



1. Project Data:		Date Posted : 07/30/2001	
PROJ ID: P042305		Appraisal	Actual
Project Name: Primary Education (PEP)	Project Costs (US\$M)	52.43	41.51
Country: Malawi	Loan/Credit (US\$M)	22.46	21.9
Sector(s): Board: ED - Primary education (74%), Tertiary education (24%), Central government administration (2%)	Cofinancing (US\$M)	27.2	20.8
L/C Number: C2810; CP938			
	Board Approval (FY)		96
Partners involved : GTZ, DFID, CIDA	Closing Date	06/30/1999	12/31/2000
Prepared by :	Reviewed by :	Group Manager :	Group:
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2. Project Objectives and Components

a. Objectives

The objectives as elaborated in the SAR were to :

1. Ensure the quantitative gains in enrollment obtained with the introduction of free primary education (FPE) are maintained by retaining the newly enrolled children in the system .
2. Improve the quality of primary education through providing teaching and learning materials, and pedagogical support to, and in-service training for, untrained teachers .

The project was to concentrate on selected elements and be a "fast-track" forerunner of a long-term education sector development program. The project's fast-track status was IDA's response to an educational crisis following the elimination of all school fees and associated costs of primary education in 1994. The project specifically responded to shortage of classrooms, severe problems funding the recurrent costs of the education development program and the low quality of 20,000 untrained teachers recruited to teach the newly enrolled students . The broader program, which the project supported, aimed to :

- Provide access to primary education for 90% of school age children by the year 2005.
- Expand access to lower secondary education .
- Improve quality and resource use at all levels of education .
- Strengthen planning and management in the sector .

b. Components

Total project cost of \$41.51 million was allocated amongst the original components as follows :

1. **Primary School Construction Program (55%) and furniture, vehicles and equipment (3%),** giving a total of 58%.
2. **Pedagogical Support and Teacher Training Program (5%).**
3. **Learning Materials and Textbook -related activities (29%).**
4. **Project Management for Education Development Management Unit (EDMU) and Project Implementation Unit or PIU (4%).**

A residual of 4% represents payment for a project preparation (PPF) facility of \$0.5 million and \$0.94 million unallocated.

c. Comments on Project Cost, Financing and Dates

The total project cost is equated by the ICR with the amount of IDA funding alone . For the above breakdown of cost by component, other donor and counterpart funding have been included in project costs and approximate allocations made based on the available data. Although in the original design the other donors were listed as parallel funding, during implementation they came to the rescue by directly supporting project components . Originally the donor financing was \$27.2 million of "parallel financing." The direct donor contribution to PEP eventually came to \$ 10 million to cover escalation of civil works costs, and a further \$ 10.8 million to support the Teaching and Learning Materials component. The cost annex shows construction was \$23.38 million, compared to a target of \$ 16.78 million. This however understates the cost escalation since some of the works were not completed (later they were taken up by the Malawi Social Action Fund or MASAF.) The ICR concludes that the project design team

underestimated costs by "almost a factor of two."

3. Achievement of Relevant Objectives:

1. Of 966 classrooms tendered 858 were completed, compared to a target of 1600. Achievements for furnishing schools were similarly unsatisfactory and the project was 18 months late at completion. Over 340 classrooms in remote rural areas were left unfinished. Cost overruns were severe enough to drain IDA funds from the other components.
2. There is no evidence that quality had been improved or even sustained. Neither is there any evidence of increased efficiency in the use of resources in education.
3. The Teacher Training and Pedagogical Support Program broadly achieved its objectives but only because of collaboration with other donors on MIITEP. Course materials were finally prepared for training 22,000 teachers, modules were revised and staff development evaluated. IDA funding for this component was insufficient due to overexpenditure on classroom construction. Only 10,737 teachers were funded by the project, compared to a target of 20,000.
4. Some educational materials (pens for instance) were distributed but logistics remain weak. Activities to support textbook management and development were not completed due to lack of funds.
5. Planned inputs such as the acquisition of learning materials and textbooks to improve teacher performance were achieved, thanks to additional funding from the other donors. The provision of an additional \$10 million by other donors to support the construction components would have had a greater impact on education quality if they used the money to sustain support for components 2-4 instead.

The specific objectives were stated in a manner that made them unattainable within the lifespan of the project and within the context of Malawi. For instance, even if achieved, the target of 1600 would hardly have had a great impact on the shortfall of 38,000 classrooms. More should have been allocated to expenditure on instructional materials and teacher training which are a more cost-effective means of improving education quality.

4. Significant Outcomes/Impacts:

The Teacher Training Department has done good work in managing the teacher education programs despite the IDA not providing all the support it had promised.

5. Significant Shortcomings (including non-compliance with safeguard policies):

1. The ICR measured inputs and not outcomes, reflecting faulty Monitoring and Evaluation system.
2. Project design did not appear to benefit from the lessons of the First and Second Education Sector Credits. Weaknesses identified in OED's audit of these projects included weak management, organization and supervision of construction. The project design was extremely complex given the known weaknesses in the country's capacities.
3. Over the Ministry's advice to have a PIU, the design team went along with the IDA disposition to use existing government implementation structures, disregarding the need to ensure the necessary capacity development. The Educational Development Management Unit (EDMU) was a hybrid between a PIU and Ministry Department, suffering the disadvantages of both. Financial management and record keeping by the EDMU was inadequate.
4. Contrary to the claims of the SAR, the project activities were anything but "focused, ready and capable of being implemented" as claimed in the SAR. The construction approach was untested and the attainment of educational objectives required properly sequenced and highly orchestrated inputs from an array of actors. Something clearly beyond the capacity of the implementing agency.
5. The construction methodology was either misapplied or faulty - it was supposed to have taken into account cost and time-effectiveness and the strengthening of community participation using NGOs in key roles, but did not produce the results expected. The ICR found no evidence that effective community mobilization and social marketing were undertaken.
6. Insufficient oversight by the Ministry led to continued over-expenditure on construction.
7. The Midterm Review failed to alert either Borrower or IDA that \$6 million had been shifted from other components to classroom construction. Neither were deficiencies in oversight identified. An in-depth and transparent accounting of project performance were not communicated.
8. The project management contractor failed to adhere to its terms of reference and did not deliver regular progress reports.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Unsatisfactory	Unsatisfactory	Without the partner support for teaching materials and teacher training, the outcome would have been "Highly Unsatisfactory."
Institutional Dev.:	Negligible	Negligible	
Sustainability:	Unlikely	Unlikely	This may be mitigated through continued government commitment and donor

			support for existing programs.
Bank Performance :	Unsatisfactory	Highly Unsatisfactory	Bank performance at entry was "Unsatisfactory" and failure to recognize and correct serious design deficiencies by mid-term, justify downgrading to "Highly Unsatisfactory."
Borrower Perf .:	Unsatisfactory	Unsatisfactory	
Quality of ICR :		Satisfactory	

NOTE: ICR rating values flagged with '*' don't comply with OP/BP 13.55, but are listed for completeness.

7. Lessons of Broad Applicability:

1. On a project with the primary objective of education quality improvement, more attention should have been given to high-impact inputs like teacher training and the provision and effective use of instructional materials, rather than to classroom construction .
2. Project implementation arrangements need to be premised less on Bank policies and dispositions, and more on unique country realities . For instance "Substantial roles allocated to communities and NGOs despite their evident capacity limitations seem to have been more guided by the Bank's emphasis on working with communities and civil society than on Malawi realities ." The role of the PIUs was "de-emphasized" despite the clear capacity limitations and lack of capacity development plans for regular Ministry structures .

8. Assessment Recommended? Yes No

Why? This could be part of a cluster audit, including similar IDA supported projects in Sub-Saharan Africa, including one in Uganda where the modality was an adjustment loan .

9. Comments on Quality of ICR:

Satisfactory - a trenchant critique and an exercise in self-criticism by the region . Although the cost data and treatment of the partners' role were confused, the ICR builds a strong case that poor quality at entry, and weak supervision, were the main causes of the unsatisfactory project outcome .