

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

Report No.: AB4460

Project Name	Education Reform for the Knowledge Economy II
Region	MIDDLE EAST AND NORTH AFRICA
Sector	Secondary education (35%); Primary education (35%);Pre-primary education (30%)
Project ID	P105036
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1. Country and Sector Background

The Hashemite Kingdom of Jordan has averaged 6 percent economic growth per year over the past five years, indicating a positive per capita growth [US\$1,700 (2006)]. This growth has been broad-based, but mainly supported by export led growth and a construction boom fueled by increasing real estate prices, and has been underpinned by structural reforms and fiscal consolidation. The IMF estimates that the economic growth rate will eventually slow down and further efforts to reduce the external and fiscal debt should be pursued. Economic growth coexists with one of the highest population growth rates in the world - about 2.7 percent with a population of 5.4 million people, and a demographic profile in which 70 percent of the population are below the age of 30. As a result, more than 60,000 citizens are entering the labor market every year, posing a major challenge for the government and society at large. Government and government-guaranteed net debt fell from 88.5% of GDP in 2004 to 72.5% at the end of 2006, with the external debt component falling from 66.2% to 51.3% over the same period. The external debt burden has decreased from 7.9% of GDP in 2004 to 5.9% in 2006. The impact of the global economic recession and fluctuations in energy and commodity prices are not yet analyzed, but their consequences for economic growth and the debt burden are likely to be negative.

Concurrently, Jordan has a 40 percent labor market participation rate, one of the lowest in the region (67 percent of males and 14 percent of females), totaling a labor force of 1.4 million. Government employment makes up 30 percent. Half of the remaining employment is dominated by micro enterprises (less than 4 persons) representing about 2/3 of all businesses in the private sector. High unemployment at 14 percent, particularly among the young, poses a significant challenge (1/3 of the unemployed are under 24 years old). Concurrently, migrant and foreign labor estimates range between 300,000 and 700,000, or between 20-30 percent of the total labor force. In addition, the issue of “expatriate” workers represents one of the most controversial and recurrent political issues facing the government in its efforts to create

more jobs for Jordanians and increase productivity to further support the diversification and growth of the economy.

Education indicators have improved consistently since the mid-nineties. The illiteracy rate is 8.9 percent, the third lowest illiteracy rate in the Arab world; the primary gross enrolment ratio has increased from 71 percent in 1994 to the 98.2 percent in 2006; the transition rate to secondary school has increased from 63 percent to 97 percent over the same period; and the transition rate to higher education has varied between 79 percent and 85 percent of secondary school graduates over the past five years. Jordan also ensures a high level of gender parity in access to basic services. As a result, it has achieved 90 percent parity in literacy, full parity in primary and secondary enrollment, and increased life expectancy for both sexes.

The first Education Reform for Knowledge Economy Project (ERfKE I), currently in its final year of implementation, has provided significant outputs, as a basis for further development of the education system. The following issues specifically warrant closer attention during the next phase of the reform:

- **System Management** While efforts under ERfKE I focused heavily on management at the central level, the challenge in the next phase will be to move down to the school level in order to ensure that learning gains are achieved at the level of the school and the classroom.
- **Policy and Strategic Planning Capacity:** The MOE management system needs a significantly strengthened policy and strategic planning capacity, including an institutionalized monitoring and evaluation function that will guide the development of a more decentralized system.
- **Quality:** In international assessments (TIMSS & PISA), Jordan has performed well in comparison with other countries in the Region, but well below many countries at comparable income and education expenditure levels, and at or below the international averages. National assessments (both of “knowledge economy skills” and more general subject-area competence) have revealed that the majority of students still perform below desired achievement levels. In addition up to 30% of students drop out before completion of 12th Grade.
- **Teacher Policy:** Studies conducted as part of ERfKE II preparation revealed that while the majority of teachers are in possession of the required formal qualifications, and the current student teacher ratios do not suggest a significant shortage of teachers, there are significant challenges regarding teacher recruitment, utilization, professional development and morale. There is still a relatively low level of actual use of the new methods and approaches in the classroom, and the new learning materials are often used in a conventional teaching approach. Teacher morale remains low. Teachers in Jordan are not recruited by the MoE, but assigned on the basis of examination scores by the Public Service Bureau. With the exception of early grade primary teachers, most teachers enter the classroom without any sustained training in pedagogical approaches or basic classroom skills.
- **Access and Equity:** Household survey data indicates that public financing of basic schooling is more pro-poor than that of secondary schooling. Progress has been made in reducing gender differences in access to basic education, and to a lesser extent in secondary education. Subject specialization in secondary and vocational education still tends to reflect traditional gender roles. Completion rates and transition rates to tertiary education are highly correlated with family income: three times as many students in university come from the upper two income quintiles.
- **Physical facilities:** A recent school utilization study indicates that the number of MOE students is expected to increase by 124,634 between 2008 and 2013. It is estimated that there will be a need to provide an additional 3,360 classrooms over this time period. The same study also reveals a dichotomy in the provision of educational infrastructure in the Kingdom. There exists concurrently considerable excess capacity and wide-scale overcrowding of schools – much of it linked to rented facilities, but not exclusively.

- **ECE (Early Childhood Education):** Significant achievements in construction, teacher training, curriculum development, teacher professional development, parent involvement and standards setting have helped make this one of the more dynamic elements of Jordan's education system. The private sector is responsible for 90% of provision (down from 95% in 2003), and improvements in regulation and guidance regarding standards have helped this subsector mature as it expands. Yet significant challenges remain: continued expansion of access to KG2 for the roughly half of children without access to KG2 classes competes with growing demand for greater public investment in KG1 level provision; poor urban communities and children in rural areas compete for access to public provision; quantitative expansion competes with the need for consolidation of quality.
- **Technical, and Vocational Education and Training (TVET):** Enrollment in secondary vocational education as a share of total secondary enrolment declined from 18 percent in 2000 to 12 percent in 2005, suggesting a critical demand side problem, at a time of growing need for skills for the economic transformation articulated in the National Agenda. This suggests the need for significant realignment of MoE vocational programs to be undertaken based on input from the employer community and deeper analysis of labor market information derived from Al Manar and similar initiatives, in a way that aligns them with the reforms initiated by the Ministries of Labour and Social Affairs and Higher Education and Scientific Research.

2. Objectives

The Education Reform for the Knowledge Economy Program (ERfKE) is a 10 year multi-donor sector program designed to deliver on the 2002 Vision Forum for the Future of Education in Jordan: *“The Hashemite Kingdom of Jordan has the quality competitive human resource development systems that provide all people with lifelong learning experiences relevant to their current and future needs in order to respond to and stimulate sustained economic development through an educated population and an educated workforce.* ERfKE II is the second phase in the government's reform program for education within this overall vision. The first phase (ERfKE I) ran from 2003 – 2009, and will close in June 2009 after five and a half years of implementation.

The development objective of ERfKE II is that *“Students enrolled in all streams of pre-tertiary education in Jordan will have increased levels of skills necessary for participation in the knowledge economy.”*

3. Rationale for Bank Involvement

ERfKE II is aligned with the IBRD and IFC Country Assistance Strategy (CAS) for the Hashemite Kingdom of Jordan for the period 2006 – 2010. The strategy is organized in four cross-sectoral clusters, the first of which is *“strengthening the investment environment and building human resources for a value-added, skill-intensive and knowledge-based economy.”* With respect to the education sector, the proposed operation builds on the achievements made under ERfKE I and continues to provide support to GoJ in the implementation of the second phase of the 10 year reform program using a sectoral approach.

The Bank played a leading role in the development of ERfKE I as a program that included, in the end, twelve significant donors who financed programs that were aligned with the reform objectives of the program. Of the US\$380+ million donor-mobilized financing, the Bank, with US\$120 million, was the largest donor in ERfKE I. At the invitation of the Government, the Bank is playing a similar lead role in the preparation of ERfKE II.

In addition to the role it played in supporting the conceptualization of ERfKE I, the Bank came to play an important role in monitoring and supervision, and it became a practice to share in some detail the findings of supervision missions, as well as to include representatives of other donors in the supervision missions.

While the Government and individual donors conducted their own monitoring and supervision, the Government and donors alike drew heavily on the insights and comments from Bank missions, and took seriously the technical and strategic advice offered. The Bank is well positioned to continue this role in ERfKE II, and is one of the few implementing partners that bring to the preparation and supervision a combination of technical expertise, relative detachment from the day to day implementation challenges of the program, and involvement with a full range of programs across the sectors.

4. Description

Component 1: Establishment of a National School-based Development System.

The objective of this component is to establish a well functioning, school-based development process as the main vehicle to deliver to all young people of the Kingdom a quality education focused on developing the abilities, skills and attitudes associated with a knowledge based economy. The ERfKE II Project, building on the experience and achievements of ERfKE I, and guided by best practice internationally, will have as its strategic focus the delivery of improvement through local school development processes focused on improving student learning outcomes. Investment in the component will be used to develop the required procedural instruments and local and national structures, and to build the professional capacity within the system to use these instruments effectively and provide effective instructional leadership at the school level. Implementation will be phased in on the basis of a rigorous monitoring and evaluation to inform subsequent phases.

Component 2: Policy, Planning, M&E and Organizational Development.

The objective of Component 2 is to build upon ERfKE I investments related to policy, planning and M&E, and to ensure that outputs from these activities fully support and inform the adoption of a school centered approach to the delivery of education services.

Subcomponent 2.1 Policy Development, Strategic Planning, Monitoring and Evaluation will include (i) establishment in the MOE of institutional capacity for policy, strategic planning and monitoring and evaluation, (ii) final implementation of the School Information System (SIS); (iii) linking the EMIS with the GIS and external databases; and (iv) development and implementation of a Monitoring and Evaluation (M&E) Framework for the program that will have an internal element, managed from within the MOE, and an external element, managed by the NCHRD with capacity-building and quality-assurance support through a partnership with an internationally renowned institution.

Sub-component 2.2, Organizational Development is to support the transformation of the MOE organizational culture, structure and processes for greater accountability in governance and management, in order to ensure effective and efficient delivery of education services focused on the improvement of student learning outcomes. Starting from a systematic organizational review, ERfKE II interventions designed to achieve this objective will address (i) organizational structures and functions; and, (ii) performance management of financial and human resources systems.

Component 3: Teaching and Learning Resources.

The objective of this component is to: (i) review and further develop teacher employment, utilization and professional development policies and practices; and, (ii) fine-tune curriculum and student assessment to ensure alignment with Knowledge Based Economy reforms continued from ERfKE I.

Sub-component 3.1 Teacher Policies, Training and Professional Development includes the following range of specific interventions: (i) refinement of the teacher ranking system; (ii) accreditation of teachers using national professional standards aligned with regional and international standards; (iii) the development of Teacher Competencies and Performance Assessments based on the National Teacher Professional Standards and linked to Individual Professional Development Plans; (iv) the development of

Standards for professional development programs; (v) a Trainer Development Program; (vi) the development and provision of an On-line Professional Development Service for teachers; (vii) the development and provision of professional development programs for teachers linked to the use of assessment; and, (viii) the development of a QA system for the monitoring and evaluation of Training and Professional Development.

Subcomponent 3.2 will finance resources, training and technical assistance related to (i) review and where necessary revision of the curriculum, learning materials and teacher guides developed under ERfKE I; (ii) the development of a framework for long term continuing curriculum review; (iii) carrying out learning assessment activities at the classroom and national levels. (Support for NAFKE as well as for Jordan's participation in TIMSS and PISA will be covered under Sub-component 2.1.); (iv) introduction of benchmarking and item banking to improve the technical quality and information value of assessment activity, and related training; (v) provision of additional and replacement ICT equipment for schools (vi) ICT connectivity available in all schools to permit blended e-learning in at least core subject areas through local e-learning and on-line supplementary and enrichment resources; (vii) promoting greater equity in distribution of learning resources across Jordan.

Component 4: Special Focus Program Development.

The objective of this component is to improve inclusive access to learning for all children in Jordan through special focus on three critical subsectors: Early Childhood Education, Special Education and Vocational Education.

Sub-component 4.1: Early Childhood Development will expand access and enhance the quality of the ECD program in order to maximize children's learning potential. The component will aim for greater equity in access to ECD, improved quality of programs and services, and increased parental and community involvement. The component consists of four areas of intervention: (i) increase institutional capacity; (ii) professional development of KG teachers; (iii) expansion of kindergartens for the poor; (iv) greater public awareness and understanding.

Sub-component 4.2: Vocational Education will provide resources and technical assistance to restructure and realign the MOE secondary vocational education stream with all national policy, program, certification and accreditation initiatives currently being undertaken in the technical vocational education and training sector, guided by the E-TVET Council established under the National Agenda. Activities will include (i) reformulation of the policy and program framework in consultation with the ETVET Council; (ii) development of curriculum and learning resources; (iii) realignment of teacher competency profiles; (iv) rationalization, re-deployment, and procurement of tools and equipment; and, (v) facilitation of graduate employment aligned with labor market needs.

Sub-component 4.3: Special Education will expand access to quality education programs and services relevant to students with special needs. This subcomponent consists of 5 areas of intervention: (i) review and updating of policies, regulations, procedures and practices; (ii) institutional development of central and field directorates; (iii) development and provision of quality learning programs, services and resources; (iv) teacher training and awareness raising; (v) updating and supply of facilities and equipment.

Component 5: Quality Physical Learning Environments

The objective of this component is improved provision of quality education facilities in a cost effective and sustainable manner so that students have access to environmentally friendly and efficiently operated quality physical learning environments. A detailed planning analysis has assessed the current situation regarding access to and utilization of physical facilities, and revealed the need for further substantial investment in construction and rehabilitation to reduce overcrowding and accommodating projected enrolment increases, while facilitating more efficient utilization of underutilized schools. This component has three sub-components: (i) Alignment of MOE standards with international design standards, and the

requirement of education reform; (ii) construction of new schools and provision of extensions to existing schools; and (iii) establishing a maintenance and management system for school buildings.

5. Financing

Source:	(\$m.)
Borrower	6
International Bank for Reconstruction and Development	60
Other Financing	285
Total	351

6. Implementation

Most of the implementation arrangements in effect under the ERfKE I Project will be used by ERfKE II. However, one noteworthy difference is that ERfKE II will have two implementing agencies: (i) the Ministry of Education (MOE) will be responsible for the overall implementation of the project, and (ii) the Ministry of Public Works and Housing (MOPWH) will be responsible for the implementation of the civil works component. Leadership for component committees will be provided by senior managers in the MOE, under the leadership of the Minister and overseen by the General Policy and Steering Committee, with representation at very senior levels from MOE, MOPIC, NCHRD and, for ERfKE II, MOPWH.

The DCU will continue to (i) facilitate the formulation of an integrated implementation plan; (ii) monitor and report on implementation progress; and, (iii) provide information to support coordination of implementation by the MOE management. DCU will also provide an important coordination link with other development partners to ensure that parallel financed activities are synchronized with overall program implementation. The DCU staff are all public officials in the employ of the MOE and not financed from the loan or donor proceeds. Since late 2007 the Executive Director of the DCU has also been an MOE official. It is anticipated that, as was the case for ERfKE I, occasional capacity building and technical assistance for the DCU will be provided through donor support or through a capacity-building trust fund similar to the CIDA financed grant that was managed by the MOE and administered by the Bank from 2004 to 2009.

With regard to financial management, the DCU's fiduciary staff has prior experience with the Bank's policies and procedures through implementing ERfKE I. MPWH's fiduciary staff might lack sufficient knowledge of the World Bank guidelines and procedures. MPWH will designate a finance officer (FO) from its own financial staff to be part of the team implementing and managing the related component. MOE, as well will assign a similar staff, if different from that involved in ERfKE I, and provide training support.

7. Sustainability

The ERfKE II program is the investment component of the overall government reform effort to improve the way education is delivered and supported and the way resources are deployed, from teacher utilization, to school construction, attendance, and planning. The increased costs to the Government associated with the proposed program in ERfKE II are modest compared to the overall costs of the government reform program, and these program costs are achievable with far less ambitious efficiency and effectiveness gains than those anticipated in the teacher utilization and financing preparation studies.

8. Lessons Learned from Past Operations in the Country/Sector

Key lessons learned from a review of ERfKE I include: (i) an imperative to focus on the school as the locus of change while continuing to support the enhancement of institutional framework and capacity building at the central and field directorate level; (ii) the need for a focus on teachers as the key agents of change; (iii) the need for the ministry to serve as a facilitator of change as opposed to being an

implementer of change, which was its predominant role during the first phase of the reform; (iv) the need to direct capacity building at the district and school level; and (v) the adoption of a more participatory approach to the reform program, as opposed to a directive approach.

9. Safeguard Policies (including public consultation)

The project is classified as Category B, according to the World Bank's Operation Policy on Environmental Assessment (OP 4.01). The project includes new construction as well as extension and rehabilitation of existing schools. Activities are expected to be associated with minor adverse environmental impacts. Potential negative environmental impacts are expected to be site-specific and temporary in nature that can be mitigated with the implementation of an environmental management plan (EMP). Concerned municipalities will be consulted during the site selection for new schools. Additionally, Ministry of Environment, Jordan Water Authority and the Department of Antiquities will be consulted to determine the specific requirements related to access roads and streets, availability of basic infrastructure services and requirements and possible proximity to areas of cultural significance. A generic Environmental Management Plan (EMP) was prepared by the Ministry of Education (MOE) and satisfactorily implemented during ERfKE I project. This EMP will be used as a guide for ERfKE II. However, the EMP will be updated to accurately reflect the proposed project. It will include project description; project components; implementing arrangements; capacity of implementing agency; monitoring and reporting arrangements; EMP implementation costs; consultation and disclosure. In addition to the generic EMP, site-specific EMPs will be prepared and included in bidding documents and bill of quantities for contractors. Effective implementation of EMP will ensure incorporation of environmental management measures. The updated EMP will be translated into Arabic and both versions will be disclosed on specific government websites and other relevant places in-country, including project governorate offices. This document will also be disclosed at the Infoshop before appraisal.

10. List of Factual Technical Documents

- School Planning, by Dr. B. P. John Parolin
- Teacher Utilization, by Dr. R. Rawlinson and Dr. M. Allak
- Education Sector Finance, by Ms. G. Rawle
- Vocational Education, by Mr. Andre Kirchberger
- Decentralization of Ministry Process, by Thomas Welsh
- School-Based Management Improvement and Development Design and Planning, by Anthony de Wees
- Adult Education & Literacy in the MENA Region (Background Note for Regional Education Flagship Report)
- Anticorruption in Transition 3 – Who is Succeeding And why? James Anderson and Cheryl Gray, July 2006
- Education Reforms and Education Process in the Middle East and North Africa: What has changed in the classroom?
- Jordan - Country Assistance Strategy, April 2006
- Jordan - Country Financial Accountability Assessment, October 2001
- Jordan - Economic Monitoring Note, Spring 2008
- Jordan - Poverty Update Volumes I and II, June 2008
- Jordan - Report on the Observance of Standards and Codes (ROSC)
- Teacher Policy in the MENA Region: Issues and Options, September 2005
- Vocational Education Reform in the Middle East and North Africa: Improving Relevance and Expanding Opportunities

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