



<b>1. Project Data:</b>		<b>Date Posted :</b> 02/05/2002	
<b>PROJ ID:</b> P038391		<b>Appraisal</b>	<b>Actual</b>
<b>Project Name:</b> Education Rehabilitation Project	<b>Project Costs (US\$M)</b>	12.6	11.29
<b>Country:</b> Macedonia	<b>Loan/Credit (US\$M)</b>	5	4.91
<b>Sector(s):</b> Board: ED - Primary education (92%), Tertiary education (4%), Central government administration (4%)	<b>Cofinancing (US\$M)</b>	6.4	6.4
<b>L/C Number:</b> C2982			
	<b>Board Approval (FY)</b>		97
<b>Partners involved :</b> Netherlands, Switzerland, Soros Foundation	<b>Closing Date</b>	12/31/1999	03/31/2001
<b>Prepared by :</b>	<b>Reviewed by :</b>	<b>Group Manager :</b>	<b>Group:</b>
Helen Abadzi	Anwar M. Shah	Alain A. Barbu	OEDST
<b>2. Project Objectives and Components</b>			
<b>a. Objectives</b>			
The project was to (a) improve the learning environment in high poverty and predominantly rural areas; (b) improve the quality of educational inputs; and (c) strengthen the Education and Physical Culture Ministry's capacity to carry out teacher training, student assessment and curriculum development .			
<b>b. Components</b>			
The learning environment improvement was to be achieved through rehabilitating and furnishing 50-56 dilapidated and dangerous primary schools in poverty areas . Quality improvement was to be achieved through facilitating teacher training reform and a new system for producing and financing piloted textbooks . Institutions were to be strengthened through piloting a new teacher-in-service training strategy, developing capacity for student assessment covering core primary subjects, and establishing a school mapping database .			
<b>c. Comments on Project Cost, Financing and Dates</b>			
The project closed 15 months later than expected and disbursed almost completely .			
<b>3. Achievement of Relevant Objectives:</b>			
Objectives were achieved only to a limited extent . Of the 56 dilapidated and dangerous schools identified during appraisal, only 34 were rehabilitated; it is uncertain how the learning environment improved in these 34 schools or in those that continued to be in deteriorating condition . With respect to quality of education, achievements were also minor. Textbooks were developed for grade 4 only, and the private-sector publishing capacity remained limited . A textbook approval board developed a transparent procurement system but was eventually abolished, and no textbook rental schemes or sustainable textbook provision measures were developed . An innovative teacher training component was deleted, and funds for it were reallocated for other activities . Institutional capacity was developed to carry out national learning achievement tests, and considerable technical expertise was acquired through technical assistance. A beneficiary assessment showed that recipients of project inputs were appreciative, but greater professionalization was expected in the implementation of future projects .			
<b>4. Significant Outcomes/Impacts:</b>			
About 41,290 textbooks in four languages were distributed for grade 4 students, and the achievement unit made it possible for FYR Macedonia to participate in the International Third Measurement of Mathematics and Science Performance program for the purpose of international comparisons . (Despite the developed capacity, a baseline student performance evaluation was not carried out.)			
<b>5. Significant Shortcomings (including non-compliance with safeguard policies):</b>			
This was the first education project in FYR Macedonia . The project implementation unit had no experience with Bank procurement, and many decisions faced lengthy delays . Staff found it hard to deal with the requirements of multiple donors (who were involved because the government refused IBRD funds for construction ) . The school rehabilitation took longer than anticipated to carry out and cost about 37% more than estimated. The project was subjected to much political influence and control; following the 1998 election of a new government, almost all project staff were			

replaced, and the textbook approval board was abolished . Choice of schools for rehabilitation and textbook distribution were also subject to political considerations .

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
<b>Outcome:</b>	Satisfactory	Moderately Unsatisfactory	Only one component of the institutional development objective was clearly achieved; other objectives or components were not or only partially achieved .
<b>Institutional Dev .:</b>	Modest	Modest	
<b>Sustainability:</b>	Likely	Non-evaluable	The unstable political conditions make it impossible to evaluate sustainability at this time
<b>Bank Performance:</b>	Satisfactory	Unsatisfactory	QAG rated quality at entry as marginal; team changes in the Bank resulted in periods of limited supervision .
<b>Borrower Perf .:</b>	Satisfactory	Unsatisfactory	Project implementation was driven by political rather than learning objectives
<b>Quality of ICR:</b>		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:

- Heavy political control may negatively affect project implementation, particularly in cases where implementation capacity is limited. The Bank should insist on clear, performance-based hiring and firing criteria for project staff .
- High-quality technical assistance that is focused on outcomes may create national technical expertise, particularly when counterpart staff are motivated, and when there are clear opportunities to apply the expertise .
- Innovative components that require the development of new institutions (such as a teacher training resource center) may fail due to a lack of support from existing institutions . Rather than creating radical changes, capacity building for innovation might start within existing structures .

**8. Assessment Recommended?** ☒ Yes ☐ No

**Why?** This is the first project in FYROM; OED ratings do not agree with the ratings of the region .

#### 9. Comments on Quality of ICR:

The ICR is satisfactory; it provides enough detail on various components to make rating possible .