

**PROJECT INFORMATION DOCUMENT (PID)
APPRAISAL STAGE**

Report No.: PIDA59105

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Project Name	Providing an Education of Quality in Haiti (PEQH) (P155191)
Region	LATIN AMERICA AND CARIBBEAN
Country	Haiti
Sector(s)	General education sector (10%), Primary education (90%)
Theme(s)	Education for all (90%), Managing for development results (10%)
Lending Instrument	Investment Project Financing
Project ID	P155191
Borrower(s)	MENFP
Implementing Agency	MENFP
Environmental Category	B-Partial Assessment
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Appraisal Review Decision (from Decision Note)	

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I. Project Context

Country Context

1. Haiti's geography, people, and history provide it with many opportunities. The third largest Caribbean nation by area and population (10.4 million), Haiti shares the island of Kiskeya with the Dominican Republic. In addition to an illustrious early history, as the first independent nation in the region and the first nation in the world to be led to independence by former slaves, Haiti benefits from proximity and access to major markets, a young labor force, a dynamic diaspora, and substantial geographic, historical, and cultural assets. The country possesses untapped markets and a pent-up demand for the private sector to explore, including agribusiness, light manufacturing, and tourism.

2. Yet Haiti remains the poorest country in the Western Hemisphere and one of the poorest countries in the world, with a 2014 GDP per capita of US\$824. Almost 60 percent of the population lives below the national poverty line and inequality is high, with wealth and economic opportunity concentrated around Port-au-Prince. Access to basic services is limited, particularly in rural areas, which has translated into low human development indicators (Haiti ranks 168th out of 187 countries in the Human Development Index).

3. Six years after the catastrophic earthquake of 2010, reconstruction efforts have yielded tangible progress, but economic and political uncertainty lies ahead. The earthquake killed an estimated 230,000 people (including scores of professionals and public servants) and displaced 1.5 million, causing losses of 120 percent of GDP. Reconstruction followed in the wake of the humanitarian effort, and progress has been made in several areas. Extreme poverty has fallen, infrastructure and private sector activity have expanded, and health and education indicators have improved, thanks in part to substantial expansion of donor assistance after the earthquake. The Haitian state is now entering a period of transition, as external aid and concessional borrowing decline and political power is handed over in nearly simultaneous municipal, parliamentary, and presidential elections in 2016.

4. Human capital is one of the most binding constraints to sustainable and inclusive growth. The country's young population, cultural assets, global diaspora, and access to large, developed markets are just some of its many endowments. However, without universal acquisition of basic literacy and numeracy, and a skilled and healthy labor force, these endowments are less likely to create real opportunities to improve the well-being of Haitian citizens. The Government taking the lead in ensuring the provision of basic education, which Haitians value, can also help in rebuilding the weak social contract.

Sectoral and institutional Context

5. Needs are substantial across the education sector. At the primary level, public provision of education is insufficient to meet demand, and non-public providers have stepped in to fill the gap, operating over 80 percent of primary schools. All providers operate with little oversight or accountability for providing a quality education and ensuring learning. At the same time, the majority of families struggle to finance education costs, which absorb 10 percent of consumption on average for households with children in primary school. At other levels of education, from early childhood through tertiary, the public sector plays a similarly limited role in both provision and regulation.

6. The Government of Haiti (GoH) has prioritized primary education as an entry point for public financing of access, contributing to substantial increases in school participation. The GoH has financed tuition waivers to non-public providers through the donor-funded Education for All - EFA (Education Pour Tous; EPT) program since 2007 and the Government-funded Universal, Free, and Obligatory Education Program (Programme de Scolarisation Universelle Gratuite et Obligatoire; PSUGO) since 2011. At their combined peak between 2011 and 2014, these two programs financed the school fees of over 60 percent of all primary students in Haiti, with PSUGO representing about 20 percent of domestic public spending on education. As a result, the net primary enrollment rate has risen from about 60 percent in the early 2000s to between 70 and 80 percent in 2012.

7. Yet student achievement remains very weak. The average Haitian child enters first grade nearly two years late, due to a combination of household financial constraints that delay school entry and schools often demanding that children receive at least one year of preprimary in order to prepare for first grade. Once in school, 13 percent of first graders repeat, and only about half would reach the sixth grade. Student learning is also very weak. For example, assessments conducted in a sample of EPT and non-EPT schools in 2009 found that the average third grader could only read 23 words per minute, well below the estimated speed of 35-60 words per minute required for

comprehension of a basic text, and a 2015 pre-pilot of a fourth grade math assessment by the Ministry of Education and Professional Training (Ministère d'Éducation et Formation Professionnelle; MENFP) in both public and non-public schools found that student scores were only slightly above what would be achieved by random guessing.

8. Poor and rural children have the lowest levels of access and student achievement. Among primary school-age children, only 86 percent of poor, rural children are enrolled, compared to 96 percent of the non-poor urban. Among 10-14 year olds who are in school, over 70 percent of poor, rural children are two or more years over age for their grade, compared to 32 percent of their non-poor, urban counterparts. Long distances to school and family needs for children's agricultural labor are among the main causes cited by rural parents.

9. The low average quality of education provided by both public and non-public schools, coupled with the deprivations associated with poverty, contribute to these low levels of achievement. Physical and social environments are inadequate, and schools often do not provide safe, healthy contexts for learning. For example, only 56 percent of primary schools had a source of drinking water according to the 2013-14 national school census. In seven of the ten departments of the country, the rate of school electrification is under 25 percent, compared to the Sub-Saharan Africa average of 28 percent. The quality of teaching is also very weak. Classroom observations of primary school teachers in the Nord and Nord Est departments found that the majority of teachers use ineffective pedagogical approaches and often struggle with content. Beyond these supply-side factors, the deprivations associated with poverty, including nutritional deprivations, the need for child labor, and relatively high costs of education that families cannot meet all reduce children's ability to successfully participate in school.

10. In an effort to start addressing these quality challenges, the GoH has taken initial steps to increase its oversight and enforce minimum requirements for schools to operate. After decades of uncontrolled growth in the non-public sector, MENFP announced 12 Policy Measures and a National Pact for Education Quality that take initial steps to regulate schools including by requiring all schools and teachers to register for identification documents. Importantly, MENFP also recently announced a set of minimum physical criteria related to safe infrastructure, water, sanitation, and evidence of student testing that schools must meet in order to operate, and then took steps to enforce these criteria by shutting down some schools and excluding others from PSUGO and EPT. These actions represent a first step towards increasing the quality of education services supplied.

11. At the same time, the recent gains in access are under threat due to reductions in financing and perceptions that PSUGO has provided little value-for-money. Both EPT and PSUGO have stopped financing tuition waivers for new cohorts of 1st and 2nd graders, effectively shifting the financial burden of primary education back to households. Estimates from the Bank put the number of students at risk of not being able to access school due to the phasing out of these programs at around 300,000 (about 15 percent of all primary students) and growing annually. As a donor-financed program designed to fund a full course of primary education for specific cohorts of students, EPT is coming to a close. On the other hand, PSUGO has stopped financing new cohorts in part because of the perceived low quality of the non-public schools in the program. No systematic investment plans have been produced to substantially expand public supply to compensate for the reductions in access due to the phasing out of these programs. In this context, support from international partners for children's access to school continues to be critical.

12. Recognizing access to a quality primary education as an urgent objective, MENFP has prioritized the development of sustainable, effective systems for increasing quality and ensuring access. The experiences of EPT and PSUGO have shown that gains in access can be made quickly through financing non-public schools. However, these experiences have also highlighted the need for effective sector management to ensure the quality of the education provided. In addition, the GoH has prioritized the improvement of public schools, which are often seen as lower quality and disproportionately serve the poor.

13. Through the current Project, the Bank and other development partners support several initiatives addressing primary education access and quality, providing a broad base for the proposed Project to build on. Under the Education For All Phase II (EFA II) Project, the Bank and its partners (the Global Partnership for Education, GPE; the Haiti Reconstruction Fund, HRF) is investing US \$109 million (2012-2017) primarily in non-public school tuition waivers (EPT), rural school access grants, school health and nutrition, teacher training, and capacity building in MENFP. Activities are spread across over 1,400 schools in eight departments, and few schools receive more than one intervention (e.g. the tuition waiver program and the school health and nutrition program are provided to different schools). Importantly, EFA II finances primary school access to several cohorts of children who will need to continue to be financed.

14. The Bank is also providing strategic technical assistance to MENFP to address financing, access, and quality. As PSUGO phases out, no clear plans have emerged for alternative models of financing access to primary education. Through ongoing Non-Lending Technical Assistance (NLTA) and several trust fund grants, the Bank is monitoring the effects on school enrollment with periodic phone surveys of school directors, strengthening MENFP's capacity to collect and analyze sector data including on infrastructure and personnel, and coordinating with development partners to support the GoH in articulating and costing options for sustaining access in the medium term.

15. In particular, the Bank is responding to the Government's priority by working with MENFP and other partners to develop a quality assurance system (QAS) for the sector. The system includes tools to measure key dimensions of school learning conditions (including infrastructure, water and sanitation, leadership, pedagogy, and others), tools to assess student learning, and corresponding standards, grounded in existing MENFP regulations. The QAS would provide a means to consistently track progress across schools in Haiti, support schools in developing improvement plans, and measure results of interventions in the sector. The quality assurance system could also serve as the technical foundation for a renewed school accreditation process.

16. The proposed Project would build on the Bank's current engagement and address the central challenges facing primary education by supporting MENFP in developing systems to increase access and improve quality. In particular, under the proposed Project, MENFP would develop, implement, and refine replicable models for supporting public and non-public schools in providing free, quality primary education to poor children. MENFP's capacity would be built to develop and implement these models, and to manage the sector more broadly. Through these models, financial and technical support would be consolidated in a limited number of public and non-public schools, and the comprehensiveness of support provided to each school would be substantially increased in comparison with EFA II. By supporting the development of effective systems, the Project aims to produce measurable results in terms of both ensuring access for beneficiary children and improving the learning conditions in schools, both of which are intermediate outcomes critical to the higher-level objective of increasing learning and human

capital in Haiti.

17. In addition, two major commitments remain from EFA II that would be assumed under the proposed Project. While the tuition waiver program is phasing out (as described above), financing for the sixth grade year of the program's final cohort is not available under EFA II. Regarding school access in rural communities, the Project is currently financing community grants for providing access to primary school in poor, underserved rural communities, the majority of which are operating temporary schools. While sustainable access options continue to be sought, the cohorts currently in school will require external financing to ensure their access to a complete course of primary education. Active policy dialogue on sector financing and options for long-term solutions to the lack of access will continue, but in the interim both the final tuition waiver cohort and ensuring access in the rural communities are important commitments to be assumed under the proposed Project.

18. The Project concept therefore represents a transition to a more systemic and strategic approach. The Project concept results from the Bank's extensive experience in the sector and responds to the new realities and priorities of the GoH six years after the earthquake. The Project would also align with MENFP's forthcoming Operational Plan 2016-2020, and would exploit opportunities to leverage other development partners' available financing and to maximize synergies with partners' activities.

II. Proposed Development Objectives

The objectives of the Project are to: (i) strengthen public management of the education sector; (ii) improve learning conditions in selected public and non-public primary schools; and (iii) maintain enrollment of students in selected non-public primary schools.

III. Project Description

Component Name

Improving Institutional Capacity

Comments (optional)

This component would finance goods, training, and consultancies to carry out activities to modernize and strengthen the technical capacity of MENFP's key units at the central and decentralized levels, in order to improve sectoral governance and the quality of primary education service delivery, and to support the implementation of Components 2 and 3.

Component Name

Supporting Access to Quality, Public Primary Education in Poor Communities

Comments (optional)

This component would finance community grants, public school grants, goods, and consultancies aimed at providing access to quality primary education in poor communities in selected departments set forth in the Project Operations Manual (POM).

Component Name

Supporting Access to Quality, Non-Public Primary Education in Poor Communities

Comments (optional)

Building on the experience of the EPT program, this component would finance school grants, goods, and consultancies aimed at supporting access of poor children to non-public schools while

increasing the quality of education of those non-public schools through a results-based model with an emphasis on accountability and improvement.

Component Name

Project Management, Monitoring and Evaluation

Comments (optional)

This component would finance the costs of implementing the Project, as well as monitoring and evaluation costs.

IV. Financing (in USD Million)

Total Project Cost:	45.00	Total Bank Financing:	45.00
Financing Gap:	0.00		
For Loans/Credits/Others			Amount
BORROWER/RECIPIENT			0.00
International Development Association (IDA)			15.00
IDA Grant			30.00
Total			45.00

V. Implementation

VI. Safeguard Policies (including public consultation)

Safeguard Policies Triggered by the Project	Yes	No
Environmental Assessment OP/BP 4.01	x	
Natural Habitats OP/BP 4.04		x
Forests OP/BP 4.36		x
Pest Management OP 4.09		x
Physical Cultural Resources OP/BP 4.11		x
Indigenous Peoples OP/BP 4.10		x
Involuntary Resettlement OP/BP 4.12	x	
Safety of Dams OP/BP 4.37		x
Projects on International Waterways OP/BP 7.50		x
Projects in Disputed Areas OP/BP 7.60		x

Comments (optional)

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