I. Project Context

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 per capita of US$1,240, 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 Savannah regions and the rest of the country. 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.

2. The review of progress towards the Millennium Development Goals (MDGs) depicts steady progress in many areas. Based on trend data, the income poverty, hunger, and access to water goals are largely on track to meet 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. For the education MDGs, Ghana has made substantial progress since 1990 in terms of increasing the proportion of children completing a full cycle of primary schooling, with the primary completion rate reaching 89 percent in 2010/2011. Ghana will not, however, achieve MDG2 by 2015, in part because there are still around 5 percent of children with no access to formal schooling, according to household survey data. In terms of MDG3 on the gender disparities in school enrollments, the ratio of girls to boys in primary and secondary education attained 92 percent in 2010/11; based on the improvement trend, Ghana is not quite on track to achieve parity by 2015. This reflects that there are still gender gaps in school participation in the poorer parts of Ghana.

3. 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.

4. Administratively, Ghana is divided into 10 regions and 170 districts and municipalities. Since 1988, Ghana has put in place comprehensive local government and decentralization reform, although progress and approaches have been uneven across sectors. The 170 new local governments, the District Assemblies, play a major role in taking on new functions and administering greater resources. In the concept for decentralization, districts report to regions, which mainly play a monitoring role. In the education sector, the District Assemblies’ role so far is mainly in basic infrastructure development, for which they receive funds through the District Assemblies Common Fund (DACF). The local bodies overseeing the operation of the basic schools are the District Education Departments (DED), which are local offices of Ghana Education Service, a central government agency under the Ministry of Education. Eventually, the DEDs are expected to become part of the District assemblies, which will then play a much greater role in the operation of the public basic schools. Government has increased the total number of districts and municipalities in Ghana in recent years; 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. A number of districts (currently 61) are categorized by the Ministry of Education and Ghana Education Service as deprived districts and have qualified for particular programs or support. The Northern Savannah regions naturally comprise the majority of the deprived districts.
II. Sectoral and Institutional Context

5. As Ghana is getting close to universal primary education, the goalpost is now to universalize an 11-year basic cycle. Ghana has pursued free and compulsory basic education for decades, but the definition of what constitutes basic education has evolved. Since 2008, the policy is to provide eleven years of universal basic education (two years of Kindergarten, six years of Primary, and three years of Junior High School). Enrollments have increased rapidly in all three sub-cycles in recent years: between 2002/03 and 2010/11, gross enrollment rates increased from 49 to 98 percent in Kindergarten, from 76 to 96 percent in Primary, and from 63 to 80 percent in Junior High (JHS). The primary completion rate (PCR) attained 89 percent in 2010/11. The share of girls in primary school has improved from 47.6 percent in 2002/03 to 48.8 percent in 2010/11, but wider gaps persist in the rural areas, particularly affecting the last grades of primary school. The share of girls is lower in Junior High School (47.0 percent) and Senior High School (45.4 percent). The dramatic increase in school enrollments is owing mostly to a concerted effort to build up the supply of schooling combined with the elimination of fees, followed by the introduction of the capitation grant. Government eliminated the last remaining school fees and levies in 2004, introducing at the same time a capitation grant to compensate schools for the loss of revenue. The capitation grant was piloted in 2004 under the World Bank-supported EDSEP project in 40 deprived districts, and mainstreamed to all schools in 2005 with government funding.

6. Learning outcomes in basic schools are clearly unsatisfactory; improving learning is a pressing need for the sector and a Government priority. Less than a third of primary school children reach proficiency levels in English or in Mathematics, according to the National Education Assessment (NEA) tests of 2005, 2007 and 2009. Similarly, an early grade reading assessment for public schools in 2009 revealed that about 22% of children in grade 3 were unable to read a single word. These weak results are clearly unsatisfactory given the large investments made in basic education in recent years. Moreover, they signal that improving learning is an urgent need for the sector. A comparison with other countries in Sub-Saharan Africa shows that Ghana is not alone in facing the issue of weak learning outcomes (children unable to read a single word on an oral reading test in grade 3 were 1% in Liberia, 18-20% in Senegal, 27% in The Gambia, 28% in Malawi, 36% in Ethiopia, and 57% in Mozambique). Further, Ghana is one of the few countries that is already making some progress in this area, as demonstrated by the small improvement between 2005 and 2009 in the NEA assessment in English and Mathematics. Ghana also improved its score between 2003 and 2007 on the Trends in International Math and Science Studies (TIMSS) assessment of 8th graders in Science and Mathematics. Still, government, communities, parents and students are strongly concerned with the weak learning outcomes, exam performance and sub-standard schools. Most recently, the Government launched a campaign during the current school year to improve exam performance of JHS 3 students in some of the poorest, low-performing districts in the northern parts of Ghana.

7. Poorer districts, mainly concentrated in the north, have far weaker education outcomes than other parts of the country; yet, they do not receive their fair share of education spending. Poverty is largely concentrated in the northern half of Ghana, particularly in the Northern, Upper West and Upper East Regions. Children from these parts, particularly girls, have lower rates of school participation and weaker learning outcomes. According to the Demographic and Health Survey (DHS) 2007, over 65% of girls over age 15 in the Northern region have received no formal education compared with the national average of 21%. In the 2010/11 school year, the share of girls in grade 6 is 47 percent at national level, but only 43 percent in the Northern region. The preliminary results for the 2011 NEA reflect wide gaps in learning between Northern, Upper West and Upper East Regions and the rest of the country. 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. Despite the weaker education outcomes, deprived districts do not receive their fair share of public expenditures on education. About 80 percent of students in the Northern region attend primary schools that can be considered under-resourced, with per child expenditure (PCE) within the bottom third of the nation. Thus, instead of receiving extra support to assist these districts to catch up to the rest of the country, schools in poorer districts struggle with limited resources.

8. Overall public education spending relative to income is among the highest in the world, but relatively little is available for the non-salary spending needs. The prior World Bank Education Sector Project (EDSEP) project implemented a grant mechanism to the most under-resourced districts. The strong expansion in schools and enrollments has been accompanied by a steady increase in public education expenditures. In 2008, public education spending reached a peak of 10 percent of GDP, or around double the average for Africa and other regions. Due to a reassessment in the country's GDP and changes in the way the public budget is estimated, government spending on education was a more moderate 6 percent of GDP in 2010, or 23 percent of total public spending. The education sector employs around 40 percent of the total civil service, and in 2010, as much as 97 percent of the core Government of Ghana education budget financed salaries. Salaries are often under-budgeted and end up crowding out other types of expenditures during budget execution. There are other sources of public education financing, including the Ghana Education Trust Fund (GETFund), accumulated as a percentage of the Value Added Tax (VAT), which mainly finances investments, but recently also textbooks and the capitation grant on an ad-hoc basis. Local governments, through their District Assemblies, also allocate some of their funds sourced from the statutory District Assembly Common Fund (DACF) for education, although their spending is not well-coordinated with the Ghana Education Service (GES), an agency under the Ministry of Education responsible for pre-tertiary education service delivery. GES is represented locally through its district offices, the District Education Departments. Focusing on a set of deprived districts, 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. The objective was to provide non-salary resources locally to the most under-resourced school districts in order to improve the delivery of basic services.

9. Although there are probably enough teachers overall, too many are untrained, and attracting and retaining qualified teachers in remote rural areas is a considerable challenge. The Pupil Teacher Ratio (PTR) at the primary level has remained stable over the past decade, just above 32, despite the sharp increase in enrollments. This is a result of recruitment of a large number of new teachers, many of them untrained. Between 2004/05 and 2010/11 the total number of teachers in Government basic schools grew by 48 percent, almost keeping pace with enrollment growth (51 percent). However, the share of untrained teachers increased over the period from 30 percent in 2004/05 to the current 36 percent, and the PTR in Government basic schools rose from 40:1 to 45:1. The PTR is highest in Kindergarten (96:1) and primary (54:1) and low in JHS (22:1). Incidentally, shares of untrained teachers and PTTRs are much higher at all levels of basic private schools indicating another side of the quality equation, adequate supervision. As a result of weaknesses in teacher deployment and difficulties in retaining trained teachers in remote, impoverished areas with poor infrastructure and sanitation, trained teachers are more likely to work in urban or peri-urban schools. As a consequence, there are more than 1,700 public primary schools without a single trained teacher. Further, in ten districts in the Northern, Upper West, Upper East and Western regions, there are over 155 students for every trained teacher.

10. The UTDBE course has been successful in upgrading untrained teachers in rural schools; teacher upgrading will need to be accelerated, if Ghana is to meet its policy goal for teacher training. According to Ghana’s Education Sector Plan, the policy is to achieve a minimum of 95 percent trained teachers in basic schools. In order to upgrade eligible untrained teachers in rural schools, Government introduced...
the Untrained Teachers Diploma in Basic Education (UTDBE) program 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 their schools. Residential periods of training are offered locally as a more efficient way of organizing training, and increasing the likelihood that teachers remain in schools after their training. 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 public University of Cape Coast. The needs for teacher upgrading are particularly acute in the northern regions, where the proportion of untrained teachers in particularly high.

11. School-based management approaches hold much promise for promoting accountability for education service delivery; the mechanisms already exist in Ghanaian schools, but need to be strengthened. A 2010 World Bank survey in 300 public primary schools found that even though School Management Committees (SMCs) existed in 81 percent of the schools, they were active in only 61 percent of the cases, and many 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. School Report Cards (SRC) were introduced in Ghana in 2010 as a way of addressing challenges of low attendance and pupil learning achievements. The School Report Card contained data on attendance, enrollment, class average grade points, number of SMC meetings conducted, number of visits to school by Circuit Supervisors and other relevant school management information. In order to encourage the use of the School Report Card as a critical source of information for school management improvement, School Performance Appraisal Meetings (SPAM) are organized using information on the report cards. Initial implementation has been challenging, but it has proved a useful tool in improving school level management in areas where the Report Cards 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. 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.

12. 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, which are lagging the rest of the country in terms of educational outcomes. Given the very high level of funding for salaries in the sector, the focus of the program is to make available non-salary financial resources to schools and districts in deprived areas to support local action to improve service delivery. A strong focus of the program is to strengthen decentralized decision-making and systems of school-based management and accountability. Further, the program will fund teacher upgrading of 8,000 untrained teachers currently teaching in schools in the deprived areas. The program will complement the existing school Capitation grant, which the government will continue to provide to all schools. Moreover, the program will incorporate and further develop existing government and donor-supported instruments, such as the SRC and the early grade reading assessment (EGRA).

13. The program has been developed in a very close partnership between the government and the Local Donor Group and is fully aligned with the Education Sector Plan 2010-2020. Since 2003, the Ministry of Education and Development Partners active in the sector have been working towards an increasingly coordinated sector-wide approach to educational development. The Local Education Group, comprised of the Local Donor Group and Government, hold weekly coordination 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. 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. The proposed Global Partnership for Education Fund program implementation grant has been prepared by the Local Education Group during joint missions followed up by weekly meetings since October 2011.

14. Strong relationship with the Global Partnership for Education: Ghana was among the first group of countries invited to join the Education for All – Fast Track Initiative (EFA-FTI) group in 2004, receiving Catalytic Fund grants in 2005, 2007 and 2009 for US$8 million, US$11 million and US$14.2 million respectively. The first two grants were provided as direct budget support to improve the quality of basic education in Ghana and were implemented successfully. The third grant, however, was prepared as a sector investment loan (SIL) to procure textbooks and TLMs and provide incentives to attract and retain teachers in under-resourced schools. The one year implementation period to procure textbooks was overly ambitious and resulted in ineligible expenditures which were repaid to the GPE Fund by the Government of Ghana. High turnover of staff in the Ministry of Education combined with weak supervision and neglect of Bank procurement guidelines led to the unsatisfactory implementation of this grant. Ghana’s education system has accordingly benefited from a total of US$19 million from the Catalytic Fund. Lessons learned from this experience have influenced the design of this project and are documented in the recent Implementation Completion Report (WB, December 2011). The EFA-FTI officially became the Global Partnership for Education on September 21, 2011. This change builds on the initiative’s successes over the last 10 years and is part of a redoubled commitment to making sure all children in low-income countries have access to quality education and opportunities to learn. The Global Partnership for Education is a platform for collaboration at the global and country levels. Through the Global Partnership for Education compact, Ghana commits to design and implement a credible education plan while donor partners commit to align and harmonize their support around this plan. While funding is channeled through existing bilateral and multilateral channels and also through the Global Partnership for Education Fund, the actors involved coordinate around the ESP and in this instance, the World Bank serves as the GFPE grant’s supervising entity.

15. The program is designed to improve the planning and implementation capacity of ongoing government efforts to decentralize education resources to the district and school levels. 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. Resources are also inefficiently allocated. Models for increasing investments through district planning and expenditures were piloted under previous Bank supported program and other donor sponsored district interventions (e.g., PPS, DFID budget support to districts). Therefore, the proposed GFPE grant will focus on strengthening these mechanisms in line with the decentralization mandate, supporting greater accountability for resources allocated to districts and schools and monitoring their use towards the ESP aims and objectives.
III. Project Development Objectives
The PDO of the Ghana Partnership for Education Grant is to improve the planning, monitoring and delivery of basic education services in deprived districts.

IV. Project Description
Component Name
- Grants to Deprived Districts to support key education objectives
- School Grants in Deprived Districts
- Program Management and Monitoring and Evaluation

V. Financing (in USD Million)

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VI. Implementation
20. The GPEF grant will have the oversight of the Ministry of Education but will be implemented by the Ghana Education Service at the headquarters, regional, district and school levels in close collaboration with all relevant education sector agencies (e.g., GES, NIB, TED) and district authorities. The project will be supported by the development partners operating in the education sector, including DFID, UNICEF, JICA, USAID and WFP. A project steering committee will be established comprising key officials from the MOE, GES and Ministry of Local Government and Rural Development (MLGRD) to provide project implementation oversight. Coordination will be led by the GES with support for monitoring from the MOE; PBME to ensure continued streamlined coordination and management of all donor-financed activities in Ghana.

21. The Ghana Education Service (GES) will manage the three components of the project. The Project Coordinator is the Director General of the GES. The Director Basic Education and the Financial Controller of the GES will jointly report on the project’s implementation, and be responsible for the operational and the financial management reporting on the project respectively. The Director Teacher Education Department (TED) will be responsible for management and reporting on UTDBE. To ensure smooth implementation at the sub-national level, the GES will organize regular practical training sessions to ensure that districts (i) understand the guidelines for planning their programs; (ii) implement activities that will achieve set targets; (iii) access and report on funding provided for district and school grants; and (iv) monitor and evaluate activities being implemented. Significant technical support is likely to be provided directly through established TA programs supported by USAID, DFID and JICA.

22. 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. Additionally, GPE activities will be monitored and reported on in the National Education Sector Annual Review (NESAR). Independent evaluation, jointly supported by donors, will become a routine part of the preparation for the NESAR process. 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 NESAR held in June.

VII. Safeguard Policies (including public consultation)

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