

## PROGRAM RESULTS ASSESSMENT

### A. Program Results Framework

1. The results-based lending (RBL) program of the Asian Development Bank (ADB)—Supporting School Sector Development Plan—will support the Government of Nepal's School Sector Development Plan (SSDP), FY2017–FY2023. The SSDP builds on the achievements and lessons from previous sector programs such as the School Sector Reform Plan, FY2010–FY2016 and the Education for All Program, FY2004–FY2009. Various external evaluations of these programs noted that while they had made significant contributions toward enhancing access and equity, particularly in basic education, not enough attention was given to improving the quality of education, especially at the secondary level. In trying to consolidate the gains made in access and equity thus far and renew the emphasis on quality, the SSDP focuses on boosting equitable access to quality education at all levels of school education, and improving the governance and management of the education system.

2. The expected impact of the SSDP is to contribute to socioeconomic development and reduce disparities in the country through continuous development of its human resource capacity. The SSDP key result areas, as described in the program and results framework, are: (i) improving equitable access to and quality of pre-primary and basic education; (ii) improving access to and equity and quality in secondary education; (iii) increasing the provision of qualified and trained teachers; (iv) strengthening teacher management and accountability; (v) enhancing the resilience of schools to various kinds of disasters; and (vi) improving governance, management, and monitoring of the education sector. The indicators and annual targets for each of the result areas are included in the SSDP program and results framework. The SSDP program document has a set of key performance indicators related to access and equity, efficiency and quality of the school education system that will be monitored and reported upon.

3. Building on its extensive experience in education, ADB will support the government's SSDP through results-based lending (RBL). The program was prepared through intensive policy dialogue and consultations with the government and the other joint financing partners (JFPs) that support the SSDP through a sector-wide approach. On the one hand, the RBL will provide significant incentives to achieve sector results, outputs, and outcomes that are geared toward strengthening the quality of school education, and on the other hand it will provide sufficient flexibility to focus on the most critical reform areas that contribute to achievement of outputs. The RBL modality is most suited to support the SSDP because: (i) the government has demonstrated strong leadership and commitment to implementing reforms in critical areas; (ii) the program requires greater emphasis on translating policies already in place to implementation; and (iii) the JFPs have agreed on a single results framework and a common disbursement-linked indicators (DLIs) framework with the government. This approach increases harmonization, reduces administrative burden and enables effective focus on results.

4. The results framework for ADB's RBL program is anchored within the overall SSDP program and results framework. The expected impact of the RBL program will be a more qualified human resource base for equitable socioeconomic development, and the outcome will be enhanced equitable access to quality secondary education. The program will concentrate on equity and quality in basic and secondary schools because Nepal has witnessed increasing completion of basic education and needs to redouble its efforts to provide increased opportunities at secondary level. At the same time, pass rates in grade 10 and grade 12 examinations remain low, particularly in three subjects—math, science, and English—which in turn can be attributed to insufficient quality-related inputs and inadequate teaching and learning

processes. The program will therefore pay particular attention to improving the quality of inputs, processes, and outputs in math, science, and English subjects. It will also support the implementation of model schools with comprehensive quality inputs such as school leadership and introduction of innovative and activity-based pedagogical processes, including the development of e-learning resources.

5. The RBL program has four outputs:

- (i) **Output 1: Access to basic and secondary schools improved.** The program will support the provision of a full complement of subject teachers in basic and secondary schools, especially in math, science, and English, to ensure stronger teaching and learning in these subjects. It will also support the nationwide implementation of a revised pro-poor scholarship scheme for all grades, including targeted interventions to increase girls' participation in science subjects in grades 11 and 12. While the Department of Education has been implementing a large number of scholarship schemes, they were generic and not adequately targeted to serve the interests of specific student groups. A key shortcoming has been the lack of pro-poor orientation. Since affordability of secondary education is a crucial factor, the revised scholarship scheme will strengthen pro-poor targeting. The program will also focus on providing scholarships to girls to pursue science subjects in grades 11 and 12. The SSDP is likely to have positive labor market impacts given the focus on making education more responsive to labor markets. Investment in students from low socioeconomic backgrounds will create opportunities for improving the human resource base. More graduates in science and technical subjects from grade 12 will increase the pool of skilled workers. More girls being able to study science subjects in secondary education will boost women's participation in the skilled labor force, improve their career options for high-paying jobs in science, engineering, and technology, and help narrow the gender wage gap. The program will also encourage the participation of women in the teaching profession, particularly at the secondary level, where women now constitute only about 15% of the teaching staff.
- (ii) **Output 2: Quality of school education improved.** In addition to the adequate provision of subject teachers in basic and secondary schools, the program will support more intensive professional development of these teachers to prepare them for better-quality teaching and learning processes. The Ministry of Education will make strong efforts to rationalize the recruitment and deployment of teachers so as to trim the surplus in primary-level teaching positions and fill the gaps in grades 6-8 in basic education and secondary-level teaching positions. To enable teachers in early grades to qualify for teaching in higher grades, adequate professional support will be provided. Data on student achievements reveal particularly poor performance in math, science, and English. Training for teachers in these subjects will be a particular priority to help improve student attainments. The program will also support the provision of activity-based teaching and learning materials, such as math, science, and English-language kits, especially for students in grades 6–8, to contribute to better classroom processes and to strengthen subject teaching. So far, supplementary and interactive materials to spark interest and creativity among students have been in short supply or nonexistent. Examination reforms are envisaged, with a special focus on annual district examinations at the end of grade 8, regional examinations at the end of class 10, and national examinations

at the end of grade 12. Improving examination systems is crucial because secondary-level examinations are the gateway to high-quality tertiary education and can help improve educational outcomes for students. An autonomous National Examinations Board will be established to undertake reforms in the management and administration of examinations.

- (iii) **Output 3: Model school program pilot tested.** In addition to interventions aimed at improving the quality of education across the entire school system, the program will support the implementation of innovative pedagogical processes by providing comprehensive quality inputs to selected secondary schools. The upgraded schools will serve as models for more effective teaching and learning. It is well acknowledged that the lack of quality in Nepal's existing school system stems from the inadequate provision of a comprehensive set of enabling interventions that could improve education delivery and student learning in a holistic manner. The model school program will be pilot tested in relatively large-sized schools so that a certain critical mass of students can benefit from upgraded processes and facilities such as disaster risk resilient infrastructure, ICT and science laboratories, playground, internet connectivity and e-learning resources, but also improved pedagogical processes and interactive, student-centered teaching and learning. The model schools will act as a countrywide network of schools of excellent quality, offering a full range of subjects at secondary level and providing equitable access to students from disadvantaged communities. Such schools will be equitably spread across the country and will have special provisions for the education of girls and disadvantaged groups. Model schools will also gradually attain more independent and autonomous governance structures to allow sustained school-based quality improvements.
- (iv) **Output 4: School system governance and management improved.** The program will support measures aimed at strengthening the public financial management system, including financial management and reporting capacity at all levels; improving the school grant system through the use of needs- and performance-based grants; reducing delays in financial reporting; and enhancing transparency and accountability of school data through a web-based education management information system (EMIS), establishing periodic third-party verification of EMIS data, and using data in planning and performance auditing. Particular attention will be paid to strengthening district capacities to implement, supervise, and monitor performance. In Nepal, the bulk of the school education budget is spent at the school level, so efforts will be made to enhance the efficiency and effectiveness of school level spending. The program envisages new tools such as the development of regular district and school profiles on performance and progress to improve the delivery of results.

6. The RBL program has selected the right mix of indicators that are specific, measurable, achievable, relevant, time-bound, and transparent. The result areas are geared toward enhancing access, equity and quality of school education, and are expected to contribute to the expected impact and outcomes of the program as stated above. Further, the program is expected to contribute to sustainable development of the school education sector by providing additional qualified and trained teachers, improving physical school infrastructure, and diversifying curriculum-based teaching and learning resources. It is expected that the program will directly benefit about 34,000 basic and secondary schools, 6.3 million students (of which more than 50% will be female) and 153,200 teachers over the program period.

## B. Disbursement-Linked Indicators

7. The disbursement-linked indicators (DLIs) for the program include an appropriate mix of outcome, output and institutional indicators. The DLIs are sufficiently ambitious as they ensure a gradual and sustained scale-up of results, implementation of difficult reforms in teacher management, examinations and governance, and augmented use of ICT. The PAP includes key actions that are required for achieving the targets in the DLI framework and in the results framework. The DLIs were formulated based on several criteria. First, the DLIs represent a subset of the SSDP program and results framework and reflect a balanced composition of the various result areas. Second, the DLIs are agreed by all the JFPs supporting the SSDP through a sector-wide approach and form a subset of the common DLI matrix for the JFPs that were jointly agreed by the JFPs. Third, the DLIs are realistic and are under the control of the Ministry of Education.

8. The DLIs cover all four result areas described above and target the most critical reforms aimed at enhancing access, equity, quality, and governance and management of the public education system. The program has seven DLI areas with specific targets set over the 5-year period, of which one is related to outcome and the remaining six are related to outputs and intermediate outcomes. The outcome DLI will help increase access to and participation in secondary education, with a special focus on enhancing participation in science subjects in grades 11 and 12, so as to contribute to the development of a more qualified human resource base. DLI 2 focuses on improving the provision of subject teachers to ensure that the basic and secondary schools have the full complement of subject teachers for improved teaching–learning processes in the classrooms. DLI 3 aims to ensure student access to activity-based materials for math, science, and English to enhance student learning in these subjects. DLI 4 is aimed at standardizing and improving the annual examination system with a focus on improved test items that include an appropriate mix of all cognitive domains, which are standardized to ensure comparability across districts or regions and over time, which is expected to reduce the emphasis on rote learning by students and increase emphasis on knowledge and skills. DLI 5 will support the implementation of a model school program in existing secondary schools by providing comprehensive quality inputs to upgrade these schools to become demonstration sites for more effective teaching and learning. DLIs 6 and 7 will strengthen the governance and management of the school system, and the reliability and transparency of school data. All output DLIs contribute to outcome (DLI 1). While the outcome indicator relates to increasing the gross enrollment ratio (GER) of secondary education by 7 percentage points, all the output DLIs (2-7) in Table 1 address quality improvements that are critical to sustain to increase in enrollment, particularly in secondary education.

**Table 1: Disbursement Linked Indicators**

<b>DLI</b>	<b>Indicator</b>
<b>Outcome</b>	
DLI 1	Increased access and participation of girls and boys in secondary education
<b>Outputs</b>	
DLI 2	Improved deployment of trained subject teachers for math, science, and English in basic and secondary schools
DLI 3	Activity-based math, science, and English materials to improve teaching and learning provided
DLI 4	Examination system reforms undertaken to improve teaching and learning
DLI 5	Model schools pilot tested with comprehensive quality inputs and innovative teaching and learning
DLI 6	Improved governance and strengthened fiduciary management of schools
DLI 7	Enhanced reliability and transparency of the education management information system data, including school-level data

DLI = disbursement-linked indicator.

9. The key outputs and the DLIs were formulated in a way to reinforce the positive effect of the different indicators. For instance, DLI 2 will be met by ensuring that the full complement of three trained subject teachers is provided to a school. The aim is not to just increase the number of teachers and their training but also to ensure that they are placed with requisite professional development in a rational fashion. This would prevent individual teachers being spread across many schools without ensuring the requisite critical mass of teachers in a school to bring about quality improvement in the classrooms. Similarly, once subject teachers are placed, the schools will also receive the interactive kits for math, science, and English as well as training for these teachers. In this way, a combination of quality-boosting measures will improve the overall learning environment in the schools and learning achievement by students.

### **C. Managing Risks and Improving Capacity**

10. The SSDP is being implemented at a time when Nepal is undergoing historic sociopolitical changes, including the transition to a federal structure with the promulgation of a new Constitution in September 2015. In education, federalism entails a reduced central role and a greater role for local governments in the management of school education. The transition to a federal structure will require significant prior planning with transitional arrangements and a road map, as well as institutionalized mechanisms to enhance the capacity of local government to manage school education. Lack of timely measures may impede sustained efforts in the education sector. At the same time, the reforms envisaged in the Eighth Amendment to the Education Act (2016) may not be fully implemented in due speed. Insufficient government allocation for SSDP program budget heads may affect the full implementation of the key SSDP reforms, including those aimed at increasing the supply of trained subject teachers for math, science, and English, the three subjects that now account for the majority of failures in the annual grade 10 examinations.

11. The program includes various measures (further described in the Program Action Plan) that aim to mitigate such risks and to ensure that the program targets are achieved on time. It is expected that the transition to federalism will take at least 3 years, and until the transition is agreed), the Ministry of Education, its central line agencies, and sub-national units will continue in their old roles and functions. In such a context, the program adequately focuses on strengthening the implementation arrangements at all levels of the Ministry of Education system to ensure effective implementation, monitoring and evaluation, and reporting of the program. The prior results for DLIs 5 and 6 are aimed at ensuring an enabling policy environment for program implementation. Adequate measures are also in place to strengthen program governance and management, including measures to mitigate fiduciary risks, especially at the district and school levels where most of the SSDP funds are spent. The program will also provide technical assistance in various forms to ensure that it is implemented as scheduled and that the anticipated results are achieved on time.