

SUMMARY POVERTY REDUCTION AND SOCIAL STRATEGY

Country:	Sri Lanka	Program Title:	Secondary Education Sector Improvement Program
Lending Modality:	Results-based lending for programs	Department/ Division:	South Asia Department/ Human and Social Development Division

I. POVERTY AND SOCIAL ANALYSIS AND STRATEGY

Targeting classification: targeted intervention—SDGs 4, 5.B and 10.2

A. Links to National Poverty Reduction and Inclusive Growth Strategy, and Country Partnership Strategy

The results-based lending (RBL) program of the Asian Development Bank (ADB) will help expand higher education and employment opportunities for poor students and girls, through increased access to more employable subjects in provincial and rural areas. It will also equip upper secondary students with foundational knowledge and skills related to critical thinking, problem solving, communication, and teamwork, which are needed to adapt and succeed in the modern economy, especially those who leave secondary education for a job. The program contributes to Sustainable Development Goal (SDG) 4 on education (targets 4.1, 4.5 and 4.C), SDG 5 on gender equality (target 5.5) and SDG 10 on reduced inequalities (target 10.2)

B. Results from the Poverty and Social Analysis during Assessments of the Program and its Systems

1. **Key poverty and social issues.** In 2016, some 10% of Sri Lankans were living below the international poverty line of \$3.20 a day (2011 purchasing power parity) for lower middle-income countries. The coronavirus disease (COVID-19) pandemic could push another 2.8% of the population (about 600,000 people) below this poverty line in 2020 (ADB estimates).^a Progress has been markedly uneven. The poverty headcount ratio in the rural and poorer areas is 2–4 times higher than in urban areas. The coverage and targeting of social assistance programs must be improved—coverage extends to slightly less than half the potential beneficiaries.^b

The patterns of inequity in expenditure and consumption are reflected in education access and quality. Rural children are less likely than urban children to complete upper secondary education. Western Province, which accounts for the highest mean per capita expenditure in the country, also has the highest access to upper secondary education. The school system is inequitable; only about 40% of students are in schools offering all education streams, and these schools account for just 10% of all schools and are mostly in urban areas. Students in provincial schools generally learn less because of inadequate numbers of subject teachers, lower funding allocations, lack of laboratories, and limited access to advanced courses in science, mathematics, commerce, and English. These students in rural areas are channeled to fields less favored in the labor market, such as the arts. Learning outcomes are generally poor. Low pass rates, combined with restricted entry into universities, mean that about half the students leave secondary school with no opportunity for further education or training. COVID-19 has highlighted the inequities of access to digital education, and exacerbated rural–urban disparities in learning. The learning losses have been significant and could lead to more children dropping out. Another challenge is the limited availability of study places in science, technology, engineering, and mathematics (STEM) as well as commerce, even though these subjects are much in demand in the labor market for enhancing productivity. The consequence of all these factors is that upper secondary education becomes a bottleneck limiting pathways to further education or employment. One of five youth aged 15–24 is not in employment, education, and training. Youth unemployment is 21%, while the national unemployment rate is 4.4% of the labor force.^c

2. **Beneficiaries.** The primary beneficiaries of the program will be (i) upper secondary school students, including in particular students from provincial schools; (ii) teachers who will be equipped with better knowledge in STEM subjects, inquiry-based pedagogical skills, digital education, and blended learning; and (iii) principals and provincial education staff who will be trained to provide educational leadership. By 2026, reforms supported by the program will benefit about 953,000 students (503,000 female and 450,000 male) each year. They will also have equipped 47,853 teachers (31,583 female and 16,270 male) with skills that will benefit successive generations of students.

3. **Impact channels.** The program’s emphasis on enhanced access to and quality of secondary education, with its targeted support for underperforming provincial schools, will enable poor, rural students to gain a relevant education and provide them with better options for further education, skills development, and livelihoods. The focus on science, technology, mathematics, and commerce (STMC) fields will offer greater employment potential and higher income.

4. **Other social and poverty issues.** The government will need to address the issue of poor internet connectivity in some rural areas. Among the population aged 5–69, only 30.3% (27.5% of rural residents and 12.2% of estate residents) use the internet.^d

5. **Design features.** The program has been designed for the RBL modality, where disbursements are contingent upon achievement of disbursement-linked indicators (DLIs). The DLIs were developed with the government to help tackle the poverty and social issues. The RBL program outputs are: (i) quality and relevance of STMC programs enhanced; (ii) provincial and school capacity to implement education reforms strengthened; and (iii) sector management capacity strengthened.

II. PARTICIPATION AND EMPOWERING THE POOR	
<p>1. Participatory approaches and proposed program activities. The program was designed in a participatory process involving local consultations and field visits to schools in 2019. Consultations with parents, community stakeholders, and local government officials were fed into the program design. Nearly all DLIs and program actions will involve the active participation of key education stakeholders. The monitoring and evaluation assessment provides details on stakeholder feedback in the monitoring and evaluation framework (MEF).^e</p> <p>2. Civil society. Civil society has a role especially in the achievement of DLI 5B, where teachers, parents, and children are involved in the successful development and implementation of the school development plans.</p> <p>3. Civil society organizations. The participation of civil society organizations is expected at school level, in the school development plans, and in the campaign activities to mobilize support for the RBL reforms, where they can help spread the message</p> <p>4. Forms of civil society participation envisaged during program implementation. Information gathering and sharing (medium); consultation (medium); collaboration (not applicable); partnership (not applicable).</p> <p>5. Participation plan. No. The civil society organizations working in the education sector include Room to Read, World Vision, Save the Children, and Child Fund. However, the priorities of these organizations lie in primary and lower secondary education. Therefore, the opportunities to collaborate with the RBL program are minimal. Stakeholder feedback mechanisms are set out in the MEF (footnote e).</p>	
III. GENDER AND DEVELOPMENT	
Gender mainstreaming category: effective gender mainstreaming.	
<p>1. Key issues. Upper secondary education is marked by higher dropout rates and underperformance among boys: the gender parity index is 1.07 in upper secondary (2018); the General Certificate of Education Ordinary Level ('O' Level) pass rate was 66% male, 81% female (2018); and the General Certificate of Education Advanced Level ('A' Level) pass rate was 49% male, 70% female (2019). Female enrollment is low in employable fields, but high in arts ('A' Level technology enrollment is 6% female, 18% male, while in 'A' Level arts, enrollment is 52% female, 32% male). The result is that women have higher unemployment rates: 13.2% among those with upper secondary education or higher, compared with 5.1% for men of equal qualifications. Some 29% of women aged 15–24 are not in education, employment, or training, compared with 14.4% men (footnote c).</p> <p>2. Key actions. The program includes the following key gender elements: (i) assessment of boys' underperformance, with school-based action as per program action plan (PAP);^f (ii) media campaigns and school-level actions to increase female enrollment in science and technology streams (DLI 5); (iii) gender sensitivity of all curricula, instructional guides, and materials (DLI 2); (iv) gender mainstreaming of all needs analyses and capacity development (PAP), including 60% female trainees in teacher training; (v) at least 40% of principals, and assistant or deputy principals receiving leadership training are women; and 60% of provincial, divisional, and zonal education officers receiving leadership training are women (DLI 5); and (vi) sex-disaggregated data/indicators in all management and monitoring systems (DLI 7).</p> <p><input checked="" type="checkbox"/> Gender actions (in DLIs, design and monitoring framework,^g and PAP) <input type="checkbox"/> Other actions or measures <input type="checkbox"/> No action or measure</p>	
IV. ADDRESSING SOCIAL SAFEGUARD ISSUES	
A. Involuntary Resettlement	Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C
<p>1. Key impacts. The program will have no resettlement impact. Refurbishments and renovations will take place in existing facilities and will not involve any land acquisition nor any displacement or relocation of people in any way (permanently or temporarily). Hence, the program classification is <i>category C for involuntary resettlement</i>.</p> <p>2. Strategy to address the impacts. No further assessments were carried out for involuntary resettlement. No actions will be carried out under this program that would trigger involuntary resettlement safeguards. All subprojects will, however, be subject to the initial involuntary resettlement screening using the ADB checklists provided in the environmental and social management framework (ESMF).^h</p> <p>3. Actions. <input type="checkbox"/> Program safeguard systems improvements <input checked="" type="checkbox"/> No action</p>	
B. Indigenous Peoples	Safeguard Category: <input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C
<p>1. Key impacts. The program will not have any impact on indigenous peoples, who only live in a few small and scattered pockets of forest areas of the Eastern Province of Sri Lanka. None of the renovations or refurbishments will be in close proximity to these settlements. The program classification is <i>category C for indigenous peoples</i>.</p> <p>2. Strategy to address the impacts. No further assessments are warranted but the initial indigenous peoples screening will be carried out for each subproject (standard ADB screening forms as provided in the ESMF).</p> <p>3. Actions. <input type="checkbox"/> Program safeguard systems improvements <input checked="" type="checkbox"/> No action</p>	

V. ADDRESSING OTHER SOCIAL RISKS
A. Risks in the Labor Market
<p>1. Relevance of the program for the country's or region's or sector's labor market. Unemployment (low); underemployment (low); retrenchment (low); core labor standards (low).</p> <p>2. Labor market impact. There will be an impact in the longer term since the program will help reduce the shortage of employable young people. Actions to reform the curricula, assessments, and pedagogy, and to increase access to science and technology streams will help meet labor market demands.</p>
B. Affordability. The program is focused on improving the financing of upper secondary education as part of the government's budget for secondary education. It is designed to reduce the likelihood that poor students are excluded by providing more innovation laboratories and information and communication technology; through instructional television and radio programs and offline learning materials it will mitigate the impact of digital and distance education on poor children who will not have access to devices or connectivity at home.
C. Communicable Diseases and Other Social Risks
<p>1. The impact of diseases such as dengue can be considered as low risk because there will not be significant amounts of construction and demolition sites; however, precaution and safety guidelines need to be in place to minimize the impacts. COVID-19 impacts are considered as high risk in the current circumstances, and all precautions should be in place to minimize them (as detailed in the ESMF).</p> <p>The impact of the following risks are rated high (H), medium (M), low (L), or not applicable (NA):</p> <p><input checked="" type="checkbox"/> Communicable diseases <input type="checkbox"/> Human trafficking</p> <p><input checked="" type="checkbox"/> Others (please specify): Dengue</p> <p>2. Risks to people in program area. Not applicable.</p>
VI. MONITORING AND EVALUATION
<p>1. Targets and indicators. The program's design and monitoring framework (footnote g) is based on seven DLIs. All seven contribute to poverty reduction and inclusive social development.</p> <p>2. Required human resources. The Ministry of Education has designated focal units and staff to implement the key program reforms as well as monitor and report on DLI achievement. The ADB team, together with technical assistance consultants, will oversee and support program implementation through sustained policy dialogue, technical advice and assistance on policy and analytical tasks, and semiannual review missions.</p> <p>3. Information in program implementation document. The program implementation documentⁱ specifies the preparation of the following key implementation reports: (i) reports on progress and achievement of DLIs; (ii) annual reports on the status of program actions; (iii) midterm progress report; and (iv) a completion report, which will be produced within 12 months of loan closing. A periodic fiduciary review will supplement the annual review process.</p> <p>4. Monitoring tools. The documentation includes a DLI and results framework, with a specific time frame for the delivery of each target (DLI and non-DLI); a detailed verification protocol, agreed with the government; and program actions to ensure that the system has adequate capacity to achieve the DLI targets. Actions specified in DLI 7 and in the MEF (footnote e) will improve the monitoring of the program.</p>

^a Estimates made by ADB in September 2020.

^b ADB. 2016. [The Social Protection Indicator: Assessing Results for Asia](#). Manila.

^c Government of Sri Lanka, Department of Census and Statistics. 2019. [Sri Lanka Labour Force Survey Annual Report 2018](#). Colombo.

^d Government of Sri Lanka, Department of Census and Statistics. 2020. [Bulletin of Computer Literacy Statistics of Sri Lanka - 2019 Annual](#). Colombo.

^e Monitoring and Evaluation Framework (accessible from the list of linked documents in Appendix 2 of the report and recommendation of the President [RRP]).

^f Program Action Plan (accessible from the list of linked documents in Appendix 2 of the RRP).

^g Design and Monitoring Framework (Appendix 1 of the RRP).

^h Environmental and Social Management Framework (accessible from the list of linked documents in Appendix 2 of the RRP).

ⁱ Program Implementation Document (accessible from the list of linked documents in Appendix 2 of the RRP).

Source. Asian Development Bank.