

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

Report No.: PIDA780

Project Name	Enhancing Education Development Project (P131331)
Region	SOUTH ASIA
Country	Maldives
Sector(s)	Secondary education (50%), Primary education (30%), Tertiary education (15%), Public administration- Education (5%)
Lending Instrument	Specific Investment Loan
Project ID	P131331
Borrower(s)	Republic of Maldives
Implementing Agency	Ministry of Education
Environmental Category	B-Partial Assessment
Date PID Prepared/Updated	11-Mar-2013
Date PID Approved/Disclosed	11-Mar-2013
Estimated Date of Appraisal Completion	12-Mar-2013
Estimated Date of Board Approval	30-Apr-2013
Decision	Project authorized to proceed to negotiations.

I. Project Context

Country Context

The Republic of Maldives, a multi-island nation of spectacular natural beauty, is one of the more advanced economies in South Asia and classified as a middle income country. The Maldives consists of an archipelago of nearly 1,200 islands and a population of about 400,000 inhabitants: approximately 310,000 Maldivians and 90,000 expatriate workers. More than 25 percent of the population live in the capital city, Male', while the rest are distributed among just under 200 other inhabited islands. The country ranked 109th in the human development index (HDI) for 2011, which was the second highest HDI rank in South Asia after Sri Lanka. The Maldives is seeking to accelerate human development and promote economic prosperity. The expansion and development of human capital is of central importance for the achievement of this goal.

The Maldivian economy has experienced strong economic growth over the last two decades. The tourism sector has been the main engine of growth. The economy is critically dependent on a small number of sectors, with the following contribution to GDP in 2011: tourism (30%), government administration (13%), transport (9%), communication (9%), construction (7%), real estate (7%), wholesale and retail trade (4%), manufacturing (4%), education (4%), and several other relatively small sectors. Transport and communication, and other sectors including trade, construction, real estate, and business services are also linked to the tourism sector.

The dominance of tourism in the economy makes the Maldivian economy highly vulnerable to fluctuations and variations in global economic and social conditions through their effect on tourism. This transmission affects other related sectors, too. Periods of global recession, when tourist arrivals have fallen, have been particularly difficult for the Maldives. After averaging almost 7 percent for several years, growth is expected to have declined to 3.5 percent in 2012. This poor performance was driven by tourism, due to the effects of continued weak economic conditions in Europe, Maldives' largest market. The slowdown in the economy has reduced the resources available to the country to fund important investments, including in human development. In this context, the proposed project, which will provide a grant of US\$ 10 million for investment in education, has the potential to make a strong contribution to the country's human development.

II. Sectoral and Institutional Context

The Maldives has about 62,000 students and 6,000 teachers in approximately 220 public schools. In addition, there are a small number of private education institutions which enroll about 1,700 school children. The Maldivian education system consists of the following stages: primary education (grades 1-7, ages 6-12), lower secondary education (grades 8-10, ages 13-15) higher secondary education (grades 11-12, ages 16-17), and higher education (ages 18 onwards). The overall net primary enrolment rate, 94 percent, is high. There is also gender parity, with the net primary enrollment for boys at 94 percent, and the net primary enrollment rate for girls also at 94 percent. The net lower secondary enrollment rate is 81 percent, with boys' net enrollment at 83 percent and girls' net enrollment at 79 percent.

Despite these achievements the education system faces a number of future challenges. There is a sharp drop in enrollment at the higher secondary education level. The higher secondary education net enrollment rate is a mere 19 percent, with boys' net enrollment at 20 percent and girls' net enrollment at 19 percent. Gross enrollment rates in higher secondary education are 28 percent for boys and 31 percent for girls. This is one of the most steep falls between lower secondary and higher secondary education in the world. The main reason for the sharp drop in participation at the higher secondary level has been the limited number of schools offering education in grades 11-12. Out of about 220 schools in the Maldives, until recently only 5 provided higher secondary education. Enrollment in tertiary education is also low, just 3 percent. The Maldives lags behind in higher secondary and tertiary education participation in relation to other small island nations. Policy action to expand higher secondary and tertiary education is now needed urgently.

The quality of education at all levels is another major policy challenge facing the Maldives. For instance, learning outcomes in both primary and secondary education are modest and there are substantial regional disparities. National assessments of learning outcomes at grade 4 and grade 7 show that learning levels are unsatisfactory. At grade 4 the average score of students in the English language is 32 percent and in mathematics 38 percent. In grade 8 the average score of students in the English language is 29 percent and in mathematics 30 percent. The performance of students at national examinations is also inadequate. At the General Certificate of Examinations (GCE O/L) in 2010 only 33 percent of boys and 37 percent of girls passed.

The Government of Maldives (GoM) is aware of the challenges in the education sector. The Ministry of Education (MoE) has prepared an education sector development program to address these challenges. The MoE program has now increased the number of schools offering higher secondary education in atolls, where there are sufficient student numbers to make this expansion viable, to 38 schools: 4 schools in Male' and 34 schools in the atolls. In addition, the MoE is

promoting private-public partnerships to increase tertiary education opportunities.

The education development program is also addressing the low quality of education through several strategic initiatives. A strategic initiative is the development of a system of regular National Assessments of Learning Outcomes, which can inform policy formulation and program development. In particular, the national assessments can feed into curriculum design, teaching methods and teacher development, the production of teaching-learning material, measures to promote regional equity of education opportunities, and decisions on the allocation of resources. The MoE has also developed a Quality Assurance (QA) system, containing both internal school-level QA reviews and action, and external reviews of quality. This QA system, especially the school-based QA protocols and processes, now needs to be refined and scaled up throughout the country. The MoE is also seeking to improve the quality of teachers through suitable pre-service teacher education and continuing teacher development programs, especially school-based professional development (SBPD) of teachers. In addition, the MoE is planning to strengthen the management and leadership skills among school heads, deputy heads and leading teachers, and the members of school boards. Further, the development of the education management skills of MoE staff, especially planning, administration, budgeting and monitoring, is of key importance in the MoE program.

III. Project Development Objectives

The project development objective is to enhance and strengthen strategic dimensions of education access and quality.

IV. Project Description

Component Name

Component One: National Level Education Development

Component Two: School Level Education Development

Component Three: Project Coordination, Monitoring and Evaluation, and Program Development

V. Financing (*in USD Million*)

For Loans/Credits/Others	Amount
BORROWER/RECIPIENT	1.00
IDA Grant	10.00
Total	11.00

VI. Implementation

National level

The MoE will be in overall charge of the project. The MoE will implement the project through its institutions, such as the Policy Planning and Research Section (PPRS), the National Institute of Education (NIE), the Education Supervision and Quality Improvement Division (ESQID), the Human Resource (HR) and School Administration (SA) sections, the Department of Higher Education (DHE), the Physical Facilities Development Division, and the Procurement section. These institutions will implement the activities of the project in line with their respective mandates and responsibilities. The project will have a steering committee chaired by the Minister of Education and comprising the heads of the education agencies implementing project components. The PPRS

will convene the steering committee.

The PPRS will coordinate the various agencies to forge synergy and establish consistency. The MoE will be assisted by the Atoll Education Offices and Teacher Resource Centers (TRCs) to provide operational support, and to implement and monitor the activities of the project, at island and school level. The PPRS will have the support of a Coordination Support Unit (CSU) to help coordinate, implement and monitor project activities. The CSU will include: (a) an Operations Officer/Manager, (b) a Monitoring and Evaluation Specialist, (c) a Procurement Specialist, and (d) a Financial Management Specialist. The PPRS has designated a staff member who will oversee and coordinate activities between the PPRS and the CSU.

School Level

The EEDP will follow the principal of subsidiarity, where power and responsibility are devolved to the maximum extent possible to the frontline service delivery agencies, in this case the schools. The key activities to improve school performance under the project, such as the quality assurance program and the professional teacher development of teachers, will be implemented mainly at the school level. Also, school-based management activities and the annual school feedback form (ASFF) program will be also implemented at the school level. The school heads and senior management teams will be responsible for the organization and management of these activities. The principals and senior management teams will lead the internal self-evaluations of the quality assurance process. They will also lead the needs assessments of teacher skills and competencies in relation to the school development plans, and organize the professional development programs required. The school heads and senior management teams will also be responsible for implementing the ASFF program.

Operations Manual

An Operations Manual (OM) has been prepared by the MoE to guide the implementation of the project by the various agencies of the MoE. The OM includes a brief description of education sector issues that the project is expected to address, a detailed description of project components, implementation strategies and cost estimates, and the time schedule of activities. Additionally, the OM includes the project design and management structure, outcome and intermediate indicators, procurement, financial management and environmental safeguards arrangements.

VII. Safeguard Policies (including public consultation)

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

Projects in Disputed Areas OP/BP 7.60		x
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