PROGRAM-FOR-RESULTS INFORMATION DOCUMENT (PID)
CONCEPT STAGE

Report No.: 86091

<table>
<thead>
<tr>
<th>Program Name</th>
<th>Big Results Now in Education Program</th>
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<tbody>
<tr>
<td>Region</td>
<td>Africa</td>
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<tr>
<td>Country</td>
<td>Republic of Tanzania</td>
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<tr>
<td>Sector</td>
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<td>Lending Instrument</td>
<td>Program-for-Results</td>
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<td>{If Add. Fin.} Parent Program ID</td>
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<td>Borrower(s)</td>
<td>Government of Republic of Tanzania</td>
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<td>Implementing Agency</td>
<td>Ministry of Education and Vocational Training</td>
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<tr>
<td>Date PID Prepared</td>
<td>June 24, 2013</td>
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<tr>
<td>Estimated Date of Appraisal Completion</td>
<td>March 14, 2014</td>
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<tr>
<td>Estimated Date of Board Approval</td>
<td>April 30, 2014</td>
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<tr>
<td>Concept Review Decision</td>
<td>Following the review of the concept, the decision was taken to proceed with the preparation of the operation.</td>
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I. Introduction and Context

A. Country Context

1. Tanzania sustained robust growth from 2001 to 2008 but the recent global financial crisis affected Tanzania's economic performance negatively. The most dynamic sectors since 2000 have been mining, construction, and public administration. Manufacturing, transport, tourism, and the financial sector have also shown robust growth. GDP growth slowed down from 7 percent in 2008 to 6 percent in 2011. Inflation was low from 2000 to 2005 but picked up pace from 2006. Fiscal policy has been largely prudent accompanied by strong growth in tax revenues.

2. Macroeconomic growth has not translated into a corresponding reduction in poverty. The 2007 Household Budget Survey (HBS) reveals disappointing results in poverty reduction since 2001. Tangible improvements were recorded in ownership of consumer non-durables, housing quality, and social indicators such as enrollment in primary education. However, progress has been very limited in terms of basic-needs income poverty. The poverty headcount ratio dropped only marginally from 35.6 percent points to 33.6 percent points. Given substantial population growth, the absolute number of poor people is estimated to have increased by 1.3 million. Inequality remained mostly the same with a slight decline in consumption for a small fraction of households at the very bottom of the income distribution.

3. While the country has made significant strides in improving road quality, primary and secondary enrollment, and infant and under-five mortality rates, progress in some key reform areas has been very slow, such as in improving the business environment, fostering Public-Private Partnerships in major utilities and transport, reducing maternal mortality, strengthening public financial management and improving the quality of education.
B. Sectoral and Institutional Context of the Program

4. Tanzania is on track to achieve the millennium development goal of universal primary education. Access at the primary level is almost universal (97.2% in 2007) and the primary completion rate is close to 90 percent. This has been due to the significant efforts made by the government to increase access for all, resulting in a huge enrollment expansion over the last 10 years. Enrollment in secondary school also almost quadrupled between 2005 and 2010, and overall growth rate of the student population is about 30% per year. However, over the same period, quality of education has dropped significantly. Evidence suggests that in the context of rapid enrollment expansion, there are serious service delivery failures, which in turn are leading to declining learning outcomes at the primary and secondary levels. In light of the unfolding crisis in education, a strong focus on improving the quality of education is beginning to feature prominently as a core ingredient of Tanzania's socioeconomic transformation.

Trends in Enrollment and Exam Results

5. Low quality manifests most starkly when we examine absolute levels of achievement among students in the system. At the primary level, results from the latest round of UWEZO Tanzania student assessments (May 2011, covering over 128,000 children) show that for grade 3 students - only 3 in 10 could read a basic Kiswahili language story, only 1 in 10 could read a basic English language story and only 3 in 10 could add, subtract and multiply\(^1\). In 2012, only 30.7% of those who sat for the PSLE exams passed, down from 58.3% in 2011, and 66% of students sitting for the Form IV exams scored Division Zero\(^2\).

6. Preliminary results from Early Grade Reading Assessments (EGRA) in Mtwara\(^2\) also depict a grim picture. They show that more than 50 percent of grade 3 and 4 students in Mtwara were functionally illiterate, i.e. they could not read any word in a given passage.

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\(^{1}\) http://dl.dropbox.com/u/34915105/key%20findings-english.pdf
\(^{2}\) About 6000 students tested in 169 schools
What explains these low learning outcomes and how can they be improved? Evidence points to several key determinants as follows:

7. **Low accountability:** High rates of teacher absenteeism and low rates of teacher time on task are major problems in education service delivery in Tanzania. The Service Delivery Indicator survey (SDI, 2011) shows that:

   - About one in four teachers is absent from school on any given school day
   - Even when in school, the teachers are absent from the classroom more than half of the time
   - On average, students in primary schools in Tanzania are taught 2 hours a day, and half an hour less in urban areas (instead of the 5 hours and 20 minutes required for primary school teachers)
   - In general, an association is observed between teacher absenteeism and student test scores

8. These findings clearly show that there are severe problems of accountability (and by extension incentives to perform) in education service delivery.

9. **Poor teacher conditions:** Preliminary findings from the ongoing SABER3 exercise on Teacher policies shows that in Tanzania entry requirements, teacher pay, and working condition may not be appealing for talented candidates, signaling teaching as a low-status profession. In addition, SABER interviews demonstrate clear policy-gaps in terms of teacher motivation. Specifically, professional development of teachers is ad hoc and not systematic and there are no clear rewards linked to good performance.

10. These findings are strongly corroborated when we examine information coming out of Focus Group Discussions (FGD) with teachers. The FGDs reveal that many teachers are on a “go-slow” strike due to what they perceive as long unmet demands. Aside from complex, politically charged, system-level issues of low salary, poor conditions, and unsystematic promotions, teachers also complained about egregious system inefficiencies that appear fixable in the short-term.

   - Lack of respect by employers
   - Unpaid outstanding claims for long periods of time (current outstanding: Over 20 billion Shillings)
   - Expectations to teach subjects without having the knowledge

**Low support to struggling students and schools:**

11. Extremely high failure rates in PLSE and CSEE exams suggests that lower performing students are either not identified early on and/or do not get adequate attention to address their learning needs.

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3 SABER stands for Systems Approach for Better Education Results. It collects information about different education systems’ policy domains including one on Teacher policies, analyzes it to identify common challenges and promising solutions, and makes it widely available to inform countries’ decisions on where and how to invest in order to improve education quality.

4 A series of FGDs were held with teachers as a part of the BRN design process
12. Low availability of teaching and learning materials: To ensure adequate input provision at the school level, capitation grants are made available to schools for procuring various items and services, including textbooks and other teaching materials and for instituting fee subsidies etc. However, evidence from the 2009 Public Expenditure Tracking Survey suggests widely variable levels of allocations and timeliness of grant receipts at secondary schools. In fact, according to the SDI survey (2011), leakage, defined as the share of resources intended for schools, but not received by them, represents 37 percent of the capitation grant budget. This clearly signals compromised ability of schools to address needs for teaching and learning materials.

C. Relationship to CAS/CPS

18. The Tanzania CAS (FY12-15) is aligned with the National Strategy (MKUKUTA II, 12-15) and the World Bank’s Africa Strategy (2011). Within the three Clusters of the MKUKUTA II are strategies that focus on enhancing employment opportunities for all, including women and youth; good economic governance and enhanced quality of social services; improved quality of life and social wellbeing for enhancing capabilities, with a particular focus on the poorest, people of disabilities, and other vulnerable groups; reduced inequities in accessing social and economic opportunities; accountable, responsive, effective, and efficient leadership in public services; and equity in accessing public resources and services. Aligned with the above the World Bank’s Africa Strategy stresses competitiveness and employment, with the need for a healthy and skilled workforce whereby people have opportunities to acquire knowledge, achieve a decent standard of living, and lead long and productive lives. Governance and public sector capacity are foundations of the World Bank Africa Strategy.

19. The Tanzania CAS builds on these directional strategies and focuses on four objectives, two of which are directly aligned with and relevant to the proposed P4R operation: (a) Strengthen Human Capital and Social Safety Net; and (b) Promote Accountability and Governance.

20. The operation is fully aligned with and directly supports an important outcome envisaged by the CAS under Objective (a) noted above: ‘improved access to and quality of education’. In addition, the proposed operation is also fully consistent with the outcome related to Objective (b) noted above: ‘improved accountability and efficiency of public management.’ On the latter, the proposed operation helps to further accountability and good governance through improving public service performance management and responsiveness, as well as enhancing opportunities for greater citizen participation and engagement in education service delivery.

21. The overall objectives of this operation are consistent with and contribute to the overall goals set out in the CAS, the World Bank Africa Strategy and the MKUKUTA II.

22. As noted above, more recently, the Government has embarked on the Big Results Now (BRN) Initiative, which is consistent with the above strategies. The BRN prioritizes education (along with 5 other sectors) as one of the sectors for rigorous implementation of selected interventions, for rapidly improving learning outcomes. The proposed operation will finance the outcomes/performance established in the BRN package, after adjustments and required strengthening are finalized after the technical assessment of the BRN package during the P4R preparation.
D. Rationale for Bank Engagement and Choice of Financing Instrument

23. The new P4R financing instrument provides an excellent fit for supporting the Government's BRN education program. The P4R instrument is strongly justified on the following grounds.

- The Government's BRN program is already developed and includes high level commitment, detailed implementation plans, a strong champion with a robust monitoring system that ensures accountability of key implementers, and adequate technical and financial support from Development Partners. A Development Policy Loan (DPL) would not provide the in-depth sectoral dialogue and support to review of the BRN; and the Sector Investment Loan would not be flexible and efficient in supporting the range of different interventions envisaged in the BRN.
- The P4R presents several design and implementation advantages over alternative instruments, including (a) supporting the Government to engender a 'results oriented' program and implementation culture to improve learning outcomes; (b) ensuring consistency with BRN's interventions such as school ranking and incentives program that links additional resources to performance; (c) ensuring the detailed 3-feet plans for each of the BRN interventions are implemented on time by increasing competition and providing financial incentives.
- More generally, Bank's involvement is expected to bring tangible value-added in several key domains. Bank's technical expertise, global knowledge, and leverage will be critical in shifting focus away from inputs towards increased efficiency of existing expenditures through service delivery improvements. In addition, the Bank will provide technical support, consensus-building, and donor harmonization around system and institutional changes which are expected to yield returns in the longer term. Given its wide experience with results-based financing in social sectors, the Bank is also seen as a credible partner that can help institutionalize results-based development culture with the use of the new PforR instrument.

II. Program Development Objective(s)

24. The Project Development Objective (PDO) is to improve learning outcomes of students at the primary and lower secondary levels by supporting the delivery of the Government's comprehensive package of interventions entitled the Big Results Now in Education (BRNEd) initiative.

A. Key Program Results

25. The PDO is fully aligned with the key objective of the BRNEd program and which focuses on:

- Improving examination results in PSLE and CSEE
- Improving learning of 3Rs among 2nd grade students

26. These are expected to be achieved through a comprehensive and interlinked set of four key interventions: (i) strengthen performance transparency (accountability); (ii) motivate through incentives; (iii) provide support where required; and (iv) improve teacher conditions.
III. Program Description

A. Description

27. Within the defined scope of BRN, the P4R will support four major elements (which include 9 activities) constructed specifically to address the three key challenges identified above:

To address low accountability

28. Strengthen Performance- Transparency: Official school ranking: Lack of accountability is defined as one of the biggest challenges facing the education system today. The initiative will rank all schools by exam results every year and make it public to raise accountability and provide better visibility for all. It is considered that this effort will also improve community engagement in education issues.

29. National 3R assessment: There is no formally accepted 3R (reading, writing, arithmetic) assessment in early grades in Tanzania. The result is that early grades lack necessary focus on learning and students move up the grades without mastering the basic 3R skills. The initiative defined is to conduct a sample based assessment in Standard II and leverage the same tool to conduct continuous assessment in all schools.

30. Motivate through Incentives: School Incentive Grant (SIG): Due to low level of accountability, there is also low motivation to deliver better quality education at school level. The initiative will introduce monetary and non-monetary incentives to schools which have improved their individual results most every year, based on national exam results.

To address low support

31. Provide Support where required: School improvement toolkit: Lack of training and management experience prevents many head teachers/ head of schools from improving quality in school. Within this initiative, a practical toolkit that includes best practices to manage a school is created, and is will be distributed to every head teacher and head of school. In addition, each head teacher and head of school will be trained to drive quality improvement.

32. 3R teacher training program: After running the 3R assessment and determining regions which need most support, a teacher training program for Standard I and Standard II teachers will be conducted specifically on how to teach these basic skills effectively.

33. Student teacher enrichment program: Classrooms are overcrowded, and lower performing students lack adequate attention to address learning needs. Many teachers lack basic skills and tools for effective teaching, such as lesson plans. To turn around, BRN will implement the Student Teacher Enrichment Program (STEP) in primary and secondary schools to capacitiate teachers to identify and support low performing students. There will be test exams to determine students who need most support and areas where they are lacking most knowledge. Then, teachers will be trained on these specific aspects of the curriculum and on conducting classes for low performing students. Finally, trained teachers will conduct additional classes for these students.

34. Timely delivery of adequate capitation grants: Sufficient books and material do not reach schools due to process inefficiencies and budgetary constraints. BRN is ring fencing the resources for capitation grants within the budget and implements process improvements to ensure the
required grants make it to schools on time.

35. **Construction of basic facilities**: Process updates are determined to fact track existing construction projects at the secondary level.

**To address poor teacher conditions**

36. **Improve Teacher conditions**: The BRN aims to kick-start a larger teacher perception transformation in Tanzania, starting with recognizing the teachers through non-monetary incentives and clearing outstanding claims.

37. The suggested P4R program covers all initiatives introduced within BRN, except “construction of basic facilities”, which is already part of the SEDP program supported by the Bank. The details of the BRNEd are included in Annex 5 of this CN.

**B. Role of Development Partners (if applicable)**

38. The World Bank has a long history of support to education in Tanzania, starting with the Primary Education Development Program (PEDP), which was successful in increasing access to primary education. This was followed by Secondary Education Development Program (SEDP) I and currently SEDP II, which focuses on improving the quality of secondary education in the context of rapid expansion. The Bank is also the lead partner supporting reforms at the higher education level.

Other key partners in the education sector include DFID, CIDA, SIDA, and USAID along with several other UN agencies and NGOs/CSOs. The Bank and some other Development Partners also support Twaweza, a CSO that has played a positive role in highlighting learning failures through their annual UWEZO assessments. The Development Partners Group in Tanzania is an extensive network, governed by a 'harmonized' approach in engaging with the Government.

39. The Bank has been instrumental in collecting new data as well as in providing analysis that has led to discussions on a wide range of policy themes from equity issues in primary and service delivery failures, fiscal implications of secondary education expansion, to reforming an unsustainable higher education loans scheme (some 8 ‘just in time’ policy notes were prepared in the last 3 years). The Bank also led the Development Partners into a high level retreat in Washington D.C. in October 2012 to chart out the key reform themes to improve learning outcomes in Tanzania. Subsequent to the October retreat, the **Education Reform Compact (ERC)** was signed by over 8 key Development Partners. The ERC highlighted the importance of focusing on results through reforms in accountability, incentives, and assessments. These themes were picked up in their entirety by the BRN Education Program. The BRN, therefore, provides the detailed implementation plans for the ERC themes.

40. In addition to the World Bank, the BRNEd Program, which has an additional funding requirement of about $175 million (over the period between 2013-2017/18), is expected to be supported by DFID (about US$31mil, TBC), USAID, and possibly SIDA. The Bank will work closely with these partners during the preparation of the P4R, ensuring that the support is coherent, systematic, and adequate. The Bank and the Development Partners will work closely with the Ministry of Education, the Ministry of Prime Minister’s Office and Regional Administration, the Ministry of Finance, and the newly formed President’s Delivery Bureau (PDB, for monitoring the BRN).
IV. Initial Environmental and Social Screening

41. Since the construction of schools is excluded from this program (and already covered by the SEDP2 project) this Program does not envisage the use of funds for works. Potential environmental effects are expected to be negligible. Social effects will be assessed following a review of the education system by social specialists for the environmental and social systems assessment expected to start in first quarter FY14.

V. Tentative financing

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<td><strong>Total</strong></td>
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