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Report No: PAD1690

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED GRANT

IN THE AMOUNT OF SDR21.2 MILLION
(US\$30 MILLION EQUIVALENT)

TO THE

REPUBLIC OF HAITI

FOR A

PROVIDING AN EDUCATION OF QUALITY IN HAITI PROJECT (PEQH)

October 27, 2016

Education Global Practice
Latin America and Caribbean Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective October 17, 2016)

Currency Unit = Haitian Gourde
HTG 64.962 = US\$1
US\$1 = SDR 0.73

FISCAL YEAR

October 1 – September 30

ABBREVIATIONS AND ACRONYMS

AECID	Spanish International Development Agency (<i>Agencia Española de Cooperación Internacional para el Desarrollo</i>)
APG	Adaptable Program Grant
BNC	National Bank of Credit (<i>Banque Nationale de Crédit</i>)
BRH	Bank of the Republic of Haiti (<i>Banque de la République d’Haïti</i>)
CDB	Caribbean Development Bank
CSMC	Community School Management Committee
CPF	Country Partnership Framework
CQS	Selection Based on Consultants’ Qualifications
DAEPP	Directorate of Support to Private education and the Partnership (<i>Direction d’Appui à l’Enseignement Privé et au Partenariat</i>)
DC	Direct Contracting
DDEs	Departmental Directorate of Education (<i>Directions Départementales de l’Education</i>)
DEF	Directorate of Fundamental Teaching (<i>Direction de l’Enseignement Fondamental</i>)
DFP	Professional Development Unit (<i>Direction de la Formation Professionnelle</i>)
DGS	Directorate of School Engineering (<i>Direction du Génie Scolaire</i>)
DLI	Disbursement Linked Indicator
EFA	Education for All (<i>Education Pour Tous; EPT</i>)
EGRA	Early Grade Reading Assessment
EU	European Union
FAES	Economic and Social Assistance Fund (<i>Fonds d’Assistance Économique et Sociale</i>)
FBS	Fixed Budget Selection
FIA	Accelerated Teacher Training Program (<i>Formation Initiale Accélérée</i>)
FNE	National Education Fund (<i>Fond Nationale de l’Education</i>)
GDP	Gross Domestic Product
GoH	Government of Haiti
ICB	International Competitive Bidding
ICT	Information and Communication Technologies
IDA	International Development Association

IDB	Inter-American Development Bank
LCS	Least-Cost Selection
MENFP	Ministry of National Education and Professional Training (<i>Ministère de l'Éducation Nationale et de la Formation Professionnelle</i>)
NCB	National Competitive Bidding
NGO	Non-Governmental Organization
NPPSMC	Non-Public Primary School Management Committee
NPV	Net Present Value
NLTA	Non-Lending Technical Assistance
OPE	Operational Plan for Education
PDO	Project Development Objective
PNCS	National School Feeding Program (<i>Programme National des Cantines Scolaires</i>)
PIU	Project Implementation Unit
POM	Project Operations Manual
PSUGO	Universal, Free, and Obligatory Education Program (<i>Programme de Scolarisation Universelle Gratuite et Obligatoire</i>)
QAS	Quality Assurance System
QCBS	Quality and Cost-Based Selection
QEAP	Quality Education Access Program
SMC	School Management Committee
SOE	Statement of Expenditures
SCD	Systematic Country Diagnostic
SSS	Single Source Selection
TTL	Task Team Leader
TWP	Tuition Waiver Program
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WFP	World Food Programme

Regional Vice President:	Jorge Familiar
Country Director:	Mary Barton-Dock
Senior Global Practice Director:	Amit Dar
Practice Manager:	Reema Nayar
Task Team Leaders:	Juan D. Baron, Melissa A. Adelman

REPUBLIC OF HAITI
Providing an Education of Quality in Haiti (PEQH)

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PAD DATA SHEET*Haiti**Providing an Education of Quality in Haiti (PEQH) (P155191)***PROJECT APPRAISAL DOCUMENT***LATIN AMERICA AND CARIBBEAN**Education Global Practice*

Report No.: PAD1690

Basic Information			
Project ID P155191	EA Category B - Partial Assessment	Team Leader(s) Juan Baron, Melissa Ann Adelman	
Lending Instrument Investment Project Financing	Fragile and/or Capacity Constraints [X] - Fragile States		
	Financial Intermediaries []		
	Series of Projects []		
Project Implementation Start Date 21-Nov-2016	Project Implementation End Date 03-Oct-2022		
Expected Effectiveness Date 1-Dec-2016	Expected Closing Date 30-Oct-2022		
Joint IFC No			
Practice Manager/Manager Reema Nayar	Senior Global Practice Director Amit Dar	Country Director Mary A. Barton-Dock	Regional Vice President Jorge Familiar
Borrower: Ministère d'Éducation et Formation Professionnelle; MENFP			
Responsible Agency: MENFP			
Contact: Telephone No.:	Jean Beauvois Dorsonne 50928130275	Title: Email:	Minister jeanbdorsonne@yahoo.fr
Project Financing Data(in USD Million)			
[] Loan	[X] IDA Grant	[] Guarantee	
[] Credit	[] Grant	[] Other	
Total Project Cost:	30.00	Total Bank Financing:	30.00
Financing Gap:	0.00		

Financing Source								Amount
BORROWER/RECIPIENT								0.00
International Development Association (IDA)								0.00
IDA Grant								30.00
Total								30.00
Expected Disbursements (in USD Million)								
Fiscal Year	2017	2018	2019	2020	2021	2022	2023	
Annual	2.00	6.00	5.50	5.50	5.00	5.50	0.50	
Cumulative	2.00	8.00	13.50	19.00	24.00	29.50	30.00	
Institutional Data								
Practice Area (Lead)								
Education								
Contributing Practice Areas								
Cross Cutting Topics								
[] Climate Change								
[X] Fragile, Conflict & Violence								
[X] Gender								
[] Jobs								
[] Public Private Partnership								
Sectors / Climate Change								
Sector (Maximum 5 and total % must equal 100)								
Major Sector	Sector			%	Adaptation Co-benefits %	Mitigation Co-benefits %		
Education	General education sector			10				
Education	Primary education			90				
Total				100				
<input checked="" type="checkbox"/> I certify that there is no Adaptation and Mitigation Climate Change Co-benefits information applicable to this project.								
Themes								
Theme (Maximum 5 and total % must equal 100)								
Major theme	Theme						%	
Human development	Education for all						90	

Public sector governance	Managing for development results	10
Total		100
Proposed Development Objective(s)		
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) support enrollment of students in selected public and non-public primary schools.		
Components		
Component Name	Cost (USD Millions)	
Improving Institutional Capacity and Governance	3.00	
Supporting Access to Quality, Public Primary Education in Poor Communities	13.50	
Supporting Access to Quality, Non-Public Primary Education in Poor Communities	11.50	
Project Management, Monitoring, and Evaluation	2.00	
Systematic Operations Risk- Rating Tool (SORT)		
Risk Category	Rating	
1. Political and Governance	High	
2. Macroeconomic	Moderate	
3. Sector Strategies and Policies	Moderate	
4. Technical Design of Project or Program	Substantial	
5. Institutional Capacity for Implementation and Sustainability	High	
6. Fiduciary	High	
7. Environment and Social	Moderate	
8. Stakeholders	Moderate	
9. Other		
OVERALL	Substantial	
Compliance		
Policy		
Does the project depart from the CAS in content or in other significant respects?	Yes []	No [X]
Does the project require any waivers of Bank policies?	Yes []	No [X]
Have these been approved by Bank management?	Yes []	No []
Is approval for any policy waiver sought from the Board?	Yes []	No [X]

Explanation:			
Does the project meet the Regional criteria for readiness for implementation?		Yes [X] No []	
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
Legal Covenants			
Name	Recurrent	Due Date	Frequency
Schedule 2, Section I.C.2 CSMC and Beneficiary Public Primary School Sub-grant agreements	Yes		CONTINUOUS
Description of Covenant			
Upon approval of the specific activities under Components 2.1(b) and Components 2.2(c) (iv) to be financed by the pertinent Sub-grant, and prior to the carrying out of any said activities by the corresponding CSMC or Beneficiary Public Primary School, as the case may be, the Recipient shall, have entered into the pertinent Sub-grant Agreement under the terms and conditions acceptable to the Association.			
Name	Recurrent	Due Date	Frequency
Schedule 2, Section I.D.1(a) NPPSMC Sub-grant agreements	Yes		CONTINUOUS
Description of Covenant			
For purposes of carrying out: (i) Component 3.1(a) of the Project, enter into an agreement (Student Enrollment Grant Agreement) with the pertinent NPPSMC; and (ii) Component 3.2(b) of the Project, enter into an agreement (QEAP Grant Agreement) with the pertinent NPPSMC; all under terms and conditions satisfactory to the Association.			
Name	Recurrent	Due Date	Frequency
Schedule 2, Section I.D.1(c) and (d) Verification of compliance	Yes		CONTINUOUS
Description of Covenant			
Unless otherwise agreed by the Association, no later than twelve (12) months from the Effective Date,			

or any other later date agreed by the Association; (i) hire an independent verification agent, under terms of reference acceptable to the Association to carry out the verification of compliance with the conditions set forth in the Operations Manual for the disbursement of Conditional Grants, all pursuant to the verification protocol and disbursement procedures set forth in the Operations Manual; and (ii) cause said independent verification agent to prepare and furnish to the Association, no later than July 15th of each calendar year, prepare and furnish to the Association, a report of such scope and in such detail as the Association shall reasonably request, on the results of the verification of compliance of the conditions mentioned under paragraph (c) above covering the last twelve (12) months prior to the date of presentation of each such report.

Conditions

Source Of Fund	Name	Type

Description of Condition

Team Composition

Bank Staff

Name	Role	Title	Specialization	Unit
Juan Baron	Team Leader (ADM Responsible)	Senior Economist		GED04
Melissa Ann Adelman	Team Leader	Economist		GED04
Prosper Nindorera	Procurement Specialist (ADM Responsible)	Senior Procurement Specialist		GGO04
Fabienne Mroczka	Financial Management Specialist	Sr Financial Management Specialist		GGO22
Andrianirina Michel Eric Ranjeva	Team Member	Finance Officer	Disbursement Officer	WFALA
Asli Gurkan	Safeguards Specialist	Senior Social Development Specialist	Social Safeguard Specialist	GSU04
Elena Segura Labadia	Counsel	Senior Counsel		LEGLE
Ramiro Ignacio Jauregui-Zabalaga	Counsel	Senior Counsel		LEGLE
Tania Fragnaud	Team Member	Program Assistant		GED04

Extended Team

Name	Title	Office Phone	Location
Aboubacar Magassouba	Procurement Specialist		

Elena Roseo	Operations Officer		
Emeline Bredy	Financial Management Specialist		
Emmanuel Ngollo	Environmental Safeguards Consultant		
Eva Junyent	Education Specialist		
Felipe Jacome	Social Specialist		
Marie Tamagnan	Education Specialist		
Rachelle Mathurin	Education Specialist		
Rose Caline Desruisseaux-Cadet	Procurement Specialist		
Violeta Arancibia	Teachers Policy Specialist		

Locations

Country	First Administrative Division	Location	Planned	Actual	Comments
Haiti	Sud-Est	Sud-Est	X		
Haiti	Sud	Sud	X		
Haiti	Ouest	Département de l'Ouest	X		
Haiti	Grand'Anse	Grandans	X		
Haiti	Nippes	Departement de Nippes	X		

I. STRATEGIC CONTEXT

A. 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 in 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.¹ 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.** The earthquake killed an estimated 230,000 people (including scores of professionals and public servants) and displaced 1.5 million, causing damages and losses of 120 percent of GDP.² Reconstruction followed in the wake of the humanitarian effort, and progress has been made in several areas. Extreme poverty fell from 31 percent to 24 percent between 2000 and 2012, infrastructure and private sector activity have expanded, and health and education indicators have improved over the same period, thanks in part to substantial expansion of donor assistance after the earthquake and to sustained levels of remittances from the Haitian Diaspora. Nevertheless, Haiti remains extremely vulnerable to natural disaster with 96 percent of the population at risk.

4. **On October 3, 2016, Hurricane Matthew, a category IV hurricane, landed in Haiti and caused a large scale disaster** affecting over 2.1 million people (almost 1/5 of the population) and leaving almost 1.4 million people in need of lifesaving assistance in the southern part of the country. Wind speeds up to 140 mph and torrential rain for 48 hours (around 1016 mm) triggered widespread flooding and numerous landslides and caused severe damage to all sectors - water, electricity, education, health, food security, and livelihoods - particularly in the South Grand-Anse, and Nippes departments. The disaster also resulted in heavy damage to road infrastructure and buildings with thousands of houses flooded and without roofs as well as destruction of major bridges and roads. Substantial damage was also sustained in the agricultural sector with up to 80 to 90 percent losses of crops in some areas, including staple food, tree crops, and livestock. An upward of 500 schools are also estimated to have been destroyed and approximately 3,000 schools damaged, thus disrupting school for

¹ The national consumption-based poverty line is US\$1.98 per day, and the Gini coefficient is the highest in Latin America at 0.6. These results are presented in *Investing in People to Fight Poverty in Haiti* (World Bank 2015).

² These results are presented in the Haiti Country Partnership Framework (Report No.98132-HT).

nearly over 470,000 children of ages six to fourteen. An uptake of suspected cholera cases has been reported in the affected departments where facilities were heavily damaged.

5. **The hurricane has also exacerbated an already fragile state, where political instability and a deteriorating economic environment were already threatening post-earthquake gains.** Nearly simultaneous municipal, parliamentary, and presidential elections in 2015 exacerbated underlying divisions in society, and contested election results in the late 2015 led to the appointment of a transitional government. Elections were rescheduled for October 9, 2016 and November 27, 2016. However, the damage sustained during Hurricane Matthew triggered further postponement of the elections to November 20, 2016 and January 29, 2017.

6. **Matthew is also expected to compound major economic challenges.** Despite robust macroeconomic management, Haiti has seen limited growth, low revenue generation, and declining external financing (from aid and concessional borrowing), driven by shifts in international priorities and deteriorating global and regional economic conditions.³ Moreover, an ongoing drought over the last three growing seasons has increased food insecurity, contributed to high inflation of domestic food prices and caused a contraction of the agricultural sector, which employs the majority of the poor. Taken together, these factors contribute to a decline in available resources for service delivery from the State and to increasing difficulty for households, who bear a large share of education and health costs, to cover such expenses, threatening the progress made in human development and poverty reduction. According to preliminary estimates, damages and losses caused by Matthew will likely amount to 22 percent of GDP. It is also expected that the restoration of agriculture in the areas affected is likely to be very challenging. These developments are likely to further hamper domestic resources mobilization and increase Haiti's reliance on official development assistance and remittances.

7. **In terms of both immediate disaster response and long-term recovery, support from Haiti's partners for improvements in the quality and delivery of human development services is critical, as human capital remains one of the most binding constraints to sustainable and inclusive growth.**⁴ The country's young population, cultural assets, global diaspora, and access to large, developed markets are significant assets. 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. In addition, the limited supply and poor quality of service delivery is both a cause and a consequence of social divisions that foster Haiti's fragility. The Government of Haiti and its partners agree that improving the delivery of such services is a key entry point to improve trust between citizens and the State while improving the living conditions and economic opportunities of existing and future generations. In particular, the past several Haitian administrations have moved actively towards increasing the Government's role in ensuring the provision of primary education. This effort needs to be sustained, particularly in periods of negative shocks, such as the current disaster and high uncertainty, to help rebuild the weak social contract.

³ Details are discussed in the Haiti Systematic Country Diagnostic (SCD) referenced below.

⁴ Haiti Systematic Country Diagnostic (SCD) (Report No.97341-HT).

B. Sectoral and Institutional Context

8. **Beyond the current emergency, 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.⁵ 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.⁶ At other levels of education, from early childhood through tertiary, the public sector plays a similarly limited role in both provision and regulation.

9. **The Government of Haiti (GoH) has prioritized the financing of access to primary education, 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 Projects' Tuition Waiver Program (*Education Pour Tous*; EPT) 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.⁷ 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 2012.⁸

10. **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 pre-primary in order to prepare for first grade. Once in school, 13 percent of first graders repeat the year, and only about half will reach the sixth grade.⁹ 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. Furthermore, 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.¹⁰

⁵ Non-public schools include for-profit and non-profit institutions, owned and operated by a variety of actors, including religious institutions, non-governmental organizations, individuals, and so forth. Public schools include institutions owned and operated (i) by MENFP, (ii) cooperatively by communities with support from MENFP, and (iii) by non-public organizations that have signed agreements with MENFP and in which MENFP supplies teachers and other inputs.

⁶ *Investing in People to Fight Poverty in Haiti* (World Bank 2015).

⁷ *Towards Greater Fiscal Sustainability and Equity: A Discussion of Public Finance in Haiti* (World Bank 2015).

⁸ Estimates are sample based and vary by source, due to the fact that a population census has not been conducted since 2003 and that efforts to build a reliable school census program are in progress. Estimates cited are from the 2001 and 2012 national household surveys as well as Demographic and Health Surveys, and presented in *Investing in People to Fight Poverty in Haiti* (World Bank 2015).

⁹ *Off to a Bad Start: Drivers of Late Entry into Primary School in Haiti* (World Bank 2015).

¹⁰ *Haiti 2015 Pre-Pilot Assessment* (International Association for the Evaluation of Education Achievement 2015).

11. **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.¹¹ Long distances to school and family needs for children's agricultural labor are among the main causes cited by rural parents for children being over age.¹²

12. **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.¹³ 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.¹⁴ 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.

13. **In an effort to start addressing these quality challenges, the Government of Haiti (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.¹⁵

14. **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.** EPT stopped financing tuition waivers for new cohorts in the 2014-15 school year, while PSUGO stopped financing all cohorts in non-public schools in the 2016-17 school year, effectively shifting the financial burden of primary education back to households.¹⁶ Estimates from the Bank put the

¹¹ *Investing in People to Fight Poverty in Haiti* (World Bank 2015).

¹² *Off to a Bad Start: Drivers of Late Entry into Primary School in Haiti* (World Bank 2015).

¹³ *Towards Greater Fiscal Sustainability and Equity: A Discussion of Public Finance in Haiti* (World Bank 2015).

¹⁴ *Why Do Students Learn So Little: Seeking Answers Inside Haiti's Classrooms* (World Bank 2015).

¹⁵ Governance challenges in the sector remain substantial, but several recent steps taken by MENFP towards increasing oversight (school and teacher registration; school mapping; and the measures mentioned above) demonstrate the commitment to addressing these challenges. Through its financing, technical assistance, and policy dialogue, the Bank continues to coordinate with other development partners to support the Ministry in its efforts.

¹⁶ EPT started phasing out one year earlier than PSUGO, and therefore is only financing 3rd through 6th graders in the 2015-16 academic year.

number of students at risk of not being able to access school due to the phasing out of these programs at nearly 700,000 (over 30 percent of all primary students). 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 cohorts because of the perceived low quality of the non-public schools in the program and because resources allocated to the program have not kept pace with spending commitments.¹⁷ 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, increasing the quality of service delivery across both public and non-public schools to demonstrate value for money is a critical prerequisite to sustainably ensuring access.

15. Hurricane Matthew has drastically exacerbated the challenges of access to a quality education, particularly in the departments of Southern Haiti. Estimates suggest that high winds and heavy rains damaged approximately 3,000 schools and destroyed about 500 schools across the country. These impacts were concentrated in three southern departments (Grand Anse, Nippes, and Sud), where about 10 percent of schools were destroyed, and another 80 percent damaged to some extent. These schools also lost some or all of their furnishings and pedagogical materials (books, blackboards, etc.). In addition to the direct physical impacts on school infrastructure, the broader damage caused by Matthew is affecting children's access to education in multiple ways. Many schools continue to be used as temporary shelters for those who have lost their homes. Roads to access schools have been washed away. Many families focusing on meeting their basic needs are unable to send children back to school because they cannot re-purchase the uniforms and books lost in the hurricane, or because they need to put children to work.

16. 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 achieved 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. Importantly, these priorities have been retained by the current transitional administration, demonstrating the underlying consensus among stakeholders in the sector. These priorities are also guiding MENFP's approach to recovering from Hurricane Matthew, as Ministry leadership coordinates with international partners, school and teacher organizations, and other stakeholders to address the multiple challenges facing primary education, including hurricane recovery, through consultative groups and the participative preparation of the new 2016-2020 Education Sector Plan.¹⁸ Strengthening the Government's role in ensuring access to a quality primary education therefore remains an urgent objective throughout and beyond the current period of disaster recovery and political uncertainty.

¹⁷ In addition, there is continued uncertainty about the legal status of the program's main source of funding, the National Education Fund (*Fond National pour l'Education*; FNE). The FNE is funded by fees on international money transfers and phone calls that were instituted in 2011.

¹⁸ The Sectoral Education Group including all international partners active in the sector, and the Local Education Group including major local NGOs and other organizations.

17. **Through its 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, including the Global Partnership for Education and the Haiti Reconstruction Fund are investing US\$109 million (2012-2017) primarily in non-public school tuition waivers (EPT), rural school community education grants, school feeding, teacher training, and capacity building in MENFP.¹⁹ Activities are spread across over 1,400 schools in eight departments (including the southern departments hardest-hit by Matthew), 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). In the context of these projects, the Bank is responding to the aftermath of Matthew in the education sector by: (i) reallocating resources under the EFA II Project to support MENFP's priority response plans for scaling up school feeding and rehabilitating damaged schools; and (ii) providing technical assistance to MENFP's emergency response in terms of data collection, monitoring, and planning activities, all in close coordination with other partners.

18. **The Bank is also providing strategic technical assistance to MENFP to address financing, access, and quality.** As EPT and PSUGO phase out and Matthew's full effects are realized, evidence-based planning will be critical to effectively address the range of challenges facing the sector. 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.

19. **In particular, the Bank is responding to sector priorities 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, all grounded in existing MENFP regulations.²⁰ 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.²¹

20. **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,

¹⁹ The EFA II Project closing date is June 30, 2017.

²⁰ Development and piloting of the system are supported by NLTA, a grant from the REACH (Results in Education For All Children) Trust Fund, and the Bank's current Project. REACH is currently funded by the Government of Norway, the Government of the United States of America, and the Government of Germany.

²¹ Efforts to establish an accreditation system have been slow to advance at both the technical and political levels. Supporting the development and initial use of a rigorous set of tools in the form of the QAS and advancing dialogue with MENFP on how to use this system to build on recent efforts to register schools and teachers constitutes important progress towards the establishment of a functioning and substantive accreditation process.

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.

21. The proposed Project would finance activities in schools and communities in all departments of Southern Haiti, and complement ongoing disaster response efforts by the Bank and other partners, by supporting systemic improvements in the medium term. The proposed Project would provide schools in some of the areas hardest-hit by Hurricane Matthew with sustained support to rehabilitate and improve the quality of education they supply. In addition, the proposed Project would support MENFP capacity-building at both the central and local levels, with a focus on strengthening departmental management of the education sector, which is critical to a successful hurricane recovery process. The Project team would coordinate closely with other partners focused on emergency relief and major reconstruction to ensure that interventions are complementary and that impacts are maximized.

22. In addition, the proposed Project would continue to finance two major commitments to access launched under EFA II. Specifically, the Project would finance the sixth grade year of the EPT program's final cohort started under EFA II, completing commitments under the tuition waiver program. In addition, the proposed Project would continue to finance community education grants to provide access to primary school for existing cohorts in poor, underserved rural communities, the majority of which are operating temporary schools.²² While sustainable access options continue to be sought, these cohorts 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 the continuation of support to the final tuition waiver cohort and to access in rural communities remain important commitments.

23. The implementation arrangements for the proposed Project are sound and adapted for the current environment of disaster recovery and political volatility. The Project is designed to respond to any further deterioration in the country context and permit a shift toward service delivery mechanisms already in place. Although the Project aims to support a more strategic approach to improving education quality and access through comprehensive models of support to schools, it maintains the flexibility to respond to emerging needs due to the physical destruction of Hurricane Matthew, deteriorating economic conditions, or diminishing sector financing through school feeding and tuition waivers. These activities could be scaled up based on identified urgent needs unmet by other sources. The Project concept results from the

²² Under EFA II, the original approach of constructing two-room community schools was adjusted to a community grants program following changes in MENFP's guidelines and newly collected data identifying accessible schools in some communities.

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 is also expected to align with key priorities in MENFP's forthcoming Sector Plan 2016-2020, and would exploit opportunities to leverage other development partners' financing and to maximize synergies with partners' activities.

C. Higher Level Objectives to which the Project Contributes

24. **The proposed Project is an integral part of the World Bank Group's Haiti Country Partnership Framework FY16-FY19 (CPF) (Report 98132-HT).** By improving public service delivery and providing benefits in the form of social services to the population, the Project would contribute to strengthening Haiti's weak social contract, which is identified by the SCD as a critical factor of fragility and an avenue for improved development outcomes. The second of three areas of focus in the CPF is human capital, and the fifth objective (of nine total) is to improve access to quality primary education. The proposed Project would also support the CPF's cross-cutting theme of transparency, accountability, and sustainability in governance, by focusing on institutional strengthening and citizen engagement. By strengthening the public education system, which disproportionately serves the poorest, and by increasing access to quality education for children in poor communities, the Project would contribute to the World Bank Group's twin goals of ending extreme poverty and promoting shared prosperity.

II. PROJECT DEVELOPMENT OBJECTIVES

A. PDO

25. The objectives of the Project are to: (a) strengthen public management of the education sector; (b) improve learning conditions in selected public and non-public primary schools; and (c) support enrollment of students in selected public and non-public primary schools.

B. Project Beneficiaries

26. The direct Project beneficiaries would include current and future students attending public and non-public schools supported under the Project components, as well as current students living in communities supported under the Project. These students would benefit from the elimination of school fees and from improvements in the learning conditions in their schools. Additional direct beneficiaries include current and future school directors and teachers who would benefit from trainings. Other beneficiaries include parents of students and broader communities who would benefit from improved schools, as well as MENFP staff who would benefit from institutional capacity improvement activities.

27. The Project would finance activities in schools and communities in the four departments of Southern Haiti, in addition to activities financed at the central level of MENFP, in order to build systems that effectively improve service delivery.²³ These departments are at different development levels, ranging from Grand'Anse (with the second highest poverty rate of the ten departments, at 80 percent) to Sud-Est (with the eighth highest poverty rate, at 64 percent). However, the four departments rank near the bottom in terms of basic school infrastructure. For

²³ The final cohort of the tuition waiver program supported under sub-component 3.1 includes students in schools across eight departments.

example, in Grand'Anse, only 53 percent of primary schools have latrines, 30 percent have potable water access, eight percent have electricity, and seven percent have a school library. These departments are also the location of the current EFA II community education grants that would be continued under the proposed Project (sub-component 2.1). Active coordination with other development partners to implement the same models developed under the Project in other departments would continue. Across departments, the Project's activities would primarily serve the poor, as activities continued from EFA II (sub-components 2.1 and 3.1) would continue to target the poor, and the new models to be implemented (sub-components 2.2 and 3.2) would also target schools serving poor students.²⁴

C. PDO Level Results Indicators

28. The PDO-level Results Indicators for the Project are as follows:
- (a) Use of an Education Management Information System (EMIS) to enable national implementation of the QAS
 - (b) Proportion of schools supported by the Project that achieve a "sufficient" level of school learning conditions
 - (c) Number of children (of which female) enrolled in primary school through
 - (i) The provision of community education grants for school access
 - (ii) The provision of tuition waivers to non-public schools
 - (iii) The provision of results-based financing to non-public schools

III. PROJECT DESCRIPTION

A. Project Components

Component 1: Improving Institutional Capacity and Governance (US\$3.0 million).

29. This component would strengthen the technical capacity of relevant units within MENFP, including the directorates of primary education, education and partnership, professional training, and planning and external cooperation, to improve service delivery and overall educational governance through, *inter alia*:

- (a) Refining and piloting the QAS;
- (b) Developing an education management information system that incorporates data generated by the QAS;
- (c) Designing and administering learning assessments of public and non-public primary schools as part of the QAS; and
- (d) Strengthening the relevant MENFP directorates' overall institutional planning and budgeting practices.²⁵

Component 2: Supporting Access to Quality, Public Primary Education in Poor Communities (US\$13.5 million).

²⁴ For sub-component 3.1, poor children are almost twice as likely as non-poor children to attend public primary school, although the majority of all children attend non-public (*Investing in People to Fight Poverty in Haiti* (World Bank 2015)). For sub-component 3.2, schools will be eligible to participate only if they previously charged tuition below a specific maximum amount in order to better target schools serving poor children (see Annex 2).

²⁵ Please refer to Annex 2 for a more detailed description of this and other Components.

30. This component would provide access to quality primary education in poor communities in selected departments set forth in the Project Operations Manual (POM). This component would also finance provision of compensation, including cash compensation and other assistance paid for involuntary resettlement related to the implementation of the relevant resettlement action plan under the Resettlement Policy Framework (RPF).²⁶

Sub-component 2.1: Support to the cohorts of the community education grant program under the EFA II Project (US\$3 million).

31. This sub-component would improve access to primary education services in selected rural communities by supporting Community School Management Committees (CSMCs) through: (a) designing community education plans; and (b) implementing said plans through the provision of Community Education Grants to carry out activities which include, *inter alia*: (i) rehabilitating public primary school buildings; (ii) financing teacher salaries; (iii) purchasing school supplies, materials and equipment; (iv) providing training in school management to relevant staff; and (v) financing students' tuition and transportation services expenses; all selected pursuant to the criteria and procedures as set forth in the POM.

Sub-component 2.2: Public School Improvement Model (US\$10.5 million).

32. This sub-component would improve access to a quality primary education in Beneficiary Public Primary Schools located in selected departments set forth in the POM through a public school improvement model that includes, *inter alia*:

- (a) Assessing the learning conditions and learning outcomes of said Beneficiary Public Primary Schools;
- (b) Designing school improvement plans based on priority areas identified through QAS assessments;
- (c) Implementing said plans through, *inter alia*:
 - (i) Providing technical assistance and training to school directors in effective management and leadership, and providing technical assistance and training to teachers on pedagogical skills and content knowledge;
 - (ii) Developing and implementing information and communication activities for school directors, school officials, and other relevant stakeholders;
 - (iii) Providing food rations, deworming, and nutritional supplements to students²⁷; and
 - (iv) Based on the school improvement plans developed, providing school improvement grants for, *inter alia*: (A) carrying out small rehabilitation work and (B) purchasing school materials, uniforms, and furniture.

Component 3: Supporting Access to Quality, Non-Public Primary Education in Poor Communities (US\$11.5 million).

²⁶ A memorandum describing expected resettlement-related expenditures and requesting clearance to use IDA funds for such expenditures was approved by the Regional Vice President for Latin America and the Caribbean on April 26, 2016.

²⁷ A memorandum describing expected food expenditures and requesting clearance to use IDA funds for such expenditures was approved by the Regional Vice President for Latin America and the Caribbean on April 14, 2016.

33. Building on the experience of the EPT, this component would support access of poor children to non-public schools while increasing the quality of education of those non-public schools.

Sub-component 3.1: Support to the final tuition waiver program cohort under the EFA II Project (US\$1.5 million).

34. This sub-component would (a) provide student enrollment grants to Non-Public Primary School Management Committees (NPPSMCs) in selected departments to finance students' tuition expenses under the Tuition Waiver Program; and (b) support the carrying out of communication activities to raise awareness among non-public primary school officials and other stakeholders about said Tuition Waiver Program and the Quality Education Access Program (described below).

Sub-component 3.2: Support to the development and implementation of a replicable model for results-based financing of non-public schools (Quality Education Access Program, QEAP) (US\$10 million).

35. This sub-component would provide support to (a) the design and implementation of a results-based financing program (Quality Education Access Program or QEAP), through *inter alia*:

- (i) Carrying out an assessment of the learning conditions and learning outcomes of selected non-public primary schools in selected departments;
- (ii) Providing technical assistance and training to school directors in effective management and leadership, and providing technical assistance and training to teachers on pedagogical skills and content knowledge; and
- (iii) Providing food rations, deworming, and nutritional supplements to students.

And (b) Providing QEAP grants to NPPSMCs.

Component 4: Project Management, Monitoring and Evaluation (US\$2.0 million).

36. This component would provide support to MENFP for Project implementation, monitoring, and evaluation through, *inter alia*:

- (a) Strengthening MENFP's existing monitoring and evaluation functions;
- (b) Carrying out studies and impact evaluations of the Project;
- (c) Financing of operating costs;
- (d) Carrying out Project audits; and
- (e) Carrying out independent external technical verifications of Project activities under Component 3.

B. Project Financing

Financing Instrument

37. The proposed lending instrument is an Investment Project Financing (IPF) consisting of a US\$30 million equivalent IDA grant over a six-year implementation period.

Project Cost and Financing

Project Components	Project cost (US\$)	IBRD or IDA Financing	% Financing
1.Improving Institutional Capacity and Governance	3,000,000	3,000,000	100%
2. Supporting Access to Quality, Public Primary Education in Poor Communities	13,500,000	13,500,000	100%
<i>2.1 Support to the cohorts of the community education grant program under EFA II Project</i>	<i>3,000,000</i>	<i>3,000,000</i>	
<i>2.2 Public School Improvement Model</i>	<i>10,500,00</i>	<i>10,500,000</i>	
3. Supporting Access to Quality, Non-Public Primary Education in Poor Communities	11,500,000	11,500,000	100%
<i>3.1 Support to the final tuition waiver program cohort under EFA II Project</i>	<i>1,500,000</i>	<i>1,500,000</i>	
<i>3.2 Quality Education Access Program (QEAP)</i>	<i>10,000,000</i>	<i>10,000,000</i>	
4. Project Management, Monitoring and Evaluation	2,000,000	2,000,000	100%
Total Project Costs	30,000,000	30,000,000	100%
Front End Fee	0	0	
Total Financing Required	30,000,000	30,000,000	100%

C. Lessons Learned and Reflected in the Project Design

38. **Several important lessons have been learned from EFA II and previous engagements on the need to prioritize institutional strengthening in order to achieve sustainable impacts.** Limited technical capacity, lack of financial resources, and weak ownership of activities characterize many directorates and hinder the advancement of MENFP's efforts to improve its functioning. By focusing on building systems within MENFP, the proposed Project aims to bring together the technical and financial resources, coordinated objectives, and strong communication needed across directorates to achieve the Project's and MENFP's larger objectives.

39. **Experience with EFA II also highlights schools' needs for comprehensive support in order to provide quality education, and these lessons are integrated into the design of the proposed Project.** First, demand for free education is very high and conditioning financing on specific rules can be effective: schools participating in EPT have larger student bodies and lower rates of late entry and grade repetition compared to schools that applied but were not selected.²⁸ However, periodic verification exercises have found that the program has been less successful in

²⁸ *Increasing Access by Waiving Tuition: Evidence from Haiti* (Adelman and Holland 2015). Reduced rates of late entry are believed to be due to the program's requirement that schools accept children into first grade at age six.

enforcing minimum inputs for learning, such as the provision of textbooks to students, due to a lack of consequences for noncompliance. Second, interventions to improve learning conditions, such as teacher training and school feeding, have been dispersed across schools, reducing their impact on education quality. Under the proposed Project, interventions would be coordinated in a number of schools, and for non-public schools, financing would be conditioned on achieving specific results. Financing would also be provided for all students in the school, and not for individual grade cohorts, to allow schools to receive a critical mass of funding to be able to improve the quality of education provided.

40. **The Project design is informed by other Bank Projects**, namely the Mexico School Based Management Project, the Colombia Second Phase Rural Education Project in Support of a Program to Improve Access and Quality, and the Pakistan Sindh Education Sector Projects and Punjab Education Sector Projects. The proposed Project builds on these Projects' approaches to increasing quality by strengthening capacity for effective management at the local level and appropriately incentivizing school leaders and stakeholders.

IV. IMPLEMENTATION

A. Institutional and Implementation Arrangements

41. **The Project would be implemented by MENFP, the Ministry in charge of all levels of education in Haiti.** The institutional and implementation arrangements of the Project would be based on the arrangements currently in place for the EFA II Project, which is implemented by the Project Implementation Unit (PIU) known as *Education Pour Tous* (EPT), with substantial modifications aimed at integrating Project activities with MENFP's existing structure and operations.²⁹ This would build knowledge and experience among MENFP's staff and lay the groundwork for eventual scale-up of the models developed and implemented under Components 2 and 3 of the Project.

42. **A PIU embedded within MENFP's existing structures would be responsible for implementing the Project.** The PIU would be led by a Project Coordinator located within the Director General's office. The Coordinator would regularly communicate with the Director General and ensure that Project activities are aligned and well integrated with related Ministry activities. Within each technical directorate supported under the Project, external consultants would be hired to work closely with the directorate's technical specialists in executing activities at the central level. Within each departmental directorate supported under the Project, one to two external consultants would be hired to work with local MENFP staff and coordinate implementation at the local level. The roles of MENFP staff in implementing Project activities would be clearly defined at the outset in the POM, taking into account their existing responsibilities, in order to provide sufficient technical support from external consultants. Each consultant would report to the Project Coordinator and maintain active communication with his or respective Director.

43. **The proposed arrangements are based on numerous lessons learned from the implementation of the EFA I and EFA II Projects, and on a human resources assessment**

²⁹ The PIU for EFA II shares its name with the Tuition Waiver Program.

conducted in 2015 under the EFA II Project. PIU staff would be hired on contracts with clearly defined responsibilities and expected outputs, in order to keep the focus on results rather than on processes. Consultants working for technical directorates would be based in Port au Prince and would be co-located with their directorates whenever feasible. The physical location of the PIU staff is important to their ability to engage with and support MENFP staff, but the multi-year reconstruction of Ministry buildings would require creative approaches to make this possible. Consultants working for departmental directorates would be based in each department with periodic visits to Port-au-Prince for Project reporting and coordination.

44. **Financial management and procurement responsibilities would be executed by consultants dedicated to the Project located within the Director General's office with the Coordinator.** This would facilitate the day-to-day operations of the PIU, but would reduce the potential to strengthen MENFP's own fiduciary units. To compensate for this, the responsibilities of the consultants would also include engaging with MENFP's staff through training, collaborative work, and other activities to build capacity. The PIU could draw on the existing capacity in Haiti established under the current EFA II Project through the utilization of Financial Management (FM) staff from EPT. Once the FM unit at the PIU is staffed and operational (either by the recruitment of qualified consultants or the use of staff from EPT), the new PIU should have adequate FM arrangements, strengthened by the implementation of EPT's current FM action plan. In addition, the Project would also use and build the capacity of beneficiary schools for the fiduciary aspects of Component 2.2 under the overall responsibility of the PIU.

B. Results Monitoring and Evaluation

45. **MENFP has increased its data collection activities in recent years, but continues to face fractured, outdated, and incomplete information systems.** A national school census exercise has been conducted by the *Direction de Planification et de Cooperation Externe* (DPCE) annually since 2010, but data collection and processing approaches affect the reliability and timeliness of the information, limiting its usefulness. Several major databases, including the school registration database and the PSUGO database, are independently managed by different units within MENFP and are not linked or available to all units that could use them. As described under Component 1, the Project would provide support to establishing a unified management information system that builds on existing initiatives in coordination with other development partners.

46. **In terms of monitoring Project results, a Monitoring & Evaluation Specialist within the PIU would be responsible for coordinating the collection all of the data and information needed to track the Results Framework indicators.** This consultant would be responsible for coordinating closely with other members of the PIU and MENFP staff working on strengthening the management information system of the Ministry, in order to leverage existing data and to provide technical support to their efforts.

47. **Strategic use of data at all levels would be critical for improving MENFP's institutional capacity, ensuring effective implementation of all Project activities, and strengthening implementation support from the Bank.** Integral to the support provided under Component 1 would be the enabling of MENFP staff, particularly at the local level, to use existing data, including the national school census and the recently completed school mapping,

to inform their work. Newly collected data under the Project, in particular the results of QAS assessments, would also be linked to existing data in support of developing an integrated information system. A critical focus would be using the data to track student learning outcomes, correlate these outcomes to school learning conditions, and use the results to inform Project activities. Data collection as designed in the Project will help capture and monitor Project results in the areas impacted by Matthew. In addition, the Project would leverage ICT to collect new types of data to monitor Project activities. Specifically, as part of Project Monitoring & Evaluation, periodic phone surveys of key stakeholders (including school directors, teachers, parents, and potentially some older students) in schools and communities served by the Project would provide a relatively low-cost and direct tool to gauge progress on key activities, and to identify and address challenges early. If feasible, a broader panel including stakeholders in non-Project schools could be constructed, to assess broader trends in the sector, inform policy dialogue, and make comparisons between Project and non-Project schools.

48. **Research agenda:** In partnership with MENFP and other development partners, the Bank would develop a research agenda and seek financing opportunities to carry out quantitative and qualitative research under the proposed Project. This would contribute to the knowledge base on education in Haiti and on the effectiveness of the planned activities. For example, two impact evaluations would be planned: one of the public school improvement model and one of the results-based financing mechanism. These evaluations would measure the effects of the models on changes in learning conditions within schools and student learning outcomes. Complementary research would analyze whether and how improvements in learning conditions predict increases in student learning. Each evaluation would exploit the random selection of schools into the programs and the potential for gradual phase-in of more schools if additional financing becomes available.

C. Sustainability

49. **The Bank continues an active dialogue with major development partners (e.g. IDB, European Union, UNESCO, GPE, Canada, and other members of the Education Sector Group) in order to align interventions.** Given the potential for such alignment, the proposed Project would be structured so that new resources would go towards scaling up well-functioning activities, *inter alia*: adding public schools to the public school improvement model, or adding non-public schools to the results-based financing model. In the medium-term, the implementation of these models could be sustainably financed in a large number of schools with FNE funds (the current financing source for PSUGO), and the Bank's ongoing technical assistance and policy dialogue, discussed above, would incorporate this possibility. However, given the extensive needs and limited resources, difficult tradeoffs and external support will continue to be part of the reality in the education sector.

V. KEY RISKS

A. Overall Risk Rating and Explanation of Key Risks

50. **The overall risk of the proposed Project is Substantial.** Political and Governance risk is assessed as high, due to ongoing instability in leadership due to delayed elections which could cause unexpected changes in the Government's policy objectives. Risk with regard to

Institutional Capacity for Implementation and Sustainability is also considered high due to the low technical capacity of MENFP, especially in the face of the widespread destruction caused by Hurricane Matthew; as is Fiduciary risk due to the moderately unsatisfactory status of FM arrangements at the PIU of the current Project during the last year, as well as weak national procurement systems due to human and physical capacity constraints. To mitigate these risks, the Bank is: i) supporting MENFP to pursue its active dialogue and consensus-building with stakeholders on the vision for the primary education sector, while flexible Project design allows scale-up of critical service delivery activities including grants providing school access and school feeding services; ii) continuing to provide capacity strengthening for decentralized technical staff of the Ministry (with low turnover), through the current Project, NLTA, and Trust Fund resources; and (iii) reinforcing FM arrangements and processes of the current PIU under a detailed action plan, which includes improving contractual arrangements for FM personnel and increased monitoring and accountability. In addition to these risks, the Climate and Disaster Risk Screening Tool identified earthquakes and landslide as posing moderate risks, and other hazards as potentially posing risks to individual communities. To mitigate these risks, the Project would include site-specific assessments and construction specifications responding to resiliency requirements. Overall risks are also mitigated by the fact that many of the implementation arrangements foreseen are currently in place and several activities are already ongoing under the current EFA II Project.

VI. APPRAISAL SUMMARY

A. Economic Analysis

51. **The first three Components of the proposed Project are expected to have substantial economic benefits through their contribution to increased access to education and improved educational quality, resulting in increased educational attainment.** The analysis estimates the economic benefits accruing from Component 2 (Supporting Access to Quality, Public Primary Education in Poor Communities) and Component 3 (Supporting Access to Quality, Non-Public Primary Education in Poor Communities). The estimated benefits quantify the additional lifetime income expected from the additional years of education that beneficiary children would obtain as a result of Project activities. The benefits from Component 1 (Improving Institutional Capacity and Governance) are more difficult to predict and quantify, and are therefore not included in the economic analysis.

52. **The analysis compares the expected costs and benefits, and shows a net benefit and positive return.** With an eight percent discount rate, the Project has a net present value (NPV) of US\$13.3 million with a rate of return of six percent. An additional case is presented that assumes that the impact of the Project is less. In both cases, the Project appears to be a good investment from an economic point of view. (See details in Annex.)

53. **The World Bank provides value added in this Project through its convening power, implementation experience and technical expertise, as well as its financing.** For example, the Bank would continue to facilitate sharing of international experiences and best practices to inform the development of the school improvement and results-based financing models, and would continue to promote coordination between development partners to align efforts around MENFP's objective of using these models. The Bank would also provide technical support to

planned impact evaluations to produce new knowledge. These aspects of value added are expected to increase the Project's development impact, compared to what the Project could achieve without the Bank's involvement. Additionally, during Project implementation, the Bank will continue to develop the Government's capacity, under Components 1 and 4.

54. Several factors provide a strong rationale for public sector financing of primary education. First, information and incentives are imperfect. Parents may be unaware of the importance of early investments in the development of their children through education or, even if aware, may be unable to finance these investments. This second case appears to be the prevailing situation in Haiti, where poverty is widespread but parents make concerted efforts to invest in schooling. Second, individual acquisition of education benefits society by making individuals more engaged and responsible citizens, as well as by increasing the overall level of productivity and growth in the economy (Moretti 2006; Oreopoulos and Salvanes 2011). To the extent that individuals do not take these benefits into account when making investment decisions, government funding can increase the efficiency of investment in education.

B. Technical

55. The rationale for the new interventions proposed in this Project builds on international evidence of their effectiveness and MENFP's commitment to improve the management of the sector. In particular, a growing body of evidence shows that education outcomes can be substantially improved by aligning decision-making authority, capacity, and financing at the school level. For public schools, decentralizing decision-making authority to parents and communities can strengthen accountability, while building school management capacity with a focus on data can improve student performance.³⁰ However, it is important to note that evidence on high versus low-stakes accountability mechanisms in developing countries remains mixed.³¹ The proposed Project will contribute to this growing body of knowledge by implementing both: a "low-stakes" model in the public sector, where limited capacity and governance make it unlikely that major, productive changes would be independently carried out in response to poor assessments; and a "higher-stakes" model in the non-public sector, where owners of schools have substantial freedom to make changes and high levels of supply can foster competition.

C. Financial Management

56. Fiduciary aspects of the Project would be managed by a PIU within MENFP. The PIU would include a Financial Management section with staff dedicated to the Project, drawing on the existing capacity in Haiti established under the EFA I and EFA II Projects, which is being strengthened by the ongoing implementation of EPT's current action plan. In addition, the Project will also use capacity of beneficiary schools for the fiduciary aspects of Component 2.2 under the overall responsibility of the PIU. For the longer term, and in order to strengthen the MENFP's own FM capacity and thus country systems, one staff of the new PIU FM team should

³⁰ *Short-run Learning Dynamics under a Test-based Accountability System: Evidence from Pakistan* (Barrera-Osorio and Raju 2010); *Making Schools Work: New Evidence on Accountability Reforms* (Bruns, Filmer, and Patrinos 2011); *Does Management Matter in Schools?* (Bloom, Lemos, Sadun, and Van Reenen 2015).

³¹ *The Impact of an Accountability Intervention with Diagnostic Feedback* (De Hoyos, Garcia, and Patrinos 2015).

be a MENFP civil servant serving in a FM or accounting capacity in the administrative directorate.

D. Procurement

57. **Procurement activities for the Project would be executed by MENFP at central and departmental levels, as well as by public schools.** The Project's POM, dated May 4, 2016 includes adequate provisions that meet the Bank's requirements in project implementation. A procurement assessment was carried out at Appraisal in March 2016. While MENFP has gained significant experience during the EFA I and II Projects, the proposed implementation arrangements are slightly different from those existing under EPT. At the central level, procurement activities will be managed by a PIU within MENFP. At this level, procurement activities will represent a continuation of previous tasks that MENFP would be in a position to handle smoothly. At the local level, procurement activities will be implemented by schools and by DDEs. Although schools and staff from DDEs will handle low value and simple procurement (very small goods, very small works), their limited exposure to the management of similar tasks combined with cumbersome administrative procedures may turn out to be challenging. Hence, the proposed arrangements will require that schools and staff from DDEs are provided with intensive training and appropriate tools that can help them understand and fulfill their new responsibilities.

E. Social (including Safeguards)

58. **A stakeholder assessment was carried out during preparation of the proposed Project in order to better understand the perspectives of two key groups, parents and school directors, on school quality.** Focus groups were conducted with parents and school directors in public and non-public schools in the South of Haiti, and results have informed the design of the Project and provide guidance for implementation as well. In particular, the importance placed by both parents and directors on quality, and the multiple factors that contribute to it, as well as the need for resources to enable improvements, demonstrate the demand for access to quality education. The needs cited by directors also point to areas that are likely to be priorities for them in improving their schools, *inter alia*: teacher training, basic infrastructure improvements, and student nutrition. In addition, parents and directors consistently cited good communication with each other, providing a basis for building parental engagement in the process of improving schools.

59. **In addition, a series of stakeholder consultations was carried out during preparation in order to gather ideas on the proposed Project activities, particularly from stakeholders involved in both EFA II and the new Project.** Three consultations on the RPF and Environmental and Social Management Frameworks (ESMF) were conducted with a mix of MENFP staff and community members in the South of Haiti during February 2016. The discussions focused on the social and environmental safeguards aspects of the Project, but touched on broader subjects and produced several recommendations that would be incorporated into the detailed implementation plans of the Project. These include the importance of involving community authorities; providing relevant and sustained training to community members on safeguards, financial management, and other responsibilities; planning for in-service training for

teachers to improve education quality; and planning ahead for natural disasters that often affect the region.³²

60. **Gender:** In terms of primary school participation, girls and boys enroll at roughly equal rates. However, boys are more likely to be overaged, while girls start to drop out of school earlier than boys, around the age of 14, potentially related to social factors such as early marriage. Recent data suggests that in Haiti, 17 percent of girls are married by age 18.³³ In addition, gender-based violence and women's disadvantage in the labor market are important realities in the Haitian context. Interventions designed under the proposed Project would be informed by this context, for example incorporating gender considerations into the design of sanitation infrastructure, teacher training, and community engagement activities. The Project would also track gender-disaggregated data on numbers of beneficiaries and on student learning outcomes.

61. **Citizen engagement:** The proposed Project would engage beneficiaries in several ways. The school learning conditions of the QAS that would be used under Components 2 and 3 include standards on community engagement that would be measured and tracked over time. The rural communities targeted under Sub-component 2.1 have already been mobilized under EFA II and are actively involved in the oversight of the operation of their temporary schools. For both Components 2 and 3, a focus on data and leveraging ICT would create direct lines of communication between parents and MENFP, as well as school officials and MENFP, to foster feedback and accountability. For example, schools participating in the results-based financing would be requested to provide cell phone numbers for parents, so that they can be directly contacted for feedback. Furthermore, an open hotline would be available to all Project beneficiaries, and the safeguards official within the PIU would be in charge of visiting project sites regularly to document grievances raised by the population and address them properly. An indicator to measure these aspects is included in the Results Framework.

62. **The proposed Project triggers OP/BP 4.12, to allow the identification of sites where minor resettlement could be required due to activities under Component 2, and to ensure that the affected people would be provided with assistance under the policy.** As the exact nature and location of the construction and rehabilitation activities remains unknown, a framework approach would be adopted. Specifically, a Resettlement Policy Framework (RPF), based on the RPF of the EFA Phase II Project, was prepared by the GoH and approved by the Bank, consulted on, and disclosed in Haiti on April 8, 2016 and on the World Bank website on February 25, 2016. If there is any need to acquire land on sites currently not known or if it is determined that any identified sites where activities are yet to be developed require the involuntary taking of land, the Project would prepare site-specific Resettlement Action Plans (RAPs), which would be implemented by the Government prior to the start of any construction or rehabilitation activities.

³² For example, school rehabilitation and construction activities will incorporate climate resilience considerations in their planning and execution, which also responds to the results of the Climate and Disaster Risk Screening Tool.

³³ UNICEF estimate from the 2012 Demographic and Health Survey.

F. Environment (including Safeguards)

63. **Under the EFA II Project, each community to be supported under Component 2.1 of the proposed Project identified and voluntarily donated a site for school construction to MENFP's Directorate of School Engineering (*Direction du Genie Scolaire*; DGS).** However, the approach to supporting these communities was adjusted under EFA II, and the majority of these sites were not used. Under the proposed Project, any remaining sites would be returned to the communities, and access to primary education would continue to be provided through community education grants. With their grants, communities may choose to construct temporary structures for holding classes within their communities. Under Component 2.2, public schools would be supported to develop and implement school improvement plans, which may include works such as classroom construction and infrastructure rehabilitation projects.

64. **Since the exact location of construction and rehabilitation activities would not be known before Project implementation, the proposed Project triggers OP/BP 4.01 (Environmental Assessment).** An ESMF was therefore prepared by the GoH and approved by the Bank. The ESMF outlines how sites for construction and rehabilitation activities would be selected, and how potential adverse environmental and social impacts at these sites would be identified, minimized, mitigated, and managed. Potential adverse impacts due to construction and rehabilitation are expected to be of small scale in time and space. The ESMF focuses on how to address construction-type impacts (what kind of training and protective gear workers would receive; how waste, noise, and dust would be managed). Any identified sites that affect critical natural habitats, forests, or physical cultural resources would be screened out by MENFP during the approval processes for community education grants and for school improvement plans. The ESMF was disclosed in Haiti on April 8, 2016 and on the World Bank website on February 25, 2016.

G. World Bank Grievance Redress

65. **Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS).** The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

Annex 1: Results Framework and Monitoring

Country: Haiti

Project Name: Providing an Education of Quality in Haiti (PEQH) (P155191)

Results Framework

Project Development Objectives

The objectives of the Project are to: (a) strengthen public management of the education sector; (b) improve learning conditions in selected public and non-public primary schools; and (c) support enrollment of students in selected public and non-public primary schools.

These results are at *Project Level*

Project Development Objective Indicators

Indicator Name	Baseline 2015-2016 ³⁵	Cumulative Target Values ³⁴					
		2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	End Target 2021-2022
PDO Indicator 1: Use of an Education Management Information System (EMIS) to enable national implementation of the QAS (Text)	Not started	Assessment of data and information systems conducted	EMIS design developed, consulted, and endorsed by MENFP	EMIS implementation: consistent data accessible across MENFP	EMIS implementation: data analyzed and disseminated to local stakeholders	EMIS implementation: data utilized in resource allocation decisions by MENFP	EMIS implementation: data utilized in resource allocation decisions by MENFP
PDO Indicator 2: Proportion of schools supported by the Project that achieve a “sufficient” level of school learning conditions	The baseline will be collected by June 2017	The target will be set when the baseline is collected	The target will be set when the baseline is collected	The target will be set when the baseline is collected	The target will be set when the baseline is collected	The target will be set when the baseline is collected	The target will be set when the baseline is collected

³⁴ Target Values will be measured at the end of the referenced school year, e.g. 2016-2017 refers to September 2016-June 2017.

³⁵ Baseline Values refer to April 2016

Indicator Name	Baseline 2015- 2016 ³⁵	Cumulative Target Values ³⁴					
		2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	End Target 2021-2022
(Percentage)							
PDO Indicator 3.a: Number of children enrolled in primary school through the provision of community education grants for school access, of which female (Number)	0	0	2,700 (50.0%)	6,000 (50.0%)	9,000 (50.0%)	12,000 (50.0%)	15,000 (50.0%)
PDO Indicator 3.b: Number of children enrolled in primary school through the provision of tuition waivers to non-public schools, of which female (Number)	0	0	16,500 (50.0%)	16,500 (50.0%)	16,500 (50.0%)	16,500 (50.0%)	16,500 (50.0%)
PDO Indicator 3.c: Number of children enrolled in primary school through the provision of results-based financing to non-public schools, of which female (Number)	0	0	10,000 (50.0%)	20,000 (50.0%)	30,000 (50.0%)	40,000 (50.0%)	50,000 (50.0%)
Intermediate Results Indicators							
<i>Component 1: Improving Institutional Capacity and Governance</i>							
IRI 1: Development of QAS standards and assessments by MENFP and application in schools supported by the Project (Text)	Minimum norms, standards, and assessments for school learning conditions developed	Student learning standards and assessments developed; Learning conditions assessments applied in	Student learning assessments and Learning conditions assessments applied in schools supported by the Project	Student learning assessments and Learning conditions assessments applied in schools supported by the Project	Student learning assessments and Learning conditions assessments applied in schools supported by the Project	Student learning assessments and Learning conditions assessments applied in schools supported by the Project	Student learning assessments and Learning conditions assessments applied in schools supported by the Project

Indicator Name	Baseline 2015- 2016 ³⁵	Cumulative Target Values ³⁴					
		2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	End Target 2021-2022
		schools supported by the Project					
<i>Component 2: Supporting Access to Quality, Public Primary Education in Poor Communities</i>							
IRI 2: Number of communities proposing and implementing community education plans (Number)	0	0	20	20	20	20	20
IRI 3: Proportion of public schools supported by the Project that develop and implement school improvement plans approved by MENFP (Percentage)	0 Not started	0	75.0	100.0	100.0	100.0	100.0
<i>Component 3: Supporting Access to Quality, Non-Public Primary Education in Poor Communities</i>							
IRI 4: Data from student learning assessments used in decision-making for results-based financing of non-public schools supported by the Project	Not started	No	Yes	Yes	Yes	Yes	Yes
<i>Indicators spanning multiple components, Core Sector Indicators, and Citizen Engagement Indicators</i>							
IRI 5: Development and provision of school director training program (Text)	Training policy for teachers and education system leaders prepared by	Program developed	Program developed and provided to at least 20 percent of directors of schools supported by	Program developed and provided to at least 30 percent of directors of schools supported by the Project	Program developed and provided to at least 40 percent of directors of schools supported by the Project	Program developed and provided to at least 50 percent of directors of schools supported by the Project	Program developed and provided to at least 55 percent of directors of schools supported by the Project

Indicator Name	Baseline 2015- 2016 ³⁵	Cumulative Target Values ³⁴					
		2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	End Target 2021-2022
	MENFP		the Project				
IRI 6: Development and provision of in-service teacher training program (Text)	Training policy for teachers and education system leaders prepared by MENFP	Program developed	Program developed and provided to at least 20 percent of teachers in schools supported by the Project	Program developed and provided to at least 30 percent of teachers in schools supported by the Project	Program developed and provided to at least 40 percent of teachers in schools supported by the Project	Program developed and provided to at least 50 percent of teachers in schools supported by the Project	Program developed and provided to at least 55 percent of teachers in schools supported by the Project
IRI 7: Direct Project beneficiaries (Number) – (Core)	0	0	37,000	58,000	79,000	100,000	120,000
Female beneficiaries (Percentage – Sub-Type: Supplemental) – (Core)	0	0	50.0	50.0	50.0	50.0	50.0
IRI 8: Number of additional classrooms built or rehabilitated at the primary level resulting from project interventions (Number) – (Core)	0	0	10	30	60	80	100
IRI 9: System for learning assessment at the primary level (Yes/No) – (Core)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Utility of the learning assessment system (Number – Sub-Type: Supplemental) – (Core)	Stage 1	Stage 1	Stage 2-1	Stage 2-2	Stage 2-3	Stage 2 - 3	Stage 2 – 3

Indicator Name	Baseline 2015- 2016 ³⁵	Cumulative Target Values ³⁴					
		2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	End Target 2021-2022
IRI 10: Stakeholder hotline to MENFP – proportion of calls responded to/resolved within stipulated service standards for response times (Percentage)	0.00 Not started	0.00 Not started	75.0	90.0	95.0	95.0	95.0

Indicator Description

Project Development Objective Indicators

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
PDO Indicator 1: Use of an Education Management Information System (EMIS) to enable national implementation of the QAS (Text)	Definition of annual target values: 2016-17: Detailed assessment report produced in French; 2017-18: Detailed technical design for EMIS, incorporating feedback from meetings with key directorates, produced and endorsed by a letter from the Minister or Director General; 2018-19: At least one set of data from EMIS accessible across MENFP (includes publicly accessible data); 2019-20: Summary statistics from at least one set of data from EMIS communicated to MENFP staff and school leaders in at least one department; 2020-21 and 2021-22: Allocation of at least one set of resources (for example: teachers; financing to DDE operations; financing for school construction) is informed by data from the EMIS, as evidenced by MENFP documentation.	Annual	Documentation produced by MENFP	DG's office with support from PIU
PDO Indicator 2: Proportion of schools	Standards for school learning conditions will be measured at three levels: insufficient, sufficient, or	Bi-annual	Data from QAS assessments.	DDEs with support from PIU

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
supported by the Project that achieve a “sufficient” level of school learning conditions (Percentage)	outstanding. These levels will be set after piloting of the assessments and analysis of the results, to set the levels appropriately. Assessments will be applied at least once every other school year in all schools supported under Components 2.2 and 3.2.			
PDO Indicator 3.a: Number of children enrolled in primary school through the provision of community education grants for school access, of which female (Number)	Number of children enrolled in primary school in communities supported under Component 2.1	Annual	Data collected at community level	DDEs with support from PIU
PDO Indicator 3.b: Number of children enrolled in primary school through the provision of tuition waivers to non-public schools, of which female (Number)	Number of children enrolled in grade 6 in schools supported under Component 3.1.	Annual	Data submitted by schools will be cross-referenced with data collection exercises	DDEs with support from PIU
PDO Indicator 3.c: Number of children enrolled in primary school through the provision of results-based financing to non-public schools, of which female (Number)	Number of children by gender enrolled in non-public primary schools supported under Component 3.2.	Annual	Data submitted by schools will be cross-referenced with data from QAS assessments and verification exercises	DDEs with support from PIU
Intermediate Results Indicators				
<i>Component 1: Improving Institutional Capacity and Governance</i>				
IRI 1: Development of QAS standards and assessments by MENFP and application in schools supported by the Project (Text)	The QAS will consist of two components: school learning conditions minimum norms and standards (and assessments to measure them) and student learning standards (and assessments to measure them). Development and piloting of each	Annual	Documentation produced by MENFP and data from QAS assessments	DG’s office and DDEs with support from PIU

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
	component will be led by MENFP with support through the Project. The two sets of assessments that comprise the QAS will be applied at least once every other school year in all schools supported under Components 2.2 and 3.2.			
<i>Component 2: Supporting Access to Quality, Public Primary Education in Poor Communities</i>				
IRI 2: Number of communities proposing and implementing community education plans (Number)	Number of communities, as represented by community committees, that are implementing a community education plan to provide the community's children with access to a primary education under Component 2.1.	Annual	Data collected at community level	DDEs with support from PIU
IRI 3: Proportion of public schools supported by the Project that develop and implement school improvement plans approved by MENFP (Percentage)	Public schools supported under Component 2.2 develop plans that are approved by the appropriate entity within MENFP. Development and approval processes are defined in the POM. Implementation is defined as taking steps towards achieving objectives specified in approved plans, as evidenced by procurement documents, physical evidence of changes in school, or beneficiary surveys.	Annual	Data from QAS assessments	DDEs with support from PIU
<i>Component 3: Supporting Access to Quality, Non-Public Primary Education in Poor Communities</i>				
IRI 4: Data from student learning assessments used in decision-making for results-based financing of non-public schools supported by the Project	Evidence of use of learning assessments data for decision-making is defined as (i) 2017-18 and 2018-19: differentiated communication and support for schools based on assessment data, and (ii) 2019-20 onwards: exiting schools from the results-based financing program if they do not achieve minimum results as specified in the POM.	Annual	Data and reports submitted by PIU	PIU
<i>Indicators spanning multiple components, Core Sector Indicators, and Citizen Engagement Indicators</i>				
IRI 5: Development and provision of school director training program (Text)	Number of school directors from schools supported under Components 2.2 and 3.2 who complete the training program.	Annual	Data from training institutions	DDEs with support from PIU
IRI 6: Development and	Number of teachers from schools supported under	Annual	Data from training	DDEs with support from

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
provision of in-service teacher training program (Text)	Components 2.2 and 3.2 who complete the training program.		institutions	PIU
IRI 7: Direct Project beneficiaries (Number) – (Core) Female beneficiaries (Percentage – Sub-Type: Supplemental) – (Core)	Number of children enrolled in primary school in communities supported under Component 2.1; number of children enrolled and number of school directors and teachers working in public schools supported under Component 2.2; number of children enrolled in grade 6 of non-public schools supported under Component 3.1; number of children enrolled and number of school directors and teachers working in non-public schools supported under Component 3.2.	Annual	Data submitted by schools will be cross-referenced with data from QAS assessments	DDEs with support from PIU
IRI 8: Number of additional classrooms built or rehabilitated at the primary level resulting from project interventions (Number) – (Core)	Number of classrooms rehabilitated or constructed in schools supported under Components 2.2 and 3.2. Rehabilitation includes any improvement to the physical condition of the classroom (<i>inter alia</i> : painting, installation or repair of doors or windows, provision of classroom equipment such as desks).	Annual	Data from QAS assessments	DDEs with support from PIU
IRI 9: System for learning assessment at the primary level (Yes/No) – (Core) Utility of the learning assessment system (Number – Sub-Type: Supplemental) – (Core)	Criteria for Stage 1 - Yes: An assessment has been conducted whose official purpose is to measure student progress toward agreed system learning goals and assessment was given to a representative sample or census of the target grades. Criteria for Stage 2: Data are analyzed and results are reported to policymakers and/or the public; results are reported for at least one of the following student subgroups: gender, urban/rural, region; assessment exercise repeated at least once every 5 years for the same subject areas and grades. Values are as follows: 1 if none of the three criteria are met; 2 if one criterion is met; 3 if two criteria are met; 4 if all three criteria are met.	Annual	Documentation produced by MENFP	DG's office with support from PIU

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
	<p>Baseline value is Stage 1 – Yes because EGRA was conducted in a nationally representative sample of grade 2 classrooms in 2016 (supported under the EFA II Project).</p> <p>Further progress will be made through the learning assessment(s) developed and applied as part of the QAS.</p>			
IRI 10: Stakeholder hotline to MENFP – proportion of calls responded to/resolved within stipulated service standards for response times (Percentage)	An accountability mechanism within MENFP will be set up by the PIU to receive and respond to stakeholder feedback through an open phone line staffed during regular hours to receive incoming calls, and a set of agreed-upon protocols to respond to every call.	Annual	Data produced by accountability mechanism.	PIU

Annex 2: Detailed Project Description

HAITI: Providing an Education of Quality in Haiti (PEQH)

1. The objectives of the Project are to: (a) strengthen public management of the education sector; (b) improve learning conditions in selected public and non-public primary schools; and (c) support enrollment of students in selected public and non-public primary schools.
2. The Higher level Objective of the Project is to improve access to quality primary education, as measured by better learning conditions in the schools supported and improved student learning, in particular in the fundamental areas of language and math. All activities to be financed by the Project would support this higher level objective through, *inter alia*, improving the capacity of MENFP at different levels (e.g. central, departmental, and local) to monitor, evaluate, and manage the system; train school directors and teachers; and manage results-based programs that increase access to quality education in both public and non-public schools. The Project would also finance tuition waivers, community education grants, and school feeding in support of continued access to primary education.
3. One of the great challenges that the education system in Haiti must face in the coming years is to improve the quality of primary education while maintaining and building on access gains. Increasing fiscal constraints and a deteriorating political environment only magnify this challenge. In order to succeed in implementing substantive change and addressing this challenge, new models and tools, based on strengthening technical and managerial capacities, are needed within MENFP.
4. In this context, the Project would focus on strengthening the technical capacity of MENFP at different levels to manage the education system and to ensure the delivery of quality primary education, while continuing to finance limited service delivery. The objectives of the Project align with the priorities of MENFP to strengthen service delivery and to improve governance of the sector, and would also contribute to the GoH's overarching objective of universal, free, and compulsory access to primary education.
5. At the basis of MENFP's efforts to ensure access to a quality primary education is the development of a Quality Assurance System (QAS). A complete QAS would encompass minimum norms for schools to function, detailed standards for the learning conditions in schools and for student learning outcomes, related assessment tools, and mechanisms and processes to evaluate and support the improvement of realities within schools against the standards. Initial steps have been taken towards a QAS with the support of the Bank and the Inter-American Development Bank. Further development and adoption of the QAS would be supported under the proposed Project, with the goals of articulating and tracking progress on key dimensions that matter for education outcomes; increasing school accountability for improvement; and promoting the efficient use of public financing.³⁶

³⁶ Quality Assurance Systems, although originally from the field of higher education, are beginning to be used in primary and secondary educational systems at the school level for monitoring and evaluating the quality of education and also to promote continuous improvement. On this last point in particular, this results in initiatives leading to the strengthening of the internal capacities of the schools, the ability to govern responsibly, and to continually innovate for academic progression of students. These systems should consider the need for change and

6. The QAS would help MENFP ensure that environments within schools are conducive for learning, in particular that instruction in classrooms has a minimum standard of quality. Standards for the learning conditions would incorporate the primary dimensions identified in educational research as relevant for improving learning conditions and student learning. Given the realities of schools in Haiti, MENFP has established a set of minimum norms related to infrastructure and service provision that every school must meet in order to remain open, and these minimum norms have been incorporated into the QAS. In addition, MENFP has identified a set of indicators of efficiency in schools (e.g. dropout, overage, repetition) as important to include in the QAS. All minimum norms and standards related to the learning conditions and efficiency indicators would be transparent, objective, and measurable.³⁷ The second set of standards in the QAS, related to actual student learning outcomes, would be developed in coordination with curricular reforms and an overhaul of the standardized assessment system currently underway with the support of several development partners. Correlations between changes in learning conditions and changes in learning outcomes will also be examined, in an effort to identify which conditions may be most important for improving learning over time.

7. The development and application of the QAS is integral to the activities of the proposed Project. Financing under Component 1 would support the GoH to put the systems and the technical capacity in place for administering and implementing the QAS. As explained below, the tools of the QAS would be applied to monitor and measure progress, develop improvement plans in public schools (Sub-component 2.2), enable non-public schools to meet eligibility requirements for public financing (Sub-component 3.2), and monitor and measure progress in all supported schools.

8. Finally, Project activities would focus on a limited number of departments, in order to align interventions, simplify monitoring and evaluation, better support departmental directorates, and maximize the impact of Project activities. Dialogue with other development partners is ongoing to align support and expand Project activities into additional geographic areas.

Lessons Learned and Reflected in Project Design

9. Several important lessons have been learned from EFA II and previous engagements on the need to prioritize institutional strengthening in order to achieve sustainable impacts. Limited technical capacity, lack of financial resources, and weak ownership of activities characterize many directorates and hinder the advancement of MENFP's efforts to improve its functioning. By focusing on building systems within MENFP, the proposed Project aims to bring together the

innovation as an essential component of quality, even if the processes of change can generate a stage where quality seems to diminish. It is therefore important to take necessary measures for the sustainability of the changes (*The Future of Educational Change: System Thinkers in Action* (Fullan 2006). The QAS can operate at the level of "quality control" expressed as authorization to operate for schools that meet the minimum standards set by the Ministry. The next level of a QAS is to "guarantee quality" in schools, so that what they offer meets the expectations associated with reference standards which are commonly known and agreed upon by society. The ultimate goal of any system of quality assurance is to improve the quality of education by emphasizing the fact that the responsibility for quality belongs to the schools; therefore these systems focus on schools' ability to develop and implement effective policies, regulatory mechanisms, and continuous improvement.

³⁷ The focus of QAS models is the identification and systemization of processes critical to any school in order to guarantee the conditions of managing for quality and increasing learning achievement. With a management oriented focus, these models incorporate a systemic view of the school focused on coordination and management.

technical and financial resources, coordinated objectives, and strong communication needed across directorates in an integrated approach to achieve the Project's and MENFP's larger objectives.

10. Experience with EFA II also highlights schools' needs for comprehensive support in order to provide quality education, and these lessons are integrated into the design of the proposed Project. First, demand for free education is very high and conditioning financing on specific rules can be effective: schools participating in the tuition waiver program have larger student bodies and lower rates of late entry and grade repetition compared to schools that applied but were not selected.³⁸ However, periodic verification exercises have found that the program has been less successful in enforcing minimum inputs for learning, such as the provision of textbooks to students, due to weak supervision and a lack of consequences for noncompliance. Second, interventions to improve learning conditions, such as teacher training and school feeding, have been dispersed across schools, reducing their impact on education quality. In addition, parents and other stakeholders have not been sufficiently supported to play a role in school functioning and in creating accountability. Under the proposed Project, interventions would be coordinated in number of schools, and for non-public schools, financing would be conditioned on achieving specific results. Financing would also be provided for all students in the school, and not for individual grade cohorts, to allow schools to receive a critical mass of funding to be able to improve the quality of education provided. Sustained supervision, strategic use of data and ICT, and community engagement would also be integral aspects of all Project activities in order to create feedback loops for improvement and foster accountability among all actors.

11. The proposed implementation arrangements for the Project are based on numerous lessons learned from the implementation of the EFA Phase I and Phase II Projects, and are aimed at integrating Project activities with MENFP's existing structure and operations. This would build knowledge and experience among MENFP's staff and lay the groundwork for eventual scale-up of the models developed and implemented under components 2 and 3 of the Project. The arrangements are also based on a human resources assessment conducted in 2015 under the Phase II Project. The PIU staff would be hired on contracts with clearly defined responsibilities and outputs, in order to keep the focus on results rather than on processes. Consultants working for technical directorates would be based in Port au Prince and would be co-located with their directorates whenever feasible. The physical location of the PIU staff is important to their ability to engage with and support MENFP staff, but the multi-year reconstruction of Ministry buildings would require creative approaches to make this possible. Consultants working for departmental directorates would be based in each department.

12. The Project design is also informed by other Bank Projects, namely the Mexico School Based Management Project and its predecessors, the Colombia Second Phase Rural Education Project in Support of a Program to Improve Access and Quality, and the Pakistan Sindh Education Sector Projects and Punjab Education Sector Projects. In particular, these programs have put schools at the center of reform processes and have focused on aligning key stakeholders

³⁸ *Increasing Access by Waiving Tuition: Evidence from Haiti* (Adelman and Holland 2015). Reduced rates of late entry are believed to be due to the program's requirement that schools accept children into first grade at age six.

around specific objectives, building local capacities to meet those objectives, and developing the public systems to manage these efforts.

13. These approaches are based on growing evidence that placing resources, responsibilities, and decision-making authority closer to beneficiaries can improve outcomes when appropriately specified and combined with support for capacity development.³⁹ For example, in Pakistan, non-public schools were directly incentivized to enroll students in poor, underserved communities and ensure their learning. Consistent data collection and monitoring combined with the availability of technical support to the schools, contributed to meeting program objectives. In Mexico and Colombia, engaging students, parents, teachers, school directors, and other stakeholders by fostering use of data, with better communication and cooperation towards positive objectives has proved effective in creating change. The proposed Project incorporates these lessons by basing support on clear and specific objectives articulated in the QAS, aligning financial and technical resources at the school level, and engaging and strengthening the capacities of key stakeholders within a broader framework of strengthening sector management. However, it is important to note that evidence on high versus low-stakes accountability mechanisms in developing countries remains mixed.⁴⁰ The proposed Project will contribute to this growing body of knowledge by implementing both: a “low-stakes” model in the public sector, where limited capacity and governance make it unlikely that major, productive changes would be independently carried out in response to poor assessments, and a “higher-stakes” model in the non-public sector, where owners of schools have substantial freedom to make changes and high levels of supply can foster competition.

Project Description

Component 1: Improving Institutional Capacity and Governance (US\$3.0 million).

14. This component would strengthen the technical capacity of relevant units within MENFP, including the directorates of primary education, education and partnership, professional training, and planning and external cooperation, to improve service delivery and overall educational governance through, *inter alia*:

- (a) Refining and piloting the QAS;
- (b) Developing an education management information system that incorporates data generated by the QAS;
- (c) Designing and administering learning assessments of public and non-public primary schools as part of the QAS; and
- (d) Strengthening the relevant MENFP directorates’ overall institutional planning and budgeting practices.

15. This component would support MENFP to put in place the information systems, coordination mechanisms, and strengthened technical capacity needed for successful refinement and implementation of the QAS. Support through this component would strengthen the technical

³⁹ *Short-run Learning Dynamics under a Test-based Accountability System: Evidence from Pakistan* (Barrera-Osorio and Raju 2010); *Making Schools Work: New Evidence on Accountability Reforms* (Bruns, Filmer, and Patrinos 2011); *Does Management Matter in Schools?* (Bloom, Lemos, Sadun, and Van Reenen 2015).

⁴⁰ *The Impact of an Accountability Intervention with Diagnostic Feedback* (De Hoyos, Garcia, and Patrinos 2015).

capacity of the central units of MENFP and its Departmental Directorates where Project activities are located in effectively defining the quality of primary school service delivery, supporting schools in improving their service delivery, and monitoring learning conditions, learning outcomes, and other important data in schools. In particular, the capacity of DDEs, in terms of human resources, financing, and processes, would be assessed and targeted support provided to strengthen their ability to fulfill their roles. Through this component, MENFP's capacity to collect and analyze data, and to make decisions and plans on the basis of evidence, would also be improved. As part of the QAS, the Project would also support the development of accreditation activities if the policy environment allows.

Component 2: Supporting Access to Quality, Public Primary Education in Poor Communities (US\$13.5 million).

16. This component would provide access to quality primary education in poor communities in selected departments set forth in the Project Operations Manual (POM). This component would also finance provision of compensation, including cash compensation and other assistance paid for involuntary resettlement related to the implementation of the relevant resettlement action plan under the Resettlement Policy Framework (RPF).

17. Resettlement costs include replacement or repair costs for lost or damaged infrastructure, restoration or repair costs of community infrastructure, and compensation of business interruption, loss of economic income and compensation of crops and fruit trees. Possible affected people could be either squatters or owners of property, as well as street vendors, owners of kiosks or individuals involved in other economic livelihood activities.

18. Expenditures for cash compensation and assistance will be calculated in accordance with the provisions of the RPF. Applicable valuation principles are as follows:

- a. All valuation and calculation of compensation will be done in accordance with the RPF. The compensation will be per OP 4.12 requirements for full replacement costs. The replacement cost for land plots will be financed by the National Commission for Expropriation in Haiti, using the Recipient's own resources. The land affected by the Project will be compensated at the full replacement cost, which will be assessed by valuation experts hired by the National Commission, following the principles of OP/BP 4.12 as described in the RPF. The IDA funding will cover only non-land related resettlement costs outlined in paragraph 1 above.
- b. The replacement cost of structures will be based on the market cost of the materials to build a replacement structure with an area and quality similar to or better than those of the affected structure, or to repair a partially affected structure, plus the cost of transporting building materials to the construction site, plus the cost of any labor and contractors' fees, plus the cost of any registration and transfer taxes. If structures/houses are destroyed, the project will build a new house, as is the case in the ongoing Education for All Project. In cases where community infrastructure such as water sources, roads, sewage systems or electrical supply is damaged, the Project will ensure that these would be restored or

repaired as the case may be, at no cost to the community. If the damage was not intended under project activities, the contractor will be responsible for repair or payment.

19. For loss of economic income, the Project will provide: (i) cash compensation equal to one year income, if loss is permanent; and (ii) cash compensation for the period of business interruption, if loss is temporary. For worker/employees, the Project will provide indemnity for lost wages for the period of business interruption up to a maximum of three months.

Sub-component 2.1: Support to the cohorts of the community education grant program under the EFA II Project (US\$3 million).

20. This sub-component would improve access to primary education services in selected rural communities by supporting Community School Management Committees (CSMCs) through: (a) designing community education plans; and (b) implementing said plans through the provision of Community Education Grants to carry out activities which include, *inter alia*: (i) rehabilitating public primary school buildings; (ii) financing teacher salaries; (iii) purchasing school supplies, materials and equipment; (iv) providing training in school management to relevant staff; and (v) financing student's tuition and transportation services expenses; all selected pursuant to the criteria and procedures as set forth in the POM.

21. In each community, building on activities carried out under EFA II, data would be collected on existing schools in the area, transportation methods, and routes to the community. In addition, community engagement activities would elicit community members' articulated preferences for how to provide education to their children. All feasible and cost-effective options that emerge from data collection and community engagement would be considered against MENFP's commitments and priorities, to arrive at a community education plan.

Sub-component 2.2: Public School Improvement Model (US\$10.5 million).

22. This sub-component would improve access to a quality primary education in Beneficiary Public Primary Schools located in selected departments set forth in the POM through a public school improvement model that includes, *inter alia*:

- (a) Assessing the learning conditions and learning outcomes of said Beneficiary Public Primary Schools;
- (b) Designing school improvement plans based on priority areas identified through QAS assessments;
- (c) Implementing said plans through, *inter alia*:
 - (i) Providing technical assistance and training to school directors in effective management and leadership, and providing technical assistance and training to teachers on pedagogical skills and content knowledge;
 - (ii) Developing and implementing information and communication activities for school directors, school officials, and other relevant stakeholders;
 - (iii) Providing food rations, deworming, and nutritional supplements to students; and
 - (iv) Based on the school improvement plans developed, providing school improvement grants for, *inter alia*: (A) carrying out small rehabilitation work and (B) purchasing school materials, uniforms, and furniture.

23. This sub-component aims at supporting the GoH to improve the learning conditions and actual learning outcomes of students in public schools in selected departments of Southern Haiti. The objective is to change the behaviors and dynamics of actors at the school level, in terms of school administration and empowerment, teaching practices, learning assessment, community involvement, and accountability. Within targeted departments, public schools would be invited to express their interest in participating based on criteria determined by MENFP, and if more public schools submit expressions of interest than can be financed with Project resources, a process of random selection would be used.

24. In each participating public school, the Project would finance a minimum of five interventions as specified above: (i) assessment of school learning conditions and student learning outcomes using the tools of the QAS, (ii) school director training on managerial skills and leadership, (iii) teacher training, (iv) development and implementation of school improvement plans, and (v) community engagement activities. Additional interventions, such as school feeding, would be financed for schools based on the results of assessments.

25. The QAS tools would be applied periodically to identify each school's strengths and weaknesses. In particular, an assessment of learning conditions would be completed at the outset and at least two more times during the Project. To track progress on student learning and to support teachers in improving instruction, class observations would be conducted at least twice during the Project (e.g. in year 1 and 3) and student learning assessments would be carried out annually, in language (both Creole and French) and math.

26. These results would inform a participatory process for school directors, parents, and other stakeholders to develop and implement annual school improvement plans. The plans would propose activities to meet identified needs, inter alia: infrastructure rehabilitation including water, sanitation, recreation space, security, and electrification; pedagogical materials; and additional trainings. Plans would be approved by MENFP, and progress against these plans would be tracked annually, with financing for subsequent annual plans conditional on satisfactory completion of previous ones. Information would be actively shared with communities, to promote accountability and increase stakeholder involvement in supporting schools.

27. School director training would reinforce skills on leadership, with emphasis on operational management of schools, pedagogical management, relationship with the community, and results-based management using indicators from the QAS, including indicators on learning conditions, student learning, and indicators on efficiency.⁴¹

28. In terms of teacher training, the Project would finance practical, in-service training for teachers, with a particular emphasis on literacy and numeracy in the first cycle of primary education (e.g. grades 1 to 4). To maximize the impact of teacher training, the Project would

⁴¹ Successful education systems promote school autonomy based on the leadership of the school director, who becomes the pillar of the change process and is able to advance the school to meet agreed targets through school improvement projects. For Haiti, training of school directors would include access to local best practices as well as international experiences.

finance programs targeted to the needs of teachers in supported schools. For example, to promote on-time entry into primary school, teacher training would include pedagogical approaches targeted to first-time learners in grade 1 (while director training would include discouraging the practice of requiring pre-primary). The training would focus on the acquisition of pedagogical and disciplinary competencies, class management, and student assessment. The Project would finance programs that create the competencies in teachers needed to generate active learning in their students. A strong effort would be made to train teachers near the schools where they work and with other teachers in nearby schools to foster local networks.

29. The Project would also provide financing for other interventions that benefit multiple schools as the program progresses and as long as they are based on decisions made by SMCs, inter alia: school feeding initiatives; networks of teacher to reinforce pedagogical practices; Information and Communication Technology linked to teaching (ICT); and initiatives to promote interventions to change gender dynamics, reduce violence, etc.

30. For successful implementation, the timing of each activity is crucial, as is the point of departure of each school. The first step would be the first application of the QAS tools, in terms of assessment of learning conditions and student learning outcomes. The results would be used to support each school in focusing interventions in specific areas of need. In addition, information and communication with all stakeholders would be prioritized. Specifically, the PIU would support MENFP in developing and carrying out a participatory process, from informing communities about the program, to activating and supporting parent groups and/or SMCs, to communicating results of the QAS assessments.

Component 3: Supporting Access to Quality, Non-Public Primary Education in Poor Communities (US\$11.5 million).

31. Building on the experience of the EPT, this component would support access of poor children to non-public schools while increasing the quality of education of those non-public schools.

Sub-component 3.1: Support to the final tuition waiver program cohort under the EFA II Project (US\$1.5 million).

32. This sub-component would (a) provide student enrollment grants to Non-Public Primary School Management Committees (NPPSMCs) in selected departments to finance students' tuition expenses under the Tuition Waiver Program; and (b) support the carrying out of communication activities to raise awareness among non-public primary school officials and other stakeholders about said Tuition Waiver Program and the Quality Education Access Program (described below).

33. This sub-component would finance the development and implementation of the QEAP – a new, results-based financing mechanism for non-public schools – to serve as a replicable model for providing children with access to a quality primary education. As discussed above, providing access without increasing quality at the primary level has contributed to the Government's decision to stop financing PSUGO and to not take on financing of EPT. QEAP

would address this challenge by providing financing strictly conditional on measurable results related to schools' learning conditions and to the learning outcomes of students. As such, QEAP would represent an important evolution of the Government and donors' approach to supporting access through the non-public sector.

Sub-component 3.2: Support to the development and implementation of a replicable model for results-based financing of non-public schools (Quality Education Access Program, QEAP) (US\$10 million).

34. This sub-component would provide support to (a) the design and implementation of a results-based financing program (Quality Education Access Program or QEAP), through *inter alia*:

- (i) Carrying out an assessment of the learning conditions and learning outcomes of selected non-public primary schools in selected departments;
- (ii) Providing technical assistance and training to school directors in effective management and leadership, and providing technical assistance and training to teachers on pedagogical skills and content knowledge; and
- (iii) Providing food rations, deworming, and nutritional supplements to students.

And (b) Providing QEAP grants to NPPSMCs.

35. QEAP would focus on appropriately incentivizing and enabling non-public schools to provide quality services, building capacity and coordination within MENFP, managing based on data, and producing measurable results. Schools located in Southern Haiti would be selected to participate, in order to concentrate the support provided to build local capacity and coordinate with other Project activities. If additional financing becomes available, QEAP could be scaled up to include more schools and more departments. The following paragraphs describe key elements of the program.

36. Conditions schools must initially meet for participation:⁴²

- a. Schools must meet the following conditions in order to be eligible for financing under the program: owned and operated by any non-governmental entity or individual; located at least two kilometers away from any existing public primary school in order to limit substitution effects; providing only primary education (grades 1 to 6); at least 150 students enrolled; tuition and fees charged per student in the previous academic year cannot have exceeded US\$100 in order to target schools serving poor students; no more than 45 students per teacher in each class.
- b. In addition, schools must meet the minimum norms required by MENFP for any school: for infrastructure - a secure building structure, appropriate latrines or toilets, potable water, and safe outdoor recreation space; for instruction – produce the records of the four grade reporting periods required during the academic year. The specific protocol for these norms is part of the school standards in the QAS. Schools must also possess a School Identity Card (*Carte d'Identité d'Etablissement*; CIE).

⁴² These criteria and other details described in this Annex may be adjusted as appropriate during Project implementation – final criteria used are reflected in the POM.

- c. School director must present a valid identification documentation and pass a basic test of French literacy and school management.

37. Selection process: all schools meeting the screening criteria specified above would be considered eligible for participation, and schools would be randomly selected from all eligible schools.

38. Data collection: in all eligible schools, the QAS learning conditions questionnaires and a standardized learning assessment would be administered at the beginning of implementation, and periodically thereafter. In particular, learning assessments would be applied once per academic year. In addition, at the beginning of implementation all selected schools would be requested to provide a list of all students' parents' phone numbers.

39. Financing of schools: financing would be on a per-student basis, at US\$150 per student per academic year. This financing would be divided into two tranches. The first tranche would be transferred to schools at the beginning of the academic year based on submitted enrollment records. The second tranche would be transferred to schools later in the academic year after independent verification of enrollment and attendance numbers. Specifically, proposed formulas for each tranche payment are as follows:

Tranche 1 = $(E \times 150)/2$, where E = total number of students enrolled for the new academic year

Tranche 2 = $((A/.75) \times 150)/2$, where

A=total number of students in attendance during unannounced verification visit(s)

1/.75 = a scale-up factor to account for the fact that average attendance rates are approximately 75 percent

40. Conditions for continued financing:

- a. At all times, a school must meet all of the following conditions in order to continue participating in the program: no charging of any enrollment or tuition fees to students; displaying a signboard provided by the program stating that education is provided free of charge at this school and listing a hotline phone number; maintaining the minimum norms required for initial eligibility as specified above; and cooperation with all MENFP inspection visits, data collection, and other requested interactions. If a school were found to be out of compliance with any of these conditions, the school would be immediately exited and become permanently ineligible for the program. A new school would then be invited to join from the group of schools that were found to be eligible but were not selected.
- b. Beginning in the second academic year of implementation, financing would also become conditioned upon learning outcomes as measured by the learning assessments administered. Specifically, each participating school would be required to achieve a minimum level of performance in order to continue in the program. If the school does not achieve the minimum in a given academic year, the school would receive a warning and one additional year to improve. If the minimum is not achieved for the second year in a row, the school would be immediately exited from the program. The minimum level of performance would be determined based on the first application of the learning assessment, and would be increased annually. In addition, the assessment would only be

administered if a minimum level of attendance is met, with student identities verified against enrollments.

41. Technical assistance offered to participating schools on a voluntary basis and free of charge:

- a. The director of each participating school would be invited to participate in a school management training program focused on leadership, with emphasis on operational management of schools, pedagogical management, relationship with the community, and results-based management using indicators from the QAS, including indicators on learning conditions, student learning, and indicators on efficiency.⁴³
- b. The teachers of each participating school would also be invited to participate in an in-service training program focused on content and practical pedagogical approaches. Teachers who participate would be required to commit in principle to remaining at the school for the entire subsequent academic year.

Component 4: Project Management, Monitoring and Evaluation (US\$2.0 million).

42. This component would provide support to MENFP for Project implementation, monitoring, and evaluation through, *inter alia*:

- (a) Strengthening MENFP’s existing monitoring and evaluation functions;
- (b) Carrying out studies and impact evaluations of the Project;
- (c) Financing of operating costs;
- (d) Carrying out Project audits; and
- (e) Carrying out independent external technical verifications of Project activities under Component 3.

Figure A2.1 Summary of Project beneficiaries

	Geography	Level of intervention	Notes
<i>1.Improving Institutional Capacity and Governance</i>	National	Central Ministry; Departmental Directorates	
<i>2.1 Community Education Grants</i>	Southern Haiti	Communities (primary school aged children)	Community-specific approach to provide access (through public or non-public schools, constructing public schools)
<i>2.2 Public School Improvement Model</i>	Southern Haiti	Public primary schools	Support will be based on needs identified
<i>3.1 Final EPT Cohort</i>	8 of 10 departments throughout Haiti	Non-public primary schools – support for grade 6 only	Support for only one year to complete grade 6

⁴³ School director and teacher trainings would have similar structure and content for both public and non-public schools, with some differences to account for differences in how each type of school operates.

Figure A2.2 Results chain of the Project

Sample Activities by Component	Outputs	Outcomes of Project	Outcome Long term (Higher-level Objective)
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<i>3.2 QEAP</i>	Southern Haiti	Non-public primary schools	All students will be supported with waivers
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<p>1. Improving Institutional Capacity and Governance</p> <ul style="list-style-type: none"> - Training - Supervision inputs - Quality Assurance System - Assessments and consultancies to improve processes of data collection, analysis, planning, and accreditation 	<ul style="list-style-type: none"> - Trained staff at MENFP - Functioning M&E system - More supervision and higher quality support to schools - Consistent approach to building capacity of directors and teachers - Improved accreditation process 	<p>Improved capacity to collect and analyze data, plan, and make decisions</p>	
<p>2. Supporting Access to Quality, Public Primary Education in Poor Communities</p> <ul style="list-style-type: none"> - Assessments of learning conditions, student learning, and teacher practices - Training school directors and teachers - Provision of grants for school improvement plans: rehabilitation according to standards ((including energy, water and sanitation, and security), pedagogical materials, etc. - Provision of multi-school interventions, such as school feeding 	<ul style="list-style-type: none"> - Assessments of learning conditions and learning outcomes of participating schools using QAS completed - School directors trained in effective management and leadership - Teachers trained based on needs and active learning strategies - Improved physical conditions at school 	<p>Learning conditions as measured through QAS improved</p>	<p>Increase student learning in language and math</p>
<p>3. Supporting Access to Quality, Non-Public Primary Education in Poor Communities (QEAP)</p> <ul style="list-style-type: none"> - Assessment of learning conditions and student learning - School grants to non-public schools serving poor children to waive tuition - Communication campaigns - Provision of multi-school interventions, such as school feeding 	<ul style="list-style-type: none"> - Assessments of the learning conditions and learning outcomes of participating schools using QAS completed - Schools lacking capacity receive director and teacher training to respond to program incentives and improve quality - Per-student financing provided based on meeting standards of QAS 	<p>Learning conditions as measured through QAS improved</p> <p>Accountability of non-public schools increased (only well-performing school get financing)</p>	

<p>4. Project Management, Monitoring and Evaluation</p>	<p>-Provision of trainings, materials, and other supports needed to improve functioning of key Ministry directorates -Data collection for Project monitoring and system monitoring</p>	<p>Ministry staff possesses improved skills and tools for completing duties</p>	
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Annex 3: Implementation Arrangements

HAITI: Providing an Education of Quality in Haiti (PEQH)

Project Institutional and Implementation Arrangements

1. The Project would be implemented by MENFP, the Ministry in charge of all levels of education in Haiti. The institutional and implementation arrangements of the Project would be based on the arrangements currently in place for the EFA II Project, with substantial modifications aimed at integrating Project activities with MENFP's existing structure and operations. This would build knowledge and experience among MENFP's staff and lay the groundwork for eventual scale-up of the models developed and implemented under Components 2 and 3 of the Project.

2. A Project Implementation Unit (PIU) embedded within MENFP's existing structures would be responsible for implementing the Project. The PIU would be led by a Project Coordinator located within the Director General's office. The Coordinator would regularly communicate with the Director General and ensure that Project activities are aligned and well integrated with related Ministry activities. Within each technical directorate supported under the Project, external consultants would be hired to work closely with the directorate's technical specialists in executing activities at the central level. Within each departmental directorate supported under the Project, one to two external consultants would be hired to work with local MENFP staff and coordinate implementation at the local level. The roles of MENFP staff in implementing Project activities would be clearly defined at the outset, taking into account their existing responsibilities, in order to provide sufficient technical support from external consultants. Each consultant would report to the Project Coordinator and maintain active communication with his or her respective Director.

3. The proposed arrangements are based on numerous lessons learned from the implementation of the EFA Phase I and Phase II Projects, and on a human resources assessment conducted in 2015 under the Phase II Project. The PIU staff would be hired on contracts with clearly defined responsibilities and expected outputs, in order to keep the focus on results rather than on processes. Consultants working for technical directorates would be based in Port au Prince and would be co-located with their directorates whenever feasible. The physical location of the PIU staff is important to their ability to engage with and support MENFP staff, but the multi-year reconstruction of Ministry buildings would require creative approaches to make this possible. Consultants working for departmental directorates would be based in each department.

4. Financial management and procurement responsibilities would be executed by external consultants located within the Director General's office with the Coordinator. This would facilitate the day-to-day operations of the PIU, but would reduce the potential to positively impact MENFP's own fiduciary units. To compensate for this, the responsibilities of the consultants would also include engaging with MENFP's staff through training, collaborative work, and other activities to build capacity.

Implementation Arrangements for Component 1

5. The focal point for institutional strengthening and technical assistance would be the Director General's office, which would provide strategic guidance and ensure alignment of all activities, and the PIU would be tasked with implementation. In addition, the structure of the PIU, with technical consultants embedded within MENFP's central and departmental directorates, would be an integral part of the Project's approach to strengthening the Ministry.

Implementation Arrangements for Component 2

6. The public school improvement model would be developed and implemented under the coordination of the DEF with each of the relevant DDEs. Several other directorates would play important roles, as follows⁴⁴:

- Diagnostic
 - Application of the QAS tools: DEF, departmental inspectors
- Development and delivery of school director and teacher training programs and technical assistance:: DFP overseeing training institutions
- Ongoing support for implementation of school improvement plans: DDEs

Implementation Arrangements for Component 3

7. For sub-component 3.1, the existing implementation arrangements for the Tuition Waiver Program would be maintained. In particular, DAEPP, supported by an external consultant, would continue to be responsible for implementing the program through its departmental staff within the DDEs and in coordination with departmental inspectorates. DAEPP's responsibilities include, *inter alia*: managing communication and contracting with participating schools, including active communication about the ending of the program; managing oversight and verification activities in participating schools including regular visits by Ministry officials and periodic technical audits by independent verification agencies; and managing the training and support of School Management Committees in participating schools.

8. Sub-component 3.2 would require close coordination between MENFP units at the central and departmental levels in implementing the QEAP. DAEPP would be responsible for overall program implementation, working closely with other units as follows:

- Preparation of application requirements and communication plan for application call: DAEPP
- Call for applications to be widely publicized across department: DAEPP and DDEs
- Receipt and review of application packages based on screening criteria, followed by random selection from the list of eligible schools: DAEPP and DDEs
- Contracting with schools, with conditions for continued financing clearly stated: DAEPP

⁴⁴ Details of implementation arrangements may be adjusted during Project implementation as appropriate. Final arrangements are reflected in the POM.

- Maintaining two-way communication with school directors, teachers, parents, and others: DAEPP and DDEs
- Data collection for quality assurance (school standards and learning assessments): DDEs, DEF, DPCE
- Ongoing monitoring: DAEPP and DDEs
- Data verification and tranche payments: DAEPP
- Voluntary technical assistance to participating schools: DFP

9. DAEPP would also be responsible for enforcing the conditions for continued financing. For conditions related to compliance as specified above, clear procedures would be established for ongoing monitoring, verification of any reported violations, and exiting non-compliant schools from the program. For learning results, on which financing would become conditional starting in the second year of the program, clear procedures would also be established for exiting non-performing schools from the program. In particular, the Project Coordinator, based on the data and information collected, would be responsible for recommending the exiting of any school not meeting all required conditions to the Director of DAEPP and for ensuring that the exiting occurs in a timely manner.

10. An indicative timeline of initial implementation would be as follows:

- September 2016 – March 2017
 - Establishing procedures and preparing data collection systems, monitoring mechanisms, and documentation
 - Developing technical assistance programs
 - Communications campaign
 - End of EPT
 - Call for applications for QEAP
 - Review of submitted applications and random selection from among eligible schools
- April – May 2017
 - Baseline data collection in all eligible schools: school standards and learning assessments of the quality assurance system
- June – August 2017
 - Training available for school directors and teachers
- September 2017 – May 2018
 - First academic year of implementation
 - Ongoing monitoring and two-way communication
- April – May 2018
 - Annual data collection in all eligible schools

Implementation Arrangements for Component 4

11. As described above, the PIU would be the main entity responsible for executing this component. The PIU Coordinator would work closely with the relevant Directors and with the guidance of the Director General.

Financial Management, Disbursements and Procurement

Financial Management

12. As indicated in the Project Institutional and Implementation Arrangements, financial responsibilities of the new PIU will partly rely on existing Financial Management (FM) capacity of EPT and beneficiary schools under the PIU's responsibility. In order to bring back FM arrangements to an acceptable level for the Bank in the context of the EFA II Project, EPT agreed to undertake the actions detailed below:

- (i) Properly update and use accounting software
- (ii) Recruit a lead financial management specialist
- (iii) Strengthen internal control activities, which includes follow up on internal and external (donors, auditors...) recommendations, contract management, etc.
- (iv) EPT's project coordination must ensure sufficient information sharing with the financial team to maintain execution and disbursement continuity in case of contingencies
- (v) Review the roles and responsibilities of FM staff to accommodate the additional workload;
- (vi) Train new FM staff in Bank's FM policies and norms,
- (vii) Calibrate accounting software to enable its use for the proposed Project and provide continued training to accounting staff.

More details on implementation arrangements are detailed below:

13. **Staffing.** The PIU would have a small FM unit, which could be staffed with qualified accountants or could utilize FM staff from EPT to capitalize on the capacity built over time. For the longer term and in order to strengthen the MENFP's own FM capacity and thus country systems, one staff of the new PIU FM team should be a MENFP civil servant serving in a FM or accounting capacity in the MENFP DAA. As it is possible that the proposed Project will capitalize on EPT's capacity, we present below the assessment of EPT's capacity. EPT FM functions are under the responsibility of the Project's Coordinator. EPT manages several projects funded by eight funding sources from three different donors. The Financial Management Specialist abruptly left the unit on September 30, 2015. One main issue of this departure is that there was no hand over of files and information. Furthermore, the Assistant Financial Management Specialist position remains vacant since the resignation of the previous incumbent in December 2013. As of January 2016 the FM department had three employees: two accountants and a controller in charge of school grant management who possessed limited financial information. An internal controller, reporting hierarchically to the coordinator, was recruited in July 2015 on a part time basis.

14. **Budgeting Process.** The budget process will be clearly stipulated in the administrative, financial and accounting procedures manuals. Annual budgets and work plans will be coordinated and prepared by the accounting unit and submitted to the Bank for its no-objection before the beginning of the fiscal year and any changes in the budget and work plans will also be submitted to the Bank on a no-objection basis.

15. **Accounting Policies and Procedures.** The proposed Project will use Cash Basis Accounting for preparation of the Project's semi-annual interim financial statements and audited annual financial statements, in accordance with the International Public Accounting Standards (IPSAS) and the national Accounting Standards. The POM will contain a financial management section with specific sub-sections for the PIU and beneficiary schools, which will include appropriate accounting policies and financial reporting procedures. The World Bank FM team will continue to review the current policies and procedures and the detailed systems of internal control and determine if any additional control measures need to be implemented for the proposed Project. The POM, dated May 4, 2016 is deemed acceptable to the World Bank.

16. **Accounting System.** EPT uses the TOMPRO software for accounting and financial management of the project and this same software could be used for the proposed project. Although the software is relatively efficient, updates of TOMPRO are needed to manage currencies and monitor budget execution. The use of TOMPRO for accounting for the school grant component will have to be assessed. For the fiscal year 2014-2015, the ROMPRO software has not been used as intended, delaying the availability of financial information. Hence, an important mitigating measure will be the implementation of the agreed upon action plan to update the financial information in the software.

17. **Internal Controls and Internal audit.** The PIU will implement and maintain strong systems of internal controls and procedures that will be documented in the OM. EPT has an internal controller as mentioned in the staffing section. His transfer to the PIU would need to be considered. EPT, hence the PIU, will need to strengthen its contract management system.

18. **Reporting arrangements.** Under the proposed Project, the PIU will prepare and transmit semi-annual consolidated IFRs to the World Bank for all project components. The IFRs will be submitted to the Bank no later than forty-five (45) days after the end of the semester.

19. **Auditing Arrangements.**

- (i) Annual audited financial statements of the proposed Project will be transmitted to the World Bank not later than six (6) months after the end of the recipient's fiscal year.
- (ii) The external audit will be undertaken by a private firm selected in accordance with independence and competency criteria acceptable to IDA.

20. **Proposed Implementation Mechanisms for the school improvement grant component.** Component 2.2 contemplates the financing of grants for school improvement plans for improvements in public schools, with annual grants up to \$50,000 made to participating schools in the *Grand Sud* area. The specifically targeted departments and schools will be detailed in the Operating Manual. Given the limited FM capacity at the school and district levels in Haiti for the management of funds and the limited school monitoring capacity of the Ministry of Education, a mitigating measure for the school grant program will be implemented consisting of the hiring of a/several monitoring agent/s to provide technical assistance to the DDE and schools and help the DDE strengthen its school monitoring program and monitor schools participating in the school grant program with the DDE, for at least the first 2 years of the Project, while capacity is being built at the DDE for school monitoring. Monitoring activities to

be performed by the agent will be specified in their terms of reference. The Bank may also provide technical assistance to the DDE and help the DDE strengthen its school monitoring program. The school improvement plans will have to be submitted to the DDE by the schools before any disbursements can occur. Specific implementation mechanisms for the School Grant Component are indicated in the POM.

21. **Proposed Implementation Mechanisms for the Tuition Waiver Program and results-based financing program (QEAP) for non-public schools.** Component 3.1 contemplates the continued financing of the current EPT, and Component 3.2 contemplates the financing of a results-based financing tuition waiver program for participating non-public schools. For these programs, the implementation mechanisms utilized will be the same as the ones used for the current EFA II Project (P124134), including the use of a/several monitoring agent/s, whose scope of work will also include providing technical assistance to the DDE/Ministry to strengthen its existing monitoring programs.

22. **Supervision Arrangements.** As part of the proposed Project supervision missions, risk based FM supervisions will be conducted every six months. These will pay particular attention to: (i) project accounting and internal control systems; (ii) budgeting and financial planning arrangements; (iii) review of Interim Financial Reports (IFRs); (iv) review of audit reports, including financial statements, and remedial actions recommended in the auditor's Management Letter; and (v) disbursement management and financial flows. FM supervision will pay particular attention to any incidences of corrupt practices involving project resources for project implementation.

Disbursement Arrangements and Flow of Funds

23. The primary disbursement methods for the project will be Advances, Direct Payments, Reimbursements and Special Commitments. To facilitate timely disbursements for the proposed Project's eligible expenditures, the Recipient, through the PIU will open and operate a segregated Designated Account (DA) in US\$ at the central bank (*Banque de la Republique d'Haiti, BRH*). Subsequently, the PIU will open another account denominated in Haitian Gourdes (HTG) at BRH to process local payments. The account denominated in HTG will be used for transitional purposes only. Specifically, no amount will be deposited there for a long period of time in order to avoid exposure to exchange rate fluctuation risk. The PIU will be responsible for the appropriate accounting of the funds deposited into the designated accounts, for reporting on the use of these funds and for ensuring that they are included in the audits of the financial statements. Expenditures will be accounted for at the exchange rate of withdrawal from the Designated Account. Ceilings of the DAs and the Minimum Application size for Direct Payment or Special Commitment will be communicated in the Disbursement Letter.

24. Summary Sheets with Records and Statements of Expenditures (SOE) will be required for documenting eligible expenditures and reimbursements to be paid by the DAs. Direct Payments will be documented by Records. Applications documenting the advances to the DAs will be made on a quarterly basis.

25. SOE limits for expenditures against contracts for works; goods; consultant services for consulting firms; and individual consultant services will be determined in the Disbursement Letter. Documentation supporting expenditures claimed against SOEs will be retained by the implementing agency and will be available for review when requested by the World Bank supervision missions and the proposed Project’s auditors.

Category	Amount of the Grant Allocated (expressed in SDR)	Percentage of Expenditures to be Financed
(1) Goods, non-consulting services, consultants’ services, Training and Workshops and Operating Costs for Parts 1, 2.1(a), 2.2(a),2.2(b) 2.2(c)(i)-(iii), 3.1(b), 3.2(a) and 4 of the Project	10,000,000	100%
(2) Community Education Grants and School Improvement Grants under Parts 2.1(b) and 2.2(c)(iv) of the Project, respectively	4,600,000	100% pursuant to each Sub-grant Agreement
(3) Compensation (including cash compensation and other assistance paid for Involuntary Resettlement related to the implementation of the relevant resettlement action plan under the RPF)	200,000	100%
(4) Conditional Grants under Part 3.1(a) and Part 3.2 (b) of the Project	6,400,000	100% pursuant to each Conditional Grant Agreement
TOTAL AMOUNT	21,200,000	100%

26. The proposed Project will have a Disbursement Deadline Date (final date on which the World Bank will accept applications for withdrawal from the Recipient or documentation on the use of Grant proceeds already advanced by the World Bank) of four months after the Closing Date of the proposed Project. This “Grace Period” is granted in order to permit orderly project completion and closure of the Grant account via the submission of applications and supporting documentation for expenditures incurred on or before the Closing Date. Expenditures incurred between the Closing Date and the Disbursement Deadline Date are not eligible for disbursement, except as otherwise agreed with the World Bank. All documentation for expenditures submitted for disbursements will be retained at the PIU during the lifetime of the proposed Project and be made available to the external auditors for their annual audit, and to the World Bank and its representatives if requested. After project closing, the relevant documentation will be retained for two years, following the Government’s regulations on record keeping and archiving. In the event that auditors or the World Bank implementation support missions find that disbursements made were not justified by the supporting documentation, or are ineligible, the World Bank may, at its discretion, require the Recipient to: (i) refund an equivalent amount to the World Bank, or (ii) exceptionally, provide substitute documentation evidencing other eligible expenditures.

27. Before the World Bank closes the Grant account (two months after the Disbursement Deadline Date), the Recipient must provide supporting documentation satisfactory to the World Bank that shows the expenditures paid out of the DA, or refund any undocumented balance. If the Recipient fails to provide the documentation or refund required by the World Bank by this

date (two months after the Disbursement Deadline Date), the World Bank does not permit the use of the DAs under new Grants/Credits made to or guaranteed by the Recipient.

Procurement

28. Procurement for the proposed Project will be carried out in accordance with the *World Bank Guidelines: Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits & Grants* dated January 2011, revised July 2014 and *Guidelines: Selection and Employment of Consultants under IBRD Loans & IDA Credits & Grants by World Bank Borrowers* dated January 2011 revised July 2014 and the provisions stipulated in the Financing Agreement. For each contract to be financed by the Project, the different procurement methods or consultant selection methods, the need for prequalification, estimated costs, prior review requirements, and time frame are agreed between the Recipient and the Bank in the Procurement Plan. The Procurement Plan, dated April 26, 2016, will be updated at least annually or as required to reflect the actual Project implementation needs and improvements in institutional capacity.

Assessment of the agency’s capacity to implement procurement

29. Procurement activities for the Project will be executed by MENFP at central and departmental level for all project activities. The POM, including adequate provisions that meet the Bank’s requirements in project implementation, dated May 4, 2016, is acceptable to the Bank.

30. An assessment of the capacity of the MENFP at central and departmental was carried out by the Bank’s Procurement team in February 2016. The assessment reviewed the organizational structure for implementing the Project, procurement procedures, staffing and the interaction between the MENFP and the other institutions involved in the implementation of the Project. The main findings and recommendation of the assessment are as follows:

Findings	Mitigating Measures	Entity Responsible for Implementation and Deadlines
1. Lack of clarity concerning delegation of authority.	The MENFP to issue a circular that establishes clear lines of responsibility concerning decision making process for award and contract signature.	MENFP as soon as is feasible
2. Need to streamline procurement procedure and provide reference and guidance.	Issue an updated operations manual that: (i) spell out simplified procurement procedures and provide standard simplified procurement documents (procurement plan, request for quotations, evaluation report, contract); (ii) provide practical guidance include do and don’t tailored to project activities	MENFP by end of June

	and procurement; (iii) provide source of information about price, norms; technical specifications for most common used goods and services by schools .	
3. Limited exposure of DDE staff and schools managers to procurement task.	Organize one day training at departmental level to familiarize people involved in procurement tasks with their tools. Repeat the training on regular basis at least once per school year.	PIU with WB support within 3 months of Project effectiveness
4. Large part of school needs are for low value recurrent expenses that easily available at departmental level.	Propose framework contract at departmental level with key services suppliers and services providers.	PIU with WB support within 3 months of Project effectiveness

31. Provided agreed measures are implemented in a timely manner, MENFP would be well equipped to execute procurement according to World Bank guidelines; however, as already indicated overall public procurement system in Haiti remains relatively weak, thus overall Project risk for procurement is “Substantial.”

32. **Procurement Plan, Thresholds for Procurement Methods and World Bank Supervision.** A draft procurement plan for the first 12 months at the central level for the proposed Project has been agreed to between the Recipient and the Bank. The plan will be updated at least annually or as required to reflect the actual Project implementation needs and improvements in institutional capacity. Bidding documents will be made available to the public through MEF’s website. The recommended thresholds for the use of the procurement methods specified in the Financing Agreement are identified in Table 1 below. Supervision of procurement will be carried out primarily through prior review supplemented by supervision missions at least twice a year. Procurement supervision will pay particular attention to any incidences of corrupt practices involving project resources for project implementation.

Table 1: Thresholds for Procurement Methods and Prior Review

Expenditure Category	Contract Value Threshold (US\$ thousand)	Procurement Method	Contracts Subject to Prior Review (US\$ thousand)
1. Works	>3,000	ICB	All
	<3,000	NCB	First contract 0
	<1000	Shopping	None
	Regardless of value	Direct Contracting	> 50,000
	Regardless of value	UN agencies	All
2. Goods & Non-consulting services	>500	ICB	all
	<500	NCB	First contract
	<500	Shopping	None

	Regardless of value	Direct Contracting	>100
	Regardless of value	UN agencies	All
3.Consulting Services	Regardless of value	QCBS,QBS,FBS,LCS	First three contracts and All contracts above 200
-3.A Firms	<500	CQS	First three contracts and All contracts above 200
	Regardless of value	UN agencies	All
	Regardless of value	Single Source	Tors and all contracts above 100
-3.B Individuals	Regardless of value	In accordance with Chapter V of Consultant Guidelines	Tors and all single source selections above 50

Abbreviations:

ICB = International Competitive Bidding

NCB = National Competitive Bidding

DC = Direct Contracting

LCS = Least-Cost Selection

CQS = Selection Based on Consultants' Qualifications

QCBS = Quality- and Cost-Based Selection

QBS = Quality-Based Selection

FBS = Fixed Budget Selection

SSS = Single Source Selection

Environmental and Social (including safeguards)

33. A stakeholder assessment was carried out during preparation of the proposed Project in order to better understand the perspectives of two key groups, parents and school directors, on school quality. Focus groups were conducted with parents and school directors in public and non-public schools in the South of Haiti. Parents reported that cost and quality are the two most important considerations in selecting schools for their children. In terms of how they define school quality, parents cited the quality of infrastructure, availability of materials, their personal impression of the school director, and their children’s performance on exams. However, parents also discussed their own limited ability to assess their children’s learning and the financial challenges that affect their children’s education (inability to keep up with tuition payments, need for children to participate in housework or market work). When asked what MENFP could do to transform their schools into high-quality schools, school directors stressed the need for teacher training, basic safety and infrastructure upgrades including recreation space for students, and nutrition for students. Directors also highlighted the inadequacy of support received from MENFP, citing lack of salary payments, extremely late receipt of pedagogical materials, and sometimes no interaction at all. School directors expressed a strong interest in receiving technical support to improve the quality of their schools, but specified that it should be sustained and accompanied by financial resources. Both parents and school directors reported positive and active communication with each other, although parents in non-public schools did mention that they are sometimes reluctant to go to their children’ schools because they are behind in tuition payments.

34. These results have informed the design of the Project and provide guidance for implementation as well. In particular, the importance placed by both parents and directors on quality, and the multiple factors that contribute to it, as well as the need for resources to enable improvements, demonstrate the demand for access to quality education. The needs cited by directors also point to areas that are likely to be priorities for them in improving their schools,

inter alia: teacher training, basic infrastructure improvements, and student nutrition. In addition, parents and directors consistently cited good communication between each other, providing a basis for building parental engagement in the process of improving schools.

35. In addition, a series of stakeholder consultations on the RPF and ESMF were carried out during preparation in the month of February 2016 in order to gather ideas on the proposed Project activities, particularly from stakeholders involved in both EFA II and the new Project. Three consultations were conducted with a mix of MENFP staff and community members in the South of Haiti. The discussions focused on the social and environmental safeguards aspects of the Project, but touched on broader subjects and produced several recommendations that would be incorporated into the implementation plans of the Project. These include the importance of involving community authorities; providing relevant and sustained training to community members on safeguards, financial management, and other responsibilities; planning for in-service training for teachers to improve education quality; and planning ahead for natural disasters that often affect the region.

36. Gender: In terms of primary school participation, girls and boys enroll at roughly equal rates. However, boys are more likely to be overage, while girls start to drop out of school earlier than boys, around the age of 14, potentially related to social factors such as early marriage. Recent data suggests that in Haiti, 17 percent of girls are married by age 18.⁴⁵ In addition, gender-based violence and women's disadvantage in the labor market are important realities in the Haitian context. Interventions designed under the proposed Project would be informed by this context, for example incorporating gender considerations into the design of sanitation infrastructure, teacher training, and community engagement activities. The Project would also track gender-disaggregated data on numbers of beneficiaries and on student learning outcomes.

37. Citizen engagement: The proposed Project would engage beneficiaries in several ways. The school learning conditions of the QAS that would be used under Components 2 and 3 include standards on community engagement which would be measured and tracked over time. The rural communities targeted under Sub-component 2.1 have already been mobilized under EFA II and are actively involved in the oversight of the operation of their temporary schools. For both Components 2 and 3, a focus on data and leveraging ICT would create direct lines of communication between parents and MENFP, as well as school officials and MENFP, to foster feedback and accountability. For example, schools participating in the results-based financing would be requested to provide cell phone numbers for parents, so that they can be directly contacted for feedback. Furthermore, an open hotline would be available to all Project beneficiaries, and the safeguards official within the PIU would be in charge of visiting project sites regularly to document grievances raised by the population and address them properly. An indicator to measure these aspects is included in the Results Framework.

38. Under the EFA Phase II Project, each community to be supported under Component 2.1 of the proposed Project identified and voluntarily donated a site for school construction to MENFP's Directorate of School Engineering (*Direction du Genie Scolaire; DGS*). However, the approach to supporting these communities was adjusted under EFA II, and the majority of these sites were not used. Under the proposed Project, any remaining sites would be returned to the

⁴⁵ UNICEF estimate from the 2012 Demographic and Health Survey.

communities, and access to primary education would continue to be provided through community education grants. With their grants, communities may choose to construct temporary structures for holding classes within their communities. Under Component 2.2, public schools would be supported to develop and implement school improvement plans, which may include works such as classroom construction and infrastructure rehabilitation projects.

39. Since the exact location of construction and rehabilitation activities would not be known before Project implementation, the Project triggers OP/BP 4.01 (Environmental Assessment). An ESMF was prepared by the GoH and approved by the Bank, in order to outline how sites for construction and rehabilitation activities would be selected, and how potential adverse environmental and social impacts at these sites would be identified, minimized, mitigated, and managed. Potential adverse impacts due to construction and rehabilitation are expected to be of small scale in time and space. The updated ESMF focuses on how to address construction-type impacts (what kind of training and protective gear workers would receive; how waste, noise, and dust would be managed; etc.). Any identified sites that affect critical natural habitats, forests, or physical cultural resources would be screened out by MENFP during the approval processes for community education grants and for school improvement plans.

40. The updated ESMF also includes a budget for safeguard actions and a snapshot of the institutional arrangements for screening sites, developing mitigation measures, implementing these actions, and monitoring adherence to them. Environmental and Social Management Plans (ESMPs) would be developed as needed during Project implementation prior to the beginning of construction works. DGS agents would supervise construction at each site through periodic field visits, and a hotline would also be provided to Project beneficiaries to obtain feedback. The ESMF was disclosed in Haiti on April 8, 2016 and on the World Bank website on February 25, 2016.

41. The proposed Project triggers OP/BP 4.12, to allow the identification of sites where minor resettlement could be required and to ensure that the affected people would be provided with assistance under the policy. As the exact nature and location of the construction and rehabilitation activities remains unknown, a framework approach would be adopted. Specifically, a Resettlement Policy Framework (RPF), based on the RPF of the EFA Phase II Project, was prepared by the GoH and approved by the Bank, consulted on, and disclosed in Haiti on April 8, 2016 and on the World Bank website on February 25, 2016.

42. The EFA II Project did not originally contemplate causing involuntary resettlement and relied on a screening process for voluntary land donation. However, rural density is high and scarcity of available land for school construction within community settlements was a challenge, since land is intensively used for agricultural purposes. Communities were trained through the Grassroots Management Training (GMT) program in order to identify suitable plots of land in each community, but in one community, six families were displaced due to the construction of a school, triggering OP/BP 4.12. As a result, EPT worked with the Bank team to prepare an RPF and strengthen safeguards oversight by engaging an independent agency to collect data in each community and identify any donated sites that could require resettlement.

43. Under the proposed Project, the safeguards capacity of the borrower would be strengthened by having a safeguards specialist in the PIU, screening results would be used in any communities where construction or rehabilitation activities are planned, and screening tools from the RPF would be used to identify any potential resettlement needs created by construction or rehabilitation activities carried out. If there is any need to acquire land on sites currently not known or if it is determined that any identified sites where activities are yet to be developed require the involuntary taking of land, the Project would prepare site-specific Resettlement Action Plans (RAPs), which would be implemented by the Government prior to the start of any construction.

44. The proposed Project is not expected to pose risks of damaging cultural properties and therefore does not trigger OP/BP 4.11 (Physical Cultural Resources). Nevertheless, some of the construction or rehabilitation works may result in the destruction of artifacts of cultural significance. As a result, the ESMF includes a chapter relating to chance-find procedures as well as historic building screening procedures, describing the assistance for preservation of historic or archeological sites, and no separate safeguards instrument would be prepared.

Monitoring & Evaluation

45. MENFP has increased its data collection activities in recent years, but continues to face fractured, outdated, and incomplete information systems. A national school census exercise has been conducted by the DPCE annually since 2010, but data collection and processing approaches affect the reliability and timeliness of the information, limiting its usefulness. Several major databases, including the school registration database and the PSUGO database, are independently managed by different units within MENFP and are not linked or available to all units that could use them. As described under Component 1, the Project would provide support to establishing a unified management information system that builds on existing initiatives in coordination with other development partners.

46. In terms of monitoring Project results, a Monitoring & Evaluation Specialist within the PIU would be responsible for coordinating the collection all of the data and information needed to track the Results Framework indicators. This consultant would be responsible for coordinating closely with other members of the PIU and MENFP staff working on strengthening the management information system of the Ministry, in order to leverage existing data and to provide technical support to their efforts.

47. Strategic use of data at all levels would be critical for improving MENFP's institutional capacity, ensuring effective implementation of all Project activities, and strengthening implementation support from the Bank. Integral to the support provided under Component 1 would be the enabling of MENFP staff, particularly at the local level, to use existing data, including the national school census and the recently completed school mapping, to inform their work. Newly collected data under the Project, in particular the results of QAS assessments, would also be linked to existing data in support of developing an integrated information system. A critical focus would be using the data to track student learning outcomes, correlate these outcomes to school learning conditions, and use the results to inform Project activities. In addition, the Project would leverage ICT to collect new types of data to monitor Project

activities. Specifically, as part of Project Monitoring & Evaluation, periodic phone surveys of key stakeholders (including school directors, teachers, parents, and potentially some older students) in schools and communities served by the Project would provide a relatively low-cost and direct tool to gauge progress on key activities, and to identify and address challenges early. If feasible, a broader panel including stakeholders in non-Project schools could be constructed, to assess broader trends in the sector, inform policy dialogue, and make comparisons between Project and non-Project schools.

48. Research agenda: In partnership with MENFP and other development partners, the Bank would develop a research agenda and seek financing opportunities to carry out quantitative and qualitative research under the proposed Project. This would contribute to the knowledge base on education in Haiti and on the effectiveness of the planned activities. For example, two impact evaluations would be planned: one of the public school improvement model and one of the results-based financing mechanism. These evaluations would measure the effects of the models on changes in learning conditions within schools and student learning outcomes. Complementary research would analyze whether and how improvements in learning conditions predict increases in student learning. Each evaluation would exploit the random selection of schools into the programs and the potential for gradual phase-in of more schools if additional financing becomes available.

Role of Partners and Sustainability

49. The Bank continues an active dialogue with major development partners (e.g. IDB, European Union, UNESCO, GPE, Canada, and other members of the Education Sector Group) in order to align interventions. Given the potential for such alignment, the proposed Project would be structured so that new resources would go towards scaling up well-functioning activities, *inter alia*: adding public schools to the public school improvement model, or adding non-public schools to the results-based financing model. In the medium-term, the implementation of these models could be sustainably financed in a large number of schools with FNE funds, and the Bank's ongoing technical assistance and policy dialogue, discussed above, would incorporate this possibility. However, given the extensive needs and limited resources, difficult tradeoffs and external support will continue to be part of the reality in the education sector.

Annex 4: Implementation Support Plan

HAITI: Providing an Education of Quality in Haiti (PEQH)

Strategy and Approach for Implementation Support

1. The Implementation Support Strategy has been informed by eight years of implementation experience in the sector, and would be characterized by daily close support in executing activities, as well as sustained guidance regarding technical, fiduciary, and safeguards issues. The strategy places strong emphasis on communication and close working relationships between the PIU and the Bank team, as well as a strong dialogue with MENFP leadership to help institutionalize the achievements made under the Project.

Implementation Support Plan

2. One of the task team leaders (TTLs) would continue to be based in Port-au-Prince, and the second TTL would be based in Washington. At least one consultant, based in Port-au-Prince, would work with the TTLs in daily support to the PIU in the execution of all Project activities.

3. An area of particularly intensive daily implementation support would be for school feeding activities carried out under Components 2 and 3. Support would be provided at all stages, including procurement, supervision throughout contract execution, and verification at the end of contract execution. Specific support activities at each stage would include:

- Procurement:
 - Strengthen technical capacity of the PIU to evaluate proposals made by service providers through training on basic nutritional analysis;
 - Engage an expert to review the suitability of the requirements set by the PIU in bidding documents, feasibility of meal plans offered by bidding service providers, and the qualifications of providers recommended for contract awards;
 - Ensure clear PIU contract template language to reduce the likelihood of misrepresentation.
- Supervision throughout contract execution:
 - Survey school directors and parents multiple times during the school year to confirm food deliveries and trainings by service providers, verify quantity and quality of food received, and assess overall satisfaction with the work of the service providers.
 - Establish a hotline for school directors and parents to ask questions or lodge complaints.
 - Support PIU and MENFP in acting on survey results and hotline calls by requiring specific improvements from service providers.
 - Support and periodically join regular field visits by PIU and MENFP agents to spot-check school feeding activities, collect in-person feedback, and follow up on any problems identified through phone surveys.
- Verification at the end of contract execution:

- Support PIU in developing high-quality Terms of Reference for verification firms.
- Require verification firms to include review of delivery receipts to ensure consistency between what schools receive and what service providers claim to deliver.

4. In addition to daily support, the Bank team would also provide assistance in the following areas:

- **Technical inputs:** The Bank team would engage international experts in areas critical to the Project’s success, including education sector governance, school management training, teacher training, and results-based financing in education. With these experts, the Bank team would provide – among other inputs – technical comments on planning documents, including terms of reference, for activities executed under the Project; opportunities for south-south cooperation for MENFP to learn from international experiences and best practices; and other activities to enhance the technical quality of implementation.
- **Fiduciary requirements and inputs:** Financial Management and Procurement training would be provided by the Bank’s specialists as needed during implementation. Supervision of FM and Procurement arrangements would be carried out semi-annually as part of Project supervision, and support would be provided on a timely basis to respond to Project needs.
- **Safeguards:** Training would be provided by the Bank’s specialists as needed during implementation. Supervision of required safeguards actions would be carried out semi-annually as part of Project supervision, and ongoing support would be provided on a timely basis to respond to Project needs.
- **Country Relations:** The Task Team Leaders would coordinate within the Bank to ensure Project implementation is consistent with Bank requirements, as specified in the legal documents. As stated above, constant channels for information exchange would be maintained with senior officials, taking advantage of trust and communication capacity.

What would be the main focus in terms of support to implementation during:

Time	Focus	Skills Needed	Annual Resource Estimate	Partner Role
First twelve months	Strengthening MENFP capacity	Governance specialist	\$30,000	
	Refinement of quality assurance system	Education specialist; Data specialist	\$30,000	
	Planning EMIS			
	Development of school director training program	Education specialist	\$25,000	

	Development of in-service teacher training program	Education specialist	\$25,000	
	Final cohort for EPT	Operations specialist	\$40,000	
	Recruitment of schools for QEAP			
12-72 months	Building EMIS	Data specialist;	\$25,000	
	Strengthening MENFP capacity	Governance specialist;	\$30,000	
	Implementation of school improvement model	Operations specialist;	\$40,000	
	Implementation of QEAP	Education specialist;	\$20,000	
		Community development specialist	\$10,000	
Other				

Skills Mix Required

Skills Needed	Number of Staff Weeks	Number of Trips	Comments
Task Team Leader 1	40 weeks annually	NA	Based in Port-au-Prince
Task Team Leader 2	25 weeks annually	4 annually	
Data specialist(s)	15 weeks annually	3 annually	This may include multiple staff and consultants with expertise in different areas
Governance specialist(s)	20 weeks annually	4 annually	
Education specialist(s)	30 weeks annually	4 annually	
Operations specialist	40 weeks annually	NA	Consultant based in Port-au-Prince
Procurement specialist	4 weeks annually	2 annually	
FM specialist	4 weeks annually	2 annually	
Social safeguards specialist	3 weeks annually	2 annually	
Environmental safeguards specialist	3 weeks annually	2 annually	

Annex 5: Economic Analysis

Strategic Rationale

1. Access, quality, and equity remain pressing challenges in primary education in Haiti. The majority of Haitian children of primary school age live in poverty and households struggle to finance education, as over 80 percent of primary and secondary schools are non-public (including for-profit, religious, and other types). At the same time, poor learning environments – in terms of low instructional quality, poor infrastructure, and other factors – restrict how much children learn. Consequently, given current trends, only about half of all children will complete a primary education. The activities covered under the Project would address these three challenges by supporting MENFP in developing systems to increase access and improve quality of primary education in poor communities.

2. Several factors provide a strong rationale for public sector financing of primary education. First, information and incentives are imperfect. Parents may be unaware of the importance of early investments in the development of their children through education or, even if aware, may be unable to finance these investments. This second case appears to be the prevailing situation in Haiti, where poverty is widespread but parents make concerted efforts to invest in schooling. Second, individual acquisition of education benefits society by making individuals more engaged and responsible citizens, as well as by increasing the overall level of productivity and growth in the economy (Moretti, 2006; Oreopoulos & Salvanes, 2011). To the extent that individuals do not take these benefits into account when making investment decisions, government funding can increase the efficiency of investment in education.

Economic Analysis and Economic Rationale

3. The first three Components of the proposed Project are expected to have substantial economic benefits through their contribution to increased access to education and improved educational quality, resulting in increased educational attainment. The analysis estimates the economic benefits accruing from Component 2 (Supporting Access to Quality, Public Primary Education in Poor Communities) and Component 3 (Supporting Access to Quality, Non-Public Primary Education in Poor Communities). The estimated benefits quantify the additional lifetime income expected from the additional years of education that the children will obtain as a result of Project activities. The benefits from the Component 1 (Improving Institutional Capacity and Governance) are more difficult to predict and quantify, and are therefore not included in the economic analysis.

4. Under Component 2, the Project includes two primary activities: (i) providing community education grants for access to schooling and (ii) improving the quality of existing public schools. The community education grants, continued from EFA II, allow previously out-of-school children to obtain a primary education by attending classes in their communities or enrolling in nearby schools. These students receive an additional year of education for each year that the program runs. The students enrolled in existing public schools supported under the Project would be less likely to drop out with the improvement of the quality of these schools. It is estimated that dropout rates will decrease by 24 percent each year that the program runs (Shapiro and Skoufias, 2006). The dropout rate in Haiti is approximately 29 percent. Shapiro and

Skoufias' estimate implies that at the end of the five years, the dropout rate would drop to seven percent. In other words, on average 21 percent of the targeted population would have three more years of schooling.

5. Under Component 3, the Project includes two primary activities: financing the final cohort of the Tuition Waiver Program (EPT) and supporting access to quality non-public education through a results-based financing mechanism. These activities allow some children who would otherwise not have gone to school to enroll and decrease the dropout rates for students already enrolled. Financing the final cohort of the EPT allows children who may have otherwise dropped out to complete the final year of primary school. Nationally, approximately 12 percent of children drop out between 5th and 6th grades. Removing the financial barrier of tuition is conservatively estimated to reduce dropout by 25 percent. This implies that three percent of students would have one additional year of education that they would not have had without the EPT. The results-based financing mechanism would both support access by removing the financial barrier of tuition and increase the quality of education. Evidence from Lucas and Mbiti (2012) shows that eliminating school fees alone would increase attainment by one year for 20 percent of beneficiary students over the five years that the program runs. This estimated impact is used, but is likely a lower bound given the expected improvements in quality as well.

6. The effects of higher levels of educational attainment would increase productivity and earnings over the lifetimes of beneficiary children. A Mincer equation is used to quantify the additional lifetime earnings (in USD) resulting from Project activities. Based on data from the most recent household survey, an additional year of schooling increases incomes by 11 percent (Adelman et al., 2016). This information is used to calculate the total lifetime income gains for all beneficiary children.

7. The analysis shows a net benefit and positive return. With an eight percent discount rate, the Project has a net present value (NPV) of US\$13.3 million with a rate of return of six percent. An additional case is presented that assumes that the Project affects only two-thirds of beneficiary children. Under this scenario, the Project has a NPV of US\$8.9 million with a rate of return of four percent. In both cases, the Project appears to be a good investment from an economic point of view.

8. The World Bank provides added value in this Project through its convening power, implementation experience and technical expertise, as well as its financing. For example, the Bank would continue to facilitate sharing of international experiences and best practices to inform the development of the school improvement and results-based financing models, and would continue to promote coordination between development partners to align efforts around MENFP's objective of using these models. The Bank would also provide technical support to planned impact evaluations to produce new knowledge. These aspects of added value are expected to increase the Project's development impact, compared to what the Project could achieve without the Bank's involvement. Additionally, during Project implementation, the Bank will continue to develop government's capacity, under Components 1 and 4.