

Lao PDR
Second Global Partnership for Education (GPE II) Project
Implementation Support Mission Aide-Memoire
(October 5 – 9, 2015)

Key Project Data

| | | | | | |
|---------------------------|-------------------|----------------------------|-------------|--------------------|--------------|
| Original Financing | | | | | |
| Project number | P149130 | Effectiveness Date | 4 June 2015 | Closing Date | 15 July 2019 |
| IDA Loan & Grant Amount | US\$ 16.8 million | IDA Loan Percent Disbursed | 0% | Mission Start Date | 5 Oct. 2015 |
| TF018969 Disbursed Amount | 1.5 million | Percent Disbursed | 9% | Mission End Date | 9 Oct. 2015 |
| | | | | Next Mission Date | Jan. 2016 |

1. The first Implementation Support Mission¹ of the GPE II project started with the project launch (October 5 – 6, 2015) organized by the Ministry of Education and Sports (MoES), with presence of the Government's relevant ministries, Development Partners, provincial and district officials responsible for implementation and supervision of project activities. Following the launch, the team reviewed and updated the project's first year implementation and procurement plan with the concerned MoES departments and the Education Sector Development Plan Coordination Unit (ECU). The Aide Memoire (AM) provides a summary of the discussions, agreements reached and the team's main recommendations. The detailed information are included in the annexes. The team confirmed and agreed by the MoES that this AM will be subject to public disclosure.

2. As part of the mission, the Bank team also provided technical support to the preparation of the baseline survey for the impact evaluation under the Early Childhood Education (ECE) project. Detailed achievements and agreements reached are recorded in Annex 5 of the AM.

3. The team wishes to express its sincere appreciation for the support, guidance, and valuable insights extended by MoES and other involved agencies and development partners, with special appreciation to His Excellency Dr. Phankham Viphavanh, Deputy Prime Minister and Minister of Education and Sports, His Excellency Mr. Lytoun Bouapao, Vice Minister of MoES, Dr. Mithong Souvanhviay, Director General, Department of Pre-Primary and Primary Education (DPPE). (Annex 1 provides a full list of participants in the mission).

¹ The mission consisted of Ms. Binh Thanh Vu (Task Team Leader), Mr. Plamen Nicolov Danchev (Education Specialist), Dr. Sally Brinkman (Child Development Consultant), Ms. Emiko Naka (Education Consultant), Ms. Acharya Kohtbantau (Education Consultant), Ms. Sirirat Sirijaratwong (Procurement Specialist), Ms. Siriphone Vanitsaveth (Financial Management Specialist), Mr. Satoshi Ishihara (Senior Social Specialist), Mr. Peter William Crawford (Environmental Specialist) and Ms. Boualamphan Phouthavisouk (Team Assistant).

SUMMARY OF PROJECT STATUS

4. Since the project becomes effective on June 4, 2015, overall implementation progress has been positive, especially under component 1 – strengthening school based management (SBM). Implementation of this component is strongly supported by various development partners (DPs) in the country. A series of consultation workshops have been organized by the MoES in coordination with DPs to move things forward. Agreement has been reached in principle, among the DPs and the Government, to share responsibilities in working together to support the MoES in achieving a unified approach to SBM for Lao PDR, the production of standardized and streamlined SBM materials and a single training plan at all levels. Implementation of component 2 - Improving reading outcomes and assessment capacity - requires more time for the preparation of technical details of the Terms of Reference (TOR) for technical assistance (TA) to support MoES in this highly specialized area. By the time of the mission, implementation of this component had started. It is expected that project implementation will increase over the next couple of months.

SUMMARY BY COMPONENT

Component 1: Strengthening School Based Management (SBM)

5. The SBM in Lao PDR aims to strengthen ownership and autonomy at the school and village level through practicing in the full cycle from the development, implementation and monitoring of effective school development plan (SDP), with the objective of having schools meet fundamental standards of quality of service delivery in order to improve students' learning achievement. Implementation of SBM has been strongly supported by all DPs in Lao PDR and has been progressing well. Currently, there are several major programs supported by the DPs to MoES in this area. For instance, the Community Initiatives for Education Development (CIEDII) project supported by JICA; the Basic Education Quality Access in Lao PDR project (BEQUAL) supported by DFAT; the planning and management of District Education Development Plan by UNICEF, and the GPEII project. All initiatives are to support an improved and sustained quality of education by providing capacity building on SBM implementation at all levels and promoting bottom-up planning and decision making; from schools and the Village Education Development Committee (VEDC) to provincial and districts authorities to central level including MoES. All stakeholders (DPs and the MoES) share the same views and the need for close collaboration and coordination among different SBM initiatives and moving toward a unified system that is relevant to the country context. Since effectiveness, a series of workshops and meetings have been organized by the MoES and the DPs to: (i) coordinate different initiatives of SBM; (ii) build a common understanding of SBM for Lao PDR in order to move forward for a harmonized and consistent approach of SBM implementation; (iii) obtain unified SBM training modules; and (iv) develop a single national training plan on SBM.

6. Currently SBM training modules are being revised by responsible MoES departments, coordinated by the Institute for Educational Administrative Management (IFEAD) and DPPE.

The revised modules are expected to be finalized and submitted to the Education Focal Group ¹² and the Education Sector Working Group (ESWG) by the end of November 2015.

7. JICA will continue to provide TA for implementation of SBM under the GPEII as agreed during the project preparation. Specifically, JICA will: (i) provide TA to support SBM training to the project's provinces, districts, school and VEDCs; (ii) assist the MoES in monitoring the cascade training to ensure that similar quality of training is achieved as expected at all levels; and (iii) provide coaching, mentoring and support to four low-performing districts³ which do not receive support from other on-going SBM projects/programs. It was agreed that JICA will allocate two TAs to support training at the local level in the northern and southern regions.

8. As mentioned above, there are several on-going projects providing support to the MoES's efforts in implementation of SBM initiative, each has its own TA. Therefore, it is necessary to revisit tasks and scope of work of the TA under the GPEII, which may or may not be the same as originally envisaged during project preparation. The team supports the MoES's suggestion that the technical assistance will be provided to the cross-departments of MoES, coordinated by the DPPE for enhancement of the SBM policy framework and assisting the development of roadmap for transition to a comprehensive SBM in Lao PDR. The objective of this TA would be to: (i) review the current SBM policy framework; (ii) conduct additional research and studies, if necessary; and (iii) provide evidence-based recommendations to the MoES on the directions to improve SBM implementation in a sustainable manner. The team will share a sample of ToR for such TA to ECU/DPPE by November 30, 2015.

9. At the meeting chaired by the ECU/DPPE with the key DPs on October 9, 2015, it was agreed in principle that each of the interested DPs will play a leading role in providing support to the MoES on a specific area of the SBM development and implementation processes. For example, JICA will be the leading agency to support MoES in harmonization of SBM training modules and support the development of single training plan; the Education Program Specialist of the BEQUAL project will update the mapping of SBM target districts supported by different DP/MoES as a basis for further coordination and development of a detailed unified SBM national training plan. Close collaboration under the leadership of the MoES is essential to ensure successful implementation of SBM.

10. The draft School Block Grant (SBG) manual was prepared by the MoES and received comments from the Bank team in January 2015. As agreed, the revised version has been submitted to the Bank on October 30, 2015 for further review. The final version should be completed for implementation by November 30, 2015.

²There are four focal groups in the education sector namely, Focal Group 1: Basic Education; Focal Group 2: Post Basic Education; Focal Group 3: Education Management, Administration and Performance Assessment; and Focal Group 4: Education Research and Analysis. Focal Group 1 is established to strengthen planning, financing and coordination between MoES line departments, development partners, INGOs and Non-Profit Associations for improved formal and non-formal delivery of inclusive quality basic education for all learners in Lao PDR.

³Very low performing districts identified by the MoES according to the (i) Proportion of students who enter primary with some ECE experience, (ii) Net Primary Enrolment Rate, (iii) Primary survival rate to Grade 5 and iv) Lower secondary Gross Enrolment Rate.

11. A web-based Financial Reporting System (FRS) was developed and used by the MoES to monitor implementation of SBG under the previous project. However, the current system requires technical improvement in order to respond to the project reporting requirements and to realize the full potential of the system, in particular the capacity of the system to record the progress of school finances on a more up-to-date basis and to create reports automaticity. It is envisaged that the TA will also provide training to: (i) MoES, provincial, district staff on the system update; and (ii) two teachers per school who act as accountant and treasurer. TA will also provide continuous on-site support to local level during implementation. The team urges the MoES to have the TA as soon as possible so that the system can be updated and used for budget planning and monitoring of SBG implementation. The DoF will draft the ToR. The final version is expected to be submitted to the WB for review *by November 30, 2015.*

Next Steps:

- The final School Block Grant Manual: DoF/ECU will submit the final SBG manual to the WB for NOL by **November 30, 2015**
- TOR for an international consultant to assist on development of SBM policy framework: World Bank team will share a sample of the TOR , the final TOR to be submitted for the WB's review by **November 30, 2015**
- ToR for an international consultant to assist on the Financial Reporting System (FRS) Update: Department of Finance will submit draft ToR to WB for review by **November 30, 2016**

Component 2: Improving Reading Outcomes and Assessment Capacity

12. Implementation of component 2 has experienced delays and should be accelerated. The team discussed the draft four-year implementation plan of this component with the Research Institute for Educational Science (RIES), the implementing unit and the ECU. Although agreement reached on the implementation plan, further detail will be included to incorporate the inputs from other on-going initiatives in this related area as these become available. Specifically, the development of instructional materials for the pilot of reading interventions (sub-component 2.1) has been designed with the agreement between RIES, Room to Read (R2R) and the World Bank that the current R2R pilot of reading development Grades 1 and 2 in 46 selected schools will serve as a de facto pre-piloting of the instructional package to be developed by the project. Other areas of knowledge sharing expected from the R2R pilot include the effectiveness and logistics needed to implement the program, costing of printing and training, teacher training methodology, etc. It is important to note that the project does not intend to recycle the same materials that R2R produced but to learn from R2R experience in the development of material, structure and packaging to inform discussions and decision over which –if any- portions of the material could be shared and explicitly used in the GPEII pilot. Using products and materials produced by R2R could accelerate implementation of reading interventions under the GPEII and save costs for the MoES but a decision as to which parts –if any- will be used as such is to be

determined. The team urges ECU/RIES to start recruitment process of the TA that will advance the preliminary research and technical design for this component as soon as possible to cover the time lost. As defined in the approved procurement plan, the selection method to be used for recruitment of this TA will likely take longer than others. Therefore, the team suggests the ECU to work with RIES to begin the process as an urgent matter if RIES wishes to have the TA firm on board in February– March 2016.

13. As this is a highly specialized field, the Bank team is committed to assist RIES and ECU and will provide inputs into the draft Terms of Reference (TOR) by November 6, 2015. It is expected that the final TOR should be ready for recruitment process to start by November 15, 2015 at the latest.

14. The team has also discussed with RIES/ECU on the overall implementation process of this component. To ensure that local capacity will be built up through implementing all activities of the whole process for piloting interventions; from development of materials (including teacher guides, student activity book and supplementary reading books) to teacher training, coaching and mentoring and monitoring, etc, the RIES/ECU agreed with the team's suggestion and will seek the MoES' management support to form a team of at least 10 local experts who will be dedicated to work on the process. This team, led by RIES's Lao language curriculum development staff, could comprise experienced primary school teachers, lecturers from teacher training colleges and other concerned technical departments of MoES, would likely work full-time for this tasks for few months, therefore, official authorization will have to be secured to release them for their regular work.

15. On a broader scope, like the SBM, the area of early literacy is also being supported by several development partners. Therefore it is critical to ensure that coordination is in place so that there are no overlaps or duplications and that MoES's priorities are supported in the most effective way. The team strongly suggests RIES to coordinate all projects (BEQUAL, UNICEF, R2R and Save the Children and GPEII) to ensure synergy, align each effort to maximize good lessons and minimize the risks of overlapping and or misunderstanding.

16. The team was informed that the BEQUAL project is supporting the curriculum revision of all primary grades in all subjects except mathematics, which is being supported by JICA. During the project preparation, Australia (as financier of the BEQUAL program) expressed its interest in benefiting from the lessons of the GPEII pilot to inform the Lao language curriculum revisions supported by BEQUAL. Ideally, the revision of Lao language subject would greatly benefit from the findings and results of the piloting reading interventions of Grade 1. The team suggested that RIES and BEQUAL revisit its implementation plans if an alignment of timing is possible so that the results of studies and pilots could be used to inform the curriculum revision for Lao language subject.

17. According to the original design, the pilot of reading interventions would be in both Grades 1 and Grade 2. Although much of the data needed to design the program is already available from the EGRA/SSME survey and other studies, there are linguistic aspects that relate to reading instruction that need to be explored. These studies were originally planned to be

completed during the gap year (after the GPE I project closure and prior to the GPE II project effectiveness). However, such preparatory work was not carried out due to unforeseen factors that the donor withdrew its financial commitment which rendered the resources committed to this task unavailable. Therefore, these additional studies (in sub-component 2.1) become the first tasks leading to the development of the instructional material. This also effectively pushes the overall implementation schedule one school year forward and the start of the Y1 of the pilot will be the school year 2016-2017. Given the limited time of four years implementation and the time-intensive process of the pilot, it is important to ensure that implementation is happened as schedule. Otherwise, implementation of this component may not be completed by the project closing date. A tentative implementation plan was discussed with RIER/ECU and attached in annex 2.

Next Steps:

- TOR for a consultancy firm: World Bank team will share the draft with the ECU and RIES by **November 6, 2015**.
- Recruitment process to start by **November 15, 2015**.
- Establishment of a local expert team to be ready for material development: By RIES by **March – April, 2016**.

Component 3: Project Management and Monitoring and Evaluation

18. The ECU was set up and formally endorsed by the MoES's with the appointment of director and two new deputy directors⁴. In order to ensure the effective project implementation the ECU will coordinate the establishment of coordination departments (CDs), leading by each technical department of the MoES, for the GPEII project both at the central and provincial and district levels by the end of October 2015.

19. Per the request of the ECU, the team clarifies that the GPEII would support different types of training; for instance: (i) training activities as part of the component 1 and component 2 which should be included in the project's annual operational plan and will be reviewed and cleared by the World Bank for implementation; (ii) in-country training for the ministry staff on the project management-related issues, with the cost estimate less than US\$10,000 being subject to post-review; and (iii) training, study visits and attending workshop, conference overseas will be subjected for the WB's prior review and clearance. A full proposal will be required for the review and approval.

⁴ Each of the two deputy directors is in charge of coordinating implementation of one education project supervised by the World Bank (ECE and GPEII).

Procurement

20. The team discussed the procurement plan status of the GPEII project with the ECU. The procurement of goods and consultant services has not yet started. However, it is important to start the procurement process as the target dates agreed during discussions and mentioned in each component sessions above to avoid delays of the project implementation.
21. The team reminded the ECU that the agreed procurement actions in the Project Appraisal Documents include: (i) ECU organize intensive procurement training for provisional and district staff; and (ii) update the School Block Grant Manual to include implementation arrangements at the sub-national level and send for the Bank's concurrence. As agreed, the ECU has submitted the updated English version of the Manual to the Bank on October 30, 2015 for further review.
22. As the ECU is now in charge of supporting the CDs in implementation of both ECE and GPEII projects, the current procurement capacity with only one procurement consultant working under supervision of the Project Director, is not sufficient to handle the huge amount of procurement activities of both projects. The team recommended the Ministry consider hiring an experienced Procurement Specialist for at least 6 months on an intermittent basis over the period of one year to help accelerating the procurement activities for both projects. The team has shared a sample TOR for the Procurement Specialist to the ECU on October 21, 2015. This position will be added in the updated procurement plan and recruited before or by December 15, 2015.
23. The project's Procurement Plans for Year 1 will be updated and submitted for the Bank by November 10, 2015. Detailed procurement review and agreed actions are described in the Annex 3.

Financial Management

24. The team noted that designated account (DA) has been opened and initial advance of US\$1,500,000 has been disbursed and received by the MoES. An interim budget plan was submitted to the Bank and received NOL for implementation. However, there are a few outstanding tasks which require immediate action to complete as soon as possible; these include:
- (i) Recruitment of two accounting assistants within six months of the date of signature of the GA, by December 4, 2015;
 - (ii) Selection and employment of consultancy service to customize the existing accounting system to set up additional account code for GPE II project so that transactions can be entered. The TOR to be finalized before or by November 30, 2015. This position to be included in the procurement plan and complete recruitment by December 30, 2015;
 - (iii) Recruitment of the project auditor. The ECU proposed to use one auditing firm for both the GPEII and the ECE projects. In principle, the team supported the ECU's proposal. However, revision of the TOR of the current auditor will be required the WB's clearance. It was agreed that the final TOR will be submitted to the World Bank for NOL by November 15, 2015; and

- (iv) The revised School Block Grant (SBG) manual and revised Finance and Administration Manual (FAM) have been submitted on October 30, 2015 as agreed. The Bank team will provide comments. The final versions to be ready for implementation by November 30, 2015.

25. By the project effectiveness, the revised financial administration manual (FAM) should have been submitted for the Bank's review and the accounting software should have been configured and ready for recording the projects transactions incurred. However, these have not been completed by the time of the mission. The team urged the MoES/ECU to proceed this activity as quickly as possible to support implementation and strengthen the project financial monitoring. A list of agreed action is described in the Annex 4.

26. As the ECU is in charge of coordinating the project implementation, it is important to make sure the ECU is included in any correspondence from the Bank to a respective implementing unit of MoES. The team agreed with the ECU's suggestion that the ECU staff should always be invited to attend any technical meeting which the Bank team has with the implementing department. Minutes of meetings will be prepared by the ECU staff who attended the meeting to share with the Project Director, the concerned implementing unit and the World Bank for follow up and action.

27. The Bank team and the MoES agreed that, from now onward, the Bank will combine implementation support missions of the two education projects supported by the Bank (ECE – P145544 and GPEII – P149130) in the same visit. The MoES agreed that the next mission is scheduled for January 2016.

Annex 1: List of Persons Met

| Name | Position | Organization |
|-----------------------------|---|--------------------|
| H.E. Dr. Phankham Viphavanh | Deputy Prime Minister, Lao PDR and Minister of MOES | MOES |
| H.E. Mr. Lytou Bouapao | Vice Minister | MOES |
| Dr. Mithong Souvanvixay | Director General, DPPE | MOES |
| Ms. Khampaseuth Kitignavong | Deputy Director, DPPE GPE II Project Director | MOES |
| Mr. Thongkeo Keoasa | Deputy Director, REIS | MOES |
| Ms. Dara Phakonekham | Deputy Director, DoF | MOES |
| Ms. Xuenchith Selinokham | Head of Accounting Division, DoF | MOES |
| Mr. Khamfong Sommla | Deputy Head of Division, ECU | MOES |
| Mr. Phisitxay Soulinthone | Deputy Head of Division, ECU | MOES |
| Ms. Amphavanh Sivilaysack | Procurement Assistant, ECU | MOES |
| Dr. Chansaly Phommavong | Assistant to NPCO, HSIP-AF | MOH |
| Mr. Mike Lally | Adviser, BEQUAL, Planning Department, MOES | BEQUAL |
| Ms. Eloise Saif | Second Secretary | Australian Embassy |
| Ms. Phonethida Vongsay | Senior Program Officer | |
| Ms. Akiyo Morita | Representative | JICA |
| Ms. Masako Iwashina | Chief Technical Advisor, CIED II | JICA |
| Mr. Patsakone Dejevongsa | TA Coordinator | EU |
| Mr. Khamsook Phommavongsa | Social Research Manager | IRL |

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Annex 3: Procurement

1. **Procurement Status:** The team participated in the project launch that took place on October 5-6, 2015 and made a presentation on procurement under the project. The mission discussed progress on implementation of procurement activities of the GPEII project with the ECU.
2. The Project inherited an institutional structure that was set up under the previous phase of the project (FTA-FTI). The Ministry has assigned staff to work on the project and oversee the procurement activities carried out by the national procurement consultant. However, the assigned MoES officer has other management responsibility and could not spend full time on procurement. The current procurement capacity requires additional support to deal with procurement tasks for both operations (ECE and GPEII). It was discussed and agreed that the Project will hire an experienced Procurement Specialist for at least 6 months on an intermittent basis over the period of one year to help carrying out the procurement activities for both projects. The team has shared a sample TOR for the Procurement Specialist to the ECU on October 21, 2015. This position will be added in the updated procurement plan and started the advertisement by November 12, 2015.
3. At negotiations, it was agreed that the MoES would update the School Block Manual to incorporate lesson learnt from previous implementation of School Block Grant (SBG) under the FTA-FTI project. The focus of the update is to strengthen fiduciary arrangements including procurement. The updated manual has been finalized by Government and submitted to the Bank on October 30, 2015 as agreed.
4. Based on the initial procurement plan agreed with the Bank, three large value consultancy services estimated at over US\$300,000, seven individual consultants and two goods packages requiring shopping procedures were agreed to be procured in the first year. Proposals/application for consultants supposed to be submitted by October 2015. However, there has not been progress on the project's procurement. The agreed actions to accelerate the procurement process has been discussed and agreed as details in the table below.
5. The mission strongly encouraged the ECU to update the procurement plan and initiate procurement activities without delay. The team reminded the ECU that the agreed procurement actions in the Project Appraisal Documents include: (i) ECU organize intensive procurement training for provisional and district staff; and (ii) update the School Block Grant Manual to include implementation arrangements at the sub-national level and send for the Bank's concurrence. As agreed the updated English version of the Manual was submitted to the Bank on October 30, 2015 for further review and clearance.
6. The Procurement Plans will be updated and submitted to the Bank by November 10, 2015.

Procurement agreed actions

| Description | Estimated Cost US\$ | Procurement method | Status | Agreed Action / Date |
|--|--------------------------------------|--------------------|--|--|
| Materials for SBM (SBG poster, reference materials for 9000 schools & extra supply for 1000 schools) for two years | 50,000 | <i>Shopping</i> | <i>Poster to be designed.</i> | <i>End Dec: MoES Task Force to provide the design Jan.15 : RFQ to be issued</i> |
| 27 computers and 27 printers | 54,000 | <i>Shopping</i> | <i>Draft RFQ ready waiting for Technical Specifications (TS)</i> | <i>Nov.13: TS to be ready Nov.27: RFQ issued</i> |
| International consultant to develop SBM policy frame work (change title from ‘Design Quality Assurance Standard support SBM team’ | 75,000 (likely to be revised) | <i>IC</i> | <i>TOR to be prepared.</i> | <i>Nov.2:WB to share a sample of TOR Nov.30:Draft TOR to be submitted for no objection Dec. 15: REOI to be advertised.</i> |
| Local consultant to assist international consultant on Policy Framework (changed titling from ‘Design to Design Quality Assurance Standard support SMB team’ | 44,000 | <i>IC</i> | <i>TOR to be prepared.</i> | <i>Nov.2:WB to share a sample of TOR Nov.30:Draft TOR to be submitted for no objection</i> |

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|---|----------------------------|------|--|--|
| TA for Development of instruction materials, classroom based assessment and teaching development (Comp 2.1) | 708,000 | QCBS | Scope of work of this TA and cost will be substantially revised. | Nov 6: WB to share sample TOR Nov. 15: Draft TOR to be submitted for no objection Nov.30: REOI to be advertised. |
| TA for Language development and reading (Comp 2.2) | 423,000 | QCBS | Scope of work of this TA and cost will be substantially revised. | Nov 6: WB to share sample TOR Nov. 15: Draft TOR to be submitted for no objection Nov.30: REOI to be advertised. |
| External Audit (4 years) | 60,000 | LCS | ECU proposed to use same audit firm of ECE project | Nov.15:Draft amended TOR to be submitted for no objection |
| 2 Accounting Assistants (Changed titled from 'Financial Assistant'. To be changed to post reviewed contract in the revised procurement plan) | 384,000 (to be revised) | IC | TOR is ready | Nov 15:Draft TOR to be submitted for no objection TOR Dec.4: Consultants' contract to be signed |
| M&E International consultant | 105,000 | IC | No longer needed as there will be M&E consultant hired under ECE project | - |

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|---|---------|-------------|---|---|
| M&E Local consultant | 160,000 | <i>IC</i> | <i>To be recruited when Int'l M&E consultant on board in Feb.16</i> | <i>Dec.30: Draft TOR for no objection. Jan.30: Contract to be signed</i> |
| EQS Baseline and End Survey | 300,000 | <i>QCBS</i> | <i>TOR to be prepared</i> | <i>Dec. 15" TOR to be submitted for no objection Dec.28: REOI to be advertised</i> |
| International Procurement Specialist | | <i>IC</i> | <i>New Request (To be added in the updated procurement plan)</i> | <i>Oct. 20: WB has provided sample TOR as agreed. Oct 33: Draft TOR was submitted for no objection. WB's NOL was issued Oct 31. Nov. 12: REOI to be advertised.</i> |
| Consultant to update Financial Reporting System (To replace the 'IT local consultant' in the procurement plan) | | <i>IC</i> | <i>New Request (To be added in the updated procurement plan)</i> | <i>Nov.30: Draft TOR to be submitted for no objection</i> |
| Consultant to customize the existing accounting system to set up additional account code for GPEII project | | <i>Firm</i> | <i>New Request (To be added in the updated procurement plan)</i> | <i>Nov. 30: Draft TOR to be submitted for no objection Dec.30: Contract to be signed.</i> |

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Annex 4: Financial Management

Legal covenant

1. It is stated in the project legal covenant that two accounting assistants will be recruited within six months of the date of signature of the financing agreement with terms of reference and qualifications acceptable to the World Bank. At the time of the mission the procurement process for the two positions has not yet commenced. It was agreed that the ECU and DOF will prepare the TOR for these two positions for the Bank's review and no objection by November 15, 2015. The ECU will recruit them by December 4, 2015.

Manuals

2. **SBG manual.** Revision of the SBG guideline has been completed. DOF will share the final version for discussion with concerned departments and the World Bank by October 30, 2015. The ECU and DOF were reminded that adoption of SBG guidelines satisfactory to the World Bank is a condition for disbursement of category 2 of SBGs.

3. **FAM.** The ECU is finalizing and adding details on travel distances as an annex to the FAM. The manual was submitted to the World Bank for no objection on October 30, 2015. The final version will be ready for implementation by Nov 30, 2015.

Budgeting

4. The ECU had prepared and received no objection for the interim budget for the period from October 2015 to March 2016. The detailed work plan for component 2 was just discussed and agreed during the mission, therefore, an annual budget could not be prepared yet. The budget will be revised in January 2016 to cover all components to September 2016.

Disbursement

5. The first withdrawal application has been submitted on September 7, 2015 and an advance to the DA amounting to US\$1.5 million was processed.

Accounting

6. The ECU is in the process of procuring consultancy service to customize the existing accounting system to set up additional account code for recording GPEII transactions in ACCPAC accounting software. The team strongly recommends that setting up of account codes to be completed as soon as possible to enable recording of transactions given that the initial advance has already been made into the DA. Accounting software at the provincial level has not yet been set up for the GPEII project. DOF has discussed with the project consultant who has worked in the system in his previous assignment. However, the process may be slightly delayed as the consultant's availability to work on the project is limited. Therefore, as an interim measure until the software is set up, DOF will instruct the provincial level to follow the manual system (with the use of Excel) used during the implementation of the GPEI project. The team highly recommends that DOF discuss with the current consultant again to clarify when the programming can start and complete. DOF should also check with other firm or

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individual programmer if they can take on the programming work if the current consultant could not work on the project in a timely manner.

Reporting

7. The Interim Financial Report (IFR) format was discussed. As initial advance has been disbursed, expenditure is expected to be incurred between October and December 2015. Therefore, the first IFR should cover the period from project effectiveness to December 2015 and due for submission on February 15, 2016.

External Audit

8. ECU and DOF is in the final stages (contract negotiation) of recruiting project auditors for the Early Childhood Education Project. Once the recruitment of auditors for ECE is completed, ECU and DOF will process request for the WB's NOL to the request to use the same auditing firm to conduct annual audit of both education projects. The team advised them to send the proposal as an urgent matter. ECU and DOF will submit the GPEII audit TOR to the World Bank for review and no objection by October 30, 2015.

FM agreed action

| | Responsible department | Target date |
|--|-------------------------------|---------------------------------|
| Submit TOR for accounting assistant position | ECU and DOF | No later than November 15, 2015 |
| Complete procurement for the 2 accounting assistants | ECU and DOF | No later than December 4, 2015 |
| Submit TOR and proposal to use the same firm for the project annual audit | ECU and DOF | No later than November 15, 2015 |
| Submit the first IFR covering the period from effectiveness to December 31, 2015 | ECU and DOF | No later than February 15, 2016 |

2015

Annex 5: Back to Office Report - Technical Support to the Early Childhood Education (ECE) Project Baseline Survey Implementation**September 30 – October 9, 2015**

1. The team met with Indochina Research and the ECU to discuss the preparation of the baseline survey implementation. The objectives of the mission were to: (i) investigate adherence to sampling criteria and redo randomization for the impact evaluation if required; (ii) generate a list of “replacement villages” for the impact evaluation if sample criteria not met (as determined through further investigation in the field); (iii) finalize baseline questionnaires and direct assessments; and (iv) supervise and support the training of enumerators for the baseline data collection.

Randomization of the List of Villages for Impact Evaluation

2. The mission reviewed the list of villages for impact evaluation identified in 2013 and updated with the recent education statistics data. Based on the recent data obtained from MoES, the list was re-randomized following the below criteria. The team confirmed that, once the list is finalized with inputs from the team, there will not require a no-objection from the Bank.

(a) Having a Pre-Primary (PP) as a criteria for Community Child Development Groups (CCDGs) and the Multi-Age Teaching (MAT):

3. CCDG and MAT can only be delivered in communities with an existing PP. By comparing the previous list (2013) and recent data from EMIS and the School Lunch Database, it was found that that:

- Some communities that had PP, now don't have any ECE
- Some communities that had PP, now have a KG
- Some communities that had no ECE, now have a PP
- Some communities that had KG, now have a PP

4. This meant that the communities that were originally selected for this component of the impact evaluation back in 2013 had to be redone. As such, a new list of communities has been randomly generated using the same methodology as was originally applied.

5. For the impact evaluation a minimum of 95 communities with PP are needed. As such, 95 communities were originally randomly allocated to either CCDG or MAT. The sample includes a total of 48 villages for CCDG and a total of 47 for MAT. However as noted above, the recent EMIS data indicated that some of these communities no longer had a PP and needed replacing.

- In total 37 CCDG villages have remained the same, and 11 have newly been allocated to the CCDG arm of the study (= 48).
- In total 33 MAT villages have remained the same, and 14 have been newly allocated to the MAT arm of the study (=47).

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6. There remains a concern that some of the 95 new communities will not have enough children to reach the 20 children needed per community to reach the required sample for the impact evaluation. As such, we have provided a list of additional potential villages that can be used for the impact evaluation.

- There are 15 potential replacements for CCDG
- There are 18 potential replacements for MAT

7. This means that in total there are 63 communities where CCDG could be delivered, and there are 65 communities where MAT could be delivered, which is feasible for the government to deliver CCDG in all 63 communities, and MAT in all 65 villages. Indeed it would be an advantage for the impact evaluation if CCDG and MAT was delivered in all of these communities. Additionally, if the government was willing to provide CCDG and MAT in all 63 and 65 communities, there is no need for the government to wait for the baseline field work and they can start recruiting and constructing the huts straight away. This potential opportunity was discussed with the government. The final list was agreed and implementation can be started.

(b) Criteria for the VEDC Training

8. For the communities where VEDC community awareness training is to be delivered there have also been some changes.

- Of the 40 originally allocated to KG with VEDC community awareness training, 32 remain the same and 8 newly allocated
- Of the 70 originally allocated to No ECE with VEDC community awareness training, 52 have remained the same and 18 newly allocated.

9. There are 88 potential replacements for No ECE with VEDC training if the communities do not have 20 children, and there are only 4 potential replacements where there is a kindergarten and VEDC training could be provided. The government could provide training to not just the 40 from the final impact evaluation list, but they could provide the training to all 44 communities with a KG and all 158 (70 +88) communities with no ECE.

(c) Population size criteria (≥ 20 children aged 2-5)

10. For the impact evaluation, 20 children per village are needed to reach the required sample size to show impact. This does not mean that school meals and the other components of the program cannot be delivered in communities with less than 20 children; it just means that we cannot use the small communities for the impact evaluation.

11. After best efforts, it was determined that the population numbers provided through EMIS, the Ministry of Health (MoH) and through the School Lunch database are inconsistent and not robust enough to determine if the various selected villages still met the eligibility criteria on the basis of population numbers for the impact evaluation.

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12. As such a strategy was determined with Indochina and agreed upon by the government. During the baseline, for those communities where there are not enough children, Indochina will replace them from the “potential replacements” list provided to them. However, the final list of communities for the impact evaluation is not known until Indochina has completed the fieldwork to find out how many children there are per community. In an endeavor not to hold back the program rollout, Indochina will send a list of communities that the Bank feels confident that they meet the number of children by October 19, 2015 (i.e., after they have completed a phone around and before they go to the field). Then for the remaining communities (those where we will not know the numbers of children until in the field), Indochina will send them into the government as the fieldwork progresses – so that the government can start recruiting the caregivers and constructing CCDG shelters. The final list was agreed in the last week of October 2015.

Survey Questionnaires and Direct Assessment

13. All questionnaires and the child direct assessment have been finalized and approved by the government. These are now all currently being programed into a format so that the data collection can be undertaken with tablets in the field (rather than by paper). The tablet method of data collection is being pilot tested and was completed by October 30, 2015. The final suite of instruments includes a Household Questionnaire, a Primary Caretaker Questionnaire, which also includes international scales to determine their child’s development, a questionnaire for the Head of the VEDC (generally also the Village Head), and set of Direct Assessments to directly assess the child’s development. Both report measures of child development as well as direct assessment were deemed necessary in the pilot of the instruments back in June 2015.

Training of the Enumerators

14. Unfortunately, there were delays in the scheduling of the training of enumerators. It had been planned that the enumerators would all practice administering the direct assessments with children prior to the actual baseline fieldwork. However, the government had not provided the approvals for Indochina to move forward with the training during the time of this mission. In the end, Indochina was only able to bring in 2 children to “practice with” on the second to last day of the mission. This meant that there was no opportunity for the specialist to observe and train all the enumerators with the direct assessments as had been originally planned. However, even during the practicing with the two children there were some concerns that the enumerators were not following the protocols.

15. Given this, it will be even more imperative that the team is able to supervise and continue to support Indochina in the field during survey implementation. Fieldwork is due to start the week of the 19th of October through to the end of November.

Next Steps:

- Child Development Consultant was participating Indochina Research to supervise data collection during the week of October 26th, 2015
- Impact Evaluation Consultant will be participating Indochina Research to supervise data collection during the second week of November, 2015