I. Introduction and Context

Country Context

A. Country Context

1. Ghana is a strong performer among the Sub-Saharan African economies. After years of sustained economic growth and based on a 2010 GNI of 1,240 US$ per capita, Ghana reached the status of lower middle income economy as of 2011, with ambitions for further rapid growth and development in the coming years. Ghana’s economy—which grew by an average of 5.7 percent per year between 2000 and 2009—is based to a large extent on natural resources and agriculture, mostly high volume and low intensity production of raw materials, such as cocoa. In recent years, the beginning of oil production combined with high global commodity prices further boosted the economy and real GDP growth is expected to reach 12.2 percent in 2011 and more than 7 percent in both 2012 and 2013. Economic growth has been widely shared in Ghana, and the poverty level nearly halved from 52 percent at the beginning of the 1990s to 28.6 percent by 2005-06. Nonetheless, wide regional disparities in poverty and human development indicators remain, mainly between the poorer northern Savanna regions and the rest of the country.

2. A series of shocks in 2008 led to high fiscal deficits, the appreciation of the Ghana cedi and
the closing of access to international capital markets. By 2009/2010, low oil prices, high gold and cocoa prices and good rains combined with lower fiscal deficits and the depreciation of the Ghana cedi, led to stabilization of the economy. High public expenditure arrears remain a challenge and while the arrival of oil in 2011 is a very promising development, efforts to ensure an effective, transparent and accountable use of these new resources are critical. Furthermore, there is a need to improve the quality of public spending, including a better targeting of programs to support the poor, strengthening the management and control systems, and to improve the effectiveness of public servants.

3. The review of progress towards the Millennium Development Goals (MDGs) depicts steady progress in many areas. The income poverty, hunger, primary completion, and access to water goals are mostly on track to be met by 2015. At the same time, other important MDGs, such as sanitation, child and maternal mortality are still off-track and require more effort, for their own sake and their likely impact on other MDGs. Ghana has made substantial progress since 1990 in terms of improving primary completion, which reached 89% in 2010/2011. It is not, however, on track to reach MDG2 by 2015, but is likely to reach this goal soon thereafter. Despite the appearance of being on track to achieve MDG3 by 2015 (based on national aggregate data), a district-by-district analysis shows that there are still significant gender gaps in school participation in junior and senior secondary school in the poorer parts of Ghana.

Table 1: Ghana’s progress towards the Millennium Development Goals

<table>
<thead>
<tr>
<th>Observation</th>
<th>Initial</th>
<th>Most Recent</th>
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<tbody>
<tr>
<td>MDG1a. Poverty headcount ratio, national poverty line (% of population)</td>
<td>51.7 1992</td>
<td>28.5 2006</td>
</tr>
<tr>
<td>MDG1b. Malnutrition prevalence, weight for age (% of children under 5)</td>
<td>27.4 1993</td>
<td>13.9 2008</td>
</tr>
<tr>
<td>MDG2. Primary completion rate, total (% of relevant age group)</td>
<td>61.2 1991</td>
<td>87.1 2009</td>
</tr>
<tr>
<td>MDG3. Ratio of girls to boys in primary and secondary education (%)</td>
<td>78.5 1991</td>
<td>95.0 2009</td>
</tr>
<tr>
<td>MDG4. Mortality rate, under-5 (per 1,000)</td>
<td>119.7 1990</td>
<td>80.0 2008</td>
</tr>
<tr>
<td>MDG5. Pregnancy-related mortality rate (per 100,000 live births)</td>
<td>740 1990</td>
<td>451 2008</td>
</tr>
<tr>
<td>MDG7a. Improved water source (% of population without access)</td>
<td>44.0 1990</td>
<td>16.2 2008</td>
</tr>
<tr>
<td>MDG7b. Improved sanitation facilities (% of population without access)</td>
<td>96.0 1993</td>
<td>87.6 2008</td>
</tr>
</tbody>
</table>


4. But fast economic growth and poverty reduction has not been accompanied by similar scale of reduction in the economic and social disparities. The bulk of poverty has become concentrated in the three northern regions which now comprise more than half of the poor (against a fourth of Ghana’s population) and where no significant poverty reduction has been observed in the past, either through local development or out-migration. Between 1992 and 2006 (Ghana Living Standards Survey 3 and 5), the total number of poor rose by 0.9 million in the northern regions.

5. Administratively, Ghana is divided into 10 regions and 170 districts and municipalities. A number of districts (currently 60) are categorized as deprived districts and may qualify for particular programs or support. The three Northern Savannah regions naturally comprise the large majority of the country’s districts that are lacking economic opportunities and access to social services.
Government has increased the total number of districts and municipalities in Ghana in recent years often as a result of dividing up existing districts. This trend is continuing and the total number of districts will increase by an additional 42, as announced by government in October 2011, making the total number of districts 212.

**Sectoral and Institutional Context**

6. Ghana has been a leader in Sub-Saharan Africa in demonstrating impressive progress in education. As early as 1951 Ghana introduced a plan for accelerating access to education, with legislation in 1961 that aimed at compulsory and fee-free education. In 1996 a fresh effort was made at achieving free and compulsory universal basic education (FCUBE), at that time by eliminating school fees and starting a concerted effort to build up basic school infrastructure and education capacities. The most recent legislation of 2008 provides for eleven years of universal basic education (two years of Kindergarten, six years of Primary, and three years of Junior High School). Access has improved—the primary gross enrolment rate (GER) has increased from 80% in 2002/03 to 95% in 2009/10 while the net enrolment rate has increased from 56% to 84% over the same period. Furthermore, the primary gender parity index (GPI) has increased from 0.93 in 2003/4 to 0.95 in 2009/10. This expansion is a testimony to Ghana’s deep commitment to a policy aimed at universalizing basic education.

Table 2: Trends in key education indicators in Ghana (updates needed from EMIS)

<table>
<thead>
<tr>
<th></th>
<th>Kindergarten</th>
<th>Primary JHS</th>
<th>SHS</th>
</tr>
</thead>
<tbody>
<tr>
<td>GER 21.8</td>
<td>98.4</td>
<td>80</td>
<td>96.4</td>
</tr>
<tr>
<td>NER 19</td>
<td>60.1</td>
<td>59</td>
<td>77.8</td>
</tr>
<tr>
<td>GAR 87.3*</td>
<td>99.6</td>
<td>71.6*</td>
<td>86.3</td>
</tr>
<tr>
<td>NAR 24.5*</td>
<td>71.0</td>
<td>10.6*</td>
<td>43.9</td>
</tr>
<tr>
<td>GPI 0.98*</td>
<td>0.98</td>
<td>0.91</td>
<td>0.97</td>
</tr>
</tbody>
</table>

Note: *refers to data from 2003/04
Source: Calculations based on EMIS.

7. Ghana’s educational expenditures relative to income are among the highest in the World. Government expenditures in the sector have reached unprecedented levels, proportionally double the average for Africa and other developing regions. Ghana’s education spending hovered around a respectable 5 – 6 percent of GDP in the early 1990s, but has been steadily rising over the past decade. Spending reached 11 percent of GDP in 2008 -- about 30 percent of the government budget. More recently, in 2010, the share of education expenditures needed to be adjusted owing to reassessment of both the GDP and changes in the way public budget is estimated. In 2010 the share of government expenditure on education was 23.2% of which 45.1% is allocated to basic education. Although allocations to education are considerable, the bulk of these expenditures are recurrent salary costs (94 percent of Government of Ghana funding and 68 percent of all funding in 2007).

The education sector now employs about 40 percent of the total civil service. A number of key initiatives have been established or expanded: the school feeding program; programs for school infrastructure, textbooks, and uniforms; supplements for teachers; and a high profile annual award for the best performing teachers. Education has become one of the most frequently discussed topics of public concern in newspapers, radio and TV programs, next to politics, the economy and sports. The country was among the first group of countries in Africa identified to pilot the Education For All Fast Track Initiative and to receive support under the EFA Fast Track Initiative Catalytic Fund.

Table 3: Structure of Ghana’s education system
<table>
<thead>
<tr>
<th>Years</th>
<th>Appropriate Age</th>
<th>Level of Education</th>
<th>Academic Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>4-5</td>
<td>Kindergarten</td>
<td>Basic Education (free, compulsory and universal) Learning by playing (Foundational Literacy, Numeracy, interpersonal and communication skills)</td>
</tr>
<tr>
<td>2</td>
<td>5-6</td>
<td>Primary</td>
<td>Basic Literacy, Numeracy, Science (including environmental) and Social (including Life skills) Studies</td>
</tr>
<tr>
<td>3</td>
<td>6-7</td>
<td>Junior High School</td>
<td>Lower Secondary Education focus English, Ghanaian Language, Math, Social Studies, Science (including environmental), Technical, Vocational, Agricultural Courses</td>
</tr>
<tr>
<td>4</td>
<td>7-8</td>
<td>Senior High School</td>
<td>Two categories: Grammar and Technical Academic programs in Core subjects (in English, Ghanaian Language, Social Studies, Mathematics, Science (including environmental) and introduction to focus areas of studies in Grammar type Education Business Studies, Science Home Economics (including Visual Arts) and Technical and Vocational Education and Training programs</td>
</tr>
</tbody>
</table>

Source: Improving Equity, Efficiency an Accountability of Education Service Delivery, WB February 2011.

8. Kindergarten and Junior High School are the fastest expanding areas. Between 2002/03 and 2009/10, the Kindergarten gross enrollment rate went from 21.8 to 97.3 percent (net enrollment, from 19 to 63.6 percent for 2008/09). At junior high school, gross enrollment rose from 64 to 79.5 percent (net, from 30 to 47.8 percent) during this period. As enrollment and completion have increased at basic levels, demand for post-basic education has also increased but supply has not followed suit. Only about 35–40 percent of students who finish Junior High School (officially the end of basic education) go on to enroll in a Senior High School.

9. The dramatic increases in admission and enrollment rates to basic education during the past decade are owing mostly to the elimination of school fees in public basic schools, followed several years later by the introduction of the capitation grant to help schools make up for those fees. Ghana’s 1992 Constitution declared that basic education “shall be free, compulsory and available to all.” In 2007 government gave full recognition to the formalization of Kindergarten education making it a part of basic education. This policy changed the official school going age in Ghana from
the previous 6 years to the current 4 years beginning with two years of kindergarten education. With this change meant the extension of capitation grant payments to include children enrolled in public kindergarten institutions, which were previously excluded at the initial implementation of the Capitation Grant policy in 2005. However during this period, in the context of flagging public expenditures on education, many schools found themselves forced to impose indirect fees, e.g. for registration, uniforms, textbooks, etc. In response, the government in 2004 introduced capitation grants for 40 deprived districts, extending the grants to the whole country in 2005.

10. Improvements in completion are more and more difficult. Household survey data from 2008 show that around 5 percent of school-aged children still never access any formal schooling. The overall primary completion rates in Ghana were around 83% in 2009 (85% for boys, 81% for girls-WDI 2010). Dropout is also a problem, particularly among children living in extreme poverty and in geographically isolated settings and high food insecurity. The first cause of dropping out for most children is that they are contributing to household income generation. Girls in particular are expected to take care of younger siblings. Being over-age is also a key cause of repetition and dropout. The problem is exacerbated by classroom overcrowding, which has in turn been worsened by the rapid enrollment increases of recent years. Transition from primary 6 to JHS 1 is the highest point at which drop out occurs.

11. The overall enrollment rates mask stark disparities. The prospects of children in the poorest quintile never having gone to school are about 10 times greater than those of children in the richest quintile. If a child lives in a rural area, his or her chances of not having attended school are over three times higher than an urban child. A rural girl from the poorest quintile is 13.9 times more likely to not have attended school than an urban boy from the richest quintile. This trend grows sharper further up the education ladder, culminating in very restricted entry to higher education.

12. Complementary approaches to education have been employed to reach young people who, for a variety of reasons, cannot be enrolled or retained in conventional schools. This work has been funded largely by donors, and undertaken by CSOs and NGOs. The School for Life (SFL) program was initiated in 1995 with the objective of teaching basic skills to children under the age of 14 who had not been enrolled in school, with a view to eventually integrating them into the formal system. Evidence has shown that about 70% of those successfully completing the SFL program do enroll in mainstream primary school. Access to education in remote and disadvantaged areas continues to be a persistent problem, exacerbated by the lack of infrastructure or teachers or both.

13. Communities, parents and students, especially in poor areas have legitimate concerns about sub-standard schools, sub-standard supply of human and financial resources, unqualified teachers, poor exam results, and lacking services. Despite investments, many classes are still held under trees, many children are turned away from higher levels of schooling, and many fail comprehensive exams and do not find post-basic schooling places or job opportunities. It is becoming clear that addressing these challenges and achieving further progress cannot be achieved through a simple algorithm between inputs, resources, standards and projected educational outcomes.

Gender Disparities

14. Gender parity has nearly been achieved at primary level, where girls enroll at almost the same rates as boys. But towards the end of the primary cycle and at higher levels, girls’ participation drops off significantly. While official completion rates show high level of completion, in reality, the
survival rate starts to decline following the 4th grade and this decline affects mostly girls. This is further exacerbated by the fact that children in the poor areas start education later than age 6. According to 2009 data, the ratio of female to male enrollment (in percentage) averages 99% at primary, but falls to 89% at secondary and 62% at tertiary (WDI 2010). Poor families often “sacrifice” their girls’ education, and have them work at home or on the family farm, in order to keep their boys in school. When girls do manage to attend JHS (secondary school), it is not unusual for them to face a hostile environment of sexual harassment from male students and even some male teachers. The gender gap is much bigger at the country’s Technical and Vocational Education and Training (TVET) institutions, which are increasingly seen as having a key role to play in preparing young people for a vast array of in-demand skilled jobs.

15. Gender parity challenges are more pronounced in the Northern region. According to the DHS 2007, over 65% of girls over age 15 have received no formal education compared with the national average of 21%. The effects of gender, poverty and location negatively impact girl enrollment, retention and achievement.

Quality of Education and Disparities in Learning Outcomes:

16. Appropriate age enrollment and progression is problematic and particularly so among poor and rural households. While there is considerable evidence that appropriate age enrolment improves attainment and achievement, on average, children from households in the poorest quintile (largely concentrated within the three Northern regions) are about three years older than the official age in their respective grade. Children from households in the richest quintile tend to be less than two years older than the official age for their particular grade. In general, the poorer the families are, the higher the risk is for having overage pupils in school. The phenomenon is often a result of, for example, the need to care for younger siblings or to work during times of harvest, which may lead to postponed entry into primary 1 or frequent repetition as a result of lost instruction time. The consequences of high age-grade delay are a straining of the pedagogy process, higher public costs of schooling, reduced learning results and increased dropout rates.

17. While access gaps between rural and urban areas are already wide, the gap in learning outcomes is even wider. In overcrowded classrooms, often instructed by teachers who have not had any pedagogical training, large numbers of students complete primary education without attaining functional literacy. An Early Grade Reading Assessment implemented in a sample of public primary schools in Ghana in 2009 reveals that about 22% of the children in Grade 3 were unable to read a single word (World Bank 2010). Poor learning outcomes mean large numbers of students gain little from their time at school and are excluded from the benefits of higher levels of schooling. Poor educational quality also undermines Ghana’s ability to compete internationally.

18. Less than a third of primary school children reach proficiency levels in English or in Mathematics, according to the National Education Assessment tests of 2005, 2007 and 2009. These tests were conducted on a nationally representative random sample of 3.5 percent of Ghana’s primary schools (NEA 2007:2). The 2009 results for Primary 3 showed 20 percent of students proficient in English and 25.2 percent in Math; while for Primary 6 the results were 35.6 percent proficient in English and 13.8 percent in Math (the results in both Primary 3 and 6 show improvements in both subjects relative to 2005 results.

19. Data show that the districts with the poorest performance on NEA were in the Northern
regions; scores in math were 15 points lower than the national average and less than half compared to the top scoring regions in the country. The highest concentration of 6th graders with low NEA English scores (38 or below) went to school within districts of the Northern region, while the highest concentration of students with high scores (44 or above) attended schools in the districts of Greater Accra. The same pattern holds true for the Basic Education Certificate Examination (BECE), a comprehensive leaving test at the end of lower secondary school. In 2008/09, the bottom five performing districts on BECE English exams were all found within the Northern region. (insert 2011 results)

20. Explaining and addressing the poor quality of teaching and learning nationwide. Attracting and retaining qualified teachers in rural areas, and lack of resources for goods and services (learning materials, textbooks) are considerable challenges. The centralized teacher deployment system has not remedied the pattern of unbalanced deployment and may in fact be undermining the system. Expansion has also been making management and supervision of personnel increasingly challenging, when control of extensive networks is conducted from the center. While these challenges are further exacerbated by ongoing difficulties in payroll management, poor social accountability mechanisms, and uneven deployment of human resources throughout the country, strengthening the quality of teaching and learning by increasing instructional time would go a long way towards improving learning outcomes. The available assessments confirm that teachers have the biggest impact on learning. Improving the active learning and early grade pedagogy also has a substantial impact on cumulative academic success. These interventions should begin as early as Kindergarten, where more resources will be required to better prepare students for primary grades. To overcome these problems, both the central and local governments as well as the head teachers and communities need to be given authority, improve capacity to supervise, monitor deployment of teachers, attendance and, indeed, classroom activities. Standards, expectations and regulations need to be stringent to avoid that new generations of students complete education without effective learning. The Government needs to provide services to schools with a variety of conditions, empower and motivate local governments, communities and non-governmental agencies to initiate these innovations and monitor their impact.

Teacher Supply and Allocation

21. The Pupil Teacher Ratio (PTR) at the primary level has remained unchanged during the past decade, just above 32, despite the sharp increase in enrollments, thanks to the recruitment of a large number of new teachers, most of them untrained. Between 2001/02 and 2008/09 the number of primary teachers grew from 80,552 to 114,421. However, the portion of primary teachers who were untrained grew from 35.1 percent to 52 percent, resulting in more students for each qualified teacher: the primary Pupil Trained Teacher Ratio (PTTR) rose from 49.3 to 67.5.

Table 1: Indicators on Primary School Teachers

<table>
<thead>
<tr>
<th></th>
<th>2002/03</th>
<th>2003/04</th>
<th>2004/05</th>
<th>2005/06</th>
<th>2006/07</th>
<th>2007/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>PUPILS</td>
<td>2,524,237</td>
<td>2,686,133</td>
<td>2,929,536</td>
<td>3,122,903</td>
<td>3,365,762</td>
<td>3,616,023,710,647</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,962,779</td>
</tr>
<tr>
<td>TEACHERS</td>
<td>80,459</td>
<td>82,833</td>
<td>89,278</td>
<td>105,257112,443114,421131,057124,359</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Untrained Teachers</td>
<td>29,866</td>
<td>32,296</td>
<td>37,608</td>
<td>38,654</td>
<td>49,459</td>
<td>57,266</td>
</tr>
<tr>
<td>% of Private</td>
<td>30.0%</td>
<td>39.6%</td>
<td>40.8%</td>
<td>23.1%</td>
<td>20.7%</td>
<td>23.2%</td>
</tr>
<tr>
<td>% of Untrained</td>
<td>37.1%</td>
<td>39.0%</td>
<td>42.1%</td>
<td>43.7%</td>
<td>47.0%</td>
<td>50.9%</td>
</tr>
</tbody>
</table>
22. The distribution of teachers, and especially of trained teachers, is very unequal. Currently, there are more than 1,700 public primary schools without any trained teacher. Teachers generally prefer to work in better-endowed urban centers, and avoid being deployed to schools in remote, impoverished areas, with their poorer infrastructure and sanitation. The lack of real sanctions also contributes to high teacher absenteeism. High performing schools had over 90 percent trained teachers -- 36.4 percent more trained teachers than low performing schools. At the national level, primary level PTTR in 2008/09 was 67.5. But in about one quarter of the districts, the average PTTR was around 100. In ten of these districts, all of them located in the Northern, Upper West, Upper East and Western regions, there were over 155 students for every trained teacher. Most of these districts are at the same time classified as belonging to the poorest quintile. In these remote areas, schools are small, with enrollments typically less than 100. This means that often only every second or third school in the region has a trained teacher. Within individual districts, qualified teachers prefer to stay in urban areas, leaving rural schools with even fewer of their numbers. Also in 2008/09, with the inclusion of Kindergarten as part of mandatory basic education, 75% of the 37,700 kindergarten teachers were unqualified. The proportion of untrained teachers in JHS increased between 2001 and 2008 from one fifth to over a third while their total number grew by 160 percent.

Figure 1: Pupils per Trained Teacher Ratios in Primary Schools, 2008/9


23. Among the approximately 70,000 unqualified teachers employed in Ghanaian basic schools in 2007: (i) about 22,000 were new university graduates doing one year’s national service in Ghana’s schools; (ii) about 12,000 more, young and sometimes older, were people teaching as volunteers under a National Volunteer Scheme and (iii) 9,000 were students in the final year in teachers’ colleges teaching full-time in schools as part of their teacher training programs. A further unknown number were employed through the National Youth Employment Scheme. Although these young people assist children in remote areas to learn, they are inexperienced and many leave their schools after one year.

24. Upgrading of Teacher qualifications. While the ESP envisages that not more than 5% of teachers should be unqualified, the proportion of trained teachers in primary schools has deteriorated since 2003/04, when 65% of male teachers and 91% of female teachers were trained, to 48% and 77% respectively in 2009/10. In an effort to address this problem, Government introduced the Untrained Teachers Diploma in Basic Education (UTDBE) in 2004. UTDBE uses Open and Distance Learning to support untrained teachers studying for the Diploma in Basic Education while they continue to teach in rural schools. To date, more than 27,000 teachers (44% female) have enrolled in this program, and completion rates are reported to be high. The number of teachers
participating in the UTDBE program will have to be increased if the target of 95% trained teachers is to be achieved by 2015 or soon thereafter. UTDBE is organized by the Teacher Education Department and accredited by the University of Cape Coast. Additionally there are other courses offered by UEW and UCC, including a two-year sandwich program offered by UCC to bring Certificate A teachers up to Diploma level.

Teacher Absenteeism and Time-on-task

25. High teacher absenteeism is one of the key inefficiencies in the education sector. It is more common in rural schools, apparently associated with higher occurrences of a poor work environment and poor teacher morale. The average teacher absentee rate, as a survey by the Center for Democratic Development (2008) indicates, was 27 percent. This is corroborated by a recent World Bank survey (2010), where unannounced visits to about 300 primary schools found that approximately 28 percent of teachers were missing from classrooms. Among the main underlying reasons for the high absentee rate are (i) inadequate supervision, (ii) sickness/medical care, (iii) collection of salary at a bank located at a distance, (iv) frequent funeral attendance, (v) long distances to school, (vi) religious practices (for instance, Friday prayers among Muslim teachers), (vii) schools lacking facilities, especially sanitation: toilets and potable water, (viii) schools located far from lorry/bus stations and healthcare facilities, (ix) rural teachers supplementing their income by engaging in activities related to farming.

26. Low attendance is compounded by the problem of low instructional time in school, i.e. low time on task, which appears to be widespread. Observations of school activities provide a good picture of the causes of low time on task. Frequent breaks, when teachers are separated from students, slow transition to instruction, down time spent disciplining students, collecting homework etc., all reduce the amount of time that children are engaged in learning. Together, teacher absenteeism, poor time on task and short duration of school year can result in the loss of as much as 50-60 percent of teaching time, clearly making this as a key constraint to learning.

27. Efficiency in teacher allocation generally decreased between 2005/06 and 2008/09. In 2008/09 only 29, 46 and 55 percent of teacher deployment could be explained by enrollment in Kindergarten, Primary and Junior High School, respectively. In the primary subsector, 55% of the number of teachers observed in school was related to the number of pupils in 2005/06 (falling to 46% in 2008/09). In other words “randomness” in teacher deployment increased from 45% to 54% between 2005/06 and 2008/09. Teachers are even less efficiently distributed in deprived districts, where in 2008/09 “randomness” reached 62%. Efficiency in teacher deployment has been decreasing in the Junior High subsector as well. While 63% of teacher presence was explained by enrollment in 2005/06, 55% of teacher presence could be explained by enrollment in 2008/09. Efficiency in teacher presence in deprived districts fell by 10% in the last year. In effect, this means that for the last four years, efficiency of teacher deployment was always lower at all levels in deprived than in non-deprived schools.

28. Promising interventions for improving teacher deployment and reducing absenteeism include: (i) increasing the supply of trained teachers working in deprived rural schools through UTDBE; (ii) improving allocation of all teachers at district level through training and other support for efficient distribution of teachers; (iii) enforcing sanctions for unexcused absenteeism; and (iv) better and more frequent supervision and support of circuit supervisors and head teachers.
Disparities in the Allocation of Financial Resources

29. The system of funding basic education is fragmented, both in planning, budgeting and accounting systems and reporting mechanisms. The Government budget represents the large majority but not all the funding going to the sector. Within this budget, over 94 percent is used to cover salaries (personal emoluments) and the rest is mostly used to cover some services and administration. Investment is financed separately through the Ghana Education Trust Fund (GET Fund). The GET Fund is a statutory fund with a separate decision making mechanism. Initially, (2000) it was mostly focused on tertiary and later on post-basic education but recently some basic education activities, even textbooks and the capitation grant were also financed by it. In addition there are several types of allocation to District Assemblies, off-budget and on-budget donor activities and others that are difficult to plan or to link to sector strategy.

30. The large size of the salary expenditures also has a crowding out impact on the rest of funding. Even if some new programs, or expenditures are introduced, such as the capitation grant or various textbook campaigns, these are not sufficiently regularized, and funding these new commitments is provided from various resources. Often they represent various forms of delays, leakages. In all, very little is spent on items other than salary and the poorer the district or the school the less likely that such resources are available.

31. Deprived districts do not receive their fair share of public expenditures on education. More than 60 percent of children in the Northern region attend primary school in districts where the per child expenditure (PCE) is within the bottom third of the nation. The proportion of Junior High School students suffering from under-spending in the Northern region is even higher, reaching 83 percent of the total number of students in the region. Thus, a key source of deprivation for the deprived districts is the allocation of public expenditures. These expenditures, instead of compensating for the deprivation, exacerbate them by allocating fewer resources per child to the regions where the majority of deprived districts are located.

Table 2: Percentage of children in districts with sub-standard PCE in 2008

<table>
<thead>
<tr>
<th>Region</th>
<th>KG Primary</th>
<th>JHS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASHANTI</td>
<td>28%</td>
<td>29%</td>
</tr>
<tr>
<td>BRONG AHAFO</td>
<td>0%</td>
<td>35%</td>
</tr>
<tr>
<td>EASTERN</td>
<td>0%</td>
<td>15%</td>
</tr>
<tr>
<td>GREATER ACCRA</td>
<td>17%</td>
<td>7%</td>
</tr>
<tr>
<td>NORTHERN</td>
<td>49%</td>
<td>65%</td>
</tr>
<tr>
<td>UPPER EAST</td>
<td>59%</td>
<td>66%</td>
</tr>
<tr>
<td>UPPER WEST</td>
<td>93%</td>
<td>45%</td>
</tr>
<tr>
<td>VOLTA</td>
<td>15%</td>
<td>0%</td>
</tr>
<tr>
<td>WESTERN</td>
<td>24%</td>
<td>18%</td>
</tr>
</tbody>
</table>

32. Education financing is fragmented among a number of sources and among an even larger number of flows of funds. This is the most fundamental reason why planned and executed budgets differ. The authority to allocate the key resources are divided among four agencies: The Ministry of Finance and Economic Planning (MoFEP) is responsible to set the overall budget and to determine (through the Civil Service Agency) the remunerations; The Ghana Education Trust (GET) Fund is responsible for investments; Ghana Education Service (GES) is responsible for allocating recurrent
expenditure and to set teacher numbers and to pay teachers and other educational staff; and the Ministry of Education (MOE) is responsible for coordinating donor funds and proposing the annual education budget to the Government.

33. Districts Assemblies (DA) count on various sources of funding to fulfill their functions. Districts benefit from direct releases from Ministries, Departments and Agencies to finance de-concentrated and delegated functions, such as Education, as well as from expenditure (mostly investment expenditure) incurred by vertical statutory funds, such as the Ghana Education Trust (GET) Fund. DAs can also count on the District Assembly Common Fund (DACF), which allocates Central Government revenue to the districts to perform devolved functions. The DACF is complemented with the District Development Facility, mostly funded by Development Partners. Finally, DAs can generate internal funds, through the mobilization of various tax and non-tax revenues. (PER 2011)

34. A large share of the public spending on education (about two-thirds in 2007) is channeled through the budget of the Ministry of Education. However, this budget only covers teachers’ salaries, new school construction and some inputs such as textbooks. A significant portion of public resources benefitting the education sector is still channeled through the budgets of other ministries, departments and agencies of the Government, among others, the Social Investment Fund and the GET Fund. Education funding is also derived from the budgets of the MoFEP and the Ministry of Local Government. Some of the resources from the “MP Fund,” allocated to Members of Parliament to promote development in their constituencies, also support school projects, scholarships and the like.

35. There are significant delays in several funding flows, particularly for the service component of the budget, due to various systemic and capacity related factors. There is inadequate capacity at the Metropolitan, Municipal and District Assemblies (MMDA) level to account and report in a timely manner for the use of funds. Moreover, these problems are worsened by the multiple funding flows, planning systems, accounting procedures, reporting systems, auditing requirements and bank accounts. With the exception of salaries, fund flow is complex and often leads to fragmented and unpredictable planning and budgeting in the MMDAs. This has a spill-over effect on service delivery institutions/schools, which have to face delays of funding for operations and maintenance particularly at the beginning of the financial year. Capitation grants are supposed to address some of these problems and have improved the funding for operations of most of the schools, although they are usually delayed by four to six months.

36. The Government has had several initiatives to improve service delivery and empower local authorities through improved effectiveness of inter-Governmental fiscal relations. The Ghana Shared Growth and Development Agenda (2010-13) espoused the necessity to enhance service delivery through greater focus on local governance. Through this vision, it is expected that legal and institutional framework of local Governments will be strengthened and, by extension, the fiscal transfer arrangements will be improved. As at present, the fiscal transfer arrangements to local Governments (MMDAs) are sourced largely from the District Assembly Common Fund (DACF), and their share of the Personnel Emolument and Administrative Charge budgets. With the timing of flows for these transfers not predictable and aligned to the budget calendars of the MMDAs, planned service deliveries are negatively impacted. The other sources of revenues for MMDAs – mainly ‘internally generated funds’ – are largely inadequate to support MMDAs’ assigned service delivery and development requirements. A fiscal decentralization unit is being established at the MoFEP that will aim to move the fiscal transfer agenda forward and, in association with the Local Government Finance Department of the MLGRD, the political and administrative decentralization arrangements.

Decentralization of Education Services
37. Too many vertical levels ‘blur’ responsibility. MOE represents the sector in strategic (Government, and Development Partner -- DP) dialogue whereas GES is responsible for service delivery including deployment of teachers, allocation of textbooks, supervision of schools and teachers. GES has limited mandate to manage the payroll. It does not have effective tools to assure that teachers who are assigned to one school or even to one district take the assignments or remain there. Funds and resources to local level flow through a variety of channels, limiting the capacity of agencies to pursue a coherent spending strategy. In the meantime, when teachers leave their posts for one reason or another (such as study leave or relocation) GES has the responsibility of replacing them. As enrollments have increased in the last decade, the gap between the planned and executed payroll has widened from about 10 percent to over 35 percent.

38. The District Education Department (DED) system is diffused rather than decentralized, inasmuch as District officials, including the Director are appointed by GES headquarters and report through regional offices to the center. The DEDs were created when the Ghana Education Service (GES) reviewed its management structures at headquarters, regional and district levels in order to bring authority and responsibility for service closer to communities. The prior World Bank supported EDSEP project initiated a Pilot Programmatic Scheme that transferred resources from the GES headquarters to the district DEDs, based on their annual programs of work. Information from the ongoing ICR will be inserted here.

39. Supervision of teachers by circuit supervisors and head teachers is uneven, but can have a significant positive impact. Some circuit supervisors don’t observe and assess teachers during instruction time, but rather visit schools to simply verify student and teacher attendance figures. Circuit Supervisors would do more work with teachers, provided they receive training and have time. There is considerable evidence of the impact of the head teachers on teacher behavior; training focused on supporting teachers to teach is a very promising strategy.

40. School Management Committees are responsible for promoting accountability in education service delivery through community involvement, but they need to be strengthened. A 2010 World Bank survey in 300 public primary schools found that even though SMCs existed in 81 percent of the schools, they were active in only 61 percent of the cases. In a small but significant number of cases SMC members did not have enough information about their roles and responsibilities or about the School Performance Improvement Plan. Other mechanisms for promoting community and stakeholder involvement in school management include Parent Teacher Associations (PTAs) and local traditional authorities. Again, strengthening SMCs would improve teacher attendance.

41. School Report Cards were introduced in 2010. The system was initiated to address the challenges in attendance and pupil learning achievements. The Report Card is essentially the outcome of data collected from all basic schools in a district on attendance (both pupil and teacher), enrolment, teaching units covered number of teachers, class average grade points in literacy (English and Ghanaian Language) and Mathematics. Other related School Management information collected include number of staff meetings organized, SMC meetings conducted, number of visits to school by Circuit Supervisors. The Report Card presents each school its standing in terms of the average district performance on these key areas. In order to encourage the use of the Report Card as a critical source of information for school management improvement and to address challenges associated in the relation between school attendance and pupil learning achievement, while empowering Head teachers to provide leadership to improve school performance, School
Performance Appraisal Meetings (SPAM) are organized using information on the report cards. Initial implementation has been challenging, but has proved a useful tool in improving school level management in areas where these were used. The system is recommended for further strengthening and use since it can contribute to the significant reduction in school level management and pupil learning outcomes as it provided details on each teacher in the school in terms of attendance, thereby providing evidence for sanctioning teachers who absent themselves from school.

42. Resources will have to be better managed if the government wants to achieve further improvements in access to and quality of education services, given the already very high overall level of public expenditures. The Government has been considering some strategic changes at the local, school-level and central levels but has not yet fully implemented them. These changes include:

- Providing local authorities with stronger capacities for decision making, supervision and resource allocation to more effectively address the diverse social and economic conditions of education. These include more consistent promotion of innovative practices, strengthening the supervision by district level authorities and strengthening the role of local communities through improved accountability. In addition, innovative practices must be monitored and evaluated and results shared. The annual programs of work are important tools for facilitating funding to local levels and providing accountability and monitoring of expenditures.

- Professionalizing school management through training, strengthened authority and adjustment of the career patterns in education to make sure that those become headteachers who are trained and qualified for the post rather than those who are the most effective or senior teachers (teaching and school management are two different professions).

- Providing district authorities with authority to deploy teachers and more resources to better supervise their attendance and performance.

- Building capacity at the central Government to develop and monitor policies and incentives, assess learning, monitor performance and guide those responsible for service delivery as it devolves management to district and school levels. Additionally it has the responsibility to ensure equitable allocation of funds to deprived areas.

Education Sector Planning

43. Since 2003 the Education Ministry and Development Partners active in the sector have been trying to implement a coordinated sector-wide approach to educational development. A Development Partner Group (Local Donor Group) and an Education Sector Working Group (Local Education Group) hold separate and regular meetings; annual sector progress reports are prepared by the Ministry as part of an annual sector review meeting held every June where performance of the sector is discussed with all stakeholders.

44. In order to accelerate progress towards achieving MDGs, the Government of Ghana through the Ministry of Education (MoE) and Ghana Education Service (GES) have advanced policy-led education reform under the Education Strategic Plan (ESP). Local donors have also been committed to directing their assistance into the common reform framework represented by the ESP and with a long-term view towards a more comprehensive sector wide approach (SWAp) to education. After a nearly two-year drafting process that involved numerous stakeholders, the MoE finalized the new ESP for 2010-2020, which spells out the MoE’s long-term visions, targets and strategies for the education reform. Thereafter the MoE developed the three-year rolling Annual Education Sector Operational Plan (AESOP) 2011-2013 in order to translate the ESP policies and strategies into
concrete annual actions, targets and financing plans. Both the ESP and AESOP have strong emphasis on the expansion of educational opportunities to disadvantaged populations as well as the enhancement of the quality of education and students’ learning outcomes.

45. The Local Education Group submitted an application to the EFA-FTI Secretariat (now GPE) in January 2011 and received extensive comments and suggestions to improve the submission. At that time, there was no decision on which agency would be the supervising entity. Therefore, the preparation process was put on hold from March until September 2011. Furthermore, the World Bank’s CAS update also indicated a transition for Bank support out of basic education given government requests for IDA in post-basic education. Following the participation of the Minister of Education in the World Bank Annual Meeting in the end of September, the World Bank agreed to take on the role as supervising entity for the next round of the GPE program. Based on this decision, the GPE preparation process restarted in October 2011. Ghana will submit to the GPE Secretariat the Education Sector Plan, the Annual Education Sector Operational Plan for the period 2012 to 2014, and the Development Partner Group’s Appraisal of the ESP, which should provide the basis for the GPE Secretariat to initiate a Quality Appraisal Review towards the final submission of Ghana’s application for GPE Funds.

Relationship to CAS

46. A CAS progress report (FY08-12) presented to the Board of the World Bank in April 2010 updates the 2007 CAS as a response to the evolving changes in Ghana and challenges such as the macroeconomic crisis of 2008, discovery of oil and gas and arrival of a new administration in 2009. The CAS report proposes to focus on targeted programs for the poor, improving basic health and education services through the decentralized system and focusing on post-basic and innovative tertiary support in areas including technical and vocational education and health insurance. Although the CAS update indicated a transition from basic to post-basic education support, since then, government has requested continued Bank technical assistance and IDA support for basic education. The proposed program responds to a request from the Ghana Ministry of Education and Local Donor Group to catalyze funding for quality improvements in the deprived areas in Ghana. Government, Development Partners and the Country Management Unit reached agreement on continuing support to basic education given the opportunity to leverage GPE funding and support the WB CAS focus on targeted programs for the poor. Furthermore, the project is fully aligned with both the new Africa Region Strategy Africa’s Future and the World Bank Support to It and the new World Bank Strategy for Education Learning for All - Investing in People’s Knowledge and Skills to Promote Development. It focuses on strengthening governance and public sector capacity, decentralized flow of funds and decision-making. It also focuses on equitable and higher quality service delivery.

II. Proposed Development Objective(s)

Proposed Development Objective(s) (From PCN)

The PDO of the Global Partnership for Education is to improve the quality of basic education, particularly in deprived districts. Within the overall program, the GPEF Grant’s objective will be to strengthen capacities to improve the learning environment through district and school grants and through in-service teacher training. The grant will be implemented over 3 years. The grant builds on previous experience decentralizing funding to the district and school levels and provides a next generation of support with enhancements and improvements to how education services are delivered as well as a means for coordinating interventions among government and development partners.
Furthermore, the program aims to be mainstreamed as on-budget financing to ensure sustainability of the resource flows and mechanism. The design of the GPE program incorporates significant engagement and harmonized funding from the lead education development partners in Ghana. The documentation will specify areas where various development partners are focusing financing and/or technical assistance areas where pooling is likely and where leveraging is possible. This alignment is critical to the aid effectiveness principles of the Accra and Paris harmonization agreements and to ensuring that, where possible, common systems, reporting, and FM arrangements are used.

In terms of improvements in quality, the ultimate objective of the program is improvements in students’ learning achievements and outcome. However, it needs to be noted that a three year time horizon might not be sufficient to significantly impact student performance in standardized tests. In light of this and in order to truly capture the pathways of change, PDO indicators will include measurable outcomes that are predictive or proxies of education quality. Student learning outcomes will, nevertheless, be monitored throughout the program.

Key Results (From PCN)

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<thead>
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<th>Objective</th>
<th>Outcome</th>
<th>Indicator</th>
<th>Remarks</th>
</tr>
</thead>
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<tr>
<td>Beneficiaries</td>
<td>Direct project beneficiaries (number), of which female (percentage)</td>
<td>WB</td>
<td></td>
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<tr>
<td>Core Indicator</td>
<td></td>
<td></td>
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<tr>
<td>Equity</td>
<td>Equity in gender and teacher deployment Grade to grade survival rate for girls</td>
<td>GPI?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Correlation coefficient between student enrollment and number of trained teachers in all schools in deprived districts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality of teachers (#)</td>
<td>Quality of learning</td>
<td>Pupil trained teacher ratio (PTTR) in deprived districts</td>
<td></td>
</tr>
<tr>
<td>Efficiency in teachers’ presence in classrooms</td>
<td>Average teacher absentee rate in deprived districts (%)</td>
<td>Improvement teacher attendance as captured in school report cards and attendance forms.</td>
<td>Increased teacher interaction with CS and Headteacher as measured by a sample survey in the deprived districts</td>
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</table>

The GPEF grant will support a decentralized mechanism for more reliable funding of non-salary expenditures in basic education. This framework builds on existing government systems and also on the key objectives of the Education Strategic Plan 2010-2020, especially in its focus on equity and quality of services and on efficiency and accountability of education management.

The multi-donor GPEF joins development partner financing and technical assistance from USAID, DFID, JICA and IDA to support the ESP. Because the GPE is an integral part of the government’s program, each component will either (i) supplement and enhance activities already in place or (ii) initiate activities not yet in place but planned. In both instances, support will be provided from Government and donors in addition to through GPE. Additionally, GPE will be monitored and reported on in the NESAR. The Local Education Group, an existing forum for Government/Donor
sector dialogue with regular monthly meetings helps to ensure coordination and collaboration. The Ministry of Education is responsible for reporting on sector performance, culminating in a joint National Education Sector Annual Review (NESAR) held in June.

GPE funds will support efforts to allocate funds efficiently by adopting a direct allocation of resources to district and schools based on their annual program of work. The GPEF would also support the government’s objective of addressing the disparities and inequities in the country. Deprived districts would be identified according to an updated criteria using both education and household data to methodically and transparently target resources. Support would focus on equity in education, improving quality of teaching and learning, accountable education management, and decentralized resource management. The program would provide additional finance to ongoing budget transfers to the neediest districts and from the districts to the neediest schools including school grants in these areas.

III. Preliminary Description
Concept Description

The proposed program is based on the Education Strategic Plan 2010-2020 (ESP) and informed by the 2011 Ghana Education Report Improving Equity, Efficiency and Accountability of Education Service Delivery, the Joint Review of Public Expenditure and Financial Management 2011, the National Education Sector Annual Review (June 2011) and the lessons learned from the Education Sector Development Project (IDA Cr.) which closed October 31, 2011, Strategic Objective Assistance to Ghana (SOAG, USAID Ghana), Support to Education Strategic Plan (DFID), Country Programme Action Plan (CPAP, UNICEF Ghana), Support to Education Implementation (JICA) and the Development of Senior Secondary Education Programme (AfDB).

The notional allocation for the GPEF grant is US$75.5 million.

The GPEF grant is being developed as part of a larger program of donor support to the Ghana education sector. As a source of gap financing, the program supports areas that complement the government’s expenditures as well as other sources of financing to the sector (insert Annex X on DP activities). Despite the large education budget, investments are inadequate to sustain a dynamic and equitable quality education system. Salary expenditures crowd out investment in learning materials, infrastructure and pedagogic support. The models for increasing investments through district planning and expenditures were implemented under the previous Bank supported program and other donor sponsored district interventions (e.g., PPS, DFID budget support to districts). Therefore, the proposed GPEF grant will focus on strengthening these mechanisms in line with the decentralization mandate, for improving the quality of basic education in deprived districts. Detailed project components will be finalized during the preparation phase, based on additional project preparation analysis, other donor activities and the results from the recently negotiated 2012 budget. However, the GPEF program components have so far been developed around the following proposed areas:

Component 1: Grants to Deprived Districts to support key education objectives.

The objective of the district grant is to provide supplemental non-salary resources to those districts identified as most deprived in the country (measured through key social and economic indicators and poverty level) using transparent and agreed criteria. This categorization will be aligned with the
development of the common targeting mechanism for other services and poverty targeting interventions. The grant would focus on earmarked allocation of resources to districts based on their annual programs of work and government strategic priorities identified under the ESP and AESOP. A comprehensive set of guidelines would be developed to guide the district planning process (e.g., operational manual). These guidelines will assist districts to select the most needy schools and apply additional resources to solving their problems.

Targeted support would focus on four key areas corresponding to the policy areas identified in the ESP and AESOP: equitable access and participation in quality education; bridging the gender gap; improving quality of teaching and learning; and improving management of education service delivery. These would be measured by age appropriate admission (particularly for girls), early grade reading and numeracy capacity, higher survival rate to fourth grade and increasing availability of trained teachers.

The district grant mechanism is already being implemented by the government through its ADEOP, Pilot Programmatic Scheme (PPS) and other donor funded initiatives. Building on this experience, enhancements to strengthen the district grant could include: (a) capacity building for DEDs, DAs, SMCs, head teachers, circuit supervisors, GEOs, etc.; (b) more facilitation and knowledge sharing by central and regional government for targeted policy implementation and results focus; (c) routine funding of more robust and relevant monitoring and evaluation including better monitoring of expenditures; and (d) continuous sensitization activities.

Interventions proposed will be based on the district work program and would correspond to the ESP focus areas. These activities could include but are not limited to the proposed measures listed below.

Improved access and participation (particularly for girls) in quality education

District-level initiatives will focus on both supply and demand-based initiatives to support enrolment in primary education at appropriate age, incentives for students to stay in school and attend classes regularly and move on to upper levels of education successfully. Surveys in the Northern regions show that all of the children dropping out of school are overage. Nearly half of them drop out in the first three grades and another third in grades 4 to 6. The reasons include poverty, child labor, poor performance; lack of parental interest, pregnancy, teacher attitudes (such as absenteeism), low education quality, etc. Thus, reducing the indirect costs of schooling and increasing the pro-poor targeting of subsidies and programs could help to continue deterring some children from entry into child labor.

This risk of overage enrollment and early drop out is higher for girls than for boys. There are both supply and demand factors, some of which district education directorates can effectively address. Among the demand side options, there are outreach campaigns to make sure that children enrol at appropriate age and that they regularly attend. Other demand measures may include school feeding and supplementary take home rations, transportation or uniforms. On the supply side, remedial support to children with learning constraints, adequate learning materials (and in mother tongue), appropriate school facilities also make a difference. In addition, teachers need sensitization and training to deal with gender-specific issues. The program will complement the planned scale up support to the implementation of complementary education, which is based on the School for Life initiative and consists of accelerated learning for young people to complete primary education (supported by UNICEF and DFID) and support to primary education (through school meals) and
girls’ education through take home rations and scholarship scheme by WFP. District grants could support the following types of measures:

- Outreach/sensitization campaigns on importance of education
- Uniforms for JHS1 girls in schools in the most deprived areas
- Safe transportation of girls to school (means depend on the location)
- Scholarships (Bursaries)
- Take Home Rations
- Rehabilitation of schools
- Recruiting an adequate supply of teachers (UTDBE, tutors, volunteers)
- Training for special needs screening
- Girl friendly school environment (e.g., separate sanitary facilities for girls and boys with access to water, safety and security)
- Tutoring, mentoring and gender focused remedial support
- Capacity building for the GEU at head quarters and decentralized levels
- Support Girls Education Officers at the district to monitor interventions

Improving Quality of Teaching and Learning and management of education service delivery

District level initiatives will focus on measures to improve the qualification of teachers, particularly through support for teachers on the UTDBE, as well as their attendance and performance, the quality of inputs, and better materials and pedagogical approaches to improve literacy and numeracy from early grades. Effective reading has proven to be a critical skill for children especially those coming from poor families and attending school in poor areas. It has also shown to be a strong predictor of learning outcomes including performance in assessments in other subjects as well as successful completion of primary and basic education. Certain supply factors, including the availability of trained teachers, better school facilities, longer school days and time on task, better supervision and strong community support are all playing important roles in improving learning outcomes. Also, improvements in early grades appear to have strong impact on performance in later grades, higher percentage of completion and in transition to higher levels of education, particularly for girls.

- Establishing early grade assessments in both reading and in numeracy and ensure that teachers understand how to use the information to improve their own teaching.
- Support to School Education Assessments
- Provide evidence and performance based teacher and school incentives
- Intensify Inset on Pedagogy in literacy and numeracy for teachers in deprived areas
- Set reading standards to inform assessments (NIB) and train teachers based on standards (e.g., grade 1 and 2 teachers for reading)
- Organize reading clinics for circuits in deprived areas annually
- INSET for gender awareness
- Establishment of quality kindergarten education through package of teacher training, designated child-friendly environment and furnishings and appropriate learning materials (e.g., SABRE model)
- Provision of teaching and learning materials to improve the quality and relevance of basic and secondary schools.
- Remedial classes, study sessions for catch up
- Teacher aides
• Teacher accommodations on school grounds
• Support SPAM and circuit supervisors using information from School Report Card
• Teacher training, INSET, continuous professional development training.

Component 2: School Grants

The elimination of school fees in 1992 and additional reforms in 1996 contributed to the dramatic basic education enrolment increase of 50% over the last decade. However, during this period, in the context of flagging public expenditures on education beyond salaries, many schools were forced to impose indirect fees to cover a range of schooling expenditures including lunch, uniforms, textbooks, examination fees and transportation.

In response, the government introduced a capitation grant for public primary and junior high schools in 40 deprived districts in 2004 and in 2005 extended this grant to the whole country. The grants amounts to GH¢4.50 (US$2.25) per student per academic year with a view to encourage enrollment and empower local schools management. The amount a school receives is based on projected enrollments at the start of the academic year. This estimate is the basis for the transfer of 50 percent of the funds, at the start of the first term. Subsequent transfers are dependent on the submission of data on actual enrolments. Funds for the second and third terms are based on that confirmation and are supposed to be paid at the start of term.

Although these funds have been helpful in many schools as a much needed source of financing, some schools have not received the full amount of the grant and the amount received remains too small to support schools’ basic operational needs, particularly in small rural schools in deprived districts. Many of the indirect fees (books, uniforms, PTA) add up to a much larger amount than the capitation grant. These factors as well as disparities in other inputs negatively affect school performance in terms of keeping teachers and children in school, providing adequate instruction, educational support and leading to a better school climate that in turn helps learning outcomes. Head-teachers, parents and SMC’s are keen on using the capitation grant to address some of these issues but the decisions about the use of the grant are difficult given the scope of the problem and the limited size of the grant.

Therefore, the objective of this component is to provide a supplement to the existing capitation grant initially to schools in the identified deprived districts with an explicit focus on improving access to and quality of education services as priority needs are defined at the school level. The existing operational guidelines for capitation grants would be applied with the expectation that the incremental funding would be used in line with the ongoing capitation grant areas. This component would aim to further empower and support nascent SMCs to better plan for and improve teaching, learning and participation in their schools. Given the lack of rigorous evaluation of the ongoing capitation grant, this component would finance a proper evaluation/assessment to better understand the impact of the grant, issues or challenges, and sustainability of financing basic school expenditures through capitation/school grants. One possibility is to conduct an impact evaluation looking at different sized grants and how they influence better educational outcomes. In addition, grants may be graded so that schools with severe access and teacher supply problems get greater per-capita resources than schools in better served areas.

The grant could augment schools’ operating costs and non-salary expenditures regardless of population size to ensure that key policies can be implemented (teacher training/mentoring, learning
materials, girl-friendly interventions, etc.). Therefore, the additional “base” grants would ensure that at least minimal levels of discretionary resources are available to schools selected by the districts to all public basic education schools in deprived districts, but in exchange for improved standards of reporting and accountability. Grants may be conditioned on implementation performance, particularly in areas such as monitoring of teacher attendance/time on task.

The original capitation grants were expected to finance school development activities (ranging from provision of latrines to remedial classes in core subjects) designed and prepared jointly by parents, teachers and school principals. The base grant would extend such activities and could include: (a) instructional materials and learning inputs; (b) mentoring opportunities; (c) training related to identified local skills needs, especially in math and science, (d) participation in teacher development and support programs, including UTDBE or head teacher training; (e) mechanisms for improving the enrolment of girls in JHS and reducing failure and drop-out rates; (f) equipment or tools (ICT) to improve teaching and learning; and (g) minor works. To access the grants, a pre-requisite is the training and capacity building of SMCs which would be funded by district grants, to prepare school development plans to improve teaching, learning and participation of their schools in this program.

The SMCs will also be trained on record keeping and will be required to report school grant receipt and expenditure to parents and communities by posting this information on school bulletin boards, in school report cards and through other dissemination strategies depending on the local context. This is expected to improve the effectiveness of school grant use and help create a culture of transparency, accountability, and greater parental and community participation in school management.

School grants may be used by the schools to support training for untrained teachers such as study circles, travel to training courses, etc.. By tying teacher training opportunities to school level funding in deprived districts, incentives will be created for untrained teachers to remain with the schools for the duration of the training period. This is expected to help reduce the problem of high teacher turnover in the remote and under-resourced schools within deprived districts.

Component 3: Teacher Development and upgrading

While the ESP envisages that not more than 5% of teachers should be unqualified, the proportion of trained teachers in primary schools has deteriorated since 2003/04, when 65% of male teachers and 91% of female teachers were trained, to 48% and 77% respectively in 2009/10. Deprived districts have a proportion of untrained teachers significantly higher than the national average. Para 24 describes the UTDBE program introduced by Government to address this. However, the number of teachers participating in the UTDBE program will have to be increased if the target of 95% trained teachers is to be achieved by 2015 or soon thereafter.

Therefore, one of the objectives of this component is to support the upgrading through UTDBE of at least 8,000 untrained teachers, in deprived districts. This is also a trigger for budget support funding under the Multi-Donor Budget Support Program in Ghana. The GPEF program could also support capacity building to selected institutions delivering the courses. Other activities include the finalization and implementation of the Teacher Professional Development Policy; improved system for continuous professional teacher development and ongoing performance evaluation and accountability; technical assistance to the newly created National Teacher Council; guidelines on enhanced supervision, monitoring and mentoring support for teachers with funding provided
through district grants; and extension of activity-based learning programs to enhance skills in reading, arithmetic and the other skills that are taught in the kindergarten and lower primary curriculum. This component would also focus on head teacher training and circuit supervisor support for improved supervision and monitoring.

It is proposed that this component will include an impact evaluation of some innovative models of teacher training to rigorously measure the impact of different pedagogical approaches on student learning outcomes in the Ghanaian context.

Component 4: Improve Capacity for School Supervision and Accountability

This component will aim to strengthen government systems for the supervision of education services in order to improve school monitoring, accountability and transparency for ultimately improved learning outcomes. Possible areas for support could include: (i) financing for quarterly supervision for every school; (ii) review of circuit supervisors (CS) reporting template and provision of training for the effective use and evaluation; (iii) piloting of award schemes as an incentive for head teachers and circuit supervisors in schools in deprived districts (e.g., based on teacher attendance); (iv) awareness and sensitization campaigns to support monitoring and supervision of schools at community level (e.g., SMCs); (v) capacity building for Heads of Basic Schools and School Management Committees in deprived areas; (vi) support incorporation of School Report Cards, School-based Assessments and EMIS reporting for school improvement planning; and (vi) support for the National Inspectorate Board to conduct 4000 school visits annually and provide recommendations to improve learning outcomes.

This component would aim to improve the quality of decision making and strengthening of accountability relationships at the school level. In the past few years, the GOG in collaboration with USAID have launched a large scale program of school report cards. This component could support the school report card program, in collaboration with USAID, with a particular emphasis on monitoring their effective dissemination and use (both as an input for decision making and forward planning, but also as an instrument for engendering accountability and parental awareness).

Program Management and Institutional Arrangements

The program will be implemented by the GES, Ministry of Education at the central, regional, district and school level in close collaboration with all relevant education agencies and district authorities. The program will be supported by the development partners operating in the education sector, including DFID, UNICEF, JICA, USAID and WFP. The program coordination will be led by the GES with support for monitoring from the PBME to ensure continued streamlined coordination and management of all donor-financed activities in Ghana. Some capacity building support will be required to ensure that both central management and district management are strengthened appropriately. The capacity building support builds on the activities already ongoing under several donor-sponsored programs (e.g., JICA, USAID, DFID, UNICEF). Additional technical support for the implementation of the program may include some specialized consultants such as teacher policy, financial management, etc., that could be financed under the GPEF grant. However, significant additional technical support is likely to be provided directly through established TA programs supported by USAID, DFID and JICA. The GPEF grant would finance annual financial audits, qualitative audits, and agreed impact evaluations. The grant could also be
used to hire an Independent Monitoring Firm to undertake M&E activities and/or carry out the data collection and analysis necessary to measure implementation performance and impact of grant activities over the three-year period.

IV. Safeguard Policies that might apply

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<td>Pest Management OP 4.09</td>
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<td>Physical Cultural Resources OP/BP 4.11</td>
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<td>Indigenous Peoples OP/BP 4.10</td>
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<td>Involuntary Resettlement OP/BP 4.12</td>
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<td>Safety of Dams OP/BP 4.37</td>
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<td>Projects on International Waterways OP/BP 7.50</td>
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<td>Projects in Disputed Areas OP/BP 7.60</td>
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V. Tentative financing

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<td>Education for All - Fast Track Initiative</td>
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<td>Total</td>
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VI. Contact point

**World Bank**

Contact: Deborah Newitter Mikesell  
Title: Senior Operations Officer  
Tel: 473-4459  
Email: dmikesell@worldbank.org

**Borrower/Client/Recipient**

Name: Ministry of Finance and Economic Planning  
Contact:  
Title:  
Tel: 233302665587  
Email: minister@mofep.gov.gh

**Implementing Agencies**

Name: Ministry of Education  
Contact: Chris Koromoah
Title: Financial Controller
Tel: 23321231664
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