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May 15, 2019

Mr. Sameer Kumar Khare
Additional Secretary
Department of Economic Affairs
Ministry of Finance
Government of India
North Block
New Delhi 110001

Dear Mr. Khare:

India: Enhancing Teacher Effectiveness in Bihar Operation (Credit No. 5578- IN)
Amendment to the Financing Agreement

We refer to the Financing Agreement ("Financing Agreement") between India ("Recipient") and the International Development Association ("Association") and the Implementing Entity Agreement ("Implementing Entity Agreement") between the Association and the State of Bihar ("Implementing Entity") both dated August 7, 2015 for the Enhancing Teacher Effectiveness in Bihar Operation ("Operation").

We also refer to your letter no.10/02/2011-FB. V dated April 5, 2019, requesting the Association to consider the restructuring of the Operation. We are pleased to inform you that, after due consideration, the Association accedes to the request and hereby proposes to make the following amendments:

I. Amendments to the Financing Agreement

1) The Disbursement Linked Indicators set forth in Schedule 3 to the Financing Agreement are being revised to read in entirety as set forth in *Attachment 1* hereto.

2) The withdrawal table set forth in Section V.A.2 of Schedule 2 to the Financing Agreement has been revised to read in its entirety as follows:

Category	**Amount of the Financing Allocated (expressed in USD)**	**Percentage of Eligible Expenditures to be Financed (inclusive of Taxes)**
(1) Disbursement under the Program for: DLI #1: ***(Infrastructure)*** Provision of requisite infrastructure for TE Institutions;	29,000,000	N/A

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DLI #2: ***(Institutional Capacity)*** Enhancement of capacity of TE Institutions for effective teacher education;	15,000,000	
DLI #3: ***(Quality Improvement)*** Training of unqualified teachers and professional development of all teachers through ICT solutions;	31,000,000	
DLI #4: ***(Accountability and Monitoring System)*** Teachers' management and performance effectively monitored and evaluated;	16,000,000	
DLI #5: ***(Teachers Accountability)*** Teachers accountability at school level;	38,000,000	
DLI #6: ***(Strengthened Corporate Governance)*** Program's fiduciary systems & performance; and	16,000,000	
(2) Consultants' services, Training and Workshops and Incremental Operating Costs for the Project	14,600,000	100%
Amount cancelled as of April 5, 2019	90,400,000	
TOTAL AMOUNT	**250,000,000**	

II. Amendments to the Results Framework

The Results Framework agreed further to: (a) Section III.A of Schedule 2 to the Financing Agreement; and (b) Section III.A of the Schedule to the Implementing Entity Agreement is revised to read in its entirely as set forth in *Attachment 2* hereto.

Except as specifically amended by this Amendment Letter, all other provisions of the Financing Agreement and Implementing Entity Agreement shall remain unchanged and in full force and effect.

The Association will disclose this Amendment Letter and related information in accordance with the World Bank's Policy on Access to Information. By entering into this Amendment Letter, the Recipient consents to disclosure of this Amendment Letter and related information.

Please confirm your acceptance to the foregoing by signing and dating the two originals, retaining one original for your records and returning the other original to the Association. Upon receipt by the Association of the original Amendment Letter countersigned by you, in a manner satisfactory to the Association, unless indicated otherwise, this Amendment Letter will become effective as of the date of the countersignature.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By _____
Junaid Kamal Ahmad
Country Director, India

AGREED:

INDIA

By: _____
Authorized Representative

Name: _____

Title: _____

Date: 27-05-2019

समीर कुमार खरे, आई.ए.एस./Sameer Kumar Khare, IAS
अपर सचिव/Addl. Secretary
वित्त मंत्रालय/Ministry of Finance
आर्थिक कार्य विभाग/Department of Economic Affairs
भारत सरकार/Government of India
नई दिल्ली/New Delhi

Attachment 1: Disbursement Linked Indicators (DLIs)

Disbursement Linked Indicators, Disbursement Linked Results and Allocated Amounts Applicable to the Program

DISBURSEMENT-LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS					
	RESULTS TO BE ACHIEVED IN FY2014/15 (YEAR 0)	RESULTS TO BE ACHIEVED IN FY2015/16 (YEAR 1)	RESULTS TO BE ACHIEVED IN FY2016/17 (YEAR 2)	RESULTS TO BE ACHIEVED IN FY2017/18 (YEAR 3)	RESULTS TO BE ACHIEVED IN FY2018/19 (YEAR 4)	RESULTS TO BE ACHIEVED IN FY2019/20 (YEAR 5)
1. ***Infrastructure:*** Ensuring requisite infrastructure of TE Institutions	(i) BSEIDC has established the minimum standards for the improvement of TE Institutions; and (ii) BSEIDC has prepared a priority list of at least 250 TE Institutions needing improved facilities and ICT infrastructure.	BSEIDC has completed the upgrade of 40 TE Institutions since Year 0, all in accordance with established minimum standards			BSEIDC has completed the upgrade of 110 TE Institutions since Year 0, all in accordance with established minimum standards	BSEIDC has completed the upgrade of 190 TE Institutions since Year 0, all in accordance with established minimum standards
Allocated Amounts	USD 10,000,000	USD 100,000 per TE Institution upgraded			USD 100,000 per additional TE Institution upgraded	USD 100,000 per additional TE Institution upgraded
2. ***Institutional Capacity:*** Ensuring Capacity Enhancement of TE institutions for effective TE delivery		SCERT has carried out a TEIDI baseline survey of TE Institutions and established their respective aggregate index score to determine priorities for investment.			PSC has filled in at least 75% of the sanctioned staff positions for DIETs and PTECs on regular basis.	SCERT has carried out a TEIDI end-line survey of TE Institutions surveyed in Year 1, evidencing improvements in respective aggregate index score in at least 10% of them.
Allocated Amounts		USD 5,000,000			USD 5,000,000	USD 5,000,000
3. ***Quality Improvement:*** Training of unqualified teachers and professional development of all teachers through ICT solutions	NCTE has approved the package for print based materials prepared by SCERT for the curricula of the D.El.Ed.	SCERT has commissioned a needs assessment study for the design of on-line programs for teachers' professional development.	SCERT has rolled out the D.El.Ed. open and distance learning program in 66 TE Institutions using ICT based materials.		(i) SCERT has developed a continuous professional development (CPD) strategy and at least 3 CPD modules; (ii) At least 20,000 teachers in 19 districts have completed CPD programs in at least one module	(i) At least 10,000 teachers who enrolled the D.El.Ed. ODL program, since Year 1, have successfully passed the program's final examination; and (ii) At least 20,000 teachers in 19 districts have completed CPD programs in at least one new module

DISBURSEMENT-LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS					
	RESULTS TO BE ACHIEVED IN FY2014/15 (YEAR 0)	RESULTS TO BE ACHIEVED IN FY2015/16 (YEAR 1)	RESULTS TO BE ACHIEVED IN FY2016/17 (YEAR 2)	RESULTS TO BE ACHIEVED IN FY2017/18 (YEAR 3)	RESULTS TO BE ACHIEVED IN FY2018/19 (YEAR 4)	RESULTS TO BE ACHIEVED IN FY2019/20 (YEAR 5)
Allocated Amounts	USD 4,000,000	USD 4,000,000	USD 6,000,000		USD 1,000,000 for target (i) and USD 6,500,000 for target (ii)	USD 3,000,000 for target (i) and USD 6,500,000 for target (ii)
4. ***Accountability and Monitoring System:*** Ensuring Teachers' management and performance is effectively monitored and evaluated		DR&T and SCERT has: (i) developed teacher performance indicators (benchmarks); and (ii) carried out a baseline survey thereof, on the basis of terms of reference agreed with the Association.	SCERT has updated the D.El.Ed. teacher training curricula (content and pedagogy) taking into consideration the results of the teachers performance benchmarks surveyed in Year 1.			(i) DR&T has developed a revamped TEMIS software and updated and upgraded the TEMIS' teachers training database. (ii) The average teacher performance score has improved by 10% from baseline survey of Year 1, as evidence by end line survey of Year 5
Allocated Amounts		USD 2,000,000	USD 2,000,000			USD 6,000,000 for target (i) and USD 6,000,000 for target (ii)
5. ***Teacher Accountability:*** Teachers' accountability at school level				BEOs' and BRCCs' visits reports are available for at least 50% of elementary schools.	SCERT has completed the training of SMCs (including training on a newly developed module on teacher accountability) in at least 10% of elementary schools	(i) Teachers' attendance in primary school has improved by 3% in Year 5 compared with baseline; and (ii) Teachers' attendance in upper primary school has improved by 3% in Year 5 compared with baseline
Allocated Amounts				USD 12,000,000	USD 6,000,000	USD 20,000,000
6. ***Strengthened Corporate Governance:*** Program Fiduciary Systems & Performance		BSEIDC has adopted a framework for strengthening its corporate governance including disclosure practices and a grievance redressal mechanism for the	(i) BSEIDC has publicly disclosed in its website all contracts awarded under the Program, (ii) BSEIDC has publicly disclosed in its website monthly		(i) BSEIDC has satisfactorily handled, as per approved framework, at least 80% of the grievance complaints received since the approval of the corporate	(i) BSEIDC has publicly disclosed in its website monthly physical and financial progress reports for all the contracts disclosed under the Program; and (ii) BSEIDC has

DISBURSEMENT-LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS					
	RESULTS TO BE ACHIEVED IN FY2014/15 (YEAR 0)	RESULTS TO BE ACHIEVED IN FY2015/16 (YEAR 1)	RESULTS TO BE ACHIEVED IN FY2016/17 (YEAR 2)	RESULTS TO BE ACHIEVED IN FY2017/18 (YEAR 3)	RESULTS TO BE ACHIEVED IN FY2018/19 (YEAR 4)	RESULTS TO BE ACHIEVED IN FY2019/20 (YEAR 5)
		handling of procurement complaints.	physical and financial progress reports for at least 80% of the contracts disclosed		governance framework; and (ii) The Program's expenditures for Fiscal Year 2018-19, as recorded by DR&T and computerized in CTMIS have been reconciled with AG (A&E)	implemented an enterprise resource planning system with modules for procurement, contract and financial management activities under the Program
Allocated Amounts		USD 2,000,000	USD 2,000,000 for target (i) above; USD 2,000,000 for target (ii) above		USD 2,000,000 for target (i) above; and USD 2,000,000 for target (ii) above	USD 2,000,000 for target (i) above; and USD 4,000,000 for target (ii) above

Attachment 2: Results Framework

Results Framework

Program Development Objective: ***To improve effectiveness of elementary school teachers in Bihar***

PDO Level Results Indicators	Core	DLI	Unit of Measure	Baseline 2013-14	Cumulative Target Values						Frequency	Data Source/ Methodology	Responsibility for Data Collection
					Yr 0 2014-15	Yr. 1 2015-16	Yr. 2 2016-17	Yr. 3 2017-18	Yr. 4 2018-19	Yr. 5 2019-20			
PDO Indicator 1: *Beneficiaries (elementary school teachers covered through the program including % of female teachers)*	√ ☐	☐	Number	400,000 (Female teachers: 41%)						400,000 (Female teachers: 42%)	At least 2 times during operation period including the baseline	TEMIS annual report; UDISE annual report	SCERT + BSEIDC
PDO Indicator 2: *Improved teacher performance effectively monitored through index based on scores*	☐	√ ☐	%	Baseline: Average Language score 45%, average math score 58%						The average teacher performance score has improved by 10% from baseline survey of Year 1, as evidence by end-line survey in Year 5	At least 2 times during operation period including the baseline	Third party survey report	Third party
PDO Indicator 3: *Percentage of teacher attendance*	☐	√ ☐	%	(i)Teacher attendance at primary 81% (ii)Teacher attendance						(i) Teachers' attendance in primary school in year 5	At least 2 times during operation period including	Third party sample survey report	SCERT and Directorate of Research and Training

PDO Level Results Indicators	Core	DLI	Unit of Measure	Baseline 2013-14	Cumulative Target Values						Frequency	Data Source/ Methodology	Responsibility for Data Collection
					Yr 0 2014-15	Yr. 1 2015-16	Yr. 2 2016-17	Yr. 3 2017-18	Yr. 4 2018-19	Yr. 5 2019-20			
				at upper primary 78%[1] (does not Include excused absence)						has improved by 3 % in year 5 compared with baseline; and (ii) Teachers' attendance in upper primary school has improved by 3% in year 5 compared with baseline	the baseline		
PDO Indicator 4: *Percentage of teacher positions in TE institutions filled*	☐	√ ☐	%	35% filled posts		TEIDI baseline survey completed and score index generated	60%	65%	70%	75%	Annual	Annual reports from SCERT and TEIDI survey reports SCERT	SCERT
PDO Indicator 5: *Additional qualified elementary teachers resulting from program*	√ ☐	☐	Number	3500						37000	At least 2 times during operation period including the baseline	SCERT ODL teacher database	SCERT

[1] Source: Independent Study by Ed CIL, MHRD GOI:2013

PDO Level Results Indicators	Core	DLI	Unit of Measure	Baseline 2013-14	Cumulative Target Values						Frequency	Data Source/ Methodology	Responsibility for Data Collection
					Yr 0 2014-15	Yr. 1 2015-16	Yr. 2 2016-17	Yr. 3 2017-18	Yr. 4 2018-19	Yr. 5 2019-20			
interventions (cumulative)[2]													
Intermediate Results Area 1: Physical infrastructure and use of ICT facilities in teacher education institutions													
Intermediate Results Indicator 1.1: *Number of institutions with improved physical and ICT infrastructure*	☐	√ ☐	Number	0		40			110	190	Annual	BSEIDC annual reports	BSEIDC
Intermediate Results Area 2: Monitoring and evaluation system for teachers													
Intermediate Results Indicator 2.1.: *Teacher management and attendance effectively monitored and evaluated*	☐	√ ☐						School support visits by BEOs and BRCCs (quarterly) and by and CRCCs (monthly) in for at least 50% of elementary schools	(i)SMCs trained on monitoring teacher attendance in at least 10% of elementary schools (ii) Teacher performance benchmarks translated into updated Teacher	(i)GOB has developed relevant ICT tools, and trained SMC members for effective teacher management , and monitoring (ii)Disclosure of revised And completed TEMIS teacher'	Annual	BSEIDC Annual reports+ Dept. Of Education annual reports	BSEIDC and Dept. of Education

[2] Cumulative numbers include (i) teachers certified through face- to- face regular D.EL Ed. course delivered at DIETs and PTECs and (ii) teachers trained through D.El.Ed. Open Distance Learning program

PDO Level Results Indicators	Core	DLI	Unit of Measure	Baseline 2013-14	Cumulative Target Values						Frequency	Data Source/ Methodology	Responsibility for Data Collection
					Yr 0 2014-15	Yr. 1 2015-16	Yr. 2 2016-17	Yr. 3 2017-18	Yr. 4 2018-19	Yr. 5 2019-20			
									training curricula	database on DRT website			
Indicator 2.2: *Improvement in Teacher Education Institutional Development Index scores*	☐	√ ☐	%			TEIDI baseline survey completed and score index generated				TEIDI end-line survey of TE Institutions surveyed in Year 1, evidences improvements in respective aggregate index score in at least 10% of them.	Twice during operation period	SCERT	SCERT
Intermediate Results Indicator 2.3: *Student learning outcomes monitored*	☐	☐		0		0	State of Education Bihar Report on grades 3,5 and 8 NAS survey/State level assessments	0	State of Education Bihar Report on grades 3, 5 and 8 NAS survey including trend data/ State level assessments	0	Twice during operation period	SCERT	SCERT
Intermediate Results Area 3: Fiduciary and Governance systems													

PDO Level Results Indicators	Core	DLI	Unit of Measure	Baseline 2013-14	Cumulative Target Values						Frequency	Data Source/ Methodology	Responsibility for Data Collection
					Yr 0 2014-15	Yr. 1 2015-16	Yr. 2 2016-17	Yr. 3 2017-18	Yr. 4 2018-19	Yr. 5 2019-20			
Intermediate Results Indicator 3.1: *% of procurement complaints handled satisfactorily in a timely manner. Strengthened internal audit framework established*	☐	√ ☐	%	No formal System exists Annual internal audit focused on support to financial audit.		60% Framework and ToR approved by audit committee	70% Two six monthly internal audit carried out and reported submitted to audit committee	75% Quarterly audit carried out and reported submitted to audit committee	80% Audit Committee meets at-least 4 times in a financial year	90%	Annually Annually	BSEIDC complaint handling data BSEIDC Audit committee minutes	BSEIDC BSEIDC