



THE WORLD BANK

NEPAL: SCHOOL SECTOR DEVELOPMENT PROGRAM PROGRAM FOR RESULTS



ENVIRONMENT AND SOCIAL SYSTEMS ASSESSMENT (ESSA) Final Report

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ACRONYMS AND ABBREVIATIONS

ASIP	:	Annual Strategic Implementation Plan
AWPB	:	Annual Work Plan and Budget
BPEP	:	Basic & Primary Education Project
CDC	:	Curriculum Development Centre
CLAs	:	Central Level Agencies
CSSP	:	Community School Support Programme
DEO	:	District Education Office
DEC	:	District Education Committee
DoE	:	Department of Education
DLIs	:	Disbursement-linked Indicators
DP	:	Development Partners
EFA	:	Education for All
EIA	:	Environmental Impact Assessment
EMF	:	Environmental Management Framework
GON	:	Government of Nepal
GPE	:	Global Partnership for Education
IEE	:	Initial Environmental Examination
(IA)	:	Implementing Agency
KPIs	:	Key Performance Indicators
LAF	:	Land Acquisition Framework
MEC	:	Minimum Eligible Criteria
MOE	:	Ministry of Education
NER	:	Net Enrolment Rate
NASA	:	National Assessment of Student Achievement
PPMO	:	Public Procurement Monitoring Office
PSF	:	Program Support Facility
REP	:	Request for Proposals
SIP	:	School Improvement Plan
SMF	:	Social Management Framework
SMC	:	School Management Committee
SSRP	:	School Sector Reform Program
SWAp	:	Sector Wide Approach

SWOT	:	Strengths-Weaknesses-Opportunities-Threats
approach		
TEP	:	Teacher Education Project
VCDF	:	Vulnerable Community Development Framework
WB	:	World Bank

Contents

Executive Summary.....	6
1 Introduction	15
1.1 Background	15
1.2 Education Sector in Nepal	16
1.3 Challenges.....	15
2 Detailed Program Description:	20
2.1 Government program.....	18
2.2 Program Development Objectives and Key Results.....	18
2.3 PforR Program Scope.....	19
2.4 Implementation Arrangements	29
3.0 Methodology	36
3.1 Purpose of ESSA.....	34
3.2 Methodology of ESSA	35
4 Details on Program Activities, Institutions and their Experience	38
4.1 Details of Investments	38
4.2 Existing Institutional and Implementation Arrangements	39
4.3 Experience in the World Bank Assisted Projects/Programs.....	39
5 Potential Environmental and Social Benefits, Risks and Impacts of the Program	42
5.1 Introduction	44
5.2 Assessment Observations	44
5.3 Environmental Benefits, Risks and Impacts	45
5.4 Social Benefits, Risks and Impacts.....	46
6 Description of the Program Environmental and Social Management System	47
6.1 Introduction	47
6.2 Policy and Legal Framework.....	48
6.3 Environmental Policy and Legal Framework	48
6.4 Social Policy and Legal Framework.....	52
6.5 Key Implementing Agencies and Partners	58
6.6 Grievance Redress	58
6.7 Consultation and Disclosure	59
7 Assessment of Program System Consistency with Core Principles of OP 9.00	59
7.1 Introduction	59
7.2 Analysis of Program Environment/Social System Consistency	60
8 Program Capacity and Performance (Assessment of Adequacy and Identification of Gaps)...	68
8.1 Introduction	68
8.2 Existing EMF, SMF and VCDF	68
8.3 Performance with Regard to Provisions of Legal and Regulatory Framework	69
8.4 Environmental and Social Aspects	69
8.6 Adequacy of Institutional Organization and Capacity.....	71
9 Actions to Address Identified Risks and Gaps	69
9.1 Introduction	69
9.2 Environmental and Social Gaps	69
9.3 Identified Actions	741

9.4	Program Action Plan Implementation	75
9.5	The Grievance / Complaint Redress Mechanism	77
	Annex 1: Stakeholder Consultations Report	78
	Annex 2: Results Framework.....	82

Executive Summary

In accordance with the World Bank's Policy/Directive on "Program-for-Results Financing", the World Bank has conducted an Environmental and Social Systems Assessment ESSA of Nepal's existing environmental and social management systems for the education sector. The ESSA describes the extent to which the applicable government environmental and social policies, legislations, program procedures and institutional systems are consistent with the six 'core principles' of OP/BP 9.00 and recommends actions to address the gaps and to enhance performance during Program implementation. The ESSA was undertaken to (a) identify risks and impacts associated with the Program; (b) assess the strengths and weaknesses of the legal, institutional, and implementation frameworks; and (c) recommend measures to strengthen national systems and capacity to deliver the PforR in a sustainable manner.

The ESSA assessed authority and organisation capacity of the key implementing agency, i.e., Department of Education's (DoE), to achieve environmental and social objectives against the range of environmental and social impacts that may be associated with the Program. The analysis was conducted using the Strengths-Weaknesses-Opportunities-and-Threats approach. The 'weaknesses' or gaps, are considered on two levels: (a) the system as written in laws, regulations, procedures and applied in practice and (b) the capacity of Program institutions to effectively implement the system as demonstrated by performance thus far. The analysis focused on the strengths and gaps associated with the systems in place in the education sector to address the potential environmental and social impacts commensurate with the nature, scale, and scope of operations. The methodology for conducting this ESSA was a) Baseline Information Collection, b) Field Reviews, c) Consultations, d) Public Disclosure, e) Analysis.

The proposed SSDP Program will use the government system for program implementation, oversight, financial management, procurement, safeguards, monitoring and evaluation, and reporting arrangements. MOE will serve as the executing agency (EA) and will have overall responsibility for policy guidance and oversight for program implementation. Department of Education (DOE) will be the main implementing agency (IA) with task of preparing annual strategic implementation plan (ASIP) and annual work plan and budget (AWPB) and carrying out the program activities, with support of other central level agencies (CLAs).

The School Sector Development Program (SSDP) will support activities that focuses on improving teaching-learning and equitable student learning outcomes and equitable access to basic and secondary education among others. Additionally, to support the program objectives, the program will also invest on minor physical

infrastructure works like establishment of ICT labs, establishment of new TVE facilities in secondary schools, grants for establishment of library and science lab, maintenance and retrofitting schools and construction of need-based classrooms and WASH facilities. These Government's interventions will have following environmental and social risks associated with: (a) contamination of land, water, and air through haphazard disposal (b) landslide or other forms of mass instability on the slopes (c) Water logging, poor drainage (d) Pollution, disturbance and danger from quarry operations (e) Water Quality/Quantity and sanitation (f) continued equity gap and wide variations across different population groups (g) lack of awareness, inadequate consultations, and citizen engagement, including with vulnerable groups. Under this program, most of the civil works activities are expected to be confined to the existing premise of the schools. However, there might be few exceptional cases, where additional land may be required. In such cases, the program will adhere to best practice to mitigate any losses or risks. There will be no involuntary land acquisition or forced eviction under the program. First priority will be given to use available government land, and in case of unavailability of government land, a negotiated settlement (voluntary donation of land or willing seller and willing buyer approach) will be adopted to manage the required land.

The main Government institutions with responsibilities for environmental and social management in the education sector include the following:

- **Ministry of Education (MoE)** is the main agency responsible for overall development of education in the country including formulating education policies and plans and implementing them through its departments, divisions and centers. Under the Ministry, there are five divisions, which are: i) Administrative; ii) Higher Education and Educational Management; iii) Planning; iv) Monitoring, Evaluation and Inspection and v) Education Management. MoE has issued and is implementing GESI Strategy. It is one of the few sectoral ministries, which has established special unit to implement GESI Strategy.
- **Department of Education (DoE)** holds the responsibility of the implementing and monitoring of education programs in the country through five Regional Education Directorate (RED) and 75 District Education Offices (DEO). There are four key sections in the DoE that deal with Environment and social issues: The Physical Improvement Section does planning, construction, maintenance and monitoring of the physical infrastructure. This same section deals with environmental issues as well. This section has an exclusive Environment Specialist appointed for this purpose. This section reports to Director, Planning Division. The officers at Gender Equity Development Section (GEDS) and Inclusive Education Section (IES) in the Educational Management Division handle activities pertaining to social issues which looks after the scholarships as well. The officers from these sections monitor the implementation of gender and equity related programs in the department. .

GEDs is a designated unit selected by MOE to implement GESI strategy. This section reports to Director, Education Management Division. Matters related to land and other school properties are handled by School Health, Nutrition and School Property Management Section within Administrative division of DoE.

- **The Ministry of Population and Environment (MoPE)** has a mandate to implement Environment Protection Act 2053 and Environment Protection Regulation 2054, Environmental Guidelines, Standards and Directives issued by GoN. The Ministry of Population and Environment (MOPE), one of the leading departments is responsible for harmonizing the environmental activities that complies with international obligations. It is primarily responsible for the formulation and implementation of policies, plans and programs; preparing Acts, Regulations and Guidelines; conducting surveys, studies and research, disseminating information and carrying out publicity; monitoring and evaluating programs; developing human resources and acting as a national and international focal point for environmental issues. The scope of work on environment involves current environmental issues, National Conservation Strategy, Nepal Environmental Policy and action Plan and functions relating to promote sustainable development, preserve the quality of environment – including air, water and soil.
- **The Ministry of Federal Affairs and Local Development (MoFALD)** plays the role of coordination, cooperation, facilitation and monitoring and evaluation of activities undertaken by local bodies and contributes to poverty reduction by mobilizing local means and resources, utilizing skill and technology to the optimum level and creating employment opportunity. Besides this, it also does the capacity building of local government through local self-governance and contributes to promoting local good governance. As per the Government of Nepal (Allocation of Business) Rules, 2012 the MoFALD is responsible for formulation, implementation, monitoring and evaluation of policy, plans and programs relating to sewerage and sanitation.
- **District Education Office:** This office consists of The District Education Officer, Deputy Education Officers, Engineer, Sub-Engineers, Technicians and support staff. Together they plan for school improvement, coordinate the implementation with SMCs, supervise implementation and monitor progress and report to DoE.
- **School Management Committees:** There is provision of School Management Committee (SMC) in Education Act to manage and mobilize physical, financial and human resources, operate, monitor and supervise the school. A parent chairs the SMC. The chairperson and two members are elected among the parents. Participation of more than 50% members from the community has tried to ensure community ownership for managing conducive learning environment, utilization of local expertise and resources. SMC has given the authorities to develop and implement school development plan.

The Environment Protection Act (1997), National Environmental Guidelines for School Improvement and Facility Management in Nepal, 2004, The Building Act, 2055 (1998), revised 2007, Local Self-Governance Act, 1999 and Regulations 1999, Solid Waste Management Act (2011), Gender Equality Act, 2006, National Foundation for Upliftment of Adivasi/ Janjati Act, 2002 and National Legal and Policy Framework Relating to GESI, Land Acquisition Act 1977 and so on, are the primary legislations that support environmental and social management in the education sector in Nepal.

The ESSA found that the Legal and Regulatory framework governing the education sector is satisfactory in terms of the provisions enlisted for creating a safe environment for school users and safeguarding the environment from pollution and unsustainable exploitation. In addition, the borrower has sector experience in implementing education projects. However, their capacity in implementing environmental and social aspects of education projects is rather limited. The implementation of the existing legal and regulatory provisions faces some challenges due to i) absence of Budget for Environmental Improvements ii) need for environmental and social human resource capacity at district level and central level.

The ESSA concludes that the environmental and social impacts are low. Overall, the analysis indicated that four of the six Core Principles were applicable to this program and the assessment of Program system clearly brings out the gaps and the opportunities to strengthen the system. The findings are:

<p>Core Principle # 1: Promote environmental and social sustainability in the Program design; avoid, minimize, or mitigate adverse impacts, and promote informed decision-making relating to the Program's environmental and social impacts</p>
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Findings:

- Informed decision making relating to the environmental issues in the education sector is evident in the GoN's policies and programs. The country's Education Act (2001) and NEGSIFMN (2004) focuses on safe and sustainable school development and management.
- The country has well-defined legal/regulatory systems for safeguarding environment and ecologically significant areas from pollution, for excluding activities that are likely to have significant adverse impacts on eco-sensitive areas, forest and hilly areas and wetlands.
- The sector has developed and applied EMF and SMF, introduced for previous SSRP, in all projects executed by the Ministry however it needs to be updated .

- The School Management Committees are functioning well and are taking up the responsibility of school development.
- The country has experience of integrating rules and procedures for environmental and social management in the previous SSRP projects. Strengthened environmental and social management rules and procedures have been developed by GoN to be rolled out through the Program.
- Addressing the environmental management depends on capacity building of the key sector organizations both in terms of human resources and training, and strong monitoring.
- There is a need to strengthen the existing environment and social monitoring system.

Core Principle # 3: Protect public and worker safety against the potential risks associated with: (i) construction and/or operations of facilities or other operational practices under the Program; (ii) exposure to toxic chemicals, hazardous wastes, and other dangerous materials under the Program; and, (iii) reconstruction or rehabilitation of infrastructure located in areas prone to natural hazards.

Findings :

- The country has also issued guidelines/regulations on aspects concerning public and worker safety risks from construction/operation of facilities from time to time.
- The legal/regulatory system in the country includes provisions for safeguarding ecologically significant areas from pollution and is thus applicable to regulating the disposal of toxic chemicals, hazardous wastes, etc. As such, such materials will not be used in the program works.
- Implementation capacities need to be strengthened for better monitoring quality and environmental and social compliance.

Core Principle # 4: Manage land acquisition and loss of access to natural resources in a way that avoids or minimizes displacement, and assist the affected people in improving, or at the minimum restoring, their livelihoods and living standards

Findings:

- The DoE is familiar with the social safeguards requirements; by way of implementing the previous SSRP program.
- The physical investments are expected to be limited to existing school premises. When land is required, in practice, preference is to provide

government land free from encumbrances, or purchase at negotiated rates (by SMC), or through voluntary land donation.

- Grievance Redress Mechanism is in place for all types of grievances including land related, if any.
- The sub-project cycle for each investment includes processes to be followed and documented for land requirement which will be audited by Social Audit and findings shared with all stakeholders. This is further detailed in Program Implementation Manual (and in framework for land procurement through voluntary donations and willing seller-willing buyer).
- There is no systematic handling and documentation of voluntary land donation to avoid disputes.
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Core Principle # 5: Give due consideration to the cultural appropriateness of, and equitable access to, Program benefits, giving special attention to the rights and interests of the Indigenous Peoples and to the needs or concerns of vulnerable groups

Findings:

- Policy framework as well as a political commitment to gender and social inclusion has led to integration of GESI into the system.
- Special units responsible for handling inclusion issue are established
- Consolidated Equity Strategy developed by MoE under SSRP recognizes the need to address GESI issues.
- The proposed activities under SSDP are aligned to the consolidated equity strategy under SSRP. The SSDP includes, among others, segregated education services to the children with disabilities through inclusive education models, supporting disability friendly physical infrastructure in schools.
- EMIS, a data management system to monitor progress, collect disaggregated data by gender, this is in place.
- The legal/ regulatory system is satisfactory to promote decentralized planning, implementation and social accountability. In addition, special provisions exist to safeguard the interest of the vulnerable including Janjatis.
- A comprehensive communication program is developed for free, prior and informed consultation which covers strategy, Information, Education and Communication (IEC) material (print, electronic and local tools) and operational manual that details out step by step activities to be implemented, roles and responsibilities of all implementing partners. To deepen decentralized decisions making process – social mobilization, mobilization of women, facilitate preparation, implementation and post implementation of investment plans.

- Strengthened transparency and accountability includes display information of all activities including cost, at prominent and public places in the wards, form social audit committee that is representative of all ward and women, develop simple formats for reporting findings at planning, implementation and post-implementation. Grievance Redress system will be established and support provided for conflict management at village level. Capacity Building will include hiring staff and conduct training according to the annual plans.

The Program provides an opportunity to strengthen systems and at the same time the Program is expected to deliver a number of environmental benefits. Over-all, the risk assessment and screening suggests that the environmental and social impact of the Program is likely to be low. While the existing system includes codes/norms for building design and construction there is a need and scope for mainstreaming and strengthening requirements and practices on the ground. The implementation of existing provisions, particularly those related to creating and maintaining sustainable and safe building infrastructure faces some challenges. It also identifies the capacity building needs of the key sector institutions with respect to environmental and social management.

Overall, the ESSA shows that the state's Environmental and Social systems are satisfactory for the Program implementation. But these systemic outcomes will be achieved through establishing institutional mechanisms and arrangements for implementation, allocating budgets, coordination, and monitoring; enhancing institutional capacity through training and better guidelines.

Monitoring and supervision of due diligence measures related to environmental and social issues will be a part of World Bank supervision. Discussions and consultations carried out as part of the ESSA analysis indicate a commitment, agreement, and willingness by the GoN, donor partners, and NGOs to address issues that are threat to the environment. The findings of the ESSA and the recommended measures and action plans were discussed with a wide range of stakeholders. The identified actions for environmental and social management have been provided below:

Proposed Action Plan

The proposed action plan will assist in strengthening the MoE's procedures and capacity for managing the environmental and social issues with regard to implementation of the Program. The identified action is - 'Implement strengthened environmental and social management rules and procedures for the Program, supported by necessary capacity building measures to the sector institutions'.

Based on the analysis, the ESSA identified the following main areas for action in order to ensure that the Program interventions are aligned with the Core Principles 1, 3, 4 and 5 of the Policy for improved environmental and social due diligence. The main two critical actions have also been included the Program Action Plan.

Subaction Description	Deadline	Responsible Party	Completion Measurement
(a) Revising the EMF and SMF (Land acquisition framework and vulnerable community development framework), duly including <ul style="list-style-type: none"> a) An Environmental Social Due Diligence Procedure; b) Environmental and Social Screening Formats; c) Grievance Redressal Mechanism; d) Monitoring, evaluation, and audit arrangements with indicators: annual environmental and social performance reporting by the DOE and biannual external environmental audit by third-party consultants; e) Guidelines and formats for land donation and purchase; and f) Technical guidelines on good environment management practices concerning siting, design, operation and maintenance, and so on of schemes/interventions. 	Approval of revised EMF and SMF by March 2017; Implementation starting in first year	MOE, DOE	Formal endorsement of strengthened EMF and SMF by the MOE. Environmental and social management rules and procedures and technical guidelines included in the Program Implementation Guidelines
(b) Provision of Environment and Social Budget in the SIPs for water supply, sanitation, solid waste management, IEC, and so on	Formal endorsement by the MOE and DOE by March every year; Implementation starting in Year 1	MOE, DOE	Formal endorsement of Environment and Social Budget in Program Implementation Guidelines
(c) Systems to promote social accountability <ul style="list-style-type: none"> (i) Strengthened SMCs and forming social audit committees to audit SIPs (ii) Strengthening Communication Program and IEC for dissemination of information. 	Formal endorsement by the MOE completed; Implementation starting in Year 1	MOE, DOE	Formal endorsement of systems to promote social accountability and strengthened Communication Program and IEC in the Program

Subaction Description	Deadline	Responsible Party	Completion Measurement
			Implementation Guidelines
(d) Capacity building as part of TA (i) Strengthening of staffing, Environment and Social Development Specialists at the district level at the DEOs (ii) Training, as a part of the overall training program of the SSDP under the TA	Confirmation of the staffing recruitment by the MOE by June 2017; Staff to continue till Program lasts.	MOE, DOE	Formal communication from the MOE confirming staffing of specialists to facilitate implementation of environmental and social management rules and procedures. Formal endorsement of Capacity-Building and Training Plan in the Program Implementation Guidelines. Training implemented on the basis of a detailed training calendar.

1.0 Introduction

1.1 Background

Nepal presents unique challenges and opportunities for development. Situated between two of the world's fastest growing economies, India and China, with a per capita Gross National Income of US\$762 (2015), Nepal remains among the poorest countries in the world. At the same time, the country has made significant progress in poverty reduction and human development. Nepal has also attained the first Millennium Development Goal (MDG) of halving extreme poverty ahead of time. The percentage of people living on less than US\$1.25 per day fell from 53.0 percent of the population in 2003/2004 to 25.0 percent in 2010/2011, within a span of just seven years. According to the National Poverty Line, the poverty headcount fell from 30.8 percent to 25.2 percent during the same time period (Central Bureau of Statistics (CBS), 2003/04, 2010/11). It has achieved gender parity in school education, a significantly larger proportion of population today has better access to water and sanitation services, electricity and tele-connectivity; and markedly smaller share of children are malnourished and overall child and maternal mortality rates have declined as well. However, the twin shocks of mega earthquakes (April-May 2015) and a massive disruption of trade (September 2015–January 2016) have resulted in a huge toll on people's livelihoods, likely pushing more people to poverty across both income and non-income measures.

Nepal continues to transition from a post-conflict status and through a complex and challenging political landscape. Newly promulgated constitution's emphasis on political decentralization and the development of a federal structure appears to reflect political commitment to greater inclusion. At the same time, lack of consensus over the specifics of federalism has resulted in political uncertainty and social tension. Amidst all this, Nepal stands out for a relatively stable macroeconomic performance in recent years notwithstanding the recent dip due to dual shocks of earthquakes and trade disruption.

The Government's Development Strategy 2030 aspires to have Nepal graduate from the status of least developed country by 2022 and achieve SDGs and become a middle income country by 2030. The newly adopted constitution has guaranteed free education up to secondary level. Through the fourteenth plan (FY2016/17–FY2018/19), the Government aims to elevate access to secondary education, improve quality of education and efficacy of the education system to produce skilled manpower, as well create conducive environment for transformational development

by focusing on expansion of infrastructures and power. It is within this framework that the government has recently launched a seven-year school sector development plan, which focuses on enhancing quality.

1.2 Education Sector in Nepal

Nepal has made impressive gains in the school education sector in terms of access, equity, and completion rates during the past two decades. Administrative data from the Government's education management information system (EMIS) indicate that the Net Enrolment rate (NER) for primary education has increased from 71.0 percent in 1998 to 96.6 percent in 2015 (NER among the girls has increased from 61.0 percent to 96.3 percent in the same period). Primary cycle completion rate has increased from 58.0 percent in 2004 to 80.6 percent in 2015; and the percentage of out-of-school children among 5-12 year olds has decreased from 21.0 percent to 14.8 percent between 2004 and 2012 (CBS, 2011). Gender parity in NER at the primary, basic and secondary levels has already been achieved.

Similarly, disparities in education access across income groups and ethnic/caste groups have decreased significantly during this period. Much of this significant progress in educational indicators can be attributed to a series of national level programs and projects in the school sector undertaken by the country. These include the Basic Primary Education Projects (BPEP I, 1992-1998 and BPEP II, 1999-2004), Education for All Program (EFA, 200409) and the recently closed School Sector Reform Program (SSRP, 2009-16), implemented by the Ministry of Education (MOE) through a Sector Wide Approach (SWAp), with financial contributions from the Government of Nepal (GON) and a group of Development Partners (DPs), including the World Bank. The school sector has benefited from a national program harmonized across financing support and across strategic reforms and interventions at all levels of school education, along with common monitoring and reporting arrangements.

The expansion of education services has been accompanied by significant increases in inputs. Between 2002 and 2015, the number of schools in the country increased by 30 percent, leading to a decrease in commute time to schools. During the same time period, the number of teachers increased by 76 percent, as a result the pupil teacher ratio (PTR) declined from 36 to 25. The percentage of fully trained teachers has also increased. In particular, while only 31 percent of the primary teachers were fully trained in 2004, 92 percent had been trained by 2015.

The progress reflects strong and continued government commitment to reforms and inclusion. Two reforms in particular have been instrumental in transforming the

landscape of education landscape in Nepal: (i) decentralization of education service delivery; and (ii) introduction of targeted demand-side programs, both of which have been supported by the World Bank. The Seventh Amendment of the Education Act 2001 strengthened the ability of communities to establish and manage schools, provided they have a functional and accountable school management committee (SMC). The process of engaging communities in school management started in 2002, and the process of transferring the management of schools to communities began after 2003, supported partly through the World Bank's Community School Support Project (CSSP). This decentralization marked a crucial departure in national education policy and has been a powerful force for expanding access¹.

The second reform that has been instrumental in enhancing equity and inclusion is the expansion of demand-side intervention schemes including per child financing and scholarships. This reform has played a crucial role in helping bring children from marginalized groups to schools, through scholarship programs for female students and children from disadvantaged caste/ethnicity groups, income² and geographic regions, provision of free textbooks, and provision of salary and non-salary PCF-based grants for quality enhancement.

Other key achievements under SSRP include initiation and completion of several rounds of national assessment of student achievement (NASA), initiation of Early Childhood Education and Development (ECED) as an important element of basic education and early grade reading program, continued implementation of EMIS to regularly collect school level data, which are being used for planning purposes, including for the allocation of per child financing (PCF) to schools and Department of Education (DOE)'s bottom-up budgeting process whereby district education offices make budget proposals through their district level annual work plans and budgets, which in turn are informed by school improvement plans submitted by schools.

Gender equality and social inclusion (GESI) are political priorities across GoN are manifested in the policies and institutional arrangements. The MOE has developed GESI strategy and established a dedicated unit to implement GESI. Nepal's School Sector Development Program (SSDP/ 2016-2022) also aims to reduce inequity in access, participation in education system and improve quality of learning outcomes.

¹ Findings from an impact evaluation suggest that community management helps reduce the share of out-of-school children, increase the grade progression rate, and enhance community participation and parental involvement.

² Also includes a pilot on financial support for meritorious and needy students of secondary level students through proxy means testing (PMT) based selection of beneficiaries.

1.3 Challenges

Despite the achievements, much remains to be done on learning outcomes, equitable access, and system strengthening. And the most pressing challenge going forward is low and unequal quality of school education at basic and secondary education. Low learning outcomes are evidenced in a variety of ways, most notably from the very low levels of competencies found in Grade 3, 5 and 8 National Assessment of Student Achievement (NASA). Analysis of data from 2011-14 NASA results from Grade 3, 5 and 8 in mathematics, reading and science shows that students' capacity to solve tasks requiring higher ability is very low . While students in general are able to provide correct answers to recalling facts and definitions in basic numeracy and literacy, on average fewer than 20% of students can master their respective competencies in problem solving, reasoning and other higher order applied knowledge. It should be noted that while several rounds of NASA have been carried out in the last five years, the system is yet to mature and the next round of NASA (for 2016/17) is expected to be fully nationally representative and competency-based. Furthermore, learning outcomes vary significantly by geography, school and individual/ household characteristics. Analysis of inequality in student achievements, using NASA data, indicate that such inequality is large and is mostly associated with parental background (incomes, occupation and social group), geographical location and school types (lower for community schools compared to private schools) . Further evidence is seen from the low pass rates in national level board examinations in grades 10 (School Leaving Certificate, SLC) and 12 (Higher Secondary Education Board, HSEB). These high stake examinations results, however, do not necessarily provide reliable and valid measures of learning levels, since they are volatile from year-to-year and are not sufficiently standardized for over-time comparison. The average end-of-grade 10 SLC pass rates have generally ranged between 30 and 60 percent, with only 47 percent of the students passing the exams in 2015. The pass rates for grades 11 and 12 have remained below 40 percent and 50 percent respectively, and the higher education (bachelor and above) pass rate in 2012 was only 30 percent . These examination results are more of an indicator of large internal inefficiencies, and inequitable screening at higher grades biased against students from disadvantaged communities.

Some of the underlying factors associated with low levels of learning include: (a) current school education curriculum, particularly that of secondary, does not cater to the needs and aspirations of diverse student populations; (b) the current public examinations (grade 8, 10 and 12) tend to encourage rote learning-based educational practices but not build students' cognitive competencies and non-cognitive skills like problem solving, are not standardized for over-time comparison, and are disproportionately biased against students from disadvantaged backgrounds and fail a large number of them every year; (c) non-existent or minimal incentives have

rendered otherwise good policies ineffective (i.e. good policies such as the decentralization of school management to SMCs directly elected by parents have stumbled during implementation because centrally recruited government teachers have not been accountable to local SMCs in the absence of adequate incentives for compliance and/or disincentives to prevent non-compliance); (d) inadequate teacher performance management system (the current system does not even monitor teacher's time-spent-teaching). Since teacher salaries are the most expensive budget item in the education sector, poor teacher management becomes the single most important factor that bleeds public resources intended for quality education.

The second challenge is associated with non-negligible incidence of out of school status of school-aged children (in basic education education), and low transition to and retention in secondary school particularly for children from disadvantaged backgrounds. While enrollment rates at the basic level have increased tremendously in general, there are close to 500 thousand out-of-school children (OOSC) - 14% of 5-12 year olds - from mostly disadvantaged backgrounds. More than half of these out-of-school children are from 10 Terai districts. Of each 100 children who start at grade 1, only 17 complete grade 10, reflecting low retention particularly at secondary school. Children from economically poor households and from certain geographic areas are much less likely to transition to secondary schooling.

The third challenge is systematic constraints facing the school sector and these include: (a) there is considerable scope to enhance reliability and utilization of EMIS data and M&E systems (self-reported EMIS data is still without independent verification process), (b) there is potential to significantly improve the school grants management system by making grants allocation based on robust funding formula, introducing performance-based component, building a system to verify compliance on funds eligibility and utilization, and (c) there is evidence of poor financial management practices and weak internal control environment across all levels, as seen from recurring incidence of audit observations and declaration of ineligible expenditures, and there is an urgent need to substantially strengthen the fiduciary system including implementation capacity across all levels.

The proposed PforR program aims to address these above challenges through a results-based Program by focusing on quality improvements and system strengthening.

2.0 Detailed Program Description:

2.1 Government program

Building on the progress made under the country's Education for All program (EFA 2004–2009), and School Sector Reform Program (SSRP, 2010-2016), the Government of Nepal has prepared a seven-year School Sector Development Plan (SSDP, FY2017–FY2023) in close consultation with stakeholders including development partners. SSDP is expected to contribute directly towards country's aim to attain middle-income country status by 2022 and to meet the sustainable development goal (SDG) targets for education by the year 2030.

2.2 Program Development Objective/s (PDO) and key results

The Program Development Objective (PDO) is to improve the quality, equitable access and efficiency of basic and secondary education in Nepal by supporting the Government's SSDP program.

The following Key Performance Indicators (KPIs) are proposed to measure achievements towards PDO. These outcome indicators are part of the results-chain shown in figure A1.1. A detailed results framework is shown in Annex 2.

Improved quality of education

- Percentage of students displaying grade-level competency on core subjects in Grade 8 measured through national assessment of student achievement (NASA)
- Share of schools tracking teacher time-spent-teaching
- Survival rate to Grade 8 and to Grade 12 (disaggregated by gender)

Increased Equitable Access

- Net Enrolment Rate (NER) in Basic and Secondary Education in 15 most disadvantaged districts as ranked in the equity index (disaggregated by gender)

Improved Operational Efficiency

- Improved compliance and utilization of publicly allocated school funds (measured by percentage of funds disbursed to schools in compliance with eligibility and utilization guidelines)

2.3 PforR Program Scope

The scope of the proposed Bank's PforR Program would be to support the time-slice of the Government's 7-year SSDP plan. The World Bank Program is clustered around three SSDP results areas. The program will annually benefit over 7 million students and over 180,000 teachers and ECED facilitators in over 30,000 community schools and centers across the country. PforR program scope is in table A1.1 below.

Figure A1.1: National SSD Plan and World Bank PforR Relationship

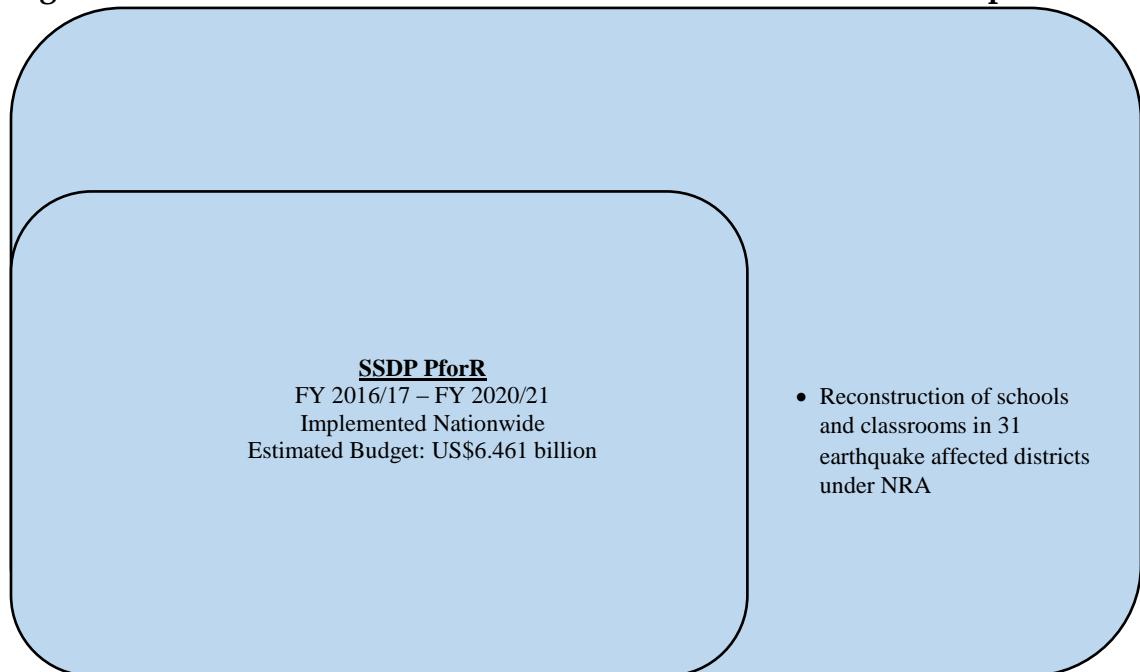


Table A1.1: PforR Program Scope

Item	Government Program	Program Supported by PforR
Title	School Sector Development Plan (SSDP)	School Sector Development Program (SSDP)
Implementation Period	FY2016/17 – FY2022/23	FY 2016/17–FY2020/21
Geographic scope	Nationwide	Nationwide
Objective	Purpose: To improve equity, quality, efficiency, governance and management of the education sector	PDO: To improve the quality, equitable access and efficiency of basic and secondary education in Nepal by supporting the Government's SSDP plan
Activities or outputs	<ul style="list-style-type: none"> • covers all levels of school education: one year of ECED/pre-primary education, basic education (grades 1-8) and secondary education (grades 9-12). • finances both the recurrent (salaries and remuneration of teachers and administrative staff, central and field level organization and management costs) and the development expenditures covering all MOE activities related to the school sector excluding teacher pension and non-school based technical and vocational education. • Development expenditures includes school grants, student scholarships, textbooks and learning materials, infrastructure, curriculum and material development, information and communication technology (ICT), teacher professional development, teacher qualifications upgrading and capacity strengthening activities. 	<p>Same as the Government Program, excluding reconstruction of schools in 31 earthquakes affected districts, and with a particular focus on</p> <ul style="list-style-type: none"> • enhanced teaching-learning through revision of curriculum, reforms in assessment and examination system, provision of block grants to unaided schools and performance grants to community schools, improved teacher re-deployment and time-on-task; • reduced disparity in access and participation through targeted programs including out-of-school children scheme at basic level and pro-poor scholarship at the secondary level; • strengthened education system through enhanced fiduciary management system, grants management system, and EMIS system.
Program expenditure	\$11.312 billion (FY2016/17-FY2022/23) including reconstruction of schools in 31 earthquake affected districts.	\$6.461 billion (FY2016/17-FY2020/21)
Financiers	Government of Nepal, World Bank, ADB, Australia, EU, Finland, GPE, REACH MDTF, JICA, Norway, UNICEF, USAID, WFP and national and international NGOs	Government of Nepal, World Bank, ADB, Australia, EU, Finland, GPE, REACH MDTF, JICA, Norway, UNICEF

The PforR Program is clustered around three SSDP results areas: (i) Improved teaching-learning and student learning outcomes; (ii) Improved equitable access to Basic and Secondary Education; and (iii) Strengthened education system, sector planning, management and governance. A subset of the SSDP Program interventions, outputs, and outcomes across the three results areas are chosen as the Disbursement Linked Indicators (DLIs) with the World Bank funding linked to the achievements of these DLIs (**Table A1.2**). This allows for a more targeted focus on the strategic and critical elements that will help improve the quality of education and enhance the overall performance of Nepal's school sector.

Table A1.2: Proposed DLIs under the three results areas

Results Area	DLIs
Results Area 1: Improved teaching-learning and student learning outcomes	<ul style="list-style-type: none"> National Curriculum Framework (NCF) revised and implemented [DLI 3] Examination and assessment reforms undertaken [DLI 4] Improved school management and accountability system [DLI 5] Improved teacher management and accountability [DLI 6]
Results Area 2: Improved equitable access to basic and secondary education	<ul style="list-style-type: none"> Improved equitable access to basic and retention in secondary schools [DLI 2]
Results Area 3: Strengthened education system, sector planning, management, and governance	<ul style="list-style-type: none"> Strengthened governance, fiduciary management, data systems, and institutional capacity for results-based program implementation [DLI 1]

The three SSDP result areas under PforR are described below:

Results Area 1: Improved teaching-learning and student learning outcomes (US\$4,566 million)

To move the quality agenda forward, SSDP aims at carrying out a number of reforms focusing on student learning and improving teaching-learning through shifting from textbook-focused and lecture-oriented process to a child-centered one fostering development of core skills and creative thinking. The key elements of the reforms are presented in the subresults areas below:

Subresults Area 1.1: Investing Early - Improved ECED/PPE and Implementation of National Early Grade Reading Program

Two sub-results areas that are associated with ‘investing early’ are (a) Improved and quality ECED services, and (b) National Early Grade Reading Program (NEGRP). As per the provision in the EAEA, 2016, SSDP would support strengthening the one-year ECED/preprimary class with provision of qualified and trained ECED/PPE facilitators by ensuring that all new ECED facilitators have minimum educational qualifications (SLC graduate) and one-month training (including on the development of Nepali and mother tongue language skills). It would support rationalization and expansion of school-based ECED/PPE (mapping and relocation of ECED/PPE centers with a focus on marginalized communities and remote areas) with aim to reduce disparities in school readiness. In addition, SSDP will also support development and distribution of appropriate learning materials and strengthen parental and community engagement through parental education programs as well as orientation programs on ECED/PPE to local levels and communities. To strengthen the reading skills of students in the foundation years (Grades 1–3) enabling further learning outcomes throughout the school

education cycle, SSDP would support the rollout of NEGRP, which consists of provision of free textbooks and supplementary EGR materials, teacher training in EGR, book corners, in all community schools in 38 districts. In **addition, sample-based classroom-based EGR assessment would be carried out and the findings of the assessment would feed into further improvement of EGR materials (GPE DLI³).**

Subresults Area 1.2: National curriculum framework (NCF) revised and implemented (DLI 3)

The first NCF was adopted in 2007 based on grade-specific competencies. Under SSDP, a revised comprehensive national curriculum framework for school education (ECED/PPE to Grade 12) would be formulated to ensure vertical and horizontal linkages across levels and subjects and **would include a review of the curricula load – including meeting the diverse learning needs of students with diverse abilities, aptitudes and career aspirations, and diversification of courses at the secondary level - and relevance at all levels.** Existing curricula and textbooks for Grades 9–10 will be reviewed and revised in order to inform the diversification of curriculum, which will include reduction in number of compulsory subjects and adjustments in compulsory science and mathematics subjects with a provision of at least two levels (with regard to subject content and difficulty) of compulsory science and mathematics subjects (students will be able to choose, based on their ability and aptitude, between the two levels of science and math courses). Based on the revised curriculum framework, textbooks will be systematically revised over the course of SSDP period. Other teaching and learning materials supportive to acquiring the various skills of the curriculum will be identified and promoted and teacher preparation and training on the new curriculum will be carried out. The revised curriculum that caters to the needs of secondary students with diverse learning needs will be implemented starting from Grade 9.

Subresults Area 1.3: Assessment and examination reforms undertaken (DLI 4)

To improve student assessment and examination system, SSDP would support (a) operationalization of the recently established NEB which is responsible to conduct annual board examinations at the end of Grades 10 and 12, (b) standardization of Grade 10 annual board examination, (c) institutionalization of NASA at the ERO and strengthening and capacitation the ERO by signing partnership with international and national agencies, (d) design and administration of competency-based NASA in Grades 5, 8 and 10, (e) development of standardized test items (item bank) for Grades 5, 8, and 10 to be utilized for NASA and board examinations, (f) analysis of results from NASA tests and

³ GPE DLI refers to the DLI in the World Bank administered GPE TF co-financing approved by the World Bank as AF in 2016.

standardized public examinations and utilization of findings to inform corrective actions, and (g) implementation of the single subject certification policy for Grades 11 and 12.

Subresults Area 1.4: Improved school management and accountability system (DLI 5)

To improve school management and accountability, the Program will use a two-pronged approach. First, block grants scheme to support unaided community schools (without government teacher positions or teachers under deputation) will be piloted in 500 schools during the program period. Under the scheme, eligible unaided schools will be provided with block grants to meet teacher salaries and operating expenses provided they meet minimum accountability requirements (social audit, EMIS, monitoring TST, and functional SMC and PTA). Second, performance-based grants scheme will be made available to community schools meeting the minimum accountability requirements referred to above and to unaided schools receiving block grants to incentivize improved governance and management, and outputs/intermediate outcomes/outcomes. Under this scheme, eligible schools will receive performance grants provided they meet minimum threshold performance levels with regard to indicators on TST, student attendance rate, retention rate, textbook availability and separate toilets for girls, and so on. In addition, community secondary schools offering science stream at Grades 11 and 12 will be supported through incentives and enhanced grants. It is expected that at least 7,500 community schools (including unaided schools) will receive performance grants by the end of SSDP. To operationalize these grants, the grants manual will be revised with provisions for these grants. These are new initiatives under the SSDP and as such will be implemented in phases.

Subresults Area 1.5: Improved teacher management and accountability (DLI 6) and professional development:

SSDP focuses on interventions for ensuring quality and needs-based teacher professional development and performance-based and accountable teacher management. To achieve this, two important strategies are envisaged; (a) redeployment of teachers, and (b) development and implementation of school-level monitoring system of TST. Availability of adequate teachers at all levels (including subject teachers in upper basic and secondary level) will be ensured through rationalizing the supply of teacher at the school level, redeployment of teachers as per student-teacher norms. The program would support (a) review and revision of teacher redeployment policy and guidelines and its effective implementation, (b) preparation of guidelines to improve teacher accountability (TST and teacher absenteeism), and (c) implementation of TST monitoring system. In addition, SSDP will also support teacher professional development through provision of mandatory induction training for newly recruited teachers and in-service training to enhance teacher competencies and skills.

Other Subresults Areas

ICT-enabled teaching-learning subresults area aims to systematically assimilate ICT in school education to improve teaching and learning for Science, Math & English through, among others, provision of ICT infrastructure in selected schools and enhancement of teacher competencies in ICT. *Technical and Vocation Education (TVE) stream in secondary schools* subcomponent provides TVE stream in select secondary schools with aim to expand TVE opportunities for students from low socioeconomic backgrounds. *Model schools subcomponent* supports the development of up to 540 existing secondary schools into model schools with a well-defined governance and management framework and financing modality through the provision of selected inputs such as separate school head, full set of subject teachers, disaster resilient infrastructure, water and sanitation facilities, ICT facilities for teaching-learning, science lab, and library in order to improve teaching-learning, especially science and math teaching from lower secondary level. These schools would develop as demonstration sites for whole school improvement and improved learning outcomes. Provision of residential facilities will also be ensured in selected schools to enhance equitable participation of poor and marginalized community children.

In addition to the above mentioned strategic interventions/reforms on quality, SSDP also finances provision of: (a) remuneration for ECED/PPE facilitators; (b) salaries and benefits for basic and secondary school teachers in government teacher positions; (c) PCF and *rahat*⁴ (temporary relief) salary grants for basic and secondary school teachers; (d) free textbooks for students from Grades 1–10 financed through PCF-based grants to schools and provision of free textbooks to targeted students from Grades 11 and 12; (e) need-based establishment of library and science labs in secondary schools and grants for book corners and additional materials for schools with library; and (f) the use of mother tongue as medium of instruction in early grades.

Results Area 2: Improved equitable access to basic and secondary education (US\$965 million)

Despite the remarkable achievement in access agenda under SSRP, equitable access for the marginalized children remains a priority under the SSDP alongside strengthening the quality of education. The program aims to increase the basic NER from the current level of 89 percent to 97 percent and the secondary (Grades 9–12) NER from 38 percent to 53 percent by the end of the program period.

Subresults Area 2.1: Reduction in Number of out of school children (DLI 2)

While the NER at the basic level increased significantly during the SSRP period, there continues to be a large number of OOSC. Moreover, the survival rate at Grade 8 in 2015–

⁴ By 2018, it is expected that all existing temporary “*rahat*” teachers will either leave the system by accepting the golden handshake provision provided by the Government or re-enter the school system as a permanent teachers by passing the Teacher Service Commission (TSC) exam.

2016 stands at about 77 percent. In this context, SSDP aims at providing primary education to OOSC using flexible service delivery approach. OOSC program covers both types of children (a) those who never attended school and (b) those who attended school but dropped out. Based on equity index prepared recently, 10 priority districts have been selected for OOSC program intervention. The OOSC program in the targeted districts will use a two-pronged approach - school-based approach and nonformal learning center (LC) based approach. The guidelines and manual on OOSC will be revised and updated, including development of diverse nonformal education (NFE) packages for OOSC aged 5-12, special packages for children with disabilities (CwDs), working youths, and bridging courses for reentry into formal education. The school-based approach to reduce OOSC number will employ enhanced scholarships, enrollment campaigns and other incentives. The nonformal learning-based approach will use the different types of LCs to reach out to OOSC and implement OOSC program. The program will also strengthen the LCs and focus on the capacity development of its staff. In addition, database of OOSC will be established as part of EMIS to identify and track OOSC on an ongoing basis to inform targeted programs.

Subresults Area 2.2: Integrated Pro-poor Scholarship and Pro-science scholarship Scheme implemented (DLI 2)

SSDP will support the equitable access and inclusion objective through the reforms in the scholarship schemes, introducing pro-poor targeted scholarship scheme in secondary education in the beginning. SSDP will support pro-poor targeted scholarship (PPTS) and a pro-science scholarship (PSS) schemes in secondary education. Mechanism to select pro-poor student and distribution of scholarship amount will be developed and implemented in a phased manner.⁵ Pro-poor targeted scholarship will be initiated from Grades 9 and 11 in 25 districts and will expand to include more districts as well as students from Grades 10 and 12. PSS scheme for eligible economically poor students (those opting for science subjects in Grades 11 and 12) will also be implemented, in a phased manner starting from Grade 11 in 25 districts. All scholarships would be conditional on minimum level of attendance and promotion to next grade for continued eligibility.

Other Subresults Areas

DRR subresults area aims to enhance schools' physical infrastructure and provide children a safe, secure and conducive learning space. It builds on the comprehensive school safety framework and the master-plan that was developed during the SSRP. Under SSDP, the comprehensive school safety framework and DRR will be mainstreamed in the

⁵ Options to select the pro-poor scholarship recipients are (a) use of poverty card from Ministry of Cooperation and Poverty alleviation (MOCP) to identify poor students and (b) use the PMT tool used by SFAFDB to provide pro-poor targeted scholarship in higher education.

education sector by strengthening school-level disaster management and resilience among communities. While DRR subcomponent in 31 earthquakes affected districts is implemented by NRA and not part of the PforR boundary, DRR subcomponent in the 44 non-earthquake-affected districts is within the PforR scope. The software components of school safety (curriculum integration, teacher training, communication, school drills, DRR in School Improvement Plans (SIPs), and so on) and the need-based maintenance and retrofitting of school buildings and construction of need-based new classrooms are part of the DRR subcomponent.

In addition to the above mentioned strategic interventions/reforms to improve equitable access, SSDP also finances provision of: (a) mid-day meal programs in targeted districts; (b) grants to traditional/religious schools; (c) grants to integrated schools for resource classes for CwDs; (d) grants to special schools for disabled (mainly for children with hearing impairment); (e) provision of open school; and (f) operating mobile schools in remote areas.

Results Area 3: Strengthened education system, sector planning, management, and governance (US\$930 million)

The main objective of this result area is to *strengthen the education system* by improving the institutional capacity and accountability at all levels and to move toward results-based Program to enhance delivery, monitoring and evaluation of educational services. The subresults areas include:

Subresults Area 3.1: Strengthened governance, fiduciary management and data systems [DLI 1]

Under this subresults area, three subareas/activities are planned to improve the overall education system management and governance: (a) Improved School Grants Management System (GMS), (b) Improved financial management, and (c) Strengthened reliability and transparency of EMIS. GMS will be improved by (a) revising the grants manual with revised school financing formula to include need-based grants, performance-based grants, block grants to unaided schools, enhanced grants to community schools offering science stream in Grades 11 and 12, in addition to PCF and non-PCF grants with an aim to increase the efficiency of public financing support to schools; (b) establishing GMU in all DEOs which will include, among others, provision for staffs, staff training and necessary equipment, (c) operationalizing the enhanced GMS; (d) conducting funds flow tracking survey through REDs, and (e) training to schools on simplified accounting and reporting format.

FM improvement activities include: (a) establishment of FM and supervision unit at DOE; (b) deployment and designation of adequate number of financial and procurement staffs at DEO; (c) implementation of unified computerized government accounting system

(CGAS) in the MOE system; (d) Fiduciary Management Action Plan (FMAP) provision for FM and procurement capacity support at the central and district level; (e) training of education managers in formulation of district education plans (DEPs), village education plans (VEPs), SIPs, social accountability and transparency through social auditing; (f) implementation of FMAP to ensure timely preparation of financial monitoring reports (FMRs) and Audit Reports (FMAP is further described in annex 5); (g) dissemination of FM guidelines and other support mechanisms to strengthen FM at the school level; and (h) carrying out annual fiduciary review.

Building on the existing EMIS system, the Program would strengthen the EMIS to enhance its reliability and transparency. Improvements envisaged under this initiative include: (a) integration of additional datasets such as learning outcomes of EGRA and NASA into EMIS, (b) introduction of unique student ID, (c) improving ICT infrastructure and software up-gradation to make EMIS web-based, (d) web-based EMIS data collection rolled out in all 75 DEOs, (e) use of web-based EMIS data to prepare district and school report cards for social audits in all schools, and (f) three rounds of sample-based independent verification of EMIS data to gauge the reliability of the data and to implement corrective measures.

Subresults Area 3.2: Central and Field-level institutional capacity strengthened [DLI 1]

This subresults area aims to strengthen the institutional capacity to implement the national SSDP that has shifted its focus on quality enhancements and accountability for results and outcomes. To deliver the results-based program, MOE/DOE would enhance its implementation structure and staffing and TA, including those for all the CLAs and DEOs. In addition to the overall program capacity strengthening, this subresults area would include PSF for program management in key areas such as fiduciary management, GMS, EMIS and M&E, curriculum reforms, examination reforms and national learning assessments, school management, teacher management, pro-poor student scholarships and reaching OOSC. TA is also required for third party independent verification of DLRs. This subresults area would finance provision and utilization of services, skills, knowledge and technology in the form of short-term and long-term advisors and consultants, consulting firms, non-consulting agencies, workshops, seminars, research, and logistic supports to support and strengthen the capacity of SSDP implementation and help deliver the program results. Detailed activities and arrangements under PSF are described in **Annex 10**.

In addition to the above mentioned strategic interventions/reforms to improve the overall education system management and governance, SSDP also finances provision of: (a) remuneration for central and field-level staffs; (b) operating costs of CLAs and field-level agencies; and (c) capacity development and training of staffs.

Table A1.3: Tentative SSDP cost and financing plan (2016–2021)

Source	Amount (US\$ million)	Share of total (%)
Government	5,739	88.8
IDA/World Bank	185	2.9
Other JFP/Non-JFP	293	4.5
Financing gap	244	3.8
Total (with regular civil works)^a	6,461	100

Note: Development Partners' Financing is estimated based on commitments indicated so far.

Estimate based on commitments indicated to date: Joint Financing Partners- Asian Development Bank (\$120 million), European Union (\$72 million), Finland (\$23 million), Global Partnership for Education and REACH MDTF (\$22 million), Norway (\$21 million), United Nations Children's Fund (\$3 million), Australia (\$3 million), Japan International Cooperation Agency (\$15 million). Non-Joint Financing Partners (\$ 14 million). ^aExcludes reconstruction civil work activities in 31 earthquake affected districts. *Source:* MoE estimates, GON (2016)

Table A1.4: SSDP expenditure framework by Results Area (current prices)

SSDP (2016/17-2020/21)			
Item	Amount (NPR million)	Amount (\$ million)	Share of total (%)
A. Results Area 1: <i>Improved teaching-learning and student learning outcomes^a</i>	479,398	4566	70.7
B. Results Area 2: <i>Improved equitable access to Basic and Secondary Education</i>	101,318	965	14.9
C. Results Area 3: <i>Strengthened education system management and governance</i>	97,643	930	14.4
School sector total	678,359	6461	100

^aIncludes salaries for ECED facilitators and teachers (basic and secondary). *Source:* MoE estimates, GON (2016)

2.4 Implementation Arrangements

SSDP Program will use the government system for program implementation, oversight, financial management, procurement, safeguards, monitoring and evaluation, and reporting arrangements. MOE will serve as the executing agency (EA) and will have overall responsibility for policy guidance and oversight for program implementation. A **Steering Committee (SC)** will be established to oversee the coordination, monitoring and

implementation of SSDP. Department of Education (DOE) will be the main implementing agency (IA) with task of preparing annual strategic implementation plan (ASIP) and annual work plan and budget (AWPB) and carrying out the program activities, with support of other central level agencies (CLAs). **SSDP Implementing Committee (IC)** under the DOE will be responsible for overall implementation and coordination of the SSDP activities across MOE divisions, DOE and CLAs of MOE. Regional Education Directorates (REDs) and District Education Offices (DEOs) will execute the program at the regional and district level, and report to DOE. At the beneficiary school level, where most of the SSDP expenditures are made, the main frontline actors are the community schools themselves, where School Management Committees (SMCs) are responsible for managing all school-level activities and the Parent Teacher Associations (PTAs) are tasked with monitoring them. Education Training Centers (ETCs) and Resource Centers (RCs) at the field provide training, management and monitoring support to schools. SSDP Implementation Committee will coordinate the activities associated with the results-based program. The implementation arrangements are expected to be revised when the provision of education delivery in the new federal structure come into effect in due course of time.

MOE will serve as the executing agency and will be responsible for overall coordination of the SSDP as well as provide overall leadership and guidance.

- A **National Education Council**, chaired by the minister of Education will be established in line with the recent amendment to the Education Act.
- The **Ministerial-level Development Action Committee** (chaired by the Minister of Education) meets every two months to review the overall progress of programs and projects, and to discuss any issues of implementation.
- An inter-ministerial **SC**, Chaired by Secretary of MOE, will be established to oversee the coordination, monitoring and to verify progress of the implementation of the SSDP program. The committee will meet at least three times a year. Specifically, the SC will be responsible for: (i) providing directions for program policy and reform; (ii) overseeing overall program implementation and providing operational guidance; (iii) providing guidance for annual SSDP program budget preparation and endorsing the TA-AWPB for government approval; (iv) providing guidance to addressing constraints and bottlenecks in timely implementation; (v) reviewing progress on the fulfillment of annual DLIs for the smooth functioning of collaboration with the joint financing partners (JFPs); (vi) addressing critical inter-ministerial policy and implementation issues; and (vii) addressing any reform needs to SSDP program emerging due to changes likely from on-going implementation of federal system.
- The **SSDP Technical Support Unit (TSU)** will be established under the Foreign Coordination Section (FCS) for school education under the MOE Planning Division to function as the Secretariat to the SC. MOE will make necessary provisions for staffing

in the Foreign Coordination Section, in line with the tasks to be undertaken, including personnel required for administrative, logistics and coordination activities, technical expertise for educational interventions, financial management and procurement related functions, and monitoring and evaluation functions in SSDP. TSU will include dedicated staff to manage all TA requirements for SSDP and will support: (i) the M&E division for monitoring and evaluating the achievement of SSDP indicators and results, including compliance with and DLI verification; and (ii) support the planning division to coordinate the SSDP implementation, compliance with development cooperation agreements, and the management of technical assistance.

- **Fiduciary Management Committee** will be established under MoE Planning Division to provide guidance on fiduciary issues under SSDP.
- **ICT in Teaching and Learning Committee** will be established under the Monitoring Division of MoE.

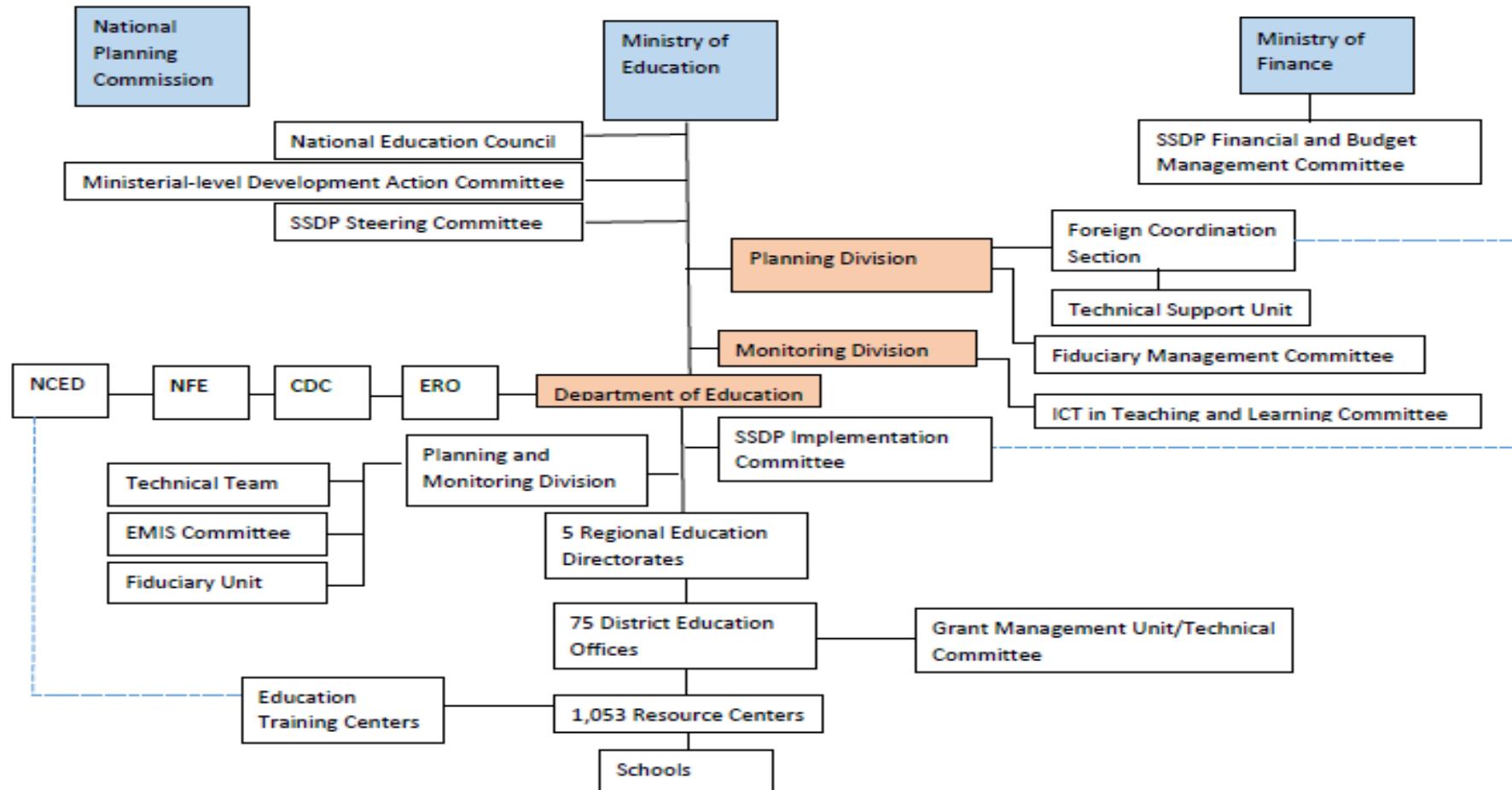
DOE will be the implementing agency of SSDP. Under the leadership of Director General, Planning and Monitoring Division of DOE will be responsible for overall implementation of SSDP. The division will be staffed adequately along with program management and technical teams deputed from the program secretariat to effectively manage the program. It will (i) formulate guidelines, annual plans and programs for the school sector interventions, (ii) support program implementation at district levels (iii) coordinate with CLAs to ensure that technical support to annual programs related to them are provided and completed in a timely fashion, (iv) supervise and monitor SSDP activities to ensure that result areas and DLIs are achieved and reported on in a timely fashion, (v) monitor and ensure that social, environmental, procurement and financial management requirements are met; and (vi) consolidate all required physical and financial reporting. In order to effectively implement SSDP.

- **SSDP IC** will be established under DOE to oversee the implementation of SSDP. The IC will be responsible for (i) coordinating the SSDP activities across MOE divisions, DOE and CLAs of MOE; (ii) supporting implementation of new innovations planned within the SSDP; (iii) recruiting consulting services for its own program coordination support and ensuring necessary externally hired technical and program implementation support team is provisioned to DOE and other CLAs; (iv) coordinating with Joint Financing Partners (JFP) for the two review missions of SSDP, the fulfilment of DLIs and the necessary activities required for the smooth functioning of the partnerships with external agencies; and (v) coordinate with respective division within MOE and DOE for preparing, publishing, and disseminating Annual School Sector Performance Report.
- A **Technical Team** under the Director of Planning and Monitoring division of DOE will be established.

- **EMIS Committee:** An EMIS committee will be established under the Planning and Monitoring Division of DoE to provide overall guidance in the design and implementation of EMIS.
- The Fiduciary Unit under the Planning and Monitoring division will be responsible for preparing the Financial Monitoring Reports of SSDP and will support the fiduciary aspects under SSDP.
- **Regional Education Directorate (RED):** The RED will implement SSDP at the regional level and will report to DoE.
- **District Education Office.** The DEO will be overseeing all SSDP activities at the district and school levels. A Grant Management Unit will be established to support the supervision of SSDP activities and will be chaired by District Education Officer (DEO). The Committee will comprise DEO section heads of Program/Planning, School Administration, Finance, Accounting and Engineering. A Technical team will provide TA support to DEO.
- **Schools:** At the beneficiary school level, the School Management Committees (SMCs) are responsible for managing all school-level activities and the Parent Teacher Associations (PTAs) are tasked with monitoring them. Education Training Centers (ETCs) and Resource Centers (RCs) at the field provide training, management and monitoring support to schools.

A **Financial and Budget Management Support Committee** will be established to address issues related to budgeting, financial management and DLI achievement review as well as track overall performance and results in the sector. The committee will serve as a guiding body for ensuring necessary resources for the sector to achieve the SSDP results and to track progress towards yearly results, particularly as outlined in the results framework of SSDP and the DLI matrix of the JFPs. The committee will meet at least twice a year. The meeting timings could be aligned to the Joint Missions of SSDP.

SSDP Implementation Organization Structure



3.0 Methodology

3.1 Purpose of the ESSA

An Environmental and Social Systems Assessment (ESSA) was conducted by the Bank to assess the key implementing agency, i.e., Department of Education's (DoE) authority and organizational capacity to achieve environmental and social objectives against the range of environmental and social impacts that may be associated with the Program. The ESSA provides a comprehensive review of relevant government systems and procedures that address environmental and social issues associated with the Program. The ESSA describes the extent to which the applicable government environmental and social policies, legislations, program procedures and institutional systems are consistent with the six 'core principles' of OP/BP 9.00 and recommends actions to address the gaps and to enhance performance during Program implementation.

3.1.1 Core Principles

The core principles are:

- a) Promote environmental and social sustainability in the Program design; avoid, minimize, or mitigate adverse impacts, and promote informed decision-making relating to the Program's environmental and social impacts
- b) Avoid, minimize, or mitigate adverse impacts on natural habitats and physical cultural resources resulting from the Program
- c) Protect public and worker safety against the potential risks associated with: (i) construction and/or operations of facilities or other operational practices under the Program; (ii) exposure to toxic chemicals, hazardous wastes, and other dangerous materials under the Program; and, (iii) reconstruction or rehabilitation of infrastructure located in areas prone to natural hazards
- d) Manage land acquisition and loss of access to natural resources in a way that avoids or minimizes displacement, and assist the affected people in improving, or at the minimum restoring, their livelihoods and living standards
- e) Give due consideration to the cultural appropriateness of, and equitable access to, Program benefits, giving special attention to the rights and interests of the Indigenous Peoples and to the needs or concerns of vulnerable groups
- f) Avoid exacerbating social conflict, especially in fragile states, post-conflict areas, or areas subject to territorial disputes

3.1.2 Specific Objectives

The specific objectives of the ESSA are:

- a) Analysis and assessment of the national and institutional capacity for environmental and social management for planning and implementing programs in the education sector
- b) To review the policy and legal framework related to management of environmental and social impacts of the Program interventions and identifying where there are procedural and policy gaps as well as performance constraints, if any in carrying out environmental and social management processes; and
- c) Developing a set of viable actions to strengthen the Program's performance with respect to the core principles of the PforR instrument and improve performance
- d) To identify the potential environmental and social impacts/risks applicable to the Program interventions,
- e) to assess the Program system performance with respect to the core principles of the PforR instrument and identify gaps in the Program's performance, and
- f) to describe actions to fill the gaps that will input into the Program Action Plan (PAP)

3.2 Methodology of the ESSA

The following process steps were undertaken to prepare the ESSA:

- a) **Baseline Information Collection:** The analysis of information and data covered the environmental and social context of the country, the current status of its SSDP program, the experience of implementation of the previous Bank supported project (SSRP) (through a review of aide memoirs, evaluation report, relevant GoN publications, etc.), PSSA of the ADB and Plan Nepal's Safe School Policies and Practices Report etc. The EMF and SMF of the previous SSRP were also referred to.
- b) **Field Reviews:** Field reviews on environmental and social aspects were undertaken to 3 schools in 3 districts (Dolakha, Ramechhap and Dhanusa of Janakpur Zone) during October 2016. The districts were selected on the basis of geographic location. The field reviews included site visits and formal and informal consultations with representatives of the School Management Committees (SMC), School faculty, community members (including women), District Education Officer (DEO) and DEO staff.
- c) **Consultations:** A formal national consultation on the draft ESSA was organized on 20 December 2016 at Kathmandu, with a view to elicit inputs from the key stakeholders. A detailed report on this consultation is annexed to this report

(Annex 1). One consultation with the Development Partners were conducted on 16 November 2016. Feedback from the key stakeholders in the DoE has been instrumental in identifying the actions that serve as inputs into the Program Action Plan. This feedback was sought both through the formal consultation events as well as through meetings held during the Bank missions.

- d) ***Public Disclosure:*** The public disclosure of the draft ESSA was done prior to appraisal on the InfoShop and subsequently in-country. The Executive Summary of the ESSA has been disclosed in the native language (Nepali) in-country.
- e) ***Analysis:*** The ESSA analysis essentially follows Strengths, Opportunities and Risks (SOR) approach. The following sections provide further information: details of Program activities, institutions involved and the implementing agency's experience in the sector (section 4), the potential environmental and social benefits, risks/impacts of the Program (section 5), the existing environmental and social management systems used in the sector (section 6), assessment of the adequacy of the existing systems and identification of gaps (section 7). Based on this analysis, actions to address the identified risks and gaps are identified (section 8). To address the gaps, an action plan is presented (section 8).

4.0 Details on Program Activities, Institutions and their Experience

4.1 Details of Investments

The School Sector Development Program is being supported under the World Bank's Program-for-Results (PforR) financing instrument, which innovatively links the disbursement of funds directly to the delivery of defined results. The general description of the Program has been already provided in s above . The detail of the key interventions of the program are provided below.

Sub-result areas	Activities Financed
Result Area 1: Improved teaching-learning and equitable student learning outcomes	
1.1. Investing Early Improved ECED/PPE and Implementation of National Early Grade Reading program	<ul style="list-style-type: none"> i) One-month training to all ECED/PPE facilitators ii) Teacher training in EGR iii) Carry out parental awareness program in communities iv) Printing and distribution of learning materials for both ECED and EGR programs v) Grants for book corners for both ECED and EGR program
1.2. National curriculum framework (NCF) revised and implemented (DLI3)	<ul style="list-style-type: none"> i) Revision of comprehensive national curriculum framework and development of new curriculum school education ii) Revision of textbooks and supplementary learning materials
1.3. Assessment and examination reforms undertaken (DLI4)	<ul style="list-style-type: none"> i) Operationalization of the recently established national examination board (NEB) ii) Standardization of grade 10 annual board examination iii) Institutionalisation of National Assessment of Student Achievement (NASA) at the examination review office. iv) Strengthening the capacitation of the ERO by signing partnership with international and national agencies. v) Design and administration of competency-based NASA in grade 5, 8 and 10 vi) Development of standardised test items for grades 5, 8 and 10 to be utilised for NASA and board examination. vii) Implementation of a single subject certification policy for grade 11 and 12.
1.4. Improved School management and accountability system (DLI 5)	<ul style="list-style-type: none"> i) Block grant schemes to unaided community school ii) Performance based grant scheme to community schools and unaided schools meeting the minimum accountability requirements. iii) Support to community secondary schools offering science streams in grade 11 and 12 through incentives and enhanced grants.
1.5. Improved Teacher management, accountability (DLI 6)	<ul style="list-style-type: none"> i) Redeployment of teachers ii) Development and implementation of school level of monitoring of teachers iii) Review and revision of teacher redeployment policy and guidelines

professional development	iv) Preparation of guidelines to improve teacher accountability vi) Implementation of teacher (time -spent teaching) monitoring system. vii) Teacher induction training for newly recruited teachers.
Result Area 2: Improved equitable access to Basic and Secondary Education	
2.1. Reduction in number of out of school children (GPE and DLI2)	i) Revision of the existing guidelines and manuals on Out of School Children ii) Strengthening the LC focusing on the capacity development of the staff iii) Preparing database of OOSC as part of EMIS
2.2. Integrated Pro-poor Scholarship and pro-science scholarship implemented (DLI2)	i) Support pro-poor targeted scholarship and pro-science scholarships in secondary education
Result Area 3: Strengthened education system management and governance	
3.1 Improved governance, strengthened fiduciary management and enhanced transparency EMIS data (DLI1)	i) Improve school grant management system ii) Improved financial management iii) Strengthen transparency of EMIS iv) Establishing grant managing unit in all DEOs v) Operationalizing the enhanced grant management system. vi) Trainings to schools on simplified accounting and reporting format
3.2 Central and field level institutional capacity strengthened (DLI1)	i) Strengthen the institutional capacity to implement the national SSDP program. ii) Program support facility for program management.

4.1.1 Physical Infrastructure Components

Essentially the following investments will have physical infrastructure components.

1. Establishment of ICT labs
2. Establishment of new TVE facilities in 300 secondary schools
3. Grants for establishment of library and science lab
4. Maintenance and retrofitting schools in non-affected areas
5. Construction of need-based classrooms and WASH facilities

4.2 Existing Institutional and Implementation Arrangements

SSDP Program will use the government system for program implementation, oversight, financial management, procurement, safeguards, monitoring and evaluation, and reporting arrangements. MOE will serve as the executing agency (EA) and will have

overall responsibility for policy guidance and oversight for program implementation. Department of Education (DOE) will be the main implementing agency (IA) with task of preparing annual strategic implementation plan (ASIP) and annual work plan and budget (AWPB) and carrying out the program activities, with support of other central level agencies (CLAs). Regional Education Directorates (REDs) and District Education Offices (DEOs) will execute the program at the regional and district level, and report to DOE. At the beneficiary school level, where most of the SSDP expenditures are made, the main frontline actors are the community schools themselves, where School Management Committees (SMCs) are responsible for managing all school-level activities and the Parent Teacher Associations (PTAs) are tasked with monitoring them. Education Training Centers (ETCs) and Resource Centers (RCs) at the field provide training, management and monitoring support to schools. SSDP Program Secretariat will coordinate the activities associated with the results-based program.

Gender and Equity Development Section (GEDs) is the designated unit assigned to implement GESI strategy. Along with GEDs, Inclusive Education section are responsible for GESI mainstreaming activities under the program while matters related to land acquisition for the school is handled by School Health, Nutrition and School Property Management Section at DoE. Environmental issues related to the construction of schools are currently under the responsibility of the Physical Improvement Section under the Department of Education.

4.3 Experience in The World Bank Assisted Projects/ Programs

16. The World Bank has been a long standing partner in the education sector, including the school sector through a series of SWAp programs such as EFA (2004-09) and SSRP (2009-2016). The Bank's value-added, in addition to the financing support, is on bringing global expertise and the learning from the best practices and lessons from interventions in countries across the world, thereby building linkages and maximizing synergies across cross-cutting solution areas and better inform our operational and analytical work in the country. The financial support from the Bank is a fairly small share of the overall program costs (less than 3% in SSDP), however, with its collaboration with other development partners through co-financing in the Government-led SWAp program, the Bank would leverage this limited resource to effectively provide support to and guide a large program since it is regarded as having comparative advantage in supporting the Government in the design and implementation of a results-based operation, strengthening of Monitoring and Evaluation and fiduciary systems, supporting donor harmonization, and bringing about institutional changes and transformational reforms to the sector. The school sector has benefited from a national program harmonized across financing support and across strategic reforms and interventions at all levels of school education, along with common monitoring and reporting arrangements.

The progress reflects strong and continued government commitment to reforms and inclusion. Two reforms in particular have been instrumental in transforming the landscape of education landscape in Nepal: (i) decentralization of education service delivery; and (ii) introduction of targeted demand-side programs, both of which have been supported by the World Bank. The Seventh Amendment of the Education Act 2001 strengthened the ability of communities to establish and manage schools, provided they have a functional and accountable school management committee (SMC). The process of engaging communities in school management started in 2002, and the process of transferring the management of schools to communities began after 2003, supported partly through the World Bank's Community School Support Project (CSSP). This decentralization marked a crucial departure in national education policy and has been a powerful force for expanding access⁶.

The borrower has sector experience in implementing education projects. The capacity in implementing environmental and social aspects of education projects is rather limited; though adequate policy and regulation are existing, implementation and monitoring of the same is a concern.

4.3.1 Existing Environmental Management Framework (EMF)

The DoE prepared and implemented Environmental Management Framework (EMF) during the implementation of School Sector Reform Project (SSRP) which consisted of environmental assessment, policy, legal, and institutional framework, policy for improvement of school facilities, review of safeguard measures, environmental issues and their significance for infrastructure development under SSRP, existing capacity assessment for the implementation of EMF and implementation mechanism for mitigation measures, including school selection criteria, DOE policy, environmental screening, design guidelines for school buildings construction from environmental perspective, laboratory checklist from environmental perspective, etc. During the additional financing of the SSRP which concluded in July 2016, this EMF was further reviewed and updated after field implementation review and consultation. The assessment revealed that the project's Environmental concerns were associated with activities under physical infrastructure and civil works. The EMF was then updated to address such environmental and social issues at the planning, construction and operational stages under the physical infrastructure development activities. However, the EMF still needs to include budgeting, capacity buildings and monitoring at all stages of the program for taking corrective actions. Lack of qualified personnel at national and districts levels to undertake periodic reviews is a constraint. Despite necessary instruments available for environmental safeguard assurance, the institutional mechanism for implementation and monitoring is still weak.

⁶ Findings from an impact evaluation suggest that community management helps reduce the share of out-of-school children, increase the grade progression rate, and enhance community participation and parental involvement.

4.3.2 Existing Social Management Framework

MOE and DOE, both have a long history of working on a number of Bank-supported project like School Sector Reform Project, Education for All among others. Social Safeguard instruments were developed to address social issues related to the project. For example, in the case of SSRP, no major civil works that could potentially lead to irreversible or large scale environmental and social impacts were envisaged under the project. In 2009 under SSRP, Land Acquisition Framework (LAF) and a Vulnerable Development Framework (VCDF) were developed.

SSRP did not trigger OP 4.12, there was no involuntary land acquisition under the program. The issue of acquisition for schools in Nepal is more nuanced than normal. Since schools are established by communities, the question of how the land is acquired only emerges ex-post and at the time the school is identified for receiving GON subventions for constructing additional classrooms or other buildings. Traditionally, this land has always been acquired through voluntary contributions, or by adopting a willing buyer/seller principle. Schools are established by communities in which land is acquired through voluntary contributions or through a willing buyer/seller approach. Land acquired directly by the GON for the establishment of administrative buildings was either on land that already belongs to the GON, or acquired through a willing buyer/seller approach. GON has developed a land acquisition framework which helps to ensure that all such transactions are done in a transparent manner, and without fundamentally altering the manner in which schools are established in Nepal. It provides a procedure to acquire land and the rules of taking possession of land for the purpose of the project. The procedure also ensures that the land title is transferred in the name of school or DEO. The frameworks also outline a grievance redress mechanism to hear complaints regarding land acquisition.

Similarly, under SSRP VCDF was prepared to identify the most disadvantaged and marginalized groups in the country to ensure that they can equitably access the benefits of the program. It was developed based on national policies/strategies and the SSRP with the aim of meeting IDA's OP4.10 on Indigenous Peoples (IP). In addition to IPs, all Dalit children, children with physical disabilities, girls, domestic child labour, street children, conflict affected children, and children with HIV/AIDs, endangered and highly marginalized Indigenous People as recognized by NEFIN and ethnic group, were defined as vulnerable communities for the purpose of this SSRP.

The frameworks were translated into local languages and disseminated both on the Bank site and through other means at local levels. Both the frameworks were updated in 2015 under additional financing.

In terms of ensuring inclusion and equal access to vulnerable group, the earlier education project has been successful to a large extent. However, there are still persisting concerns like discrimination, access to education in languages they understand and use, to name a few. On the other hand, despite the LAF in place, the sector still lacks a systematic handling and documentation of voluntary land donation to avoid disputes and potential impoverishment as a result of land donation.

5.0 Potential Environmental and Social Benefits, Risks and Impacts

5.1 Introduction

This section presents the environmental and social benefits, risks and impacts of the Program.

5.2 Assessment Observations

The program activities are not expected to have significant adverse environmental footprint but provide an opportunity to enhance systems with regard to ensuring safe, clean and sustainable surroundings for children which is recognized as a basic prerequisite for ensuring a conducive learning and teaching environment. Some primary information was collected through field visits, interaction and observation of the representative sample schools from different ecological zones. The following are the observations made from field visits to schools and from discussions with key stakeholders.

5.2.1 Field Visit Observations

District	Observations
Dolakha	Safety issues; no balusters or hand rails Differently abled issues: no ramps No water supply in latrines; water is available outside latrines Inappropriate building materials Impaired aesthetics
Ramechhap	Locational issues: Close to river Security Issues: no compound wall. Intruders using school premises. Cattle in school premises No classroom furniture
Dhanusa	Next to a water body Outdated technology for incinerators; difficult location Insufficient latrines for boys and girls Insufficient teaching staff

5.2.2 Key Discussion Points

- ❖ Low/ No budgets for school improvement: need for a program with funds
- ❖ SMC unaware of EMF/ SMF (Land acquisition framework and VCDP)
- ❖ No environmental and social screening done for SIPs
- ❖ No monitoring of environmental and social issues

- ❖ Distant/ inaccessible location makes monitoring difficult for DEO staff
- ❖ Some DEO staff too are unaware of EMF/ SMF procedures and requirements
- ❖ Water supply is not provided by the concerned water supply department
- ❖ No motivation to use latrines: Behaviour change communication required
- ❖ Myths: Electric incinerators are expensive and require lot of power
- ❖ Providing a school infrastructure takes precedence than environmental and social considerations

5.3 Environmental Benefits, Risks and Impacts

The program activities are not expected to have significant adverse environmental footprint but provide an opportunity to enhance systems with regard to ensuring safe, clean and sustainable surroundings for children. However, some of the common problems observed included classroom overcrowding, new classrooms/ rooms/blocks were built in adhoc manner with no or little consideration for systematic planning standards, lack of child-friendly furniture and inadequate water supply and sanitation facilities in schools, and hazardous school grounds. Due to remoteness and poverty of the region, schools in the remote areas and hilly areas do not have proper facilities due to lack of planning and systemic monitoring.

5.3.1 Environmental Benefits

The Program is expected to deliver a number of environmental benefits. Over-all, the risk assessment and screening suggests that the environmental impact of the Program is likely to be positive, owing to benefits such as improved class room for the children provision of water supply; strengthened sanitation and waste management etc. some of the other benefits are

- Access to better facilities
- Access to better and larger class rooms
- Better toilet facilities
- Environment friendly schools
- Improved sanitation condition in the surroundings

5.3.2 Environmental Risks

- Inappropriate location: School safety (Vulnerability to Fire, floods, earthquake, landslides, hail stone, thunder storm, etc.)
- Unsafe design practices: No balusters, parapet walls, boundary walls, etc.
- Insufficient attention to building/infrastructure maintenance requirements.
- Improper construction materials

- Inappropriate design/ material for summers/ winters/ winds
- Low budget
- No construction supervision and quality control
- Lack of technical resources
- Lack of monitoring
- No water supply to toilets
- Weak Solid and hazardous waste management including e-waste
- Deterioration of aesthetics
- Lack of Health and sanitation
- School safety Theft, burglary, damage of physical facilities

5.3.3 Environmental Impacts

The program envisages retrofitting and rehabilitation, and new construction of classrooms in existing schools in all the ecological regions of the country. Since construction related activities will be confined mostly within existing school premises, adverse environmental impacts are expected to be minimal and of minor significance. The main environmental issues in SSDP relate to impact from building construction, provision of safe drinking water, sanitation, waste management and possible location of the school or its facilities in flood-prone, landslide areas and earthquake risk zones.

- Slope stability: Landslide or other forms of mass instability on the slopes
- Development of erosion or gullying in school premises
- Spoil disposal: High volume of water/spoil at site
- Water Management: Water logging, poor drainage
- Waste Management including e-waste, batteries and lab chemicals
- Poor Water Quality/Quantity
- Plants / Trees being removed in school premises
- Unlicensed Quarries and borrow pits for obtaining construction materials
- Air and noise pollution, disturbance and danger from quarry operations
- Safety risks from abandoned Quarries
- Dust generated from construction works, and approach roads to school

5.4. Social Benefits, Risks and Impacts

The Program focuses on promoting equitable access to education and skills development of higher quality and relevance. The activities envisaged under the Program are not expected to have significantly adverse social impacts. The PforR is intended to help the Government and implementing agencies in overcoming deficiencies with regard to teaching learning outcomes, equity outcomes and improved education system. The findings of the ESSA suggest that the overall social impact of the Program is likely to be positive – owing to benefits such as monetary

savings in education expenses, time savings for girls, improved health and personal hygiene, effective information dissemination, enhanced community participation, creation of accountable arrangements for service delivery, and social audits to promote good governance mechanisms.

5.4.1 Social Benefits

- Increase in student enrolment
- Increase in the enrolment of target group (Dalit, women, Adivasi / janjati, Madhesi, Muslims, Differently Abled and other vulnerables)
- Decrease in dropout rate
- Access to plus 2 education at local level
- Increase in girls studying plus 2 education
- Opportunities to the local teachers

5.4.2 Social Risks

The social risks pertaining to the proposed program activities identified are:

- Selection of schools can be politicized;
- The community stakeholders perceive the risk of elite and male capture of institutions such as the School Management Committee, the risk of the SMC side-lining the DEO, higher student fees making education services burdensome for the poor and vulnerable and making community contributions a challenge; and
- The community stakeholders perceive weak participatory decision making, lack of transparency and accountability and poor conflict management.
- Member representation mechanism of the School Management Committee is faulty, as a result, community participation is declining.
- Community school has become a school of a poor, expecting the grant and scholarship and the objective of the guardian is also to demand for facilities. Once the guardians become benefited, they shift their children to the Boarding School.
- Tendency of the disadvantaged group go to attend the school where they can obtain scholarship or day-meal.
- The local level participation to generate resources is not easier as before due to lack of local government and increased level of competitions among the local resources.
- In the lack of local language teacher (Tharu, Muslim), retaining of targeted group of student have become different.

- Land ownership is also a serious concern, and most of the schools visited is still not officially registered in the name of school.⁷ Cases where land donor refused to transfer land putting different conditions noted.

5.4.3 Social Impacts

The major social impacts associated with the Program are primarily related to:

- **Land requirements:** The SSDP program will invest in improvements in physical infrastructures of educational institutions. This will likely include construction of additional classrooms, construction of library buildings, community learning centers among others. Most of the civil work activities are expected to be confined to the existing premise of the schools. However, if there is a need to acquire land, the program will adhere to best practice to mitigate any losses or risks. There will be no involuntary land acquisition or forced eviction under the SSDP. The DOE is intending to meet any need for land through an approach that allows for land acquisition only on voluntary basis. For schools which require additional land, the government will, as practiced in School Sector Reform Project, adopt the willing seller and willing buyer approach or voluntary donation to manage required land. Although a land acquisition framework was developed for SSRP and is supposedly still applicable for SSDP as well, it was reportedly not followed during implementation. Schools are established by the communities in Nepal, and not by the Central or District administrations. The land typically used for the establishment of the school by communities and/or the school management committees (SMCs) are typically ailani (public) land. Such land is obtained by the community or the SMCs with the consent of the local authorities (such as, VDC or the larger representation of the community). If such land is not available, the community may approach a large land owner or other individuals and ask the owner(s) to contribute land to the school. The owner may contribute the land on a purely voluntary basis or may ask for compensation to part with the land. When compensation is sought, the community typically pools resources together, and provides the necessary resources to acquire the land. These procedures are normally completed as per the willing seller or willing buyer procedures of land administration. Despite the adoption of the framework by the DOE (MOE) it has been noted that land ownership remains unknown and there have been cases where land donors have refused to transfer land putting different conditions.
- **Risk of exclusion:** Some GESI target group still risk being excluded in access to education due to a number of barriers namely, financial, socio-cultural, geographical and institutional, resulting in wide variations across different population groups in terms of access to and availability of education. MoE has assigned Gender Equity Development Section as GESI focal unit. At the district

⁷ SSRP Evaluation report, 2014

level Network for Girl's Development and Gender Equity chaired by DEO has been formed. However due to lack of budget this network has not been able to function which hinders the efficient GESI mainstreaming in the system. Under SSDP, DLI - 2 focuses on improving equitable access to and retention in basic and secondary schooling for children from marginalized and disadvantaged groups. While DLI-1 will build on the existing EMIS system, which collects disaggregated data, to strengthen and improve the reliability and transparency of system.

- **Lack of awareness and poor, inefficient information disclosure and dissemination:** Growing awareness of education among the people has been cited as one of the reason for decreasing drop-out rates. However, considerable number of children remains out-of-school, mostly from disadvantaged communities. According to the EFA review report low literacy levels of parents mainly in rural areas and lack of awareness among parents are the contributing factors to these persistence among others. Similarly, another instance relates to distribution of scholarship. Leaving aside the adequacy and equity in distribution of the scholarships, the report notes that often the students who receive scholarships and parents are not aware of the scholarship provisions⁸.

⁸ DoE, 2011, A study on effectiveness of Girl's scholarship program.

6.0 Description of the Program Environmental and Social Management System

6.1 Introduction

This section describes the existing environmental and social management system of the country's education sector. It first provides an overview of the policy and legal framework (section 4.1). This is followed by a profile of the key institutions in the education sector and their role with respect to management of environmental and social aspects of program (section 4.2). Details of the country's environment and social management procedures for program are then provided (section 4.3). Finally, drawing upon all of this information, the consistency of the Program system with the six core principles of OP 9.00 is analysed (section 4.4).

6.2 Policy and Legal Framework

OP/BP 9.00 requires that all PforR operations 'Operate within an adequate legal and regulatory framework to guide environmental and social impact assessment at the Program level'. This section provides an overview of GoN and MoE's the policy and regulatory framework for the environmental and social aspects of education sector.

6.3 Environmental Policy and Legal Framework

Nepal has a number of policies, instruments and laws that support environmental and social management and the environmental and social assessment processes. Besides the constitutional right to live in a clean environment (Constitution of Nepal, 2015, Part 2, Section 23), the GoN has enacted various Acts and Regulations relating to education sector. Some of these include:

6.3.1 Environment Protection Act 1997, Environment Protection Regulations 1997 (amended 1999, 2007, 2009 and 2010)

This is the main legislation guiding environmental management in Nepal. Rule 3 stipulates environmental screening criteria for undertaking IEE/EIA study; Rule 4, 5 and 6 stipulates procedures for determining scope for IEE/EIA including public notification and approval of IEE/EIA scope of works; Rule 7, and 10 stipulates provisions for conducting IEE/EIA assessment including public notification and public hearing for IEE/EIA works and requirement of recommendation letters from the project development VDCs/Municipalities; Rule 11 stipulates approval procedures including disclosure of IEE/EIA report; Rule 12 mandates developer to comply with the approved IEE/EIA provisions to avoid, mitigate, and monitoring of

the impacts, Rule 13 stipulates the responsibility of the concerned body to monitor the project implementation; Rule 14 stipulates the responsibility of the Ministry to conduct Environmental examination of the project after 2 years of construction completion; Rule 15, 16, 17, 18, 19 and 20 stipulates provisions to prohibition and control of pollution; Rule 26, 27, 28, 29, 30, 31, 32 and 33 stipulates procedures and provisions for the conservation of Natural Heritage and Environmental Conservation Zones; Rule 45, 46 and 47 stipulates procedures and provisions for compensation to the affected.

Section 28 and 96 relating to functions, duties, and power of the VDCs/Municipalities on forest, sanitation and environment, soil erosion and river control, Physical development, Section 33 and 101 related to judicial power on compensation for damage crops, labour wages etc; Section 47 and 115 relating to co-ordination with the governmental and non-governmental institutions; Section 55 relating to natural resource utilization tax; section 70 and 165 relating to punishment against the act provisions.

6.3.2 The Building Act, 2055 (1998), revised 2007

Whereas, it is expedient to make necessary provisions for the regulation of building construction works in order to protect building against earthquake, fire and other natural calamities, to the extent possible. Since the construction of classroom, laboratory, library etc. are likely activities under SSDP, this is applicable.

6.3.3 Nepal National Building Code, 2065 (2008)

There are 23 different title wise volumes of building code, which form a single national building code of Nepal, 1993. National Building Code was prepared in 1993 by then Ministry of Housing and Physical Planning now (MoPPW). This code emphasizes the need for changes and improvement in current building construction design and methods. The publication represents a standard of good practice and therefore takes the form of recommendations. Since construction of building is one of the components under HERP, this is triggered.

6.3.4 Solid Waste Management Act, 2011 and Solid Waste Management Rules, 2013

Solid Waste Management Act aims to manage solid waste and mobilize resources related thereto and ensure the health convenience of the common people by controlling the adverse impact on pollution from solid waste. "Solid Waste" has been defined in the document as domestic waste, industrial waste, chemical waste, health institution related waste or harmful waste and this word shall also mean the materials which cannot be used presently, thrown away or in rotten stage or in solid, liquid, gaseous, thick liquid, smoke, or dust form emitted out damaging the environment or materials and equipment used for electrical or information technology. The public, commercial or

industrial establishments including schools should adhere to the clauses mentioned in the act during the construction and operation phases of the projects. This act will be applied considering during refurbishment of school buildings and establishment of lab. Considering Asbestos as one of the hazardous materials Government of Nepal banned the import, sale, distribution and uses of all form of Asbestos from 22 December 2014.

6.3.5 National Environmental Guidelines for School Improvement and Facility Management in Nepal, 2004

These guidelines provides guidance to project proponent to ensure environmental safeguards in school facility development activities. The school building design and construction standard developed by the DOE has incorporated the standards and good practices prescribed in these guidelines. This standard has clearly spelled out that all the construction should follow the National Building Code, and child friendly constructions. This has been reflected in their guiding principal, which states "Child friendly (well lighted and well ventilated), seismically resistant, aesthetically pleasing school maximizing the use of local construction material and resources with no adverse effect on environment like deforestation, and having low maintenance requirements.

6.4 Social Policy and Legal Framework

The legal/regulatory framework for the Program includes the following social policies and acts that are relevant to an extent to the Program:

6.4.1 The Constitution of Nepal, 2015

The Constitution guarantees the fundamental rights of a citizen. Article 25(1) specifies that 'every citizen shall, subject to laws, have the right to acquire, enjoy own, sell, have professional gains, and otherwise utilize or dispose of property.' In addition Article 25(2) states that 'the State shall not, except in the public interest, acquire, requisition, or create any encumbrance on the property of any person.' And Article 25(3) states that 'In the case when the land of a person is acquisitioned by the State according to the sub-clause (2), the basis of compensation and the relevant procedure shall be as prescribed by the Act.'

Article 30 of the Constitution of Nepal, 2015 describes, 'Every citizen shall have the right to access to basic education'. In addition, it states that 'Every citizen shall have the right to compulsory and free basic education, and free education up to the secondary level'; 'the physically impaired and citizens who are financially poor shall have the right to free higher education as provided for in law'; 'the visually impaired person shall have the right to free education with medium of brail script'; 'every Nepali

community living in Nepal shall have the right to acquire education in its mother tongue up to secondary level, and the right to open and run schools and educational institutions as provided for by law'.

6.4.2 The Education Act (Seventh Amendment, 2001) and Regulations (2002)

This act and regulations is the key policy document in Education sector. These laws and regulations have emphasized representation of women in important committees and bodies of school management and education management as a whole, and arranged for scholarships for girls and students from Dalit and other underprivileged ethnic groups below the poverty line. Additionally, it includes special provisions with regard to women in education. The education act, 2001, seeks to include representation of women teachers in District Education Committees, women representation in Village Education Committees and School Management Committees. Provisioning of scholarship for girls and students from Dalit and other unprivileged ethnic groups below the poverty line is the major feature of this act. Furthermore, it also has scholarship provision for Dalit and children from other deprived communities in lower secondary and secondary level. Provision for merit based scholarship in all grades and the same to 5% of the poor disabled, Dalit, female and ethnic minority students of private schools is the main feature of Education Regulations 2002.

6.4.3 Education Regulations (2002)

The education regulation focuses on adult education, post-literacy education and continuous education but is silent on safe school or any of its associated issues. The second amendment which was done in 2004, however does have a provision for compensation if school property is lost due to a natural disaster or any environmental degradation.

6.4.4 Labor Act, 1991

This Act focuses on the regulation of work environment, including issues relating to occupational health and safety. The Act is administered by the Ministry of Labour and Employment (MoLE) and requires generators to make arrangement for removal of waste accumulated during production process and prevention of accumulation of dust, fumes, vapors and other materials which would adversely affect the health of workers. Issues related to occupational safety of workers and medical professionals are addressed in the HCWM specific guidelines.

6.4.5 Governance (Management and Operation) Act, 2005

This is a full-fledged legal arrangement on citizen charter, through which various aspects of the charters gained a wider spectrum of legitimacy. Article 25 has made it mandatory to put citizen charter publicly in front of every public offices.

6.4.6 National Legal and Policy Framework Relating to GESI

To improve the access of disadvantaged and marginalized groups to basic and quality education has been a priority for policy makers, international partners, political actors and NGOs (especially after the political change in 2006) and they have expressed strong commitments to gender equality and social inclusion. Accordingly, the issue of Gender and Social Inclusion (GESI) has been brought to the fore in development discourses, and also reflected in various acts, policies, strategies and programs, including in the education sector.

6.4.7 National Foundation for Upliftment of Adivasi/Janjati Act, 2002 (2058)

This Act is one of the key legislative frameworks in Nepal relating to indigenous nationalities. The Act has identified and legally recognized 59 indigenous communities. They are officially referred to as *Adivasi/ Janjati (Indigenous Nationalities)*. According to Nepal Federation of Adivasi/Janajati (NEFIN) 10 of the 59 *Adivasi/Janajati* are "endangered", 12 "highly marginalized", 20 "marginalized", 15 "disadvantaged" and 2 are "advanced" or better off on the basis of a composite index consisting of literacy, housing, landholdings, occupation, language, graduate and above education, and population size.

6.4.8 Local Self-Governance Act, 1999 and Regulations 1999

This legislation delegates responsibility for local governance and development to regional, district and local governments -municipalities in urban areas and village development committees in rural areas. With this Act local governments are able to assume considerable responsibility for the management of public schools, especially regarding construction and the payment of teacher's salaries from the annual budget.

Different sections of the Local-self Governance Act (LSGA) requires peoples' participation in local governance and while designing programs and plans at the local level. In formulating plans, the LSGA states, "the Village Development Committee shall have to give priority to the local people, especially targeting benefits to women, children, and marginalized communities." Likewise, in selecting projects, it is required that the local governments ensure utmost participation of the local people. In short, local governments are required to create conducive environment for the utmost participation of local communities in the process of governance by way of decentralization.

6.4.9 Right to Information Act, 2007 (2064)

Right to Information Act, 2064 (2007) makes the government agencies accountable to the citizens of Nepal. It also authorizes government bodies to protect sensitive information that could have an adverse impact on the interest of the nation and citizens. Clauses 3, 4, and 7 ensure the rights of citizens to information, including by defining the responsibilities of the public body to disseminate information and procedure of acquiring information respectively.

This Act requires Public Bodies to respect and protect the right to information of citizens. Public Bodies are responsible to make citizens' access to information simple and easy, to classify and update information and make them public, publish and broadcast, to conduct its functions openly and transparently, to provide appropriate training and orientation to its staffs, Public Body may use different national languages and mass media while publishing, broadcasting or making information public in accordance with Section (a) of Section (2). Public Body shall arrange for an Information Officer for the purpose of disseminating information held in its office. There shall be an independent National Information Commission for the protection, promotion and practice of right to information.

6.4.10 Caste Based Discrimination and Untouchability (Offence and Punishment) Act, 2011 (2068)

The Act has made any practices of discrimination and untouchability at both in private and public places a crime, and punishable according to the law. The law has increased punishments for public officials found responsible of discrimination. Further, it also requires perpetrators to provide compensation to victims and criminalizes incitement for caste-based discrimination.

6.4.11 Domestic Violence (Crime and Punishment) Act, 2009

The Domestic Violence (Crime and Punishment) Act, has defined physical, mental, sexual, financial as well as behavioral violence as domestic violence. The Act includes physical and psychological violence within the definition of domestic violence. The Act also states that the reporting of the crime can be made both verbally or in writing. If the case does not get resolved through quasi-judicial bodies or mutual understanding, the victim can file a case directly to the courts. Furthermore, a third party can also file a report on behalf of the victim. It has also made provisions for interim relief to the victim of the domestic violence. The court can order interim protective measures for the entire duration of case proceedings.

6.4.12 Gender Equality Act, 2006

The Gender Equality Act, 2006, repealed and amended 56 discriminatory provisions of various previous Acts and also incorporated provisions to ensure women's rights. Some key provisions amended by the Act are the provision that a daughter is required to return shared property upon marriage, the provision for summons issued by the court to be received by a male family member as far as possible and the provision for divorce in the case of not having children within 10 years of marriage. Further, the Act establishes sexual violence as a crime punishable by varying years of imprisonment, depending on the age of the victim.

6.4.13 ILO Convention on Indigenous and Tribal Peoples, 1989 (No.169)

Nepal is the State Party of ILO Convention on Indigenous and Tribal Peoples, 1989 (No.169). The convention requires consultation with the peoples concerned through appropriate procedures and, in particular, through their representative institutions, whenever consideration is being given to legislative or administrative measures, which may affect them directly. It further states that indigenous and tribal peoples shall, wherever possible, participate in the benefits of natural resource utilization activities and shall receive fair compensation for any damages, which they may sustain as a result of such activities. The convention also further explains regarding relocation, which has clearly stated that during this process free and informed consent of indigenous people, must be taken.

6.4.14 Gender-Related International Conventions

Nepal has committed itself to important international conventions such as United Nations Millennium Declaration, the Beijing Platform for Action, and the Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW), all of which have a strong gender dimension.

6.4.15 GESI in Education Plans and Policies

Education policies and plans have progressively become responsive to gender equality and social inclusion. Since the late 1970s education programmes and policies started to focus on gender whereas disadvantaged and marginalized groups started getting attention around late 1980s. The Education Act (Seventh Amendment 2001), Education Regulations 2002, Education Law 2008, Scholarship Regulations 2006, and the Education for All (EFA) National Plan of Action (2001 -2015) and School Sector Reform Program (SSRP/2016-2022) are the key policy documents.

GoN is aware of the importance of GESI mainstreaming in education sector. The EFA identified gender equality and social inclusion as guiding principles. Similarly in School Sector Reform Program (SSRP) GESI mainstreaming was integrated through several programs. Furthermore, cognizant of a need to develop a broader framework of equity and inclusion in the education, in 2014, MoE developed a Consolidated Equity Strategy, which aims to strengthen equity and inclusion in the education sector. The SSDP (2016-2022) especially focuses on measures to ensure equitable access to education system.

GESI mainstreaming in education sector has been proposed by various other policy documents in Nepal as well. The Poverty Reduction Strategy Paper (PRSP), National Development Strategy Paper, and the government's annual programs have made affirmative action approaches to ensure rights to the marginalized and excluded groups. The fourteenth plan (FY2016/17 -FY2018/19), promotes equitable access to secondary education for children from marginalized groups and improve quality of education at all levels.

6.4.16 National Legal and Policy Framework related to land acquisition

The Land Revenue Office (LRO) is responsible for land administration and registration of all types land in Nepal. The Survey Offices prepares land records through cadastral mapping. Land ownership in practice is of three primary kinds: i) registered private land, ii) registered public land and iii) un-registered (but cadastral mapped) government land (*ailani*).

6.4.17 The Land Acquisition, Resettlement and Rehabilitation Policy for Infrastructure Development 2071 (2015)

This policy provides a framework to reduce adverse impact from acquiring land for infrastructure development. It is a comprehensive attempt to ensure a transparent and participatory process in land acquisition, resettlement and rehabilitation. It has three main objectives, a) to ensure less displacement or no displacement of individuals and families while executing the projects, b) to reduce the adverse effects in the places where displacement of individuals and families becomes necessary; to compensate the affected family; and to create economically benefiting opportunities, c) to create conducive environment to complete the project in stipulated time making the process of land acquisition, compensation, resettlement and rehabilitation simple, easy, transparent and just. It further recognizes the need to provide additional support to GESI target groups. Additionally, measures to acquire voluntarily donated land are also provided. Although this policy is in existence, acts and laws are yet to be developed for implementation.

6.4.18 The Land Acquisition Act (1977)

This act and its subsequent amendment in 1993 specify procedures of land acquisition and compensation. The Act empowers the Government to acquire any land, on the payment of compensation, for public purposes or for the operation of any development project initiated by government institutions. The Act also includes a provision for acquisition of land through negotiations and thus provides a space for voluntary donation. It states in Clause 27 "not notwithstanding anything contained elsewhere in this Act, the Government may acquire any land for any purpose through negotiations with the concerned land owner. It shall not be necessary to comply with the procedure laid down in this act when acquiring land through negotiations."

6.4.19 The Land Revenue (land administration and revenue) Act (2034)

This is the main Act to carry out land administration including maintenance and updating records, collection of land revenue and settlement of the disputes after completion of survey and handing over of the records to Land Revenue Office by the Survey Parties. It authorizes the Land Revenue Offices to registration, ownership transfer and deed transfer of land. This Act also authorizes the Land Revenue Offices to transfer ownership and deeds of individual land, if any person applied for the ownership transfer of his/or land with mutual understanding for public use with recommendation of relevant committee.

Thus, the country has adequate legal/regulatory systems for safeguarding environment and social systems, resources and ecologically significant areas from pollution, for protection of natural and cultural heritage sites, and for excluding activities that are likely to have significant adverse impacts on eco-sensitive areas, forest areas and wetlands. Thus, the country provides an enabling policy and legal framework to promote decentralization, and safeguard the interest of the vulnerable. Special provisions exist to ensure that the Janjati communities receive targeted support and are not excluded. The Program supports the goal of GoN and is designed in a manner to enhance decentralization, promoting participation, inclusion, transparency and accountability. The provisions of some of these acts have limited relevance in context of the Program as land will not be acquired and no one will lose livelihood and/or face displacement.

6.5 Key Implementing Agencies and Partners

The main Government institutions with key responsibilities for environmental and social management in the education sector are described below:

6.5.1 Ministry of Education (MoE)

MOE is the main agency responsible for overall development of education in the country including formulating education policies and plans and implementing them through its departments, divisions and centers. Under the Ministry, there are five divisions, which are: i) Administrative; ii) Planning, iii) Education Management, iv) Higher and Technical Education and v) Monitoring, Evaluation and Inspection. MoE has issued and is implementing GESI Strategy⁹. It is one of the few sectoral ministries, which has established special unit to implement GESI Strategy.

6.5.2 Department of Education

Department of Education (DoE) holds the responsibility of the implementing and monitoring of education programmes in the country through five Regional Education Directorate (RED) and 75 District Education Offices (DEO). There are four key sections in the DoE that deal with Environment and Social issues:

The Physical Improvement Section does planning, construction, maintenance and monitoring of the physical infrastructure. This same section deals with environmental issues as well. This section has an exclusive Environment Specialist appointed for this purpose. The specialist is responsible for handling all issues related to environmental management including trainings, monitoring, supervision, preparation of manuals and guidelines for the DoE. This section reports to Director, Planning Division. Gender Equity Development section (GEDS) and Inclusive Education section within the Educational Management Division of DoE are specifically responsible for addressing inclusion issues. Currently, Gender and Social Inclusion Section has been assigned as focal unit to look into inclusion issues. Matters related to land and other school properties are handled by School Health, Nutrition and School Property Management Section under the Administrative Division within DoE.

These specialists are located at the National level and do not have counter parts at district level. This poses a risk to implementation and monitoring of the environmental and social aspects of the program. Presently, with no environmental and social support at the field level, basic screening, due diligence and monitoring requirements are not being complied with.

⁹ MoE, 2014, Consolidated Equity Strategy 2014.

6.5.3 Ministry of Population and Environment (MoPE)

The Ministry of Population and Environment (MoPE)¹⁰ has a mandate to implement Environment Protection Act 2053 and Environment Protection Regulation 2054, Environmental Guidelines, Standards and Directives issued by GoN. The Department of Environment (DoE), one of the leading departments is responsible for harmonizing the environmental activities that complies with international obligations. It is primarily responsible for the formulation and implementation of policies, plans and programs; preparing Acts, Regulations and Guidelines; conducting surveys, studies and research, disseminating information and carrying out publicity; monitoring and evaluating programs; developing human resources and acting as a national and international focal point for environmental issues. The scope of work on environment involves current environmental issues, National Conservation Strategy, Nepal Environmental Policy and action Plan and functions relating to promote sustainable development, preserve the quality of environment – including air, water and soil.

6.5.4 Ministry of Federal Affairs and Local Development (MoFALD)

MoFALD plays the role of coordination, cooperation, facilitation and monitoring and evaluation of activities undertaken by local bodies and contributes to poverty reduction by mobilizing local means and resources, utilizing skill and technology to the optimum level and creating employment opportunity. Besides this, it also does the capacity building of local government through local self-governance and contribute to promote local good governance. As per the Government of Nepal (Allocation of Business) Rules, 2012 the MoFALD is responsible for formulation, implementation, monitoring and evaluation of policy, plans and programs relating to sewerage and sanitation. At the district level DEO will coordinate with MOFALD for issu

6.5.5 Other Stakeholders

District Education Office: This office consist of The District Education Officer, Deputy Education Officers, Engineer, Sub-Engineers, Technicians and support staff. Together they plan for school improvement, coordinate the implementation with SMCs, supervise implementation and monitor progress and report to DoE. The districts have a GESI (Gender Equity Social Inclusion) Committee headed by DEO; they prepare GESI Action plan, implement and monitor the same. Resource persons, gender focal persons and GESI committees monitor GESI related activities.

School Management Committees: There is provision of School Management Committee (SMC) in Education Act to manage and mobilize physical, financial and

¹⁰ The Environment Division was recently separated from the earlier Ministry of Science, Technology and Environment (MoEST) and has been merged with Population to create Ministry of Population and Environment (MoPE) which focuses on environmental conservation, pollution prevention and control, and conservation of national heritage as well as the effective implementation of commitments expressed in regional and international levels.

human resources, operate, monitor and supervise the school. A parent chairs the SMC. The chairperson and two members are elected among the parents. Participation of more than 50% members from the community has tried to ensure community ownership for managing conducive learning environment, utilization of local expertise and resources. SMC has given the authorities to develop and implement school development plan. The SMCs do not have capacity to screen the School Improvement Plans (SIPs) for environmental and social aspects and in implementing and monitoring the environmental and social aspects of the program.

6.6 Grievance Redress

The previous bank funded School Sector Reforms Project provisioned for a Grievance Redress Committee (GRC) at School Management Committee level and at district level. Clause 31 of the The Good Governance Act describes the grievance management processes to address grievances relating to quality and effectiveness of the work carried out by the government. The SMC level GRC comprises five members including the head teacher, parents, community and vulnerable group representatives.

The District Education Committee (DEC) works as the district level GRC. The key functions of the GRCs are to:

- a. Record the complaints
- b. Settle the grievances in a consultative fashion
- c. Report to the aggrieved parties about the decision/solution
- d. Forward the unresolved cases to higher authorities

If any resolution attempt at the SMC level fail, the SMC will refer the complaints to the District Education Office (DEO) along with the minutes of hearings. There is a provision of central level GRC at the MoE and DoE level. The DoE has provided directives (2073) on the process to redress grievances. However, the public grievance redress system has not been fully functional due to lack of awareness and capacity. The program envisages the strengthening of the grievance redress mechanism with capacity building at the SMC level and stronger supervision by DEO.

6.7 Consultation and Disclosure

Disclosure of information and public consultations is required for all government organizations under the Right to Information Act, 2064 (2007). This is being practiced differently at different levels. The program and implementation documents including ESSA, EMF, SMF and monitoring reports are to be disclosed on MoE and DoE websites. The documents will be disclosed in a timely manner, in an accessible place and in a form and in both English and local languages.

7.0 Assessment of Program System Consistency with Core Principles of OP 9.00

7.1 Introduction

Drawing on the information and analysis presented in the preceding sections, including a detailed analysis of the environmental and social benefits and risks associated with the Program, assessment of program capacity and performance with respect to the policy and legal framework, the institutional context, and the existing environment and social management procedures, the analysis presented here on the Program systems' consistency with each of the six Core Principles outlined in OP 9.00, is organized through a synthesis of the main findings using the SWOT (Strengths Weaknesses-Opportunities-Threats) approach. The SWOT is adapted and applied to the Program and PforR context in the following way:

- a) Strengths of the system, or where it functions effectively and efficiently and is consistent with OP 9.00;
- b) Gaps in the system with respect to the OP 9.00 principles;
- c) Opportunities to strengthen the existing system;
- d) Risks that, if unaddressed, may undermine the effective implementation of the opportunities to strengthen the system.

7.2 Analysis of Program Environment/Social System Consistency

Overall, the existing policy and legal system in the country is consistent with the core principles of OP 9.00. However, implementation arrangements needs to be strengthened for compliance with policy and legal system.

7.2.1 Core Principle 1

Core Principle # 1: Promote environmental and social sustainability in the Program design; avoid, minimize, or mitigate adverse impacts, and promote informed decisionmaking relating to the Program's environmental and social impacts

Strengths:

- a) Informed decision making relating to the environmental issues in the education sector is evident in the GoN's policies and programs. The country's Education Act (2001) and NEGSIFMN (2004) focuses on safe and sustainable school development and management.
- b) The country has well-defined legal/regulatory systems for safeguarding environment and ecologically significant areas from pollution, for excluding

activities that are likely to have significant adverse impacts on eco-sensitive areas, forest and hilly areas and wetlands.

- c) The country's approach in introducing reforms into education sector has borne fruit and has resulted in attracting support of several development partners.
- d) The sector has developed EMF and SMF for previous SSRP.
- e) The School Management Committees are functioning well and are taking up the responsibility of school development.

Gaps:

- a) The implementation of the existing legal/regulatory provisions faces challenges (due to multiple regulations, overstretched regulatory authorities, weak monitoring etc. due to lack of resources).
- b) There is need for mainstreaming the approach to sustainability planning with community involvement into all Program schemes.
- c) There is a need to strengthen the existing environment and social monitoring system.

Opportunities:

- a) The country has experience of implementing previous SSRP projects. Strengthened environmental and social management rules and procedures can be developed by GoN to be rolled out through the Program.

Risks:

- a) Addressing the environmental management depends on capacity building of the key sector organizations both in terms of human resources and training, and strong monitoring.
- b) Poor implementation of the strengthened environmental and social management rules and procedures is a possible risk.

7.2.2 Core Principle 2

Core Principle # 2: Avoid, minimize, or mitigate adverse impacts on natural habitats and physical cultural resources resulting from the Program

Not applicable. The Program will not support any activities such as civil works that will have impacts on natural habitats and physical cultural resources. This principle therefore does not apply to the Program. Any civil works will be within the existing premises of schools.

The established environmental and social management procedures and processes are designed to avoid, minimize and mitigate against adverse effects on natural habitats and physical cultural resources resulting from program. As relevant, the program to be supported:

- Includes appropriate measures for early identification and screening of potentially important natural habitats, biodiversity and cultural resource areas.

- Supports and promotes the conservation, maintenance, and rehabilitation of natural habitats; avoids the significant conversion or degradation of critical natural habitats, and if avoiding the significant conversion of natural habitats is not technically feasible, includes measures to mitigate or offset impacts or program activities.
- Takes into account potential adverse effects on physical cultural property and, as warranted, provides adequate measures to avoid, minimize, or mitigate such effects.

7.2.3 Core Principle 3

Core Principle # 3: Protect public and worker safety against the potential risks associated with: (i) construction and/or operations of facilities or other operational practices under the Program; (ii) exposure to toxic chemicals, hazardous wastes, and other dangerous materials under the Program; and, (iii) reconstruction or rehabilitation of infrastructure located in areas prone to natural hazards

Strengths:

- a) The DoE's contract conditions for contractors include provisions for public and worker safety (for example, regulations on use of explosives, provision of barricades at construction site, use of personal protection gear by workers, disposal of construction debris and waste water, preventing creation of conditions conducive to disease vectors, etc.).
- b) The country has also issued guidelines/regulations on aspects concerning public and worker safety risks from construction/operation of facilities from time to time.
- c) The legal/regulatory system in the country includes provisions for safeguarding ecologically significant areas from pollution and is thus applicable to regulating the disposal of toxic chemicals, hazardous wastes, etc.
As such, such materials will not be used in the program works.

Gaps:

- a) Implementation capacities need to be strengthened for better monitoring quality and environmental and social compliance.

Opportunities:

- a) The EMF and SMF developed by the GoE (to be integrated into Program Operational Manual), to be rolled out through the Program, includes references to technical guidelines on public and worker safety relevant to sector.

Risks:

- a) Systematic implementation of these provisions requires enhancing awareness in the key sector organizations and strengthened monitoring.

7.2.4 Core Principle 4

Core Principle # 4: Manage land acquisition and loss of access to natural resources in a way that avoids or minimizes displacement, and assist the affected people in improving, or at the minimum restoring, their livelihoods and living standards

Strengths:

- a) The DoE is familiar with the social safeguards requirements; by way of implementing the previous SSRP program.
- b) The physical investments are expected to be limited to existing school premises. When land is required, in practice, land is not 'acquired' rather preference is to provide government land free from encumbrances, or purchase at negotiated rates (by SMC), or through voluntary land donation.
- c) Grievance Redress Mechanism is in place for all types of grievances including land related, if any.

Gaps:

- d) There is no systematic handling and documentation of voluntary land donation to avoid disputes.

Opportunities:

- a) The sub-project cycle for each investment includes processes to be followed and documented for land requirement which will be audited by Social Audit and findings shared with all stakeholders. This is further detailed in Program Implementation Manual (and in framework for land procurement through voluntary donations and willing seller-willing buyer).

Risks:

- a) There is scope to misuse the practice of voluntary land donation.

7.2.5 Core Principle 5

Core Principle # 5: Give due consideration to the cultural appropriateness of, and equitable access to, Program benefits, giving special attention to the rights and interests of the Indigenous Peoples and to the needs or concerns of vulnerable groups

Strengths:

- a) Policy framework as well as a political commitments to gender and social inclusion has led to integration of GESI into the system.
- b) Special units responsible for handling inclusion issue are established

- c) Consolidated Equity Strategy developed by MoE under SSRP recognizes the need to address GESI issues.
- d) The proposed activities under SSDP are aligned to the consolidated equity strategy. The SSDP includes, among others, segregated education services to the children with disabilities through inclusive education models, supporting disability friendly physical infrastructure in schools.
- e) The legal/ regulatory system is robust to promote decentralized planning, implementation and social accountability. In addition, special provisions exist to safeguard the interest of the vulnerable including Janjatis and Differently abled children

Gaps:

- a) Weak capacity to implement provision of the legal, policy and regulatory provisions and lack of system to disseminate information, promote social accountability and address grievances at field level.
- b) EMIS, a data management system to monitor progress.

Opportunities:

- a) A comprehensive communication program is developed for free, prior and informed consultation which covers strategy, Information, Education and Communication (IEC) material (print, electronic and local tools) and operational manual that details out step by step activities to be implemented, roles and responsibilities of all implementing partners. To deepen decentralized decisions making process - social mobilization, mobilization of women, facilitate preparation, implementation and post implementation of investment plans.
- d) Strengthened transparency and accountability includes display information of all activities including cost, at prominent and public places in the wards, form social audit committee that is representative of all ward and women, develop simple formats for reporting findings at planning, implementation and post implementation. Grievance Redress system will be established and support provided for conflict management at village level. Capacity Building will include hiring staff and conduct training according to the annual plans. Details are included in the Program Operational Manual.

Risks:

- a) Some GESI target still risk being excluded in access to education due to financial, socio-cultural, geographical barriers to name a few. In reference to children with various forms of disability in mainstream classrooms, despite efforts, the enrolment and meaningful participation of children with disabilities in regular classrooms remain low.

7.2.6 Core Principle 6

Core Principle # 6: Avoid exacerbating social conflict, especially in fragile states, postconflict areas, or areas subject to territorial disputes

Not Applicable: The area in question is not a conflict area; neither there is a conflict nor is it a fragile state. There are no conflicts or territorial disputes in the project area. However, the Program seeks to address issues of distributional equity thus risking social conflicts between groups. In this regard, the ESSA did not consider the Program with regards to Core Principle 6, but issues of distributional equity and cultural sensitivities are covered under the analysis of system with respect to the main considerations of Core Principle 5.

8.0 Program Capacity and Performance - Assessment of Adequacy and Identification of Gaps

8.1 Introduction

The previous sections described the existing environmental and social management system of the country's Education sector including the policy and legal framework, the key sector institutions and the country's environment and social management procedures. This section analyses the performance of the key institutions with regard to the provisions of the legal and regulatory framework and highlights the challenges therein. It also describes the challenges and needs with respect to the capacities of the key sector institutions.

8.2 Existing EMF, SMF and VCDF

8.2.1 EMF

As aforementioned the existing EMF was adopted by DOE while implementing SSRP albeit the compliance was not satisfactory. This EMF is a guideline which consists of environmental assessment, policy, legal, and institutional framework, policy for improvement of school facilities, review of safeguard measures, environmental issues and their significance for infrastructure development under SSRP, existing capacity assessment for the implementation of EMF and implementation mechanism for mitigation measures, including school selection criteria, DOE policy, environmental screening, design guidelines for school buildings construction from environmental perspective, laboratory checklist from environmental perspective, etc.

However this EMF lacks institution arrangement for addressing the environmental and social issues at all levels of program implementation. The provision of human resource, budgeting, monitoring at national and local level and capacity building activities needs to be adequately addressed in the framework.

8.2.2 Land Acquisition Framework

This Land Acquisition Framework adopted by DOE under SSRP has procedures for procuring land under a) voluntary donation and b) willing seller-willing buyer. The objective of the LAF were to i) avoid land acquisition and involuntary resettlement; and ii) minimize it where it is unavoidable exploring possible alternative and ensure that land owner receive appropriate payment, so that they would at least be as well off as they would have been in the absence of the project. In case of land requirement, first priority would be given to use available government land, and in case of unavailability of government land, a negotiated settlement (voluntary donation of land or willing seller and willing buyer approach) would be adopted to manage the required land.

The LAF further states procedures for land acquisition and the rules of taking possession of land. It mentions the procedures for taking possession of government or public land but it does not consider the need to ensure that government land doesn't have any occupants, squatters or any users to avoid forced eviction. In the case of rules of taking voluntary land donation, the need to ensure land donation is truly voluntary and that the land donation does not cause any significant loss of income has been stressed. However, it does not clearly specify how impact to vulnerable communities particularly the poor and marginal landholders could be avoided or minimized to prevent impoverishment as a result of land donation.

8.2.3 Vulnerable Community Development Framework (VCDF)

This Vulnerable Community Development Framework (VCDF) prepared by DoE under SSRP ensure that the program is implemented with sufficient attention to issues related to access, equity, quality and sustainability of education services for the vulnerable groups and that these groups are in no way affected adversely due to programme intervention. It consists of definition of vulnerable communities, relevant policies applicable to vulnerable groups, specific procedures for preparation of SIP, consultation participation and disclosure procedures along with institutional arrangements including monitoring and evaluation arrangements. It provides policy and procedures to screen SSRP impacts on vulnerable communities at community level and preparation and implementation of School Improvement Plan (SIP), District Education Plans (DEP) and Annual Strategic Plans (ASIP). The revised framework will be aligned with the components and activities planned under SSDP.

8.3 Performance with Regard to Provisions of Legal and Regulatory Framework

The Legal and Regulatory framework governing the education sector is strong in terms of the provisions enlisted for creating a safe environment for school users and safeguarding the environment from pollution and unsustainable exploitation. The Ministry of Education of Government of Nepal also recognized the role of School Management Committees in managing schools. However, the implementation of the existing legal and regulatory provisions faces some challenges:

8.4 Environmental and Social Aspects

The implementation of the existing legal and regulatory provisions on environmental aspects faces the following challenges:

8.4.1 Absence of Budget for Environmental Improvements

While the SMC are preparing the school improvement plans, they do not make a budget for environmental improvements. The DEO staff who scrutinize these School Improvement Plans do not have adequate environmental skills to make provisions for the environmental improvements in the plans. The following aspects related proper water supply both for drinking and sanitary use, solid waste (collection and disposal) and personal hygiene (incinerators), safety (balusters, compound walls, parapet walls, ramps, etc.) etc. are not being provided for in the plans. The SMCs are not doing any environmental (and social) screening, as they lack the required skills.

8.4.2 Lack of Environmental and Social Management

The Engineer/ Sub-Engineer at the DEO office at the district level scrutinizes the school improvement plans sent by the SMCs and approves them for funding. These Engineers/ Sub-Engineers lacks the required skills for environmental and social management in terms of screening, mitigation measures, implementation and monitoring of environmental management interventions. As environmental and social screening is not done as required, issues like suitability of sites in terms of safety from landslides and floods are not being addressed. The construction supervision is done by the SMCs, which do not have the required technical skills; this is resulting in use of sub-standard materials and poor construction quality. The DEO Engineering team is not trained in Environmental Supervision and Monitoring of the sub-projects. The DEO team prepares a Work Completion Report; this is mostly for accounting and billing purposes, but does not focus on the environmental or social issues.

The SMCs, the primary implementers at local level, lacks technical and management capacity in planning, screening, implementation and monitoring of safeguard related issues. In addition to this their capacity to resolve gender issues, grievances, etc. is quite rudimentary. While the legal framework is robust, the implementation of the regulations related to environmental and social aspects is not in consistent with the policies and DoE guidelines.

8.4.3 Need for Environmental and Social Resources at District Level

There are no dedicated environmental or social resources at the district level; except for the engineering resources at the DEO office. Though there is a sound EMF and SMF prepared by the DoE, this is not being implemented at the district level. Many of the key stakeholders at the district and below district level are not aware of the existence of the EMF and SMF. The EMF and SMF needs people with appropriate skills to implement and comply them.

8.4.4 Land Issues including Donation and Purchase of Land

The process of voluntary donation of land is not being documented in the required manner. Documenting the donation process is necessary for establishing the voluntary nature of the donation; as sometimes donations can be coercive. As voluntary donation is one of the options for land procurement, there is an opportunity for overuse/ misuse of this provision unless the process of voluntary donation is meticulously documented at all levels to avoid confusions, misunderstandings, litigations, etc. at a later stage. Even in case of SMC buying the land with the contributions collected from community needs to be recorded properly. While collecting contributions, the SMC needs to be aware that vulnerable people should not be forced to make contributions.

8.4.5 Grievance Redressal

Despite the provision of Grievance Redressal mechanism, the GRM at the field level is not systematically done. Many of the field level functionaries and key stakeholders are not aware of the GRM provisions. There are no Grievance Registers available at the school and district level. There is a need for an establishment of a systematic grievance redressal mechanism and its provisions to be popularized among all the stakeholders and maintain the required documents.

8.6 Adequacy of Institutional Organization and Capacity

As detailed in previous sections, the key sector organization that is responsible for the management of the education sector, including environmental and social aspects, is MoE through DoE. While the DoE, on an overall basis, has institutional arrangements in place for management education sector, institutional capacity poses a challenge. The challenges and capacity building needs are described below. The challenge for the sector institutions on environmental and social management aspects under the Program is to ensure that the decentralized decision making, transparency, accountability and grievance redressal is institutionalised to enhance sustainability of program. This will require capacity building of all the key stakeholders.

8.6.1 Challenges of Managing Environmental and Social Aspects

The Program addresses key challenges of education sector service delivery in terai, hilly and mountainous regions. These interventions present a unique set of potential challenges with respect to environmental and social management as described in previous sections. At the DoE level, the Social and Environmental Specialists, along with some Engineers and Section Officers, needs focused training on environment and social safeguards, EMF and SMF implementation and monitoring. At the DEO level, there are no Environment and Social Management Specialists. They are required to coordinate and monitor implementation of activities, to facilitate implementation of strengthened environmental and social rules and procedures, to coordinate capacity

building inputs to the program key stakeholders and SMCs, and, to oversee the third party monitoring. In order to strengthen environmental and social implementation and monitoring, there is an urgent need for facilitating flow of environmental and social information from the DEO offices to DoE head office. In order to do this, the DEO level staff must be trained and their capacity built in collecting the information, sorting and for transmission of the same to DoE at national level.

8.6.2 Capacity Building Needs of SMCs

The SMCs are the key stakeholders of the program. They prepare plan for school improvement, implement the same, monitor the progress, etc. They are a party to all decisions made with regard to their school. They are supposed to be the primary Grievance Redressal agency. The capacity of SMCs needs to be built in terms of participatory planning, group mobilisation, systems to ensure transparency, implementation and monitoring of sub-projects and grievance redressal. In addition, SMC's technical skills needs to be enhanced for effective construction and supervision considering their role as the primary actors.

9.0 Actions to Address Identified Risks and Gaps

9.1 Introduction

The previous sections describe the environmental and social risks/impacts of the Program and the challenges/gaps with regard to the environmental and social system concerning the Program. The assessment of Program system consistency with core principles of OP 9.00 (section 4) clearly brings out the gaps and the opportunities to strengthen the system. The section 5 identifies the gaps/challenges with respect to the implementation of the provisions of the legal and regulatory framework. It also identifies the capacity building needs of the key sector institutions with respect to environmental and social management.

Overall, the ESSA recommends that National Environmental and Social systems are acceptable for the Program implementation and adopting the PforR investment lending. However, ESSA recommends for addressing institutional capacity constraints and gaps across a range of environmental and social management system limitations. These recommendations are summarized as actions to be incorporated in the Program Action Plan. Drawing upon this background, this section identifies the specific actions that are to be implemented in order to address the identified risks, gaps/challenges and needs.

9.2 Environmental and Social Gaps

The key environmental and social impacts and risks were identified in Section 4 and gaps in Section 7. The gaps are summarized below:

9.2.1 Environmental Gaps

- The implementation of the existing legal/regulatory provisions faces challenges (due to multiple regulations, overstretched regulatory authorities, weak monitoring etc. and lack of resources).
- There is need for mainstreaming the approach to sustainability planning with community involvement into all Program schemes.
- There is a need to strengthen the existing environment and social monitoring system.
- Implementation capacities need to be strengthened for better monitoring quality and environmental and social compliance.
- There is no established system to support and verify the these practices.

- Weak capacity to implement provision of the legal, policy and regulatory provisions and lack of system to disseminate information, promote social accountability and address grievances at field level.
- Absence of Budget for Environmental Improvements
- Lack of Environmental and Social Management
- Need for Environmental and Social Resources at District Level

9.2.2 Social Gaps

- a) Land Issues including Donation and Purchase of Land
- b) Weak capacity of the SMCs to plan, implement and monitor school activities.
- c) A systematic grievance redress system is not in place.

9.3 Identified Actions

The Program Action Plan includes addressing the capacity building needs (both in terms of human resources and training) of the DoE and DEO level institutions, , provision of focal person for both environment and social aspects among others.

- 1) *Revising EMF and SMF (Land acquisition framework and VCDF) and adopting the same for implementation.*
 - a) *An Environmental Social Due Diligence Procedure (EDDP)*, which is a systematic process of identifying potential impacts and mitigation plan for schemes/interventions that pose environmental and social risks by virtue of their location, scale or nature. This needs to be developed by revising the existing EMF and SMF (*Land acquisition framework and VCDF*).
 - b) *A Screening Format* to ensure that ensures proper screening of the locations and activities to be taken for safety and security and other listed environmental and social impacts, risks and gaps. These needs to be developed and included as part of revised EMF and SMF (*Land acquisition framework and VCDF*).
 - c) *Grievances Redressal Mechanism* for conflict management and operational guidelines to improve the conflict resolution and properly track and document all grievances. This needs to be made part of the revised EMF and SMF (*Land acquisition framework and VCDF*).
 - d) *Monitoring Evaluation and Audit arrangements on environmental and social management* that include internal and third-party monitoring of the environmental and social performance of the Program. The DoE will publish an Annual Report with a separate section on Environmental and Social performance monitoring. The External Environmental and Social Audit (EESA) will be conducted on bi-annual basis. There will be three such EESAs during the program period. The revised EMF and SMF (*Land acquisition framework and VCDF*) needs to identify appropriate indicators to track.

- e) *Make provisions in the revised SMF (Land acquisition framework and VCDF) for guidelines for land donation and purchase, formats for documenting the land procurement process, contribution collection process, etc.*
 - f) *Technical guidelines on good environment management practices concerning siting, design, O&M, etc., of schemes/interventions.*
- 2) *Provision of Environment and Social Budget* in the school improvement plans for water supply, sanitation, SWM, IEC, etc.
- 3) *Systems to promote social accountability.*
 - a) Strengthened SMCs and forming Social audit committees to audit plans to ensure that they are in compliance on inclusion, participatory processes, processes followed to provide land, and access of benefits by the vulnerable groups. At implementation stage, expenditure tracking co-related to civil works will be undertaken. Finally at post-operative stage, the audit will be on achievement of project objectives, maintenance and school management.
 - b) *Strengthening communication program for dissemination of information.* The IEC program will be revised to prepare a comprehensive communication strategy to disseminate complete information about the program, implementation and post implementation to enable communities to take informed decisions.
- 4) *Capacity Building under Technical Assistance*
 - a) *Staffing:* This includes Environment and Social Development Specialists at district level at DEO offices to ensure that the environmental and social management procedures and processes are fully complied with for planned investments.
 - b) *Training:* As a part of the Technical Assistance, a comprehensive capacity building and training plan will be developed for DoE and DEO level staff and for SMCs duly strengthening their capacity on environmental and social management. The SSDP will conduct a Capacity Enhancement Needs Assessment and will based this prepare a comprehensive Training Plan and Training Calendars. These will form part of the overall SSDP training program. The training will start during the first year itself.

9.4 Program Action Plan Implementation

The proposed action plan will assist in strengthening the MoE's procedures and capacity for managing the environmental and social issues with regard to implementation of the Program. The identified action is – 'Implement strengthened environmental and social management rules and procedures for the Program, supported by necessary capacity building measures to the sector institutions'.

Based on the analysis, the ESSA identified the following main areas for action in order to ensure that the Program interventions are aligned with the Core Principles

1, 3, and 5 of the Policy for improved environmental and social due diligence. The main two critical actions have also been included the Program Action Plan.

9.4.1 PAP Implementation Plan

Sub-action description	Deadline	Responsible party	Completion measurement
1) Revising the EMF and SMF (<i>Land acquisition framework and VCDF</i>), duly including: a. An Environmental Social Due Diligence Procedure (EDDP) b. Environmental and Social Screening Formats c. Grievances Redressal Mechanism d. Monitoring, Evaluation and Audit arrangements with Indicators: Annual Environmental and Social Performance Reporting by DOE and Bi-Annual External Environmental Audit by third party consultants. e. Guidelines and formats for land donation and purchase f. Technical guidelines on good environment management practices concerning siting, design, O&M, etc., of schemes/interventions.	Formal endorsement by MoE and DoE by appraisal; Revision of EMF and SMF by Program Effective Date; Implementation starting in First Year	MoE, DoE	Formal endorsement of strengthened EMF and SMF by MoE. Environmental and Social Management rules and procedures and Technical Guidelines included in the Program Implementation Guidelines
2) Provision of Environment and Social Budget in the school improvement plans for water supply, sanitation, SWM, IEC, etc.	Formal endorsement by MoE and DoE by appraisal; Implementation starting in First Year	MoE, DoE	Formal endorsement of Environment and Social Budget in Program Implementation Guidelines
3) Systems to promote Social Accountability a. A Strengthened SMCs and forming Social audit committees to audit SIPs b. Strengthening Communication Program and IEC for dissemination of information.	Formal endorsement by MoE and DoE by appraisal; Implementation starting in First Year	MoE, DoE	Formal endorsement of Systems to promote Social Accountability and strengthened Communication Program and IEC in the Program

			Implementation Guidelines
4) Capacity Building as part of Technical Assistance <ul style="list-style-type: none"> a. Strengthening of staffing, Environment and Social Development Specialists at district level at DEO offices b. Training, as a part of the overall training program of SSDP under Technical Assistance 	Confirmation of the staffing recruitment by MoE by Program Effective Date; Staff to continue till program lasts.	MoE, DoE	Formal communication from MoE confirming staffing of specialists to facilitate implementation of Environment and Social management rules and procedures. Formal endorsement of Capacity Building and Training Plan in the Program Implementation Guidelines. Training implemented on the basis of a detailed training calendar.

9.5 The Grievance / Complaint Redress Mechanism

Communities and individuals who believe that they are adversely affected by a World Bank supported project may submit complaints to existing project-level grievance redress mechanisms or the Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the World Bank's independent Inspection Panel (www.inspectionpanel.org) which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention (<http://www.worldbank.org/GRS>), and Bank Management has been given an opportunity to respond¹¹.

¹¹ For information on submitting complaints to the World Bank's corporate Grievance Redress Service (GRS), <http://www.worldbank.org/GRS>.

For information on submitting complaints to the World Bank Inspection Panel: www.inspectionpanel.org.

Annex 1: Stakeholder Consultations Report

National level Stakeholder consultations:

Two rounds of stakeholder consultations were conducted to discuss the findings from the assessment as well as purposed actions for the project. These interactive sessions were instrumental in refining the actions plans for the project.

In the first national level consultation was held on 16th November, 2016. Donor partners were invited to contribute to the assessment and their inputs were helpful in revising the purposed actions plans. Representatives from main supporting DPs for the educations sector – USAID, Finland Embassy, ADB, EU, Norwegian Embassy, UNICEF- participated in the workshop.

Issues raised	Response
Poor mainstreaming of environment and social safeguard issues by DoE and MoE.	Mainstreaming efforts through coordination with the other line agencies in the sector could be effective.
A lot of concern areas in the sector, the program should start with few attainable activities.	Agreed.
Incinerators for personal hygiene in the school is not feasible in most cases.	Agreed
The MoE, DoE and DEO should coordinate with MOWSS and local authority for providing water supply to the school	

Participant list:

Participant	Organisation
Jannie Kwok	USAID
AsishDhakal	ADB
Marianne Garcia	Finland Embassy
Robert Hynderick	EUAttaché
Nanda K. Sharma	ADB
KamlaBisht	Norwegian Embassy
Sunil Pun	UNICEF
SibendraBaidya	UNICEF

Second National consultation was held on 20th December, 2016. Stakeholders in education sector - representative from MOE, DoE, ADB, School Chairman, DEOs, Guardian Association Nepal and Alliance INGOs-Education working group - participated in the meeting.

Issues raised	Response
Staff capacity constrain a major hurdle in carrying out screening and monitoring of environment and social safeguard requirements.	Agreed
Budgetary constraints in mainstreaming environment and social safeguards requirement.	It was agreed
A separate reporting for safeguards on a quarterly basis	Agreed that it should be a combined with Joint Financing and conducted annually
Third party audit every two years could be more helpful/practical.	It was agreed that third party audit would be done every two years.
Mainstreaming safeguard management could be made much more effected by integrating it into the School Implementation Plan.	Agreed
The existing indigenous peoples planning framework or Vulnerable Community Development framework needs to be updated/revised	Agreed.
Capacity building initiative could be designed into the entire program rather than limiting to only E& S safeguards..	Agreed

Participant list:

Participant	Organisation
Khem Nanda Bhusal	DOE
SmitaGyawali	ADB
Raj Kumar Thapa	School Chairman
Arjun Rayamajhi	DEO, Bhaktapur
Jaya Prasad Acharya	DEO, Kathmandu

Usha Kandel (Poudel)	MOE
Nirmala Mainali	DOE
Janak Raj Pant	AIN-EWG
Subas Bhandari	Guardian Association Nepal
Laxman Prasad Bashyal	MOE

Annex 2: Results Framework

Results Areas	Indicators	D L I #	Unit of Measurement	Baseline (2015–2016)	Year 1 (2016–2017)	Year 2 (2017–2018)	Year 3 (2018–2019)	Year 4 (2019–2020)	Year 5 (2020–2021)
PDO Indicators									
Results Area 1 Improved teaching-learning and student learning outcomes	PDO Indicator 1: Percentage of students displaying grade-level competency on core subjects ^a in Grade 8 measured through NASA		Percentage	—	First competency-based test conducted for Grade 8	Baseline established, including minimum competency score	—	Second competency-based test conducted for Grade 8, which reported 3 percentage point increase from baseline	—
	PDO Indicator 2: Share of schools tracking teacher time-spent-teaching (TST)	6	Text, Percentage	Limited teacher accountability (low levels of TST)	Policy and guidelines aimed at improving TST approved	TST enhancing monitoring system operational in 15% of all community schools	TST enhancing monitoring system operational in 50% of all community schools	TST enhancing monitoring system operational in 80% of all community schools	TST enhancing monitoring system operational in 90% of all community schools
	PDO Indicator 3: Survival rate to Grade 8 and to Grade 12 (disaggregated by gender)		Percentage	Grade 8 All: 76.6 Boys: 75.9 Girls: 77.4 Grade 12 All: 11.5	Grade 8 All: 79.5 Boys: 78.7 Girls: 80.3 Grade 12 All: 13 EMIS will start	Grade 8 All: 82.4 Boys: 81.7 Girls: 83.3 Grade 12 All: 15 Boys: 2 percentage	Grade 8 All: 86 Boys: 84.7 Girls: 86.4 Grade 12 All: 18 Boys: 5 percentage	Grade 8 All: 88.7 Boys: 87.9 Girls: 89.6 Grade 12 All: 21 Boys: 8 percentage	Grade 8 All: 92 Boys: 91.2 Girls: 93 Grade 12 All: 25 Boys: 12 percentage

Results Areas	Indicators	D L I #	Unit of Measurement	Baseline (2015–2016)	Year 1 (2016–2017)	Year 2 (2017–2018)	Year 3 (2018–2019)	Year 4 (2019–2020)	Year 5 (2020–2021)
					tracking disaggregated percentage by gender.	point increase from Year 1 Girls: 2 percentage point increase from Year 1	point increase from Year 1 Girls: 5 percentage point increase from Year 1	point increase from Year 1 Girls: 8 percentage point increase from Year 1	point increase from Year 1 Girls: 12 percentage point increase from Year 1
Results Area 2: Improved equitable access to basic and secondary education	PDO Indicator 4: NER in basic and secondary education in 15 most disadvantaged districts as ranked in the equity index (disaggregated by gender)		Percentage	Basic All: 85.3 Boys: 86.7 Girls: 83.9 Secondary All: 31.9 Boys: 33.2 Girls: 30.7	Basic All: 86.9 Boys: 88.3 Girls: 85.5 Secondary All: 34.5 Boys: 35.8 Girls: 33.3	Basic All: 88.4 Boys: 91.3 Girls: 87.0 Secondary All: 37.3 Boys: 38.6 Girls: 36.1	Basic All: 89.9 Boys: 92.8 Girls: 90.0 Secondary All: 40.1 Boys: 41.4 Girls: 38.9	Basic All: 91.4 Boys: 94.3 Girls: 91.5 Secondary All: 44.3 Boys: 45.6 Girls: 43.1	Basic All: 92.9 Boys: 94.3 Girls: 91.5 Secondary All: 48.0 Boys: 49.3 Girls: 46.8
Results Area 3: Strengthened education system, sector planning, management, and governance	PDO Indicator 5: Percentage of funds disbursed to schools in compliance with eligibility and utilization guidelines		Percentage	n.a.	n.a.	80	85	90	95

Results Areas	Indicators	D L I #	Unit of Measurement	Baseline (2015–2016)	Year 1 (2016–2017)	Year 2 (2017–2018)	Year 3 (2018–2019)	Year 4 (2019–2020)	Year 5 (2020–2021)
IO Indicators									
Results Area 1 Improved teaching-learning and student learning outcomes	IO Indicator 1.1: Percentage of Grade 3 students reading grade-level text with fluency		Percentage	27.2	29.2	31.2	33.2	35.2	37.2
	IO Indicator 1.2: Improved ECED and EGRP		Text, Number of schools/E CED centers	n.a.	Classroom-based EGR Assessment carried out in 2,600 community schools	Classroom-based EGR Assessment carried out in 3,000 community schools	Number of schools meeting minimum standards for ECED is 4,000	Number of schools meeting minimum standards for ECED is 6,000	Number of schools meeting minimum standards for ECED is 8,000
	IO Indicator 1.3: National Curriculum Framework (NCF) revised and implemented	3	Text	Secondary curriculum does not adequately serve the needs of diverse student population .	The CDEC gives consent for the revision of the NCF with policy directives on articulating issues to be addressed, including,	Revised NCF approved	Draft for revision of curriculum for Grades 9–12 prepared	Revision of curriculum for Grades 9–12 approved	Grade 9 new curriculum implemented

Results Areas	Indicators	D L I #	Unit of Measurement	Baseline (2015–2016)	Year 1 (2016–2017)	Year 2 (2017–2018)	Year 3 (2018–2019)	Year 4 (2019–2020)	Year 5 (2020–2021)
					among others, catering to the needs of secondary students with diverse learning needs, and approves a plan of action for the revision of the NCF.				
	IO Indicator 1.4: Assessment and examination system reforms undertaken to improve teaching and learning	4	Text	Letter grading and single-subject certification introduced at Grade 10 Inadequate capacity to carry out high-quality	NASA institution alized at the ERO with the ERO signing partnerships with international and national agencies	Analysis of results for nationally representative and competency-based NASA Grade 8 (carried out in February–March 2017) disseminated by July 2017 with specific,	Single subject certification policy for Grades 11 and 12 implemented	Standardized and improved annual examination conducted at the end of Grade 10 nationwide	The ERO has analyzed and reported Grade 10 standardized examinations of the NEB results and NASA results for the previous year in actionable form.

Results Areas	Indicators	D L I #	Unit of Measurement	Baseline (2015–2016)	Year 1 (2016–2017)	Year 2 (2017–2018)	Year 3 (2018–2019)	Year 4 (2019–2020)	Year 5 (2020–2021)
				competency-based assessments Public examinations (Grades 8, 10, and 12) not standardized		time-bound action plan for relevant agencies			
	IO Indicator 1.5: Improved teacher management and accountability	6	Text, Percentage	Number of teachers identified nationally for redeployment	Revised policy/guidelines on reallocation of teachers based on status and norms of teacher deployment approved	Number of teachers to be redeployed reduced by 10% of the baseline	Number of teachers to be redeployed reduced by 25% of the baseline	Number of teachers to be redeployed reduced by 40% of the baseline	Number of teachers to be redeployed reduced by 60% of the baseline
	IO Indicator 1.6: Number of schools receiving block grants	5	Text, Number of schools	Serious accountability problems in the current model of	Revised grants manual approved for community schools	50	100	500	700

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Results Areas	Indicators	D L I #	Unit of Measurement	Baseline (2015–2016)	Year 1 (2016–2017)	Year 2 (2017–2018)	Year 3 (2018–2019)	Year 4 (2019–2020)	Year 5 (2020–2021)
				communit y schools are hard to address.	including guidelines for block grants to eligible unaided (permitted) communit y schools				
	IO Indicator 1.7: Number of schools implementing performance-based grants for meeting minimum accountability requirements	5	Text, Number of Schools	Accountability and performance issues are hard to be addressed through a supply-based approach.	Revised grants manual approved for community schools including guidelines for performance grants to unaided schools eligible for block grants and community schools meeting basic accountab	3,000	5,000	6,500	7,500

Results Areas	Indicators	D L I #	Unit of Measurement	Baseline (2015–2016)	Year 1 (2016–2017)	Year 2 (2017–2018)	Year 3 (2018–2019)	Year 4 (2019–2020)	Year 5 (2020–2021)
					ility requirements				
Results Area 2: Improved equitable access to basic and secondary education	IO Indicator 2.1: Number of out-of-school children brought to schools or LCs	2	Number of students ^b	—	100,000	150,000	200,000	250,000	280,000
	IO Indicator 2.2: Implementation of pro-poor targeted scholarships (PPTS) and pro-science targeted scholarships (PSS)	2	Text, Number of students	Scholarship schemes are not pro-poor targeted Share of science enrolment in Grades 11 and 12 is very low.	PPTS and PSS schemes approved	(a) PPTS scheme implemented in Grades 9 and 11 in 25 districts (b) PSS scheme implemented in Grade 11 in 25 districts	(a) PPTS scheme implemented in Grades 9, 10, 11, and 12 in all districts (b) PSS scheme implemented in Grades 11 and 12 in additional 50 districts	(a) PPTS scheme implemented in Grades 9, 10, 11, and 12 in all districts (b) PSS scheme implemented in Grades 11 and 12 in all districts	(a) PPTS scheme implemented in Grades 9, 10, 11, and 12 in all districts (b) PSS scheme implemented in Grades 11 and 12 in all districts
	IO Indicator 2.3: Number of secondary schools receiving pro-science grants	2	Number of schools ^c	Low enrolment of students in science streams	Revised grants manual approved for community schools,	100	200	400	500

Results Areas	Indicators	D L I #	Unit of Measurement	Baseline (2015–2016)	Year 1 (2016–2017)	Year 2 (2017–2018)	Year 3 (2018–2019)	Year 4 (2019–2020)	Year 5 (2020–2021)
	to offer science stream	2	Percentage	Low enrolment of students in science streams	including pro-science enhanced grants				
	IO Indicator 2.4: Share of students enrolled in science subjects in Grades 11 and 12				—	4	6	12	15
Results Area 3: Strengthened education system, sector planning, management, and governance	IO Indicator 3.1: Strengthened governance, fiduciary management, data systems, and institutional capacity for results-based program implementation	1	Text, Percentage	Enhanced fiduciary system is not in place. 85% accuracy in self-reported student and teacher data (from the 2014 Public Expenditure Tracking Survey)	(a) Enhanced fiduciary system in place (b) First round of EMIS verification conducted	(a) GMS operational (b) Satisfactory completion of capacity-strengthening AWPB on key PSF activities	(a) 4 percentage points improvement in teacher and student data accuracy compared to discrepancy in the sample verification survey carried out in Year 1, or 95% accuracy in the sample verification survey carried out in Year 3		(a) Audit observations decreased to 4% of total non-salary grants to schools (b) 97% accuracy in self-reported student and teacher data (from third round of EMIS verification)

Results Areas	Indicators	D L I #	Unit of Measurement	Baseline (2015–2016)	Year 1 (2016–2017)	Year 2 (2017–2018)	Year 3 (2018–2019)	Year 4 (2019–2020)	Year 5 (2020–2021)
IO Indicator 3.2: Enhancing feedback mechanism to schools				Absence of a system to verify school funds eligibility and utilization compliance Need for enhanced and specific institutional capacity (TA) for results-based program implementation			(b) Web-based EMIS operational in 25 districts (c) Satisfactory completion of capacity-strengthening AWPB on key PSF activities		
	IO Indicator 3.2: Enhancing feedback mechanism to schools		Text	School profile cards not used for conducting social audits in schools	District and school profile cards piloted and used in social audits in	District and school profile cards piloted and used in social audits in 25% schools	District and school profile cards implemented in all schools by linking with school	District and school profile cards used in social audits in all schools by linking with school	District and school profile cards used in social audits in all schools by linking with school

Results Areas	Indicators	D L I #	Unit of Measurement	Baseline (2015–2016)	Year 1 (2016–2017)	Year 2 (2017–2018)	Year 3 (2018–2019)	Year 4 (2019–2020)	Year 5 (2020–2021)
					10% schools		performance grants	school performance grants	performance grants