planned time;
(xiii)   Material modifications to contract during execution and the increase in the contract price, if any;
(xiv)   Supplier's invoice and certificate of origin;
(xv)   Shipping or import documents and inspection certificates, if any;
(xvi)   Evidence of receipt of goods;
(xvii)   Asset register in use;
(xviii)   Tagging requirement of procured and distributed goods;
(xix)   Recurrent costs records;
(xx)   Authorization for payment;
(xxi)   Evidence of payment/bank statements, acknowledgement of payee;
(xxii)   Accounting records of approval, disbursement, and balance available;
(xxiii)   Where goods have been returned, evidence that refunds have been made by suppliers and corresponding adjustments made in subsequent applications; and
(xxiv)   Contract amendments, repeat order/variation order and additional delivery or extra work order;

13.   For each contract/ package under PPR, the following key elements should be examined:

(i)   Verify compliance with the applicable procurement procedures. When deviations or judgments were exercised, the reviewer must comment on whether these were reasonable, and will also identify contracts with significant deviations warranting consideration for declaring remedial actions/ measures.

(ii)   Establish whether the documentation and record keeping systems in place are adequate for ensuring the post review requirements; for example, whether records are systematically maintained to a certain extent as per the provisions of Public Procurement Rules and are reasonably acceptable. At locations, where a complete record of contracts is not being maintained, assist them in starting a system to meet this important requirement.

(iii)   Verify eligibility of bidders/applicants who were awarded the contracts.

(iv)   Verify whether goods exist at intended locations and are being used for the purposes for which they were acquired.

(v)   Identify general issues related to the procurement process and systems and provide recommendations for improvement.

(vi)   Examine reported irregularities/corruption and red flags if any, from any source and substantiate the irregularities/corruptions. Also, verify fraud prevention and detection mechanisms that may exist in at some location(s)/office(s), and recommend such prevention and detection mechanisms for future procurement in other locations/ offices.

3.   Overall

14.   The AFR consultant will further conduct comprehensive needs assessments of concerned staff and prepare proposal for capacity development including training requirements for each group of staffs including on-the-job training and comments on the existing procurement capacity of officials.

15.   Based on the initial findings of review, the consultant will have exit discussions with the concerned implementing agency, such as the DSHE or other co-implementing agency, to obtain their views and concurrence with respect to the areas that need improvements and agree on the approach and strategies to implement measures to improve the existing system/process. Consequently, the consultants will prepare proposal for improvement for each implementing agency so that identified weaknesses/irregularities can be remedied in the subsequent years.

16.   The consultant will prepare and propose checklist(s) for MOE/DSHE and co-implementing agencies to cover at least the following areas, among others, based on the weaknesses identified in the system/ process: (i) how to minimize fiduciary risks; (ii) requirements of books of records; and (iii) reporting requirements—scope, contents, data, information, etc.

E.   Duration of Assignment

17.   The AFR will commence with an estimated total duration of the assignment—maximum of 16 weeks.

F.   Expected Deliverables/ Reporting

18.   The main tasks of reviewing financial documentation/statements and procurement documentation/ transactions should be completed within 12 weeks after contract signing with the submission of a draft report presenting outcomes from the above tasks including a summary of

recommendations, actions for follow-up, timeframe for when they should be completed an indication of the responsible entity/unit.

19.   The draft report of the AFR (including PPR) needs to be disseminated to the relevant government and ADB/World Bank officials with other stakeholders through dissemination workshops (tentatively three workshops all over the country as agreed by MOE/DSHE) for 70–80 participants for each workshop. Feedback of participants of these workshops would be incorporated in the revised draft report and submitted to ADB and the government for comments. Final report has to incorporate all comments from ADB/World Bank and the government, presented along with the comments and compliance matrix.

20.   The following deliverables are expected (from the date of contract signing):

(i)   Inception report (within 1 week);
(ii)   Draft AFR report (within 8 weeks);
(iii)   Revised draft AFR report incorporating feedback from workshops and discussion with relevant stakeholders (within 12 weeks); and
(iv)   Final AFR report (within 16 weeks).

G.   Type of Contract and Payment

21.   ADB shall engage the AFR consultant in accordance with its Guidelines on the Use of Consultants (2013, as amended from time to time), and administer the consulting contract which will be output-based (lumpsum) in nature, linked to milestones of completion of key tasks, deliverables, or reports as scheduled below.

Sl. No.	Reference to Task / Deliverable / Report	Due Time for Submission / Completion from the date of contract signing	Payable Amount
1.	Inception Report (R-01)	Within 1 week	10% of total contract amount
3.	Draft AFR report (R-03)	Within 8 weeks	30% of total contract amount
5.	Revised draft AFR report including status of completion of all agreed tasks along with relevant documentation for the tasks (R-05)	Within 12 weeks	30% of total contract amount
6.	Final AFR Report (R-06)	Within 16 weeks	30% of total contract amount

H.   Office (Client's Input), Logistics, and Support Arrangements

22.   MOE/DSHE will be the client, and will make available all relevant reports, documents, information for the consultant; designate counterpart personnel; and also provide support facilities to the individual experts working in the assignment.

23.   The consultant will make own arrangement for necessary equipment (desktop/laptop, printer, scanner, etc.) and facilities (home office space with telephone, fax, internet connectivity, etc.) essential for providing the services. DSHE/co-implementing agencies will arrange necessary working space, when required, to review the documents at their premises. The consultant will make own arrangement for all sorts of transportation.

I.   Qualifications of consultants

24.   The assignment will be undertaken by a firm having similar review experience in development programs/projects, and having adequate staff with appropriate professional qualifications and suitable experience, preferably with the International Federation of Accountants standards, in particular international standards on auditing, and International Organization of Supreme Audit Institutions standards, and with experience in performing assessments of programs comparable in size and complexity to SESIP Tranche 3. The firm should have the following:

(i)   **Financial audit specialist and team leader** (one international expert, intermittent, 2 person-months). The team leader nominated by the firm shall:

   (a)   have a master's degree in financial management from any recognized university, or be a certified accountant with bachelor's degree from any recognized university;
   (b)   be a member of a recognized accountancy professional body;
   (c)   have 10 years of international professional experience working with an internationally recognized audit firm undertaking financial, compliance, and performance audits including design, management, and implementation of surveys;
   (d)   demonstrated team leadership experience in similar/ comparable position for 2 years;
   (e)   have good organizational, communication, relational, and report writing skills;
   (f)   have an excellent command of the English language; and
   (g)   preferably have experience with government-executed donor-funded projects in Bangladesh.

(ii)   **Financial audit consultant** (two national experts, intermittent, 6 person-months; 3 person-months each). The experts shall:

   (a)   be certified accountants with bachelor's degree from any recognized university; and
   (b)   have 5 years of relevant working experience specifically with the government's financial management system, procedures, and regulations applying to central government, district, and upazila (block) levels, preferably in government-executed donor-funded projects in Bangladesh, as accounts/audit officer or comparable position. Experience with financial management reviews in accordance with the guidelines from multilateral organizations is highly preferred. One of the experts should have demonstrated leadership experience to work as deputy team leader for the assignment.

(iii)   **Procurement consultant** (two national experts, intermittent, 6 person-months; 3 person-months each). The expert shall:

   (a)   have a bachelor's degree in engineering or master's degree in any relevant discipline from any recognized university;
   (b)   have 5 years of relevant working experience specifically in public procurement, including capacity building in procurement, and procurement

guidelines of multilateral development organizations in relation to government's procurement act/rules;

(c)   have work experience in government-executed donor-funded projects as procurement officer/expert or comparable position;

(d)   have experience with prior/PPR in accordance with the guidelines of multilateral development organizations; and

(e)   preferably have specific training on public procurement.

Sample Report Format

Post Procurement Review Report of 2015–2016 of Secondary Education Sector Investment Program (Tranche 3)

Country:	Bangladesh
Program:	Secondary Education Sector Investment Program Tranche 3 / SEDP
Post Review Conducted By:	
Period Covered under Post Review:	
Project Procurement Risk:	
Implementing Agencies Covered under Post Review:	
Date of Report:	

A.   Executive Summary

1.   *Introduction*: Describe the background, team composition, approach used for post review, agreed threshold/procurement arrangements/sample size for the program, etc.

2.   *Major findings*: This section should be useful for decision makers in the Ministry of Finance and Ministry of Education who do not have time to go through the details, should be displayed using bullet points and reference to specific contracts where more information can be obtained.

3.   *Sampling procedure used*: Comment on the availability of contract data, percentage selected for review including the total amount of post-review contracts awarded, and whether the findings are representative of population.

Summary of the Total Contract Population by each Implementing Agency

Contract type	Goods			Works			Consulting Services			Total		
	No.	Value [in BDT]	Value [in USD]	No.	Value [in BDT]	Value [in USD]	No.	Value [in BDT]	Value [in USD]	No.	Value [in BDT]	Value [in USD]
NCB												
Shopping/RFQM												
TOTAL												

Source: Asian Development Bank.

Summary of the Contracts Reviewed (To be discussed and agreed)

Contract Type	Goods			Works			Consulting Services			Total		
	No.	Value [in BDT]	Value [in USD]	No.	Value [in BDT]	Value [in USD]	No.	Value [in BDT]	Value [in USD]	No.	Value [in BDT]	Value [in USD]
ICB												
NCB												
Shopping/RFQM												
Direct contract												
Force Account												
QCBS												
QBS												

LCS										
FBS										
CQS										
ICS										
SSS Firm										
SSS Individual										
TOTAL										

Source: Asian Development Bank.
*Consultants' recruitment is followed by IDA guideline. During the pre-loan negotiation discussion, correct names of the recruitment methods will be stated.

Findings of Physical Inspections:

Category	No. of Physical Inspections					
	ICB	NCB	IS	NS	SS	Total
Works						
Goods						
Services						
Consulting firms						
Individual consultants						
Total						

4.   *Findings on the Implementing Agency Capacity, Performance and Other Systemic Issues*: Comment based on the review of contracts. Give an overall assessment as well as separate section for each procurement entity reviewed.

5.   *Action Taken by the implementing agencies on the Findings of the Previous Review:* Comment on any improvements over the previous year's annual fiduciary review findings, delays or inaction, etc.

6.   Indicators of fraud and corruption or any kind of irregularities (when fraud and corruption is suspected, copies of **any and all** related documentation should be attached to the report including copies of the losing bids).

7.   *Recommendations and Proposed Actions for ADB and/or Borrower*: Also, include whether the implementing agency suggested any corrective action to be taken during the post review process. Distortions in the procurement process are frequently manifested in one or more of the situations listed below. If patterns are identified in a series of contracts which reflect any of the distortions, one or more of the contracts in the series should be selected for more detailed review in the review sample:

      (i)   low participation of bidders and reduced competition;
      (ii)   any complain regarding misrepresentation of fact, price curtail, obstructive or coercive measure during tendering process which has not been considered properly;
      (iii)   any deficiency in the preparation of bid documents (for example, setting up of qualification criteria, ambiguous speciation, etc.);
      (iv)   one or more bidders winning a disproportionate number of contracts in a program over time;
      (v)   bid prices consistently over cost estimates and/or current market prices;
      (vi)   significant number of changes from bid to contract award and to final completion;

(vii) significant and recurring increases in the final contract price over the original bid price and/or the original contract price; and

(viii) significant delay in the contract processing and approval in the agency as well as in the ADB.

ANNEX 6
PROCUREMENT AND FINANCIAL MANAGEMENT ACTION PLAN

Secondary Education Development Program/
Secondary Education Sector Investment Program (Tranche 3)
(Agreed on 13 June 2017 and will be updated during DLI verification missions of each year)

Issue to Address	Action to be Implemented	Planned Date of Completion	Responsible	(Comments)
Planning and Budgeting				
MTBF serves as the fiscal framework for current and future budget allocations required to deliver NEP outputs and outcomes. However, MTBF, 2017–2018 has not incorporated required resources and needs to be updated to reflect future resource allocation requirements to meet stated targets. Among others, the current MTBF do not include ADB-planned finance through SESIP (Tranche 3)/SEDP.	Update MTBF for 2017–2018 to 2019–2020 to reflect future resource requirements for delivery of SESIP (Tranche 3)/SEDP targets.	June 2018	MOE	
To deliver results, as per result framework, existing as well as new PBHs need to be identified with budget allocated.	Identify relevant budget heads – PBHs – for program-related expenditures in recurrent and capital budget under non-development.	June 2017	MOE/ADB	
Budget Execution				
Ready-cash needed for smooth conduct of certain critical activities of the program.	Agree to consider advance adjustment ceilings (50%) during new advance allocation for each quarter for meeting the cash requirements for activities such as training, monitoring, and emergent needs of program management. To issue an order/letter in this regard by MOF.	September 2017	MOF/MOE	
Delay in payments by CGA accounting offices is a major risk as concerns rent-seeking activity and for efficiency in implementing program activities.	Agree to review payment processing time and procedure during AFR to verify whether payment processing is in compliance with GOB service targets or not.	Completed	MOE/CGA	

Issue to Address	Action to be Implemented	Planned Date of Completion	Responsible	(Comments)
Challenges in MPO disbursement management with government and commercial banks.	Agree to develop participation agreement between DSHE and MPO-disbursing banks. Agree to issue an instruction to the commercial banks to share consolidated summary information of MPO disbursement, including reconciliation of disbursement and unspent amount along with bank statement every 6 months.	September 2017	MOE/DSHE	
Accounting and Financial Reporting				
The IBAS++ used by MOF and CGA for budget monitoring and accounting purposes can generate budget management reports by legal, functional, operational, and economic classifications of expenditures. These reports should be used for financial monitoring purposes to maximize level of assurance rather than manually-generated reports by executing agencies as the case is for many other externally-funded programs.	Agree on which IBAS++ -generated reports (budget management report) will be used for program financial monitoring purposes as well as the form and content of the financial statements for annual reporting purposes (maximum alignment with cash basis IPSAS).	Completed	MOE/CGA/ADB /World Bank	
DDO/accounts office reconciliation has been frequently addressed as a major default in complying with GOB financial regulations and monthly reconciliation which ensure accuracy of expenditure numbers as well as correct classification of accounts.	Agree to allow an interface between DSHE MIS and IBAS++ to facilitate the reconciliation between DDOs and accounts offices.	December 2017	MOF/ MOE/ DSHE/CGA/ PEMSP (IBAS++ Project)	
Different procedures for booking of advances are applied and for development expenditures, advances are reported as expenditures in IBAS++-generated management reports.	Agree on procedure for accounting and reporting of advances. Agree to incorporate separate code in new classification code and procedures for advance booking and its adjustment in the IBAS++.	July 2017	MOF/CGA/ (PEMSP)	
Internal Controls and Internal Audit				

Issue to Address	Action to be Implemented	Planned Date of Completion	Responsible	(Comments)
MOE has an internal audit unit at the level of the MOE secretariat, as well as a specific DIA, in-charge of audit of school level financial performance. There are challenges related to management and capacities in conducting internal risk-based audits. This is evident in the observed weaknesses in timely account reconciliations, accumulation of advances, and only a limited number of schools sampled.	Agree on a capacity building plan for strengthening the internal audit functions in MOE and its agencies including capacity assessment, identification of required short to medium-term technical assistance requirements and source of funding. Agree on a way forward for implementing an internal audit unit or reform of DIA under MOE. Furthermore, MOE will take initiatives to implement the internal control manual of MOF on a pilot basis.	December 2017	MOE	
Mitigate the risk of effective internal audit through a systemic review of fiduciary environment.	Agree on terms of references for joint AFR, including post-procurement review of the program.	June 2017	MOE/DSHE/ADB/World Bank	
Enhance controls over fixed assets.	Agree to develop an Asset Management Module under MIS to enhance controls over capital expenditure by recording in a fixed asset register and reconciling the physical assets with the register through a physical stock count every 3 years.	June 2018	MOE/DSHE/ADB/World Bank	
External Audit				
Program expenditures will be financed entirely from GOB Consolidated Fund and follow regular GOB budget execution procedures.	Agree SOAN with the OCAG for audit of the program financial statements and audit arrangement which department within CAG will undertake a program-wide audit.	June 2017	OCAG/MOE/DSHE/ADB/World Bank	OCAG agreed in a meeting on 11 June 2017 that audit will be conducted by LRAD and agreed on the draft contents of the SOAN.
Audit issues are resolved on a timely basis.	Agree on a timely resolution of issues identified in the audit.	Serious audit observations are to be resolved within 2 years after	OCAG/MOE/DSHE	

Issue to Address	Action to be Implemented	Planned Date of Completion	Responsible	(Comments)
		audit reports are disclosed. A tripartite meeting will be conducted among MOE, auditors, DSHE, and relevant implementing agencies every 6 months under the leadership of MOE.		
Others				
DFP for procurement threshold is lower in non-development compared to development budget.	Agree to increase the DFP for procurement threshold in non-development; if possible equal to DFP under development budget.	September 2017	MOF/MOE	
Procurement				
Annual procurement plans to be linked with annual budget exercise.	Prepare annual procurement plans and post on website. Prepare Project and Procurement Management Information System and post on website.	1 month prior to start of fiscal year	MOE/DSHE/ EED/CPTU MOE/DSHE	
Efficiency enhancement in procurement management.	Agree to award contracts in a timely manner with: (i) 75% of contracts are to be awarded within initial bid validity period; and (ii) 75% of planned annual procurement are to be awarded within the fiscal year.	Ongoing	DSHE/ other implementing agencies	
Improvement in project and procurement management capacity.	Agree to conduct capacity development training every year for all implementing agencies.	Ongoing	CPTU/ MOE/DSHE	
Proper procurement procedures to be followed.	Agree to conduct annual post procurement review as mandated by PPR, 2008. Agree to conduct 20% of awarded contracts		MOE/DSHE/ ADB/World Bank	

Issue to Address	Action to be Implemented	Planned Date of Completion	Responsible	(Comments)
	under AFR funded by ADB.			
Modernize procurement techniques.	Establish e-procurement in DSHE and EED.	Ongoing	MOE/CPTU/ DSHE	
	CPTU to develop portal, design the system, and train personnel of the implementing agencies under MOE and private sector.			
	Develop registration and access systems.			

ADB = Asian Development Bank, AFR = annual fiduciary review, CGA = Controller General of Accounts, CPTU = Central Procurement Technical Unit, DDO = drawing and disbursement officer, DFP = delegation of financial power, DIA = Directorate of Inspection and Audit, DSHE = Directorate of Secondary and Higher Education, EED = Education Engineering Department, GOB = Government of Bangladesh, IBAS = Integrated Budget and Accounting System, IPSAS = International Public Sector Accounting Standards, LRAD = Local and Revenue Audit Directorate, MIS = management information system, MOE = Ministry of Education, MOF = Ministry of Finance, MPO = monthly payment order, MTBF = medium-term budget framework, NEP = National Education Policy, OCAG = Office of the Comptroller and Auditor General, PBH = program budget head, PEMSP = Public Expenditure Management Strengthening Program, PPR = Public Procurement Rules, SEDP = Secondary Education Development Program, SESIP = Secondary Education Sector Investment Program, SOAN = statement of audit needs.
Source: Asian Development Bank.

ANNEX 7
STATEMENT OF AUDIT NEEDS

A.   **Background**

1.   The sector program that the Government of Bangladesh and development partner(s) are jointly financing is the major public expenditure in the secondary education sector. The government and development partners(s)' contribution will both be channeled through the government system of budgetary allocations and accountability. The program relies heavily on government system and therefore incorporates planning and monitoring of the contributions of the government and development partners as well as institutional capacity building measure. With the implementation of the Integrated Budget and Accounting System to all district accounts office and upazila accounting offices where applicable, use of financial management system to identify program-related costs on almost on real time basis has become possible. The Secondary Education Development Program (SEDP) would mainstream the program financial management with the government treasury system and channel the development partners fund through the government consolidated fund. According to Article 128 of the Constitution, the public accounts of the Republic and of all authorities and officers of the government shall be audited and reported by the Office of the Comptroller and Auditor General (OCAG).

B.   Program Objective

2.   SEDP will support secondary education in Bangladesh over 10 years, using a multitranche financing facility (2013–2022). SEDP will support implementation of key reforms envisaged in the National Education Policy, 2010 in a phased manner. The total cost of SEDP, over the period from 2013 to 2023 is expected to be $17.3 billion. The Ministry of Education (MOE) is the executing agency and the Directorate of Secondary and Higher Education (DSHE) is the main implementing agency.

C.   Audit Objective

3.   The key objective of the audit is to enable the development partner(s) to have the audit report where the auditor(s) expresses an opinion on the annual financial statement of SEDP (recurrent and capital cost under non-development budget) as of 30 June each year as to whether the program financial statements give a true and fair view of the Secondary Education Sector Investment Program. As agreed by OCAG, Local and Revenue Audit Directorate (LRAD) will give auditors' report where the auditor(s) expresses an opinion on recurrent and capital expenditures under non-development budget of the annual financial statement of SEDP.

4.   In addition, the auditor would be required to give his opinion on whether (i) the funds have, to all material respects, been utilized for the services and for purposes intended by the development partner(s) and the Government of Bangladesh; (ii) the form and contents of the accounts conform to statutory and development partner(s) requirements. (iii) MOE was in compliance with financial covenants of the legal agreements with development partner(s) (i.e., loan agreement, grant agreement); and (iv) whether consolidated Program Financial Statement (Q4 interim financial reports) used as the basis for withdrawing funds from development partners accurately reflect the expenditure and activities on the program.

D. Scope of Audit

5.   The audit shall be carried out in accordance with relevant national auditing standards taking into account the ongoing initiative by OCAG to adoption and compliance with the International Standards of Supreme Audit Institutions.

6.   The audit would cover the entire program i.e., covering all sources and application of funds. The financing arrangement as currently agreed by Asian Development Bank (ADB), does not include any direct project aid i.e., no part of the program financing would be in the form of a development partner/ADB making any program expenditure on behalf of the recipient. In case this form of financing is agreed upon any time over the program duration, the program director shall provide all pertinent information to the auditors, so as to facilitate comprehensive audit coverage. The audits should be carried out annually from the commencement of the program—1 July 2018 until the end of the program period. The audit for the first year should also cover transactions, which occurred before the commencement of the program (if any).

7.   An assessment by the auditors of whether the program financial statements have been prepared in accordance with relevant national accounting standards and reflect a true and fair view of the financial performance of the program during the year.

8.   An assessment by the auditors of the adequacy of the financial management system including internal controls to the extent necessary to provide an opinion on the financial statements. A management letter highlighting any weaknesses identified should also be submitted to development partner(s).

9.   An assessment by the auditors whether in all material respects SEDP is in compliance with provisions of the financing agreement with development partner(s). This may inter alia include verification that:

      (i)   All funds have been used in accordance with the conditions of the legal agreements (i.e., loan agreement, grant agreement) with development partner(s) and only for the purpose for which the funds were provided.

      (ii)   The MOE was in compliance as at (insert date) with all financial convents of the legal agreements with development partner(s) (i.e., loan agreement, grant agreement).

      (iii)   Procurement has followed the agreed guidelines. Procurement requiring national competitive bidding will be performed in accordance with the Public Procurement Act, 2006 and Public Procurement Rules, 2008 with agreed modifications/clarifications (as amended). Procurement of goods, works and non-consulting services using international competitive bidding methods will follow ADB guidelines. Procurement of all consultancy services will follow ADB guidelines.

      (iv)   All necessary supporting documents, records and accounts have been kept in the respective offices of the Controller General of Accounts (CAG), MOE, DSHE, and other implementing associates of SEDP.

      (v)   Consolidated program financial statement (Q4 interim financial reports) which had been used as the basis for withdrawing funds from development partner(s)' disbursement reflects the expenditure of the program for the relevant financial year.

10.   The auditor should on a yearly basis undertake a review of actions taken on the recommendations presented in the previous audit report on the progress made.

11.   Development partner(s) expect that the auditors advise a calendar for discussion/review of audit observations through tri-partite meetings and audit review meetings to facilitate executive follow up on audit observations and recommendations.

E.   Management Letter

12.   In addition to the audit report, development partner(s) will require a separate letter focused on identified areas of control weakness. The auditor should provide details with respect to the observations, cause and effect of the internal control weaknesses and make recommendations to mitigate the effect of the weaknesses. The management letter will include:

(i)   Comments and observations on the notes to the accounts, accounting records, system and internal controls that were examined during the course of the audit;

(ii)   Identified specific deficiencies and areas of weakness in systems and internal controls and make recommendations for their improvements including government response;

(iii)   Communicated matters that have come to notice during the audit which might have a significant impact on the implementation of the program; and

(iv)   Brought to the notice of the government and development partner on any other matters that the auditor considers pertinent.

F.   Reporting

13.   The audit report and management letter from the Local and Revenue Audit Directorate (recurrent and capital cost under non-development budget) will be submitted to MOE, program director of SEDP, and development partner(s) within 9 months after the end of each fiscal year. The following are the contents of the audit reports:

(i)   audit cover letter;
(ii)   information regarding the audit;
(i)   audit opinion on the financial statements;
(iv)   audit opinion on specific development partner requirements;
(v)   attached financial statements; and
(vi)   management letter.

G.   Audit Agencies

14.   The key objective is to enable development partner(s) to have an audit report where the auditor expresses a professional opinion on the program financial statements of the   entire program as of June 30 each year.

15.   OCAG has agreed (reference letter CAG/Audit/ADB/537(13)/2015 dated 03.02.2015) that the expenditure of SEDP will be carried out till the end of the program by …………audit directorates under OCAG. Audited program financial statements for the expenditure shall be prepared and submitted to development partner(s).

16.   In case the CAG is unable or unwilling to perform the audit of SEDP to meet development partner(s)' minimum requirements, development partner(s) reserves the right to commission an additional audit.

H.   General

17.   The auditor should be given access to all legal documents, correspondences and any other information associated with the commission as deemed necessary by the auditor. As per Article 128.1 of the Constitution, the Auditor General and for that purpose he or any person authorized by him in that behalf shall have access to all records, books, vouchers, documents, cash, stamps, securities, stores or other government property in the possession of any person in the service of the Republic.

18.   The auditor may examine the semi- annual financial reports prepared during the years to assess the methods used to compile them to ascertain that the information in this report accurately reflect the underlying records and documents to ensure that there is no material misstatement.

NOTE: This is a statement of audit needs of the development partner(s) and does not in any way intend to limit the scope of the audit.

ANNEX 8
PROGRAM BUDGET HEAD

Secondary Education Sector Investment Program (Tranche 3)/Secondary Education Development Program expenditure framework that includes Asian Development Bank loan proceeds is composed of eligible expenditure items. These program budget heads include:

Economic Code	Descriptions	Functional Code
4500	Pay of Officers	2501, 2531, 2534, 2535, 2536, 2538,2542, 2571, 2573, 2579
4600	Pay of Establishments	2501, 2531, 2534, 2535, 2536, 2538,2542, 2571, 2573, 2579
4700	Allowances	2501, 2531, 2534, 2535, 2536, 2538,2542, 2571, 2573, 2579
4800	Supplies and Services	2501, 2531, 2534, 2535, 2536, 2538,2542, 2571, 2573, 2579
4900	Repair, Maintenance and Rehabilitation	2501, 2531, 2534, 2535, 2536, 2538,2542, 2571, 2573, 2579
5900	Grants in Aid	2505, 2531, 2540, 2571
6800	Acquisition of Assets	2501, 2531, 2534, 2535, 2536, 2538,2542, 2571, 2573, 2579

ANNEX 9
FORMAT OF INTERIM (UNAUDITED) FINANCIAL STATEMENT REPORT

								Amount in Thousand BDT	
		SECONDARY EDUCATION SECTOR INVESTMENT PROGRAM (SESIP)							
		INTERIM FINANCIAL REPORT (IFR)							
		for the period from xx to xxx							
		Explanatory Notes to the Statement of Sources and Uses of Fund as of xxxx							
Economic Code	Functional Code	Description	Cumulative as of xxx	For 3 months ended on 30 September 20xx	For 3 months ended on 31 December 20xx	For 3 months ended on 31 March 20xx	For 3 months ended on 30 June 20xx	Cumulative of Current Financial Year xxxx	Cumulative of SESIP as of 30 September xxxx
Non-Development Expenditure									
Note 1:									
4500		Pay of Officers							
	2501	Secretariat, MOE			-	-	-	-	-
	2531	Directorate of Secondary and Higher Education				-	-	-	-
	2534	Upazila Secondary Education office				-	-	-	-
	2535	Teachers' Training College			-	-	-	-	-
	2536	Government Secondary School			-	-	-	-	-
	2538	Government Madrasahs							
	2542	Bangladesh Madrasah Teachers Training Institute							
	2571	Education Engineering Department							
	2573	Directorate of Inspection and Audit							
	2579	Bureau of Educational Information and Statistics							

		Total	-	-	-	-	-	-	-
Note 2:						-	-		-
4600		Pay of Establishment				-	-	-	-
	2501	Secretariat, MOE			-	-	-	-	-
	2531	Directorate of Secondary and Higher Education			-	-	-	-	-
	2534	Upazila Secondary Education offices			-	-	-	-	-
	2535	Teachers' Training College			-	-	-	-	-
	2536	Government Secondary School			-	-	-	-	-
	2538	Government Madrasahs							
	2542	Bangladesh Madrasah Teachers Training Institute							
	2571	Education Engineering Department							
	2573	Directorate of Inspection and Audit							
	2579	Bureau of Educational Information and Statistics							
		Total	-	-	-	-	-	-	-
Note 3				-	-	-	-	-	-
4700		Allowances		-	-	-	-	-	-
	2501	Secretariat, MOE			-	-	-	-	-
	2531	Directorate of Secondary and Higher Education			-	-	-	-	-
	2534	Upazila Secondary Education offices			-	-	-	-	-
	2535	Teachers' Training College			-	-	-	-	-
	2536	Government Secondary School			-	-	-	-	-
	2538	Government Madrasahs							

	2542	**Bangladesh Madrasah Teachers Training Institute**									
	2571	**Education Engineering Department**									
	2573	**Directorate of Inspection and Audit**									
	2579	**Bureau of Educational Information and Statistics**									
		Total									
Note 4											
4800		**Supplies and Services**									
	2501	**Secretariat, MOE**									
	2531	**Directorate of Secondary and Higher Education**									
	2534	**Upazila Secondary Education office**									
	2535	**Teachers' Training College**									
	2536	**Government Secondary School**									
	2538	**Government Madrasahs**									
	2542	**Bangladesh Madrasah Teachers Training Institute**									
	2571	**Education Engineering Department**									
	2573	**Directorate of Inspection and Audit**									
	2579	**Bureau of Educational Information and Statistics**									
		Total		-	-	-	-	-	-	-	-
Note 5											
4900		**Repairs, Maintenance, and Rehabilitation**									
	2501	**Secretariat, MOE**									
	2531	**Directorate of Secondary and Higher Education**									
	2534	**Upazila Secondary Education office**									
	2535	**Teachers' Training College**									
	2536	**Government Secondary School**									
	2538	**Government Madrasahs**									

	Code	Description								
	2542	Bangladesh Madrasah Teachers Training Institute								
	2571	Education Engineering Department								
	2573	Directorate of Inspection and Audit								
	2579	Bureau of Educational Information and Statistics								
		Total		-	-	-	-		-	-
			-							
Note 6										
5900		Grants in Aid***		-	-	-	-		-	-
	2505	Autonomous Bodies & Other Institutions								
	2531	Directorate of Secondary and Higher Education								
	2540	Nongovernment Educational Institute			-	-	-		-	-
	2571	Education Engineering Department			-	-	-		-	-
		Total		-	-	-	-		-	-
			-							
Note 7										
6800		Acquisition of Assets								
	2501	Secretariat, MOE								
	2531	Directorate of Secondary and Higher Education								
	2534	Upazila Secondary Education office								
	2535	Teachers' Training College								
	2536	Government Secondary School								
	2538	Government Madrasahs								
	2542	Bangladesh Madrasah Teachers Training Institute								
	2571	Education Engineering Department								
	2573	Directorate of Inspection and Audit								
	2579	Bureau of Educational Information and Statistics								

					-	-			-	-
		Total		-			-	-		
Note 8										
		Total			-	-			-	-
				-			-	-		
	Total Non-Development Expenditure									
					-	-			-	-
							-	-		
					-					
					-					

Prepared by:			Endorsed by:		Confirmed By:			Approved by:	
Director Finance & Procurement, DSHE			**CAO, MOE**		**Program Director, SESIP and Director General, DSHE**			**MOE**	

					Amount in Thousand
**Secondary Education Sector Investment Program (SESIP)**

SL No	Development Partner	Date (dd/mm/yy)	Currency	Disbursed Amount	Exchange Rate	Amount in Thousand / Amount in BDT credited to Consolidated Fund
**Secondary Education Sector Investment Program (SESIP)**					
**Reconciliation of Development Partners Disbursement for SESIP**					
**As of xx**					
A	**Opening Balance/DPs' Accumulated disbursements as of xx**					
B	**Receipts during the period from xx to xx**					
1	ADB			-	0	-
2	Other DPs			-		-
	**Total receipts during the period from xx to xx**					0.00
C		**Total disbursement received as of xx (C=A+B)**				0.00
**Detail of DPs Disbursement**					
**As of xx**					
-	-	-	-	-	-	-
SL No	Development Partner	Date (dd/mm/yy)	Currency	Disbursed Amount	Exchange Rate	Amount in BDT credited to Consolidated Fund
1						-
				-		-
	**Total DPs disbursement as of xx**					0.00

SECONDARY EDUCATION SECTOR INVESTMENT PROGRAMME (SESIP)				
INTERIM FINANCIAL REPORT (IFR) FOR THE PERIOD FROM xx to xx				
Program Expenditure by Result Areas				
			Amount in thousand BDT	
Result Areas	Component	Sub Component	Original Budget for FY xx	Actual Expenditure for the period xx to xx
1	Quality and relevance of secondary education enhanced	i. Quality and relevance of curriculum improved		
		ii. Teacher capacity strengthened		
		iii. Classroom assessment and national examinations improved		
		iv. Use of ICT for pedagogy enhanced		
		v. Labor market relevance improved		
2	Equitable access and retention increased	i. School infrastructure improvement		
		ii. Flexible learning pathways		
		iii. Access and retention improved		
3	Education management and governance strengthened	i. Decentralized education management		
		iii. Strengthening information management		
		iii. Teacher management improved		
		iv. Effective planning, management and coordination		
		v. Monitoring, evaluation, and reporting strengthened		

		Total	**-**	**-**
			Prepared by:	
			Director Finance & Procurement, DSHE	

Particulars	Original Approved Annual Budget xx	Actual Expenditure*	%	Variance	
SECONDARY EDUCATION SECTOR INVESTMENT PROGRAMME (SESIP)					
INTERIM FINANCIAL REPORT (IFR) FOR THE PERIOD FROM xx to xx					
STATEMENT OF BUDGET VS ACTUAL					
				Amount in thousand BDT	
Development Expenditures*					
4500 Pay of officers				-	
4600 Pay of Establishment				-	
4700 Allowances				-	
4800 Supplies and Services				-	
4900 Repairs, Maintenance, and Rehabilitation				-	
5900 Grants in Aid				-	
6800 Acquisition of Assets				-	
Total Development Expenditures	-	-		-	
				-	
Total Development Expenditures in USD					
* The information on this page is provided by the CAO, MOE, using IBAS-generated information.					
				Prepared by:	
				Director Finance & Procurement, DSHE	

ANNEX 10
HUMAN RESOURCE ARRANGEMENTS

ANNEX 11
SMALL ETHNIC COMMUNITY PEOPLE'S PLAN

A.   Executive Summary

1.   In Bangladesh, there exist marked inequalities in receiving development benefits. The Secondary Education Sector Investment Program (SESIP) (Tranche 3), will attempt to create a sector-wide enabling condition for secondary education system to ensure acceptable learning outcomes will benefit all people, irrespective of their socioeconomic, ethnic, linguistic, or gender status.

B.   Description of the Project

2.   The National Education Policy (NEP) of the Government of Bangladesh has been approved by the National Parliament of Bangladesh in 2010. It envisions a holistic and balanced development of the entire education sector, aiming for all children to complete 8 years of primary education and continue for 4 years of secondary education, considered as a job entry point. Hence, with the context of the implementation strategy of NEP, 2010, the SESIP has been designed by the government, taking Asian Development Bank (ADB) as a core development partner to support implementation of key reforms envisaged in the policy using a multitranche financing facility (2013–2022) in a phased manner. The SESIP will adopt a sector-wide approach that supports the government to lead a common secondary education program framework with ADB and other development partners' assistance. The SESIP aims at assisting the government to implement the NEP, 2010 which focuses on grades 1–8 and 9–12. The NEP has four components: (i) enhancing quality and relevance; (ii) increased equitable access and retention of all students, including peoples of small ethnic communities (SEC);[1] (iii) strengthened educational management and governance; and (iv) M&E of the program progress. Students from SEC will receive culturally appropriate and social benefits from the improved quality education.

3.   There is neither land acquisition nor resettlement involved in the program. No physical displacement of the people from protected areas and natural resources is involved.

C.   Social Impact Assessment

4.   Only 7.8 % of all Chittagong Hill Tracts (CHT) people completed primary education and 2.4% completed secondary education.[2] The socioeconomic status of most SEC in the plains, particularly in the north-western Rajshahi, is known to be even worse than that of SECs in the CHT. From a study on the indigenous peoples of northwest Bangladesh, a researcher on Adivasis makes the following observation on the well-being and food security of the indigenous peoples "… the colonial history of Adivasis is, in many respects, a disturbing one of exploitation, deprivation, deteriorating livelihoods and occasional experience of famine, as well as the regular, unavoidable autumn periods of food scarcity. On the other hand, their history is one of an extraordinary ability to cope with crises, shocks and stresses". Another writer, a well-known authority on the Adivasis of Bangladesh, mentions the common instances of land-grabbing perpetrated against Adivasi communities in northwest Bangladesh, through the discriminatory use of the Vested Property Act, 1974.

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[1] The Government of Bangladesh does not endorse the term "indigenous peoples" officially and prefers to use the term "small ethnic community" for the same group of people. This document will use the single term SEC to mean all indigenous peoples/SEC peoples of Bangladesh.

[2] Human Development Research Centre. 2009. Socio-economic Baseline Survey of Chittagong Hill Tracts. Dhaka.

5.   The East Bengal State Acquisition and Tenancy Act of 1950 restricts the sale of lands of "aboriginal castes and tribes" to anyone other than aboriginal castes and tribes domiciled in Bangladesh. It recognizes 21 "aboriginal castes and tribes" in the country. The CHT-Accord applies only to the CHT region. Five major acts of the CHT-Accord address crucial aspects of the SEC groups' rights, in addition to customary law on family and resource rights of indigenous peoples. Bangladesh has also ratified the International Labor Organization Conventions, as well as several other important human rights treaties,

6.   Specific tasks and performance targets of Tranche 3 indigenous peoples' plan/SEC plan are summarized below:

Project Component	Tasks	Targets/ Indicators	Responsibility
Output Enhanced quality and relevance of secondary education	Revised secondary education curriculum implemented covering SEC areas	By 2023, revised curriculum following NCPF implemented at schools and madrasahs covering all SEC areas	MOE, DSHE, NCTB, BISE, and, PSU
	Strengthen practical science teaching for SEC	By 2023, practical science teaching introduced at schools and madrasahs will cover all SEC areas	
	Enhance the use of ICT for pedagogy in SEC areas	By 2021, e-learning is implemented in at least 40% schools and 10% madrasahs in SEC areas	
	Improved labor market relevance for SEC	By 2023, prevocational subject piloted at selected schools of which a representative portion is in SEC in SEC areas	
	Improved classroom assessment procedures and national learning assessment for SEC	In 2019 and 2022, the NASS conducted in all SEC areas	
Output More equitable access and better retention	Harmonized stipends program based on poverty-targeting selection implemented in SEC areas	By 2022, grade 10 retention rate of poverty targeted stipend recipients including girls reaches 70%	MOE, DSHE EED, and PSU
	Need-based education institution infrastructure developed to improve access and learning outcomes of SEC students	By 2018, maintenance policy for school facilities with gender responsive approach, as per Education Institution Construction Policy Guidelines, approved covering all SEC areas	

Project Component	Tasks	Targets/ Indicators	Responsibility
	Design and implement AGP to address drop-out issues in SEC areas	By 2018, plan of AGP on water and sanitation approved covering all SEC areas	
	Plan and implement incentive program to mobilize teachers to SEC areas	By 2023, schools and madrasahs in a representative portion of SEC selected to pilot incentive mechanism for female teachers	
Output Secondary education management and governance strengthened	Improved teacher management and accountability in SEC	By 2019, Monthly Payment Order Rationalization Plan inclusive of SEC approved by MOE	DTE, DSHE, MOE, PSU, DDOs
	Strengthened EMIS and monitoring and evaluation for SEC	By 2021, annual EMIS report with sex-disaggregated data and covering SEC areas published	
	Fiduciary management enhanced in SEC areas	By 2023, 90% of DDOs (including all females) in SEC areas trained for IBAS++ implementation	
		By 2019, e-GP rolled out for 100% non-ICB contracts in all the co-implementing agencies including those in SEC	

AGP = Adolescent Girls Program, BISE = Board of Intermediate and Secondary Education, DDO = drawing and disbursement office, DSHE = Directorate of Secondary and Higher Education, DTE = Directorate of Technical Education, e-GP = electronic government procurement, EED = Education Engineering Department, EMIS = education management information system, IBAS = Integrated Budget and Accounting System, ICB = international competitive bidding, ICT = information and communication technology, MOE = Ministry of Education, NASS = National Assessment of Secondary Students, NCPF = National Curriculum Policy Framework, NCTB = National Curriculum and Textbook Board, PSU = program support unit, SEC = small ethnic community.
Source: Asian Development Bank.

D.   Information Disclosure, Consultation, and Participation

7.   To ensure transparency in planning and to engage SECs and other stakeholders, the program and subproject information will be disclosed. A summary SEC policy framework will be translated and disclosed in publicly accessible locations shortly after the executing agency and ADB endorses it. The information on benefits and incentives packages for SECs will be disclosed and reported through meetings/public notifications. The benefit/results of a subproject will be displayed on local billboards/USEOs and project progress reports will be widely disseminated.

8.   The program support unit (PSU) will keep the SEC informed about the impacts, mitigation measures, and assistances proposed for them and facilitate grievance redress. The M&E Wing also captures the information of SEC in the education management information system (EMIS) database of the Directorate of Secondary and Higher Education (DSHE) which DSHE EMIS Wing administers. Each SEC peoples' plan (SECPP) will also be made available at a convenient place,

especially at the district offices of the DSHE and in other key accessible locations (secondary and higher schools of respective districts) convenient to the SEC peoples. The executing agency will submit the project monitoring report including SEC information related to project activities to ADB for disclosure on its website.

E. Beneficial Measures

9.   Several key indicators are identified:

    (i)   number of trained teachers (sex-disaggregated);
    (ii)   number of students (sex-disaggregated and with different disabilities/special needs/disadvantages) benefitting from pilot information hubs practical science classes, and Resource Teacher program; and
    (iii)   number of participants who joins campaign and community awareness programs on student counseling, sexual harassment in schools, and science, etc.

F. Mitigated Measures

10.   Selection of pilot schools and madrasahs, participants in planned trainings for teachers and education officers will not exclude school management committee in accordance with the selection criteria (to be developed).

G. Capacity Building

11.   No specific institutional training is planned in the executing and implementing agencies. One of the key highlights on SEC in tranche 3 is capacity building in resource teacher program based on the identified gaps (training on gender-neutral education/classroom, inclusive education, teaching-learning techniques for students from diversified background, right-based approaches, etc.)

H. Grievance Redress Mechanism

12.   The project level grievance redress mechanism (GRM) is established to receive, evaluate, and facilitate the resolution of the affected people's concern, complaints, and grievances about the SECPP performances at the level of the project. The GRM aims to provide a time-bound and transparent mechanism to voice and resolve ethnic minority people's personal and community concerns linked to the project.

13.   The grievance redress committee is formed at each district level for any grievances involving resettlement benefits, mitigation of any adverse impact on the SEC peoples, as individual or community, and other assistance as mentioned in the SEC policy framework/SECPP. A gazette notification on the formation and scope of the grievance redress committee will be required from the DSHE/Ministry of Education.

14.   The PSU makes the public aware of the GRM through public awareness campaigns. The PSU will extend cooperation to the SEC peoples to express their grievance by submitting complaints in writing to SPSU. In addition to that, the contact phone number of the respective project implementation units will serve as a hotline for complaints and shall be publicized through the media and placed on notice boards outside their offices and at construction sites. The project information brochure will include information on the GRM and shall be widely disseminated

throughout the project area by the safeguard officer in the PSU. Any aggrieved person can seek relief from the courts if GRM fails.

I.   Monitoring, Reporting, and Evaluation

15.   DSHE ensures that M&E procedures include indicators for monitoring impact on the project's beneficiaries. The PSU provides ADB and other development partners with the following information for their review of performance and compliance with ADB's Safeguard Policy Statement (2009). Updates for formal review missions which would include (i) summary information on schools that have significant adverse impacts on SEC, and (ii) semiannual report on compliance of safeguard requirements on contract packages and other SESIP activities.

J.   Institutional Arrangement

16.   The Ministry of Education/DSHE/PSU supervise and monitor SESIP's result framework (including SEC impacts) through the approved formats, as per DSHE M&E Wing establish internal monitoring mechanisms and benchmarks appropriate for monitoring and reporting by the monitoring consultants (with support from the social safeguards specialist).

K.   Budget and Financing

17.   Program budget translated to the annual operation plan will include all the needed cost for school management committee-related activities including resource teacher program. The executing agency is responsible for the timely allocation of the funds, where required. Training, consultation and administrative expenses, monitoring and consultation cost, mitigation of negative impacts, and restoration cost will be considered as an integral component of project costs and each of these will be itemized in the budget, if needed. No physical work in any subproject area where SECs are present will be started until the full budget is allocated for the above purposes. The progress in budget use will be reported to ADB biannually.