**GOVERNMENT OF NEPAL**

**MID-TERM EVALUATION OF THE SCHOOL SECTOR REFORM PROGRAM**



March 2012

**FINAL MID-TERM EVALUATION OF THE SCHOOL SECTOR REFORM PROGRAM**

Evaluation Team

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A list of those whom we met is given in Appendix II.

The Report is an independent evaluation. Responsibility for the contents and presentation of findings and recommendations rests with the evaluation team. The views and opinions expressed in the report do not necessarily correspond with those neither of the Government of Nepal nor of the Development Partners in the education sector. Comments on the draft were received from various stakeholders. These are recorded in Annex VI and, where possible, the comments have been absorbed within the Report.

**VOLUME I**

**Table of Contents**

[Acknowledgements iii](#_Toc320942259)

[List of Acronyms and Abbreviations vi](#_Toc320942260)

[Executive Summary xi](#_Toc320942261)

[Chapter 1 Introduction 1](#_Toc320942282)

[Chapter 2 Evaluation of the Components of the Program 5](#_Toc320942291)

[Chapter 3 Evaluation Against Five Focus Themes 22](#_Toc320942319)

[Chapter 4 Economic and Financial Perspective 34](#_Toc320942347)

[Chapter 5 Findings, Lessons Learned and Recommendations 44](#_Toc320942359)

[Appendix I – TOR for MTR 57](#_Toc320942386)

[Appendix II – Persons Met 72](#_Toc320942388)

[Appendix III – MTR Team Diary 77](#_Toc320942389)

[Appendix IV – References 83](#_Toc320942390)

[Appendix V – What the team recognized as needing to be done and couldn't be done 92](#_Toc320942391)

[Appendix VI – Comments Grid 95](#_Toc320942392)

List of Acronyms and Abbreviations

ADB Asian Development Bank

AGO Auditor General’s Office

AIDS Acquired Immune Deficiency Syndrome

ASIP Annual Strategic Implementation Plan

AusAID Australian Aid

AWPB Annual Work Plan and Budget

B.Ed. Bachelor of Education

BPEP Basic and Primary Education Project

CA Constituent Assembly

CAS Continuous Assessment System

CB Capacity Building

CBO Community Based Organization

CBS Central Bureau of Statistics

CDC Curriculum Development Centre

CERID Centre for Educational Research, Innovation and Development

CLC Community Learning Centers

CSDC Cottage and Skills Development Centers

CTA Chief Technical Advisor

CTEVT Council for Technical Education and Vocational Training

DAG Disadvantaged Group

DDC District Development Committee

DEF District Education Fund

DEO District Education Office

DEP District Education Plans

DFID Department for International Development (UK)

DHS Demographic and Health Survey

DOE Department of Education

DP Development Partners

EC European Community/ Commission

ECD Early Childhood Development

ECED Early Childhood Education and Development

EFA Education for All

EFA-NPA Education for All-National Plan of Action

EMIS Education Management Information System

EPC Education Policy Committee

ERO Education Review Office

ESAT Education Sector Advisory Team

ETC Education Training Centres

EU European Union

FCGO Financial Comptroller General's Office

FFR Fast Fertility Rate

FMR Financial Monitoring Report

FOE Faculty of Education

FTI Fast Track Initiative

FY Fiscal Year

GDP Gross Domestic Product

GER Gross Enrolment Rate

GIP Girls Incentive Program

GNP Gross National Product

GON Government of Nepal

GOV Government

HDI Human Development Index

HIV Human Immunodeficiency Virus

HR Human Resource

HRD Human Resource Development

HRDI Human Resource Development Index

HSEB Higher Secondary Education Board

HSLC Higher Secondary Level Certificate

HT Head Teacher

I. Ed. Intermediate of Education

I/NGO International/Non Governmental Organization

ICT Information and Communication Technology

IDP Internally Displaced People

ILO International Labour Organization

JFA Joint Financing Arrangement

JICA Japan International Cooperation Agency

L/RC Lead / Resource Centre

LBFC Local Bodies Fiscal Commission

LSGA Local Self Governance Act

M&E Monitoring and Evaluation

M.Ed. Master of Education

MDG Millennium Development Goal

MEP Municipality Education Plan

MGT Multi Grade Teaching

MIS Management Information System

MOE Ministry of Education

MOF Ministry of Finance

MOH Ministry of Health

MOLD Ministry of Local Development

MOU Memorandum of Understanding

MOWCSW Ministry of Women, Children and Social Welfare

NCED National Centre for Educational Development

NCF National Curriculum Framework

NDHS National Demographic Health Survey

NEB National Examination Board

NER Net Enrolment Rate

NFE Non-Formal Education

NFEC Non-Formal Education Centre

NLSS Nepal Living Standard Survey

NP Nepal

NPC National Planning Commission

NRP Nepalese Rupees Price

NRs Nepalese Rupees

NS-PCF Non-salary Per Child Funding

NTF National TEVT Fund

NTS-PCF Non-Teaching Staff Salary Per Child Funding

NVQF National Vocational Qualifications Framework

OCE Office of Controller of Examinations

PCF Per Capita Funding

PPC Pre-primary Classes

PRSP Poverty Reduction Strategy Paper

PSC Public Service Commission

PTA Parent Teacher Association

RC Resource Centre

RED Regional Education Directorate

REDF Rural Education Development Fund

RP Resource Person

SBM School-based Management

SESP Secondary Education Support Programs

SIP School Improvement Plans

SLC School Leaving Certificate

SMC School Management Committee

SOP School Out-reach Program

S-PCF Salary Per Capita Funding

SSR School Sector Reform

SWAp Sector Wide Approach

TA Technical Assistance

TED Teacher Education and Development

TEP Teacher Education Project

TEVT Technical Education and Vocational Training

THSLC Technical Higher Secondary Level Certificate

TITI Training Institute for Technical Instructors

TPC Teacher Preparation Course

TSLC Technical Secondary Level Certificate

TU Tribhuvan University

TYIP Three Year Interim Plan

UNESCO United Nations Educational, Scientific and Cultural Organization

UNICEF United Nations Children's Fund

VDC Village Development Committee

VEC Village Education Committee

VEP Village Education Plan

WB World Bank

WFP World Food Program

**NOTE**

In this report, “$” refers to US dollars.

**Glossary**

1. **Coefficient of efficiency**: The ideal (optimal) number of student-years required (i.e. in the absence of repetition and dropout) to produce a number of graduates from a given school-cohort for primary education expressed as a percentage of the actual number of student-years spent to produce the same number of graduates. Similar coefficients for other levels e.g. basic and secondary. This is a synthetic indicator of the internal efficiency of an educational system. It summarises the consequences of repetition and dropout on the efficiency of the educational process in producing graduates.
2. **Dropout rate by grade**: Proportion of students from a cohort enrolled in a given grade at a given school year who are no longer enrolled in the following school year. To measure the phenomenon of students from a cohort leaving school without completion, and its effect on the internal efficiency of educational systems. In addition, it is one of the key indicators for analysing and projecting student flows from grade to grade within the educational cycle.
3. **Gross enrolment rate**: GER Total enrolment in primary education / basic education/lower secondary/ secondary education/ higher secondary education, regardless of age, expressed as a percentage of the eligible official school-age population (5-9 for primary, 10- 12 for lower secondary, 13/14 for secondary and 15/16 for higher secondary. Basic will 5 – 12). To show the general level of participation in primary or other levels of education. It indicates the capacity of the education system to enrol students of that age group. It can also be a complementary indicator to net enrolment rate by indicating the extent of over-aged and under-aged enrolment.

* **Gross intake rate**: GIR Total number of new entrants in the first grade of primary education, regardless of age, expressed as a percentage of the population at the official primary school-entrance age (5 years in Nepal). To indicate the general level of access to primary education. It also indicates the capacity of the education system to provide access to grade 1 for the official school-entrance age population.

1. **Net enrolment rate**: NER Enrolment of the official age group for primary education (5 - 9 years in Nepal) expressed as a percentage of the corresponding population. Corresponding NERs apply to other levels of education following the age limits above in GER. To show the extent of coverage in a given level of education of children and youths belonging to the official age group corresponding to the given level of education
2. **Net intake rate**: New entrants in the first grade of primary education who are of the official primary school-entrance age (5 years in Nepal), expressed as a percentage of the population of the same age. To precisely measure access to primary education by the eligible population of primary school or basic education entrance age.
3. **Promotion rate by grade**: Proportion of students from a cohort enrolled in a given grade at a given school year who study in the next grade in the following school year. To measure the performance of the education system in promoting students from a cohort from grade to grade, and its effect on the internal efficiency of educational systems. It is also a key indicator for analysing and projecting student flows from grade to grade within the educational cycle.
4. **Student-teacher ratio**: Average number of students per teacher at a specific level of education in a given school year. To measure the level of human resources input in terms of the number of teachers in relation to the size of the student population. The results can be compared with established international norms on the number of students per teacher.
5. **Repetition rate by grade**: Proportion of students from a cohort enrolled in a given grade at a given school year who study in the same grade in the following school year. To measure the rate at which students from a cohort repeat a grade, and its effect on the internal efficiency of educational systems. In addition, it is one of the key indicators for analysing and projecting student flows from grade to grade within the educational cycle.
6. **Survival rate**: Percentage of a cohort of students enrolled in the first grade of a given level or cycle of education in a given school year who are expected to reach successive grades. To measure the retention capacity and internal efficiency of an education system. It illustrates the situation regarding retention of students from grade to grade in schools, and conversely the magnitude of dropout by grade.
7. **Years-input per graduate**: The estimated average number of student-years spent by students (or students) from a given cohort who graduate from primary education/ basic education/ secondary education etc, taking into account the student-years wasted due to dropout and repetition. One school year spent in a grade by a student is equal to one student-year. To assess the extent of educational internal efficiency in terms of the estimated average number of years to be invested in producing a graduate.

Adapted from UNESCO Institute of Statistics, Education Indicators, Technical Guidelines, November 2009

Executive Summary

## Introduction

The basis for this Mid-Term evaluation lies in the Joint Financing Agreement. It is the first of two, the second external evaluation being at the end of the Plan period.

The overall objective of the Mid-Term Review is to increase the prospects of the School Sector Reform Plan [SSRP] achieving its goals. As one part of the MTR, a consultant team was to prepare an evaluation report that assesses the progress of implementation, identifies critical issues that need to be addressed and proposes strategies and actions to improve SSRP implementation performance wherever needed.

The MTR evaluation was undertaken by a team of three international and two national consultants during December 2011 to February 2012 intermittently. The Evaluation team had access to several specially commissioned Background Studies, all the SSRP official documentation, minutes of meetings between the Government and the Development Partners, reports of other researches and studies relevant to the Plan. The team interviewed and had discussions with key stakeholders at national and district levels and undertook field visits - one to Banke and Dang and one to Dhading. Comments received in writing from stakeholders as well as comments on the drafts of the Evaluation Report have assisted the team in preparing this final version of the Mid-term Evaluation Report.

## The SSRP and its Evaluation at Mid-term

The purpose of The School Sector Reform Plan is to ensure that all citizens have the opportunity to become functionally literate, numerate and develop the basic life skills and knowledge required to enjoy a productive life. The SSRP aims to (i) expand access and equity, (ii) improve quality and relevance, and (iii) strengthen the institutional capacity of the entire school education system. At the time of the JFA there was agreement to fund the first five years of the seven year Plan. Total costs over the first five years of the Plan were projected to be US$ 2.6 billion in 2009 to be shared between the Government and Development Partners [DPs] nine of whom are pooling and four non-pooling DPs.

## Key Findings, Lessons Learned and Recommendations

The Terms of Reference of the Consultants required that we evaluate the progress of SSRP against the 5 focus themes: (i) Program outcomes, (ii) legislative or financial actions, (iii) use of Program funds, (iv) capacity development measures and (v) Program governance. Based on the thematic and component-wise evaluation carried out by the MTR Team, several important findings and a number of lessons emerge from the MTR, which are discussed in detail in Chapters II-IV. Linked to these lessons learned are a range of recommendations contained in Chapter V which are intended to inform improvements in the remaining period of implementation of the SSRP, as well as recommendations that could assist in refining the SSRP design and implementation arrangements in any subsequent phases. Some of the key findings and recommendations made in the MTR report are summarised below.

Access and Equity

1. Progress in access and equity has been piecemeal and fragmented, reflecting the lack of a comprehensive equity strategy that addresses the needs of different children with caste/ethnic, gender, disability, poverty or geographic barriers, as well as the lack of equity indicators and measures to effectively and equitably allocate monetary incentives. There are good signs of progress in Early Childhood Education and Development [ECED] where the Gross Enrolment Ratio [GER] has increased by 10 percentage points during the period 2008-2011. At primary level, the Net Enrolment Ratio [NER] has also increased for boys and girls alike. Despite these achievements, a few concerns linger: Internal efficiency is low with drop-out and repetition still uncomfortably high, with the NER at 95% in primary and only 70% in lower secondary. Enrolment in secondary level has also increased: but, as the grades increase, enrolment rates decrease Disparities in the proportions of children enrolled remain between Districts, income and ethnic groups and for children with various disabilities. A major concern is related to reliable reporting of enrolment, with the lack of an institutional mechanism for verification of data meaning that the real proportions of the age group of children actually enrolled may not be authentic. Enrolment in private (institutional) schools has increased over the past decade, possibly because of their managerial and teaching/learning situations, which are different from the community school system.

In case of Life Long Learning (LLL), there has been some improvement in access, with 900 centres added in the post-SSRP period and another 150 expected to be increased in the current fiscal year. The literacy rates for ages 15 years and higher has seen a marginal increase from 55.6 percent in 2008 to 57 percent in 2011. However, gender and regional disparities remain a source of concern, with urban areas having 77 percent and rural areas only 57 percent literate among 6 years and above population.

Similarly, as regards Technical Education and Vocational Training (TEVT), not much progress has been achieved under the SSRP, except for a piloting exercise with a new curriculum in grades 6 -8 in 100 schools.[[1]](#footnote-1) However, there is no mention in the National Curriculum Framework (NCF) of TEVT. Also, although work has started to develop “soft skills” at the secondary level, the meaning of the term is not settled

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### Quality

The design of SSRP paid inadequate attention to the measurement of quality and to the curriculum. A first national curriculum framework was adopted in 2007. However, though batches of teachers, one from each school, have attended short orientation sessions to the new curriculum, comprehensive training of teachers on how to implement the curriculum has not been carried out. There is some evidence that secure reading skills are not being developed in primary. There is no national institutionalised system of student achievement, nor of classroom processes which, as a result of SSRP interventions, ought to be changing. The former will start to become available from 2012, too late for a baseline. The changes of how teaching and learning is carried out in ordinary classrooms under the Program are not being monitored systematically through observation of classrooms. Reporting against the Minimum Enabling Conditions (MEC) and the various standards identified in the SSRP for quality assurance is on selective indicators only and details on e.g. libraries, minimum students in schools and Head Teacher selection processes and performance are not available in the Flash Reports.

### Teachers

The SSRP has raised the qualification criteria for basic education teachers to intermediate level and the backlog in untrained teachers in primary has been cleared. A new program of Teacher Professional Development (TPD) has been launched for the further development of teachers’ capacity.

The crucial concerns in the area of teacher management and professional development are that teachers’ salaries are high, relative to international norms[[2]](#footnote-2)[[3]](#footnote-3); teacher productivity could be improved through better deployment and management. There are also persistent concerns over irregularities in personnel practices. The proportional share of female, and *Dalit* and *Janajati* teachers should be increased as per the reservation policy introduced in January 2011 to provide role models for disadvantaged students. The demand based training brought in under the TPD has drawbacks because, in general, teachers are not in a position, without considerable support, to see their needs in certain critical areas, such as literacy enhancement, equity or the new curriculum. Importantly, the absence of a strong and transparent teacher performance evaluation system means that an institutional mechanism to link majority of financing under the SSRP—teacher salaries account for three fourth of the SSRP expenditures—with SSRP outcomes, is missing. Substantial variations in pay structures, perks and privileges, opportunities for career advancement and professional development further compound the issue.

## Lessons Learned

### Program Outcomes

SSRP continued some activities from previous programs and these have, by and large, been implemented, with some variations. There has been delay in pushing reforms which lacked legislative backing, e.g. the consolidation of Grades 1-8 as Basic Education and the consolidation of 9-12 as Secondary Education. SSRP has, as yet, no measures of student achievement, or of classroom processes. The latter would have caught some of the impact of the newly specified Minimum Enabling Conditions (the core inputs to a school) and the child-friendly school initiatives of SSRP.

Since so much in SSRP depends on student numbers being reported accurately, an omission in the SSRP design was not to have some independent verification of enrolments. The significance of teachers’ salaries in the total cost of SSRP and the perennial problem of how to redistribute teachers needs a fresh approach. The lack of public “profile” of SSRP arises at least in part from a lack of a communications strategy. There is also little focus on the institutional mechanisms for oversight and quality assurance of schools in the private sector.

## Recommendations on Program Outcomes[[4]](#footnote-4)

1. From now on and until a new Constitution and/ or Education Act is amended, SSRP should focus on achieving quality education in basic education with renewed emphasis on equity and quality. The renewed focus could include the implementation of a consolidated equity strategy, and a partnership model with the Government and NGOs working together to enhance quality and equity. A strong evaluation methodology should be included in the design of the partnership model.
2. In order to move towards increased quality, a start can be made to orienting all teachers in Basic Education classes towards implementing the subject-specific curriculum guidelines.
3. All the vital education parameters and school funding depend on accurate reporting of enrolments. Hence, there is an urgent need to strengthen the process of data validation and independent verification. Two means of verification of enrolments are suggested for discussion and later costing.
4. A major effort should be made to improve teacher performance evaluation through dialogue with teachers’ unions. See also Recommendation 16 in Chapter V.

### Comments on Legislative Actions

The process of amendment of Education Act should be accelerated to address the restructuring of school education and consolidation of grades under the Basic Education (1-8) and Secondary Education (9-12) structure. Furthermore, the role of key institutions such as the Education Review Office (ERO) and Education Policy Committee (EPC) can also be fully realised once the Education Act is amended to include provisions in this regard. Depending on the governmental structure and provisions of the final Constitution as regards the administrative, fiscal and legislative powers of various tiers of government, the Education Act will again be amended in line with the Constitution and the SSRP will have to be reviewed to ensure conformity with the Constitution. In addition, there are several inconsistencies between several legislations which are also reflected across policies

### Comments on Financial Actions

Evidence suggests that fiduciary risks are particularly high at the district and school levels. These risks result from inadequate design and insufficient investment in capacity building, which entrusted financial management responsibilities to SMCs and the head teachers without first building requisite capacity and providing technical backstopping support. The fact that the SSRP financing falls outside the fiscal transfers mechanisms (including for tracking and auditing) under the Local Bodies Finance Commission (LBFC) compounds difficulties for streamlined financial management at the district and school level. The Per Capita Funding mechanism, while sound in principle, leads to several practical difficulties in relation to accurate reporting on enrolment, allowing schools flexibility in spending and addressing the issue of equity in financing. The costs of SSRP are substantially higher than anticipated in 2009. There is likely to be a substantial financing gap during the remaining years of the SSRP and beyond. There are few opportunities to reprioritize SSRP expenditure since most of the budget is committed to recurrent costs, e.g., salaries, scholarships, various grant programs, etc. Moreover, there is insufficient data and analysis to assess the relative cost-effectiveness of alternatives.

## Recommendations on Financial Actions

1. Financial Actions
2. There is an urgent need to strengthen financial management systems and auditing. Also, a strong case can be made out for reviewing the SSRP funds transfer system and aligning it with the fiscal transfers under the Local Bodies Finance Commission.
3. The Financial Projection Model needs to be updated annually and options for automating this process should be considered.
4. There is a need for more disaggregated information on the cost of activities and unit costs at schools.
5. There is a need to constrain the teacher wage bill in order to leave space for funding other Program activities.

## Use of Program Funds

### Lessons Learned

Teacher remuneration consumes about 72 percent of total SSRP funding. These costs are projected to double during the first six years of the Program, approaching one billion dollars a year by the end of the SSRP. During the first two years of implementation the SSRP financed large salary increases. Also, various grant components of SSRP constitute a significant share of expenditure. There is evidence of over-reporting of enrollment in Flash reports to increase grant income. Finally, needs-based targeting has, in many cases, not been effectively implemented.

## Recommendations on Use of Program Funds

1. Teachers

1. Teacher Deployment: There is need to accelerate teacher redeployment, both within and between districts. One fresh approach involves teacher redistribution through education micro-planning which would look at the location of schools. To carry out the micro-planning one would need DOE/ DEO plus the teacher unions plus SMCs - a triumvirate of stakeholders.
2. b) Teacher effectiveness: Teachers’ effectiveness could not be guaranteed unless there is a strong and transparent teacher performance monitoring and evaluation system with clear standards, for all teachers.
3. Management Information Systems.

* There is need generally to strengthen information systems and to assign responsibility for the accuracy of biannual reports to individuals (e.g., head teacher or SMC chair) with penalties directed at that individual for misreporting.
* It is proposed that, within the Policy Analysis and Program Section of the MOE Planning Division, capacity is built for financial and economic analysis.

## Capacity Development

### Findings

The MOE has developed aNational Framework and Guidelines for Capacity Development Plan for the education sector, which represents a step in the right direction. Moreover, capacity building needs of teachers have been addressed to an extent through Teacher Development Program (TPD). Trainings and orientations have been carried out for different staff members and for teachers, as well as for Chairpersons of SMCs. However, the Framework and Guidelines do not adequately target specific institutional gaps at the district and school level in relation to development of the SIP. Capacity building of PTAs for conduct of Social Audits, and of relevant staff in the MOE and DEO for strengthened quality assurance, MIS and policy research analysis is also not as frequent, detailed and focussed as it needed to be. Furthermore, despite lack of capacity being acknowledged as a major obstacle in improving service delivery and in particular the quality and equity of education, the investments made are insufficient. In 2009the SSRP allocated only 0.57% of the total budget; in comparison, 1.48% is allocated for plan management. Not only is the funding insufficient, but both the targeting and the content are weak, with the schools and districts receiving short and infrequent trainings and inadequate mentoring, MIS and technical backstopping support. As a result, the School Improvement Plans prepared by SMCs seldom contain a capacity building plan and there are no budgetary allocations for the purpose at the school level.

### Lessons Learned

Capacity building within the SSRP suffers from two basic flaws: first, it has been directed to some extent towards government servants rather than taking a broader view and including political parties and elected representatives, including SMCs. It has also neglected capacity development for women and socially excluded groups, thus missing its contribution to the equity objective which is central to the SSRP. Second, capacity building is equated with training and that leads to inappropriate and inadequate design of capacity building efforts. The SSRP’s concentration on the school as the hub of management and accountability accentuates the need for prioritising capacity development initiatives at the school level. It is also important to establish linkages between capacity building efforts, performance evaluation and SSRP goals, rather than view capacity building as a stand-alone process. There is also a need to review and improve the efficiency and effectiveness of the mechanisms through which capacity development is delivered, including the use of Information Communication Technology (ICT).

## Program Governance

**Findings**

The very existence of a sector wide plan and the progress achieved in times of political and institutional transition is commendable. The SSRP builds on the results and strengths of earlier education sector reforms such as the EFA, ensuring continuity of effort. The SSRP development embraced the principle of inclusiveness, both in the process of development, and in terms of addressing the education needs of marginalised groups. Innovations such as Per Capita Funding, Education Policy Committee (EPC) and Education Review Office (ERO) have been introduced. A number of rules, regulations, manuals and directions have been developed, reviewed and disseminated, though the dissemination is an ongoing process. Furthermore, the SSRP presents a good example of effective Government-Development Partner harmonisation.

### Lessons Learned

The absence of a comprehensive Education Policy creates a policy risk since, when there is no education sector-wide policy, there can emerge multiple visions, strategies and implementation systems. In the design of SSRP there were assumptions about empowered, functional local governments that have not as yet transpired. The absence of elected local governments has created a vacuum of political leadership for SSRP reforms at the local level. Several key institutions have yet to be made fully functional including the high profile Education Policy Committee (EPC) and the Education Review Office (ERO), thus creating gaps in central level policy guidance and oversight. Moreover, the pre-SSRP institutional structures and processes at all tiers continue to exist without having being reviewed, thus creating a mismatch between the institutional arrangements and the SSRP design. Several inconsistencies are noted to exist in the legal and policy frameworks between the provisions of the Education Act, the Local Self Governing Act and the SSRP. In addition, there is an inbuilt conflict of interest across all tiers in the institutional arrangements for accountability under the SSRP. The MOE, DOE, Districts and Schools are all involved in the implementation of the SSRP but are also charged with the responsibility for monitoring. Governance is weakened due to the absence of policy analysis, non-reliance on evidence to inform assessments of school, district and regional performance . A good example of this is the Social Audit process, which has become ritualised due to weak monitoring of its quality, with the MOE and DOE focused on how many schools have carried it out, rather than how and whether they contribute to results. In addition, the public grievance redress mechanisms at local levels border on the negligible, while the private sector—an increasingly important contributor to education outcomes—remains on the periphery of policy, accountability and engagement. Moreover, the link between planning, financing and accountability needs to be strengthened through improving the incentive structure. At present, the PCF provides a perverse incentive for inflating enrolment data and hampers the preparation of detailed SIPs.

## Recommendations on Governance and Capacity Development

15) A holistic, comprehensive education policy be developed which provides a clear, complete vision for the whole of the education sector. As part of this education policy, a Public Private Partnership (PPP) policy and guidelines be developed to facilitate partnerships for service delivery.

1. A detailed analysis of the Per Capita Funding [PCF] is recommended leading to a rationalisation of the PCF, and focusing on moving away from single criteria (enrolment) to include other factors such as retention.
2. Encourage political engagement for resolving teacher management issues: From ‘Hamro’ (Ours) to ‘Ramro’ (Good). It is proposed that a broad-based Task Force[[5]](#footnote-5) for Teacher Management be established to examine the structure of the teaching cadre, streamlining of pay, pension and privileges and results-based performance measurement for teachers. See also Recommendation 7 above.
3. Reorient Capacity Building Efforts to District and Schools and Improve Targeting. Capacity building efforts need to encompass a wide range of activities including investing in strengthening Management Information Systems, quality assurance, policy analysis and effective supervision at the central level and targeting the needs of SMCs, PTAs, Resource Persons and School Supervisors. Moreover, the eligibility of capacity building initiatives be widened to include political representatives at different tiers.
4. Streamline Reporting and Relocate Social Audit Responsibility A comprehensive review of the reporting mechanisms, stakeholder requirements, tools and frequency of monitoring reports is recommended. As a first step, we propose that the Social Audit responsibility be shifted to the Education Review Office which may carry out auditing on a periodic and sample basis in conjunction with the PTAs, either through its in-house resources, once sufficient capacity is built, or through outsourcing in the short term.

21) Conduct Institutional Reviews of Key Institutions. The institutional structures at the MOE, DOE and the DEO largely remain unchanged from before the SSRP implementation. It is, therefore, recommended that institutional reviews of the central agencies and the District Education Office, Resource Centres, SMCs and PTAs be carried out, and their business processes be aligned with the SSRP institutional framework and the provisions of the LSGA.

22) Strengthen the public grievance redress mechanisms in the school sector. As a first step, we recommend that a review of existing systems and procedures be carried out and based on the findings, a move be made towards the establishment of an Ombudsman institution.

23) The Terms of Reference of the EPC and the ERO be reviewed to specifically include coverage of private sector schools as well. Furthermore, in order to ensure complete administrative, financial and operational independence, it is recommended that the ERO be established as an autonomous body.

1. **INTRODUCTION**

## About the SSRP

1. The goal of The School Sector Reform Program, SSRP, is to contribute to socio-economic development through a continuous development of its human resources capacity. The program’s purpose is to ensure that all citizens have opportunity to become functionally literate, numerate, and develop the basic life skills and knowledge required to enjoy a productive life. The SSRP aims to (i) expand access and equity, (ii) improve quality and relevance, and (iii) strengthen the institutional capacity of the entire school education system. It was jointly developed, and is funded, by the Government of Nepal and nine “pooling” donors in what is a partial Sector Wide Approach (SWAp)[[6]](#footnote-6). There are also four non-pooling donors[[7]](#footnote-7). Total costs over the first five years of the program were projected to be US$ 2.6 billion in 2009.
2. The SSRP has nine “components”[[8]](#footnote-8). In effect there are five substantive components which are directed towards increasing access to five forms of quality education while targeting disadvantaged groups. These five are Early Childhood Education and Development, ECED; Basic Education, Secondary Education, Technical Education and Vocational Training, TEVT and Literacy and Lifelong Learning, LLL. The other four components of the Program are supportive to the achievement of more students learning more as a result of better teaching. These four facilitating components are Teacher Professional Development(TPD), Capacity Development, CD, Monitoring and Evaluation, M&E, and Aid Management.

## The Socio-political Context for Developing and Implementing the SSRP

1. SSRP has “happened” during momentous times. The process of designing the SSRP began in 2006 when the country underwent a sudden upheaval and the monarchy was abolished, a republic established, a Comprehensive Peace Agreement (CPA) was signed, and the country moved towards the end of a decade of internal conflict. Nepal promulgated a new Interim Constitution early in 2007. According to this Constitution free education to secondary level is a basic right for citizens and will be implemented once sufficient resources are available. The multi-party elections in 2008 saw the United Communist Party of Nepal (Maoist) (UCPN-M) being elected as the largest political party in a new Constituent Assembly. That body is tasked with drafting a new Constitution, which as we write in March 2012 is yet to be agreed since there have remained different views on the nature of federalism and the future of the Maoist People’s Liberation Army (PLA). The latter issue looks as if it is solved. Without a new Constitution and an Education Act, the major reforms of SSRP – the new Basic (classes 1 – 8) and Secondary (classes 9 -12) are stalled.
2. At the time of the approval of the SSRP Core Document in 2009 there was a determined optimism. However, the protracted peace, the frequent stalling in the drafting of a new constitution as well as frequent changes in government have subsequently made implementation of the SSRP, began in 2009, demanding. Nevertheless, successive governments have shown commitment to implementing the SSRP, as reflected in the periodic development plans as well as government spending for education. Although the Education Act has not yet been amended to encompass new terms such as “basic education” and new structures, such as secondary education being inclusive of grades 9 – 12 - implementation of SSRP has been managed by subtle changes in Education Regulations.
3. The delay in holding local elections has implications for the smooth operation of school education since the decentralisation model to be followed assumed active local government with political commitment at both village level, Village Development Committee, VDC, and District level, the District Development and District Education Committees, DDC and DEC.

## The MTR

1. The Government of Nepal, GON, and the Pooling Partners have a Joint Financing Agreement, JFA, which includes provision for a Mid-Term Review (MTR).[[9]](#footnote-9) Terms of reference for the MTR were elaborated and agreed between the Pooling Partners and the Government The “focal point” of the pooling partners, ADB in the current period, recruited and managed the team of consultants for the purpose of producing a MTR Evaluation Report, the present document.

### The Big Questions for the MTR Evaluation

1. With such a huge education program it is essential to boil down the key questions that are put to the stakeholders. These questions are starting points for discussion. Four key questions were put in one form or another to major stakeholders.
2. Looking back are there aspects of the design of SSRP which, with the benefit of hindsight, you would have omitted, and which features do you now think should have been included?
3. Over the course of the program what has gone well, which components show achievements?
4. What are the remaining bottlenecks or problems in the SSRP?
5. What are you expecting from the MTR?

### Evaluation focus

1. The Terms of Reference, TOR, of the Consultants required that we evaluate of progress of SSRP against the 5 focus themes.
2. program outcomes,
3. legislative or financial actions,
4. use of program funds,
5. capacity development measures and
6. program governance.

The first four were identified in the JFA and the fifth was added in the elaboration of the TOR for the MTR.

### Gathering evidence

1. In the period available to the team – roughly 4 weeks each, with more time for the team leader – there was little scope for intensive study of some features of the program identified by GON and the Development Partners, DP, as needing in-depth study. Fortunately, some “Background Studies” had been commissioned before the MTR evaluation team mobilised. Some were available in draft and all became available by the time the team considered its findings[[10]](#footnote-10).
2. The four Background Studies were
3. Gender Audit of Nepal’s School Sector Reform Programme.
4. Language Issues in Educational Policies and Practices in Nepal: A Critical Review.
5. Report On Transparency And Social Accountability For School Sector Reform Program (SSRP)
6. A School Level Status Study of Policies and Practices of School Sector Reform Program
7. In addition to these Studies the team had access to the key documents that were developed in the process of preparing the SSRP, research reports on aspects related to the components, studies commissioned by various development partners, official statistics e.g. Flash Reports, minutes of the regular meetings of the parties involved in the Joint Financing Agreement. In preparing our MTR Evaluation Report the team has tried to absorb the findings and discourse of the considerable background documentation. Time allowed minimal contact with students, their teachers and parents and with School Management Committees. Two field visits were paid to Banke, Dang and Dhading. The majority of the team’s time was spent in reading and discussion of the documentation and in interviewing stakeholders of the main government institutions and development partners.

### The Design of SSRP

1. The SSRP is the final program in a 15 year Education for All – National Program of Action (EFA-NPA). The Government had focused on the education sector since the early 1990’s through a series of national programs such as the Basic Primary Education Projects (BPEP I, 1992-1998 and BPEP II, 1999-2004), and most recently, Community School Support Program (CSSP, 2003-2008), Secondary Education Support Program (SESP, 2003-2009), and Education For All Program (EFA, 2004-2009). The SSRP completes this series and will cover the period between FY 2009/2010 and FY 2013/2014[[11]](#footnote-11). During the time of these programs certain key reforms were pursued. They included: (i) devolution of decision making powers to communities and school management; (ii) the expansion of demand-side intervention schemes to bring children from marginalized groups to the schooling process including per student financing and scholarships; (iii) the decentralization of teacher hiring through the provision of teacher salary grants; (iv) opening up of the textbook printing and distribution system to private sector players in selected regions of the country, and (v) harmonizing support from across many Development Partners (DPs) behind a set of coherent and common objectives in education. All of these reforms were continued into SSRP. In two or three respects SSRP was bold in targeting: (1) in raising the bar for free basic education to class 8; in combining the existing “secondary” classes 9 and 10 with the upper secondary / intermediate classes 11 and 12 into a new 4 grades secondary cycle; determining that orientation to the world of work would enter the curriculum from class 9.
2. From all accounts, the design and development of SSRP was led by the Ministry of Education and involved substantial participation of stakeholders across the country and from all the major stakeholders.

## Presentation of the MTR Evaluation

1. The next chapter will address each of the five substantive components – ECED, Basic Education, Secondary Education, TEVT and LLR – across dimensions of Access, Equity, Quality – and using the cross-cutting themes of Teacher Professional Development, Capacity Development and Monitoring and Evaluation. The presentation of our findings and evaluation of progress in each of the areas provides the evidence for judging progress towards the Program outcomes. Chapter 4 reworks information of chapter 2 with the addition of material on governance and finance to address the five focus areas. Chapter 4 is devoted entirely to matters of budgets, expenditures and financing of the Program. The last chapter 5 stands back and comes up with recommendations for the remaining years of the Program.
2. There are six appendices. The final two have been developed during and after the MTR event itself. Appendix V sets out what items and areas the Evaluation Team felt were missing from their work. Appendix VI lists almost 70 comments which came, mainly in writing, from stakeholders. These comments were in many cases taken on board and amendments made to the text. The changes in the text are cited.

# EVALUATION OF THE COMPONENTS OF THE PROGRAM

## Introduction

1. The SSRP is a large and complex program with five substantive components as well “supportive” and cross-cutting activities. In the opening chapter these two different set of program activities were introduced. To the three cross-cutting dimensions of teacher professional development, TPD, capacity development, CD, and monitoring and evaluation. M&E, we have also to add to our evaluation matrix the three overarching goals of Access, Equity and Quality. Access to quality education for all, regardless of disadvantaging factors such as remoteness and disability, is clearly a key concern. Equity considerations are at the heart of increasing access for previously underserved ethnic, linguistic and various other disadvantaged groups and therefore that important dimension has to be included in our evaluation.
2. The Quality goal is less easily measured in terms of outcomes yet, unless quality is taken seriously in design and implementation then the investment, represented by SSRP, will be that much more difficult to justify.

## Outline of the Chapter

1. The evidence of progress towards the program goals can only be weighed if each of the five substantive components and considered in terms of the six themes of access, equity, quality, TPD, CD and M&E. Not all of the cells in the above grid are treated in the same degree of detail for two reasons. First, data available on the components varies in quantity. Second, to date, the rate of implementation of both ECED and Basic Education – defined as classes 1 – 8 – has been more significant than progress in the other three components. Several “cells” in the above grid are blank because in the time available no information was gathered.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Program Components** | | | | |
| Cross-cutting components **/ Goals** | ECED | Basic | Secondary | TVET | LLL |
| **Access \*\*** |  |  |  |  |  |
| ***Equity*** |  |  |  |  |  |
| ***Quality*** |  |  |  |  |  |
| Teacher PD |  |  |  |  |  |
| Capacity Development |  |  |  |  |  |
| M&E |  |  |  |  |  |

1. ECED

### Access – ECED centres have expanded significantly. There are 4 types of ECED/Pre Primary Classes (PPCs at present- community based; community school based; private school based and privately run but not attached to any school. In total there are 33, 404 ECED/PPC in the country (DOE, 2011). Out of the total 86 percent are community based and community school based, and rest are privately owned (Ibid.). Most private schools in the country have downward extension (PPC) therefore when viewed against the number of institutional schools reported number of ECED/PPC run by private sector seems low. Privately owned ECED/PPCs are available more in urban centers than in rural areas. This might be the reason for ECED/PPC being more accessible to urban households than the rural households (NLSS III, 2011, p 57). Likewise in poorest consumption quintile ECED is accessible within 30 minutes distance for 84.5 percent and 30 minutes to one hour for 9.2 percent, and for the rest it takes more than 1 hour (Ibid. 59) Whereas, among the richest quintile 94.9 percent household can reach the nearest ECED in 30 minutes and 3.6 percent within 30 minutes to 1 hour (Ibid. 63).



1. Equity – Gross enrolment in ECED/PPC has increased by 10 percentage points during SSRP period (2008-2011). However participation of Dalit children has increased only by 1 percentage point and Janajati children's enrolment has rather decreased by 2 percentage points. The Gender parity Index (GPI) among Dalit and Janajati improved significantly and is higher than the national index. Regional disparities are prominent but, before drawing any conclusions, the number of ECED/PPC center needs to be analyzed against the age specific population of the region. It is clear that the service is not easily accessible because of the distance for more households from the poorest consumption quintile. This is likely to either reduce their enrolment in ECED/PPC or increase “baby” enrolments in grade one as the primary schools are nearer. Moreover, if the older sibling is attending school it is more convenient to send younger children to school than to a community based ECED. (See the cover picture). The overall ECED/PPC enrolment indicates that, Dalit and Janajati's share in total enrolment is a matter of concern and needs further analysis against the population and community wise underage children in grade one.

**Table 2.1 Social group wise and national GER and GPI in ECD/PPC**

|  |  |  |  |
| --- | --- | --- | --- |
| 2008 | | 2011 | |
| Social Group | %age in Total Enrolment | GPI | %age in Total Enrolment | GPI |
| Dalit | 15.9 | 0.97 | 17.4 | 1.07 |
| Janajati | 38.6 | 0.92 | 36.4 | 1,02 |
| National | 63.4 | 0.93 | 72.9 | 0.97 |
|  |  |  |  |  |

Source: DOE, 2008 and 2011 Flash Reports

### Quality – Defining quality of education is always difficult and, once defined, measuring it is fraught with dangers. The Joint Evaluation of Nepal’s Education For All 2004 -2009 Sector Programme recommended that, in SSRP, the primary purpose of ECD should be clarified as the “improvement of learning and the development of vulnerable children”[[12]](#footnote-12). There are also suggestions in that document for strategies for improving quality. These include developing standards for ECD/ early years, including facilitator training and competence; developing a curriculum for ECD centres that relates to the age of the children (i.e. differentiated for 3, 4 and 5 year olds) and ensures learning through play/ activity and through the mother tongue; and considering other ways to support ‘early childhood development’ besides setting up “ECD centres’ (e.g. providing support to young mothers through health services, literacy programmes etc). The design of SSRP took onboard what might be termed “input” factors to quality except that the real purpose of ECED is possibly not fully explained. The essential question for ECED is always what is the balance between child-care and loosely term “learning through play”? The curriculum of ECED is not included in the NCF of 2007. Nor have we had access to any curriculum issued by the Department of Education, DOE.

1. The vast increase in enrolments in ECED since 2001 with 70% of 4 year olds currently in ECED is remarkable. However, questions are asked about what goes on in ECED. One indirect measure of the success of ECED is posited as a decreasing repetition rate in class 1. Repetition in class 1 has fallen but not perhaps in line with the dramatic increase in ECED enrolments. It is also slightly puzzling that the rate of increase of class 1 students who are declared as having had ECED is not keeping pace with the increase in ECED enrolments.

### TPD - Each ECED centre has a facilitator. ECED facilitators are provided with training in resource centres. There are 16 days job induction, and 12 days refresher training, provided. Some RCs were found to provide Teacher Professional Development Training, TPD, for these facilitators as well. Though ECED facilitators are not termed “teachers”, they were reported to be used as teachers for early grades in primary schools. There are no particular qualification criteria for being an ECED facilitator. However, there is emphasis in recruiting female facilitators for ECED.

1. The salary of facilitators is lowest (Rs. 1800 to 2600 per month for 13 months) among other “teachers”. MOE term it as “seed money” and expects local government to support these facilitators. However, only few schools and local government are reported to provide them with supplements to their official salary. Turn over of facilitators is reported as high in some areas.
2. Capacity Development – The SSRP envisions expansion in the network of ECED using a hybrid of school based and community based approaches. To facilitate this process, the DOE has established norms and developed operational guidelines which include outlining the minimum enabling conditions for setting up and running ECED services. The responsibility of the government in providing a Facilitator as well as his/her capacity building rests with the government (see 2.3.4 above), which will also provide educational materials to the ECED centers. The Capacity Development Plan prepared by the MOE, under the National Capacity Building Framework, indicates allocation of funds for training of Facilitators as well as some support for dissemination of awareness literature such as brochures, but little for other systematic development initiatives, including the strengthening of either the ECED Management Committees at VDC level or the District ECED Coordination Committee. In addition, there is insufficient attention paid to data collection, collation and reporting at ECED levels. Although the Flash Reports covers both school and community based ECD enrolment data, it is the schools that are given the responsibility of collecting data from community based ECED centres. This is problematic: not only because the schools do not have sufficient resources to perform this function, but incomplete coverage of community based ECED centres means inaccurate reporting of data and progress in the Flash Reports. The widespread belief is that because of this systemic, practical weakness, enrolment and other statistics for ECED centres are underreported.
3. Moreover, while there is some evidence that partnerships with NGOs and local communities have resulted in successful outcomes[[13]](#footnote-13) and that some District Education Committees have mobilised local resources for strengthening ECED centres[[14]](#footnote-14), there is wide variation in these results and no single ECED model exists, which indicates the need for mapping and analysing different approaches for their efficacy and identifying best practice. The support from USAID with respect to strengthening and facilitating ECED centres through capacity building of ECED Management Committees, development of monitoring tools, children’s reading material and other learning tools, as well as support for advocacy for ECED services, has helped bridge capacity gaps. But as the ASIP 2011-12 indicates, there is a need for substantial investments in institutional development, particularly at the District level.
4. However, a major issue in relation to delivering effective capacity building for ECED is that institutional leadership for this component is divided across several Ministries (Education, Health, Local Development). This fragmentation of responsibilities poses several challenges in terms of determining capacity needs and being able to put together a holistic response.
5. **M&E** – The assumption that participation in ECED equates to improved learning in grade 1 needs to be verified. This point has already been noted in the most recent Joint Consultation Meeting. There are obvious problems in the level of funding for ECED and problems in retaining facilitators. The initial proposal for ECED funding (in 2009) called for targeted needs-bases support to 50 percent of communities. It may simply be that, in the case of poorer communities, the available resources are inadequate. Since the expansion of ECED provision has been phased, it would be possible to get some indication of impact through an “interrupted time series” design and analysis. Changes in the repetition rate (second indicator) are not a direct measure of quality; repetition rates can be changed as a matter of national policy and DOE directives. In fact the grade 1 repetition rate has not declined to the extent anticipated and this may simply reflect the fact that many underage students are enrolled (to obtain PCF funding) and do not actually attend.

## Basic Education

1. **Access** – The NER of Basic Education has increased. In primary level it has increased by 3 percentage points and in lower secondary level by 13 percentage points, Table 2.2. However, when the enrolments of two levels are compared a sharp decline is observed with 95 percentage in primary level and only 70 percentage in Lower secondary level. This situation indicates performance of primary level is still an issue. High repetition and dropout in primary grades are also affecting lower secondary level enrolment. Mainly, over and under age children's presence in grade one has resulted in high repetition and dropout. (See Annex 3.). The NLSS 2011 (CBS, 2011) shows 95 percent of households can access primary schools within 30 minutes of walking distance. This percentage is almost 100 in urban areas and 93 in rural area. Although more than 90 percent of the households from poorest quintile have access to primary school within 30 minutes distance the facilities are closer to the richest households than to the poorest households.

**Table 2.2 NER and GPI for 2008 and 2011**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **2008** | | | | **2011** | | | |
| Level | **Girls** | **Boys** | **Total** | **GPI** | **Girls** | **Boys** | **Total** | **GPI** |
| Primary | 90.4 | 93.2 | 91.9 | 0.97 | 94.5 | 95.6 | 95.1 | 0.99 |
| Lower Secondary | 56.6 | 58.0 | 57.3 | 0.98 | 69.5 | 70.5 | 70.0 | 0.98 |

Source: DOE, 2008 and 2011.

1. Internal efficiency which, to a limited extent, reflects the quality aspects of school education is still an issue. Repetition and dropout rates in grade one are still high. This poor performance has been partially attributed to the enrolment of underage and overage children. That said, the mismatch between language of instruction and local mother tongue also contributes to repetition and dropout in grade one. Interestingly, more boys dropout than girls in grade one, See Table 2.3. Rate of survival to grade five and eight have reached their targets. But the figures have to be analyzed against out of school children. Only sound household surveys can produce such data. According to NLSS III, 2011 NER of primary, lower secondary and secondary (grades 9-10) levels are 78.4, 42.0, and 28.2 respectively. These figures are much lower than what is reported in Flash I Report 2011. Mapping of out of school children, OSC, in 8 districts of Terai shows that there are 189,280 OSCbetween the ages of 5 to 15. This figure could be higher but 42 VDCs out of the total 732 covered by the mapping did not provide information on OSC. Out of the total OSC, there are equal proportions of boys and girls.

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Table 2.3 : Internal efficiency (grades 1 and 8)** | | | | | | | | | |  | |  |
|  | | Promotion | | Drop out | | Repetition | | Survival to grade 5 | | survival to grade 8 | | |
| Year | Grade | Girls | Boys | Girls | Boys | Girls | Boys | Girls | Boys | Girls | Boys | |
| 2008 | 1 | 60.8 | 58.4 | 11.1 | 13.2 | 28.1 | 28.4 | 74.1 | 72.6 | Xx | Xx | |
| 8 | 71.3 | 86.0 | 20.6 | 6.5 | 8.0 | 7.5 |  |  |  |  | |
| 2011 | 1 | 83.4 | 70.0 | 5.2 | 8.5 | 11.4 | 21.5 | 84.3 | 81.7 | 69.5 | 66.2 | |
| 8 | 86.7 | 87.2 | 7.0 | 7.2 | 6.3 | 5.6 |  | |  |  | |
| Source: DOE 2008 and 2011 | | | | | | | | | | | | |

### Equity – NER of both boys and girls has increased significantly in basic education. At national level GPI of NER has achieved parity in Basic Education. Enrolment in private (institutional) schools has increased. Insignificant increase in girls' share of total enrolments suggests that more boys are sent to institutional schools. This reflects deep-seated gender bias in society. When viewed from caste and ethnic lenses Dalit's enrolment in primary level has increased only by 1.5 percentage point from 2008 to 2011. The same amount of increase is observed from 2009 to 2011. Therefore no conclusion can be drawn until the increment is analyzed against the age specific population of Dalits in a given year. For Janajatis their share in total enrolment has rather decreased by almost 3 percent points. Decline in Janajatis enrolment both at ECED and primary level also require further probing. GPI of GER of both the groups in Basic Education is in favour of girls and at par with the National Index. However, among Dalits, the GPI slightly declines in lower secondary level.

1. Data from NLSS III of 2011 shows that, among the 6 to 24 age group who never attended school, 3.4 percent (male 8.3 and female 1.7) did so due to some kind of disability. Across the consumption quintiles 19.0 percent and 11.9 percent of the richest male and female quintiles respectively never attended school due to disability. The figures for proportions not attending school due to disability are much lower for the poorest quintile. However, prevalence of disability is comparatively higher in the lower consumption quintiles. This shows that children with disability have more chances of missing school due to multiple disadvantages
2. Mainstreaming of religious schools by having them registered with DEO has also been viewed as an equity measure. Having registered with the DEO such schools have been made eligible for government support. Children from religious schools are also taught the national curriculum. However, in the absence of integrated or consolidated curriculum children are rather loaded with additional burden. Schools are thus looking for proper ways to find a practical balance between national curriculum and what they have been teaching previously (See Annex III). Attempts have been made from different agencies to implement Multilingual Education (MLE) but due to the complexities at different layers, and absence of collaboration among the implementing agencies and adequate human resources it has not been able to make any substantial contribution. This has rather added to parents' resentment towards MLE. Overall improvement is observed in the enrolment in primary level in all eco-belts at all levels during SSRP period. However district wise data reveals that altogether 26 districts (including 3 districts from Karnali-zone) have lower GER and NER at lower secondary level, and 26 districts mostly from the Hill and Mountain eco-belts (including Karnali zone) have more than 50 percent over- and under- age children at primary level (DOE, 2011). Likewise girls’ NER in many districts of Central Terai is lower than that of many remote districts except Saptari from Eastern Terai where overall NER has decreased.

### Quality – Problems in school quality have been a perennial problem. The 2009 joint evaluation of the predecessor project EFA 2004-2009 found that progress on quality had been “disappointing” (NORAD, 2009). The report noted that “There is … no monitoring of changes in how students are learning and their learning achievement, as well as the factors and variables that affect that achievement.”

1. While there are references to quality of basic education within the SSRP document they are dominated by considerations of inputs. Certainly inputs, such as school buildings, textbooks, teachers etc have to be considered as part of quality. It has been an innovation of SSRP to specify a set of Minimal Enabling Conditions, MEC, for schools. These cover*facilities and amenities, classrooms, furniture and other materials in the classroom, libraries, extracurricular materials, instructional provision (including a child-friendly school), multiple textbooks, mother tongue teaching, multi-grade teaching, teacher preparation etc[[15]](#footnote-15).* However, the sense of quality which is conveyed by a list of input factors and their costs misses the point of education. Here, we have to introduce the notion of curriculum.
2. In the SSRP document, curriculum is of course mentioned, most frequently in relation to the Curriculum Development Centre, the need to “update” the National Curriculum Framework, NCF, and coupled with textbooks. The curriculum is at the heart of education. The term embodies both values – national, cultural – as well as content. It covers content, teaching /pedagogy, assessment of the students, and evaluation in terms of how far the curriculum meets its aims. These aims are in terms of fitting students for their future lives as citizens and for their roles in the economy. Nepal developed its first National Curriculum Framework in 2007 after three years of work[[16]](#footnote-16). One cannot evaluate a program of basic education without considering the curriculum. In Nepal, as in many less developed countries the curriculum is delivered through textbooks. Teachers do not have the curriculum. The CDC is responsible for ensuring that the approved textbooks reflect the aspirations of the NCF. How far the current textbooks are faithful to the ideals of the NCF, and its subject curricula, the team cannot say, since neither time nor competence within the team allowed a systematic review of the texts. What we do know is that teachers in classes 1 – 8 teach subjects. The NCED, having cleared the backlog of untrained teachers, has turned its attention to preparing packages for Teacher Professional Development, TPD, but seems not to have oriented teachers of classes 1 – 5[[17]](#footnote-17) to the new curriculum. Since the TPD is needs-based, unless teachers recognise their needs to know and practice the new curriculum they will not have training or at least orientation to the new curriculum. Batches of teachers, chosen one from each school, have had a three-days in-service course, delivered by RPs, which did include exposure to the curriculum. No systematic training of basic education teachers in the new curriculum has been held
3. There is also a system of continuous student assessment (CAS). Conceptually assessment is an integral part of curriculum. It is the mechanism for informing teachers how students are progressing and what support they require to bring them to a satisfactory level of competence. CAS is one approach system is being implemented. CAS was introduced along with automatic promotion, presumably on the basis that teachers would, through using CAS, be alerted to the difficulties which students display, undertake remedial actions so that all students would reach the required competence for the grade. Time did not allow any empirical evidence to be gathered. There are anecdotal reports that teachers are unsure of how to implement CAS.
4. **Learning to Read** – The early years of basic education are generally spent in acquiring the tools for later learning. Amongst these literacy and numeracy are paramount. The CDC has produced 67 items of supplementary material for reading in the classes 1 – 3. However, schools do not buy them and private printers do not print them since there is no profit to be had. SMCs do not have spare funds after they have used their per capita funding, PCF, for those items for which the PCF is meant – scholarships, textbooks, additional teachers. In the early years of education there is a well established case for having integrated textbooks. Language and numeracy are common across the “subjects” of the curriculum. CDC favoured, we learned, having integrated textbooks in classes 1 – 3. The subject specialists, however, blocked that route to improving the teaching of reading and basic numeracy. There are a couple of recent studies of reading skills in Nepal: they suggest that reading standards in basic education are low. However, both are very small scale and generalisations from their findings are impossible.**[[18]](#footnote-18)**
5. **NASA** – The 2009 Joint Evaluation of EFA recommended that the approach to evaluation of SSRP “*should include adopting measures of outcomes for student achievement. An external agency should be retained to carry out the evaluations.”[[19]](#footnote-19)* SSRP has set up an Education Review Office, ERO, which has commissioned a National Assessment of Student Achievement, NASA. The first results will be available later in 2012 for grade 8 and tests for classes 3 and 5 will follow in 2013. There is no baseline for SSRP in respect of student achievement. The results of the work of NASA could conceivably be used as the baseline for any program following on from SSRP.
6. **Local curricula** – This is one of MEC. There was neither time nor resources to investigate how successful had been the bold idea of allowing a certain amount of local material to be worked into the curriculum.
7. **TPD** – The SSRP has raised the qualification criteria for basic education teachers to intermediate level. The Higher Secondary Education Board (HSEB) is responsible for providing intermediate level education. Also a Teacher Preparation Course (TPC) has been developed to provide pedagogical training to teacher candidates from non-education faculties. The quantity of teacher candidates seem more than enough, though quality, as indicated by their educational qualifications, remains problematic. The pre-service classes are reported to be crowded, following traditional chalk and talk methods, with a lack effective practice teaching and characterised by high absenteeism of students and teachers (*Shikshak* 2010). It is recommended that a detailed study is made of how to reform pre-service education to overcome these deficiencies.
8. The qualification upgrading of teachers is applicable to current in-service teachers as well as to pre-service. However, only 46% of the present stock of teachers in basic education fulfils the upgraded criteria. Intermediate up-grading courses for SLC qualified teachers are provided through HSEB.
9. SSRP lays emphasis on teacher development. The clearance of the backlog of untrained teachers on 10 months training is itself a tremendous achievement. 98.4% of primary permanent teachers have finished the course, while remaining 1.6% are also in distance education mode. A new effort is needed in lower-secondary level where only 79.9 % of teachers have finished their training.
10. A new program Teacher Professional Development (TPD) has been launched by NCED for the further development of teachers’ capacity. The SSRP targets to train 750 master trainers and 50,000 (both basic and secondary) teachers were easily reached (see Annex IV). Though needs-based TPD is viewed positively by stakeholders, there are problems in TPD process and responsible actors (see Annex IV). Resource Centres are responsible for TPD in basic education. However, they are entirely focused in primary level while there is less priority for lower-secondary teachers. Also, permanent teachers tend to attend TPD first, rather than untrained community funded teachers. There is a need to revise TPD process to enhance the effectiveness of TPD. Further development could include TPD according to the career stages i.e. beginner, intermediate, expert and master, as targeted in SSRP. The requirement that TPD should be “needs based” has drawbacks when teachers, and RPs, do not recognise the need for all to be oriented to the new curriculum or equity measures. There remains no job induction for beginner teachers as planned in SSRP.
11. Teacher management issues still remain as challenges for effective use of teachers and quality improvement. Teacher management is devolved to School Management Committees (SMCs). However, there are concerns whether the relatively poorly educated rural communities can be effective in managing teachers. Moreover, SMCs have become highly politicized, particularly in the Terai. School has become a locus for politics, as political parties can put forward their cadres as local teachers. (More attention is given to teacher management in Chapter IV and Annex II.)
12. Permanent teacher quotas are stopped. There is skewed deployment of these teachers and adjustment in their deployment may bring efficiency gains. Though there are regulations amended to ease the redeployment, there is no significant progress in deployment. There are provisions to start redeployment inside the district. However, only around 450 teachers in 16 districts were transferred in FY 2011/12. An inter-district redeployment guideline is yet to be prepared.
13. Only temporary and contract teachers are now being hired. Recruitment of *rahat* (relief) quota teachers, for schools with high student teacher ratios, was halted in 2009 due to irregularity in distribution. Current recruitment of additional teachers is basically of contract teachers through Per Capita Fund (PCF) quotas. As the budget is based on per child, teacher salary fluctuates with the change in student enrolment. The consequent uncertainty leads to frustration among the PCF teachers. Moreover, because of budget constraints, government has not been able to provide the full calculated amount for each school. This can lead to further decreases in salaries of PCF teachers.
14. **Capacity Development** – Although the legal concept of Basic Education is unresolved due to the pending amendments to the Education Act, for purposes of analysis, we assume that it represents a consolidation of Grades 1-8 as envisaged under the SSRP. Efforts for capacity development have tended to be focused at the Basic Education level since majority of provisioning takes place at this level. Within the context of Basic Education, capacity development has three main target groups: teachers, districts (DEO and schools), and central agencies (MOE, DOE). Capacity building for teachers is trainings-oriented, conducted by the NCED and its partner institutions. The courses are widely acknowledged by those on the receiving end, including by the Teachers Union of Nepal,[[20]](#footnote-20) to be of reasonable quality. However, the effectiveness of this training in terms of learning achievement is questionable. The SLC Grade 10 results for 2010 clearly indicate that there is no significant difference in the mean scores of students taught by trained or untrained teachers[[21]](#footnote-21). For both the districts and the central agencies, multiples tools and mechanisms are used, delivered and funded through TA and Direct Funding mechanisms. The SSRP pool funds are also used for capacity building, although the budgetary allocations fall short of the needs. Funds are spread too thin[[22]](#footnote-22), with the Capacity Development Plan prepared by the MOE, identifying in excess of 50 capacity development activities aimed at Basic Education level, a majority of them being training courses or meetings and workshops.
15. This narrow conceptualisation of capacity building impacts the efficacy of capacity building measures. The predominant focus on trainings is at the cost of systems development, attitudinal change, on-the-job capacity building through secondments, and knowledge management and sharing of experiences through formal networks. Moreover, while it is clear that it is the SMCs and PTAs that are most in need of capacity building in its broader context, given their central role in management and oversight, the capacity development activities are focused elsewhere. In the ASIP 2011-12, only four activities are specifically targeted at SMCs and PTAs, although these school level institutions will also be covered under other initiatives.
16. The absence of the capacity development-performance-incentives nexus means that full value for money is not obtained through investments in capacity development. No detailed assessment of the utility and value-addition of specific capacity development interventions and tools has been undertaken to distinguish between measures that work and those which don’t. In particular, weak incentives structures and low level of investments in their capacity development demoralises School Supervisors, who have important roles to play in terms of providing backstopping to schools and serve as vital links between schools and the DEO.
17. As regards capacity development of teachers, as mentioned earlier most of it takes the form of training and is managed by the NCED. However, the SSRP introduces the concept of needs-based training, which may be desirable in principle but impractical in view of the limited capability and incentives for self-assessment. Furthermore, in important areas such as training on the new curriculum[[23]](#footnote-23), little headway has been made, which in essence means that the important reform of curriculum development has failed to translate into better learning opportunities for children, since teachers are not trained to deliver the new curriculum.

### M&E for Basic Education – There is need to begin the process of developing an assessment system that will eventually enable the MOE to assess: 1) trends over time, not only at the national level (NASA) but at lower levels of aggregation; 2) differences between schools, supporting further research on the reasons for these differences; 3) the cost-effectiveness of different SSRP components and activities.

1. Existing data (primarily end-of year tests and continuous assessment portfolios[[24]](#footnote-24)) have major weaknesses and it would therefore not be appropriate to base policy on the technical analysis of currently available data. However, analysis of the data that do exist would provide many benefits: 1) this would help the MOE to conceptualize the data that would be required; 2) it would move the focus of policy dialogue forward from the current focus on inputs to consideration of outcomes and impacts; 3) it would strengthen the perspective of “evidence-based” policy analysis and provide opportunities to strengthen analytic skills; and 4) it would assist in identifying anomalies and inconsistencies in available data and contribute to strengthening the overall EMIS.

## Secondary Education

1. **Access** - Although enrolment in secondary level has increased over the years, as one moves up the grades, enrolment decreases. This has been the trend throughout 2008-2011. Both girls’ and boys' NERs decrease equally in secondary level and thereby achieve gender parity. Secondary level (grades 9-10) NER which is 52.1 percent (51.4 for girls and 52.7 for boys) drops to 9.4 percent (9.7 for girls and 9.1 for boys) in Higher Secondary level (grades 11-12). The sharp decline in grades 11 and 12 enrolment can be partly attributed to SLC examination results and to the more expensive higher secondary education. As a result more boys would rather join workforce than continue their education. Thus disparity continues to be in favour of girls.

| **Table 2.4 : Level wise NER and GPI (2008-2011)** | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Year | | 2008 | |  |  | 2011 |  |  |  |
| Level | group | Girls | Boys | Total | GPI | Girls | Boys | Total | GPI |
| Secondary level (9-10) | | 35.0 | 37.8 | 36.4 | 0.92 | 51.4 | 52.7 | 52.1 | 0.97 |
| Higher Secondary (11-12)[[25]](#footnote-25) | |  |  |  |  | 9.7 | 9.1 | 9.4 | 1.06 |
| Source: DOE 2008 and 2011 | | | | | | | | | |

### Equity – Gender parity has been achieved in secondary level but NER shows that equal numbers of boys and girls are out of school. Regarding the Higher secondary level enrolment, since Flash report data may not be are not consistent with HSEB data, not much can be deciphered from the available data. Dalit and Janajti enrolment drops in secondary level. The decline is more significant in Dalits than in Janajatis. Among students with disability it appears that the highest numbers of survivors are those with physical disability. Their share has gradually increased in upper grades. Among all the disabled students, those with physical disability are the highest in numbers in all levels, see Annex III. In all the eco-belts enrolments in secondary level have increased. However, regional variations show that the enrolment in grades 9 and 10 is highest in Kathmandu Valley and lowest in Terai. Overall pass rate in SLC has improved in all regions except Eastern and Far Western regions. In these two regions the rate has rather gone down. Regional disparities are also significant with only 6.8 percent pass rate in Far West, 11 percent in Mid West and 42.5 percent in the Central regions. When viewed through a poverty lens, gender disparity in school attendance rate among the poorest is highest. The disparity is much less in the richest consumption quintile. This indicates that family economy has a direct impact on girls’ schooling. The low survival rate to grade 5 and 8 and low success rate in, different grades indicate that out of school and school dropout populations will continue to rise and the functionally illiterate population will continue to grow.

### Quality – Secondary education in the SSRP was to be restructured into a single four year cycle, classes 9 – 12. This proposal was anticipated by those who developed the NCF for they also conceived of top tier of school education covering the same four classes. Secondary education is presently dominated by two sets of exams- the School Leaving Certificate, SLC at the end of class 10, and the Higher School Certificate, or Intermediate at class 12. The former qualification is awarded by the Office of the Controller of Examinations, OCE, while the latter is under the Higher Secondary Examinations’ Board, HSEB. The plan was to combine these into a single National Examinations’ Board, NEB.

1. For reasons connected to the absence of an amended Education Act and of a settled Constitution, secondary education remains unreformed[[26]](#footnote-26).
2. The detailed subject curricula associated with the 2007 NCF have not been developed. (The reform of subject curricula reaches class 6 this year.) However, unless the SLC papers and, later, the HSC examination papers are altered to fit the new curriculum there will be no change in the quality of education after class 8. Teachers, the world over, tend to teach to, and prepare their students for, examinations. If the exam papers require rote learning of facts then that is what will be taught. The SLC holds a tyranny over secondary education and may also influence teaching and learning in basic education as teachers and parents begin the long haul of preparation for the SLC. However, because an exam such as the SLC is so important- as the first national assessment that a student faces - it also has the potential for good. Through “assessment led curriculum reform” the questions set in the SLC can reinforce all the good ideas of the curriculum and be taken seriously enough by teachers that their teaching changes. All this lies in the future. What we know at present is that SLC is a test of memory and mental gymnastics. Half of candidates fail. That in itself is an indictment of the secondary system.
3. Curricular relevance is a concept worth mentioning briefly in the context of evaluating the quality of secondary education. Two questions are asked of any curriculum, especially at the secondary and higher levels of education. First, is the content relevant to the world of work, nationally and globally, and to the role of citizen? Second, are the conditions of teaching and learning likely to encourage adaptability to an uncertain future? The rote methods of learning encouraged by the SLC hardly seem to fit a student for an uncertain future. The present content has not been assessed during this evaluation.

*Continuing high dropout and low completion rates at secondary level education indicates the need to making the education more relevant with the provision of a separate stream in school education, focusing on skills and livelihoods training. SSRP 2009, p 41.*

### TPD – The SSRP has raised the qualification criteria for secondary teachers to masters’ level. The Faculty of Education, Tribhuvan University, and other education campuses are responsible for providing bachelor’s and master’s levels of teacher education. Also, the Teacher Preparation Course (TPC) is developed to provide pedagogical content to teacher candidates from non-education faculties. The quality of pre-service institutions is a problem. Pass rates of all education levels are below 50% (Refer Annex IV). See also under in basic education section, 2.4.4 above.

1. Only 30% of present stock of secondary (9-10) teachers fulfils the upgraded qualification for teachers, applicable to teachers in service, as well as to new teachers. Professional courses (see Annex IV) are being developed, these courses are supposed to be voluntary for teachers who will not be subject to dismissal or demotion for non-participation. However, teachers without upgraded status by 2015 will be confined at the initial grades of each level. This retrograde policy, including in basic education, might cause low qualified and possibly low motivated teachers in initial grades, crucial for students.
2. The clearance of the backlog of untrained teachers, through a 10 months’ training, was focused on Grades 1-10 teachers. Hence, there is a significant achievement in secondary level (9-10), with 90.1% of teachers fully trained though only 62.5% of higher secondary (11-12) teachers. Efforts are required to train remaining secondary teachers.
3. Similar to basic education, Teacher Professional Development (TPD) has been launched by NCED for the further development of teachers’ capacity. Educational Training Centres (ETCs) are responsible for providing training for secondary teachers. Though viewed positively by stakeholders, lack of specific needs and difficulty in clustering needs were raised as problems.
4. **Capacity Development for Secondary Education** – Efforts at capacity building at the Secondary Education level are subject to some of the constraints outlined for Basic Education. An important distinction is that some of the most significant areas of capacity development for the Secondary Education component relate to the reorganisation of grades and clustering of grades 9-12 in secondary schools, establishment of a National Examination Board and introducing a National Assessment service. Since the revamping of Secondary Education has not materialised owing to the inability to amend the Education Act until the Constitution is finalised, the specific capacity enhancement measures have not been initiated. It is also pertinent to point out that while the backlog of untrained teachers has been cleared (refer paragraph 62 above), this relates to the permanent teachers only. The need for training the other categories of teachers at the basic and secondary level thus remains. Since data on the exact number of teachers in the secondary level is not known, an assessment of how many more teachers need the 10 month training, is difficult to make.
5. **Monitoring and Evaluation for Secondary Education** –What little data is available has been absorbed in the accounts of Access, Equity and Quality for secondary schools above. The fact that approximately half of all students who sit the SLC fail is a worrying feature of the present school system. Establishing the reasons for such failure and generating solutions ought to be a priority for Government, since the secondary school system is the main entry point to higher education, after class 12. Moreover, secondary school graduation may in future be the minimum entry for all skilled and semi-skilled occupations on which Nepal exported labour depends.

## TEVT

1. **Access** – The intended purpose of this component is limited in scope to establishing, within the secondary curriculum (classes 9 -12), exposure to the world of work. Indeed the first objective of the TEVT component is to “*develop a vocational stream of secondary education responsive to meeting the learning needs created by the continuously changing demands of the labor market”. SSRP 2009 page 42*. Already it is understood that 100 schools are piloting at grades 6 – 8 with a new curriculum. However, there is no mention in the NCF of TEVT though “life skills” have their place in it. Also, work has started to develop “soft skills” at the secondary level, though the meaning of the term is not settled. Time did not allow investigation of the TEVT component.

### Equity – No information was available

### Quality – No information was available

### TPD – No information was available

1. **Capacity Development –** Technical Education and Vocational Training (TEVT) constitutes an important component under the SSRP, particularly in view of the growing youth population and the demand for linking education with economic and employment opportunities thus making it more relevant. In principle, the SSRP introduces the concept of TEVT as a mainstream component, integrating it with Secondary Education through a phased approach, with the aim of equipping secondary level students with TEVT Soft Skills, defined under the National Curriculum Framework 2006 as covering ‘integration of life skills or life supporting skills in school curricula and integration of knowledge, skill and values connecting education with the world of work’. An allocation of $15.45 m has been made under the SSRP for TEVT, including funds for piloting of initiatives.
2. A TEVT Policy was framed and approved in 2007 and aims to develop strong entry level skills in students and raise their employment potential. However, this policy makes no mention of ‘soft skills’ and the SSRP is thus as odds with the TEVT policy. Moreover, like ECED, the ambit of TEVT spreads across several Ministries. Although there is a central agency, the Council for TEVT, which works as an autonomous body, other Ministries, such as that of Labour and Industries are also important stakeholders. However, there are no inter-ministerial forums to facilitate dialogue and coordination on TEVT.
3. Progress on TEVT capacity building is hampered by the pending amendment to the Education Act, which would allow for TEVT to be integrated at the Secondary level. This in turn would create a need for several capacity building measures, particularly in relation to the TEVT Soft Skills component being included in the new curriculum, training of teachers to manage and deliver the Soft Skills, development of appropriate learning materials and for monitoring and evaluation to be tailored to review progress on the intervention. At present, allocations for capacity development for TEVT have been made in the Capacity Development Plan for SSRP and budgetary allocations made in the ASIP 2010-11. A new TEVT policy is in the offing and although its contents were unavailable for review, it is not clear whether it includes the SSRP reform of introducing soft skills and mainstreaming TEVT through the secondary education system.

### M&E for TEVT – Conventionally, tracer studies are used to see if TVET graduates are employed, what they earn, and whether they are employed in jobs that correspond to their training. Although the CTEVT has carried out two tracer studies[[27]](#footnote-27), these are outside of the SSRP scope; and given that only a small pilot on TEVT has recently been commissioned for mainstreaming TEVT in select secondary schools, it is too early in the development and implementation of this component to plan tracer studies under the SSRP.

## LLL

### Access – In order to materialize policy related to LLL the government has been expanding Community Learning Centres (CLC) and implementing basic and post-adult literacy programs. The CLC has been viewed as a local unit of non formal education where potentially all kinds of learning needs of different age groups could be met. "The Community Learning Centers (CLCs) are found instrumental for implementing lifelong learning programs integrating, literacy, open learning programs, mainstreaming unschooled children and awareness raising activities. However, ensuring the reach of interventions to pockets of marginalized communities, the real target population of the program, has been still a challenge" (ASIP 2011-2012).

1. SSRP policy direction aspires to consolidate literacy and LLL in order to meet the needs of all. CLC has been recognized as a crucial mechanism to achieve this aspiration. On the other hand it is plausible to recognize literacy skill as a prerequisite for LLL. However the slow increment in the literacy rate, which is one of the key performance indicators of SSRP, indicates that it is quite a challenge for LLL to take off the ground.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Table 2.5 ...Literacy Status 2003/04-2010/2011** | | | | | | | | | |
| **Timeline** | **2003/2004** | | | **2008** | | | **2011** | | |
| **Population** | **Female** | **Male** | **Total** | **Female** | **Male** | **Total** | **Female** | **Male** | **Total** |
| **15+** | 33.8 | 64.5 | 48.8 | 43.3 | 70.7 | 55.6 | 45 | 72.0 | 57.0 |
| **6+** | 38.9 | 63.5 | 50.6 | 53 .3 | 75.6 | 63.7 | 51.0 | 72.0 | 61.0 |
| Sources | NLSS II 2003/2004 | | | CBS, 2009 (Labor force survey 2008) | | | NLSS III 2010/2011 | | |

### Equity – Gender disparity in literacy rate is still a major concern. Regional disparities are also very prominent in literacy rates with urban area reaching 77 percent and rural area only 57 percent literate among 6 years and above population (NLSS III, 2011). Likewise Western Development region has highest literacy rate with 66 percent and Central Development region the lowest with 57 percent, and among ecological belts, Hill has the highest literacy rate with 69 percent (Ibid.). When juxtaposed with school level data a clear positive association can be viewed between school enrolment and literacy rates. The region where the school enrolment ratio has been comparatively low for years the adult literacy rate is also low. For example, six Terai districts with low NER are located in the Central Development region. The literacy rate of this region is the lowest. Similarly, there is also a wide gap in literacy rates across consumption quintiles. Literacy rate ranges from 79 percent in the richest population to 45 percent in the poorest population (NLSS III, 2011). The social group wise literacy rates also vary significantly (CBS, 2001). Literacy survey from 3 districts conducted in 2011 still shows the similar trend. Access to literacy education is limited and not targeted. The NFE sector, which is responsible of alternative school, adult literacy and CLC, is functioning with limited institutional capacity including human resources particularly at district and sub district levels.

1. Nevertheless Open Secondary Level program has been rapidly expanding (See Annex III). Students joining Secondary level open schools are mostly adults between the ages of 16 to 56. Disaggregated data of enrolment and completion are not available at the central level. It was reported that the student population comprises of on-the-job Nepal Army personnel, police, factory workers, housewives, and Maoist Peoples Liberation Army and other school dropouts and in total almost half are women. Thus, open school has been providing learning opportunities to those who, for several reasons, could not complete school education. The growing number of student population explains the magnitude of the demand for alternative education

### Quality – No information was available.

### TPD – No information was available.

1. **Capacity Development –** The Life Long Learning (LLL) component of the SSRP is governed by the provisions of the Non-Formal Education (NFE) Policy (2007). The SSRP’s thrust, and sub-components under LLL, are aligned with the NFE Policy and aims to improve literacy overall and in particular for disadvantaged groups and women. There is an elaborate implementation mechanism for LLL, which focuses on the district level, calling upon all local bodies to include LLL in the District Education Plans and the Village Education Plans. In the absence of elected local governments, these functions are performed by the government officials heading the DDC and VDC. Given that LLL activities have been in place for some time through adult-literacy campaigns and establishment of Community Learning Centres (CLCs), there is broad familiarity with the principles, strategies and plans.
2. Having said that, there are several issues related to capacity of local level management to delivery effectively on LLL. First, the model for effective NFE and LLL is unclear and there are several approaches used, including partnerships with civil society and private sector for delivery of services, use of Open Schools and alternative education services and systems; this makes developing a scalable model for capacity building problematic and forces short term, high cost investments whose return is questionable. In the Capacity Development Plan and the ASIP for 2010-11 for example, all five of the activities earmarked for Literacy and Continuing Education are trainings, each costing less than Rs2 million. Second, the mechanisms for implementation are complicated, with a 13-member District NFE Committee approving and monitoring NFE activities in the district and hiring NFE Monitors while the Village NFE Committee replicates this role at the VDC level. VDCs are allowed to open CLCs themselves or in partnership, and each tier (District NFE and VDC) receive budgets for implementation and monitoring. This multi layered implementation mechanisms presents a challenge for streamlining capacity development efforts, although measures at different tiers have been taken and the current Capacity Development Plan and the ASIP 2011-12 of the MOE also have several provisions for supporting the Open Schools Program, alternative education provision, NFE and CLCs. The results of these initiatives has been less than encouraging, as interviews with stakeholders, including the Non-Formal Education Centre (NFEC), reveal that accountability at district and sub-district level is weak despite the use of more than 20 tools at district level, no institutional capacity exists for validation of enrolment data. Importantly, the status of the Facilitators in the CLCs and the quality and impact of their training by NCED needs to be reviewed, since the Facilitators are of the view that the NCED training does not equip them with relevant materials or provide them with the knowledge and techniques required to deal with illiterate adults[[28]](#footnote-28). It is possible that short term donor-funded interventions may pose further challenges for coordinated efforts for capacity development and implementation. Furthermore, the Distance and Open Learning (DOL) Policy 2007 identifies promotion of lifelong learning and professional development as a major policy agenda and calls for use of CLCs and Telecentres at local level, but there is little evidence to suggest that this policy is under implementation. Some aspects of the DOL clash with the SSRP, including the establishment of a separate board for monitoring DOL implementation as regards LLL and TEVT and special mechanisms for accreditation and certification of the skills in the vocational field and customary learning/knowledge in the general field of education acquired by indigenous communities.

### M&E for LLL – Monitoring and Evaluation is yet another critical area in NFE sector that has not been fixed for years. Data management system is not fully functional and hardly provides adequate data. On the other hand number of CLCs has grown significantly. However almost half of the CLCs are reported not to be functioning well for several reasons (HDNC, 2011). It would obviously be useful to see whether learners develop and retain the intended competencies. It is said that, by focusing on teaching core skills, learners can complete the equivalent of eight years of education in two or three years, pass exams and re-enter the regular education system.

## Conclusions

1. This chapter has got down to evaluating the detail of progress on all five main components of the Program against the three overarching goals of access, equity and quality and the cross-cutting dimensions of teacher professional development, capacity development and monitoring and evaluation. Time, and lack of readily available information have affected our treatments of both TVET and LLL.
2. In the following chapter we use a different schema for evaluation of the SSRP, reworking findings to address overall Program Outcomes, Legislative Actions, Use of Program Funds, Capacity Development and Program Governance.
3. **EVALUATION AGAINST FIVE FOCUS THEMES**

## Introduction

## Program outcomes

1. We have to revisit the goal and objectives of SSRP. The goal of The School Sector Reform Program, SSRP, is to contribute to socio-economic development through a continuous development of its human resources’ capacity. The Program’ s purpose is to ensure that all citizens have opportunity to become functionally literate, numerate, and develop their basic life skills and knowledge required to enjoy a productive life. The SSRP aims to (i) expand access and equity, (ii) improve quality and relevance, and (iii) strengthen the institutional capacity of the entire school education system. We shall consider the design of SSRP in relation to the goal and objectives and how the SSRP has been implemented.

### Design and implementation – The design of SSRP included some elements which had been established during earlier programs e.g. School Improvement Plans and decentralised management of schools. One important component – incentives to attend through scholarships - was extended to class 8 from class 5. Other Program components were new such as Life Long Learning though even there the Government’s literacy campaigns could be seen to pave the way. The big reform within SSRP was the re-structuring of the 12 years schooling cycle into an 8 years basic cycle and a 4 years secondary cycle. While extending primary education upwards to class 8 and renaming the cycle “basic education” would be logistically easy and politically uncontroversial, the merging of secondary (classes 9 and 10) with higher secondary (classes 11 and 12) has not been achieved. The explicit reasons are that the Education Act needs to be amended. That said, there seems less appetite for change at the existing two exam boards, the Office of the Controller of Examination, OCE, and the Higher Secondary Education Board, HSEB. The fact is that secondary education, and success at SLC and Intermediate exams, controls the life chances of all who reach class 10 and higher. The two well -established examinations will have to be overhauled in line with the NCF and the increasing numbers flowing from the Basic Education cycle. Some piloting of an integrated secondary school is being undertaken.

1. While the governments in power since 2008 have all supported SSRP in the sense of allocating resources to it[[29]](#footnote-29) none has grasped it and claimed it as their program. This is slightly surprising given that SSRP was the first education program to make education free in Nepal. (EFA contained some cost-sharing modalities.)
2. Much was expected from local government in the design of the SSRP. However, since there have been no elections at the level of the District local government has not emerged as a major stakeholder in SSRP. See below under Governance.
3. While the SSRP is designed as a reform program, in effect since the majority of funds are allocated to recurrent spending on salaries, investment in substantive reforms is only a small part of the whole. About 72 percent of funding goes for teacher remuneration; grants of various types dominate the remaining share. We estimate that between 93 and 99 percent of expenditure is in the recurrent budget.
4. We identify two considerations missing from the original SSRP design. First, there is the issue of the curriculum, its reform and introduction. A full treatment is given below at 3.2.4. Second, for such a huge education program little attention was given to presenting it to the nation, in other words having a communications’ strategy. The team was told that primary schools are still signposted as primary schools, lower secondary schools likewise. The media seem unengaged with it. The meaning of SSRP is not “live” in the schools and offices. More will be said on this in Chapter 5. We do not mean that SSRP itself should be publicised but rather that what the government is attempting to do, through SSRP, in the way of improvements to quality, access and equity as well as reform of secondary education ought to me made public.

### Access and equity – A top priority of the program in its remaining years is to bring the out-of-school children to school and retain those who are already in school. As detailed in Chapter 2, access has increased to ECED. More than half of four year olds are in one form or other of pre-school. This in itself is a tremendous achievement and one which some developed countries have only recently reached. However, there are concerns over the real purpose of ECED and of the quality of the experience being offered. Moreover, at this level of education, as well as in basic education, there are large disparities in enrolment across regions and ethnic groups. As ECED provision is demand-based, the main beneficiaries are areas with well-informed parents. It has benefitted the haves more than the have-nots. Another important question concerns the access of children with various disabilities. For instance, at primary level in 2008 DOE data reveal that out of the total enrolment 1.1 percent were children with disability. In 2011, children with disability were again 1.1percent and 0.8% in lower secondary, 0.71percent in secondary and 0.36 in higher secondary classes. Some children who were in primary level in 2008 would either still be in primary or lower secondary in 2011: but data do not show this. Not all have survived at school between primary and lower secondary. Moreover, there is continued wastage at the higher levels. Increased access is meaningful only when the curriculum is relevant, the teaching and learning effective, the learning outcomes improved, and students are retained in schools. The access and equity component therefore must be integrated with the quality and teacher improvement components. For details see Annex III Table 9.

### Teacher Management and Professional Development – Since teachers’ salaries in Nepal, as in many less developed countries, are the largest single item of recurrent expenditure, the numbers of teachers, their average salaries and conditions, their professional performance must be considered as among the most important aspects of evaluating the success of the SSRP. The backlog of untrained teachers has been cleared in primary schools and almost cleared at lower secondary level. Nevertheless, management of teachers is hugely problematic with nationally a bewildering number of types of teacher, and even several types within one school. When salaries and conditions are so variable there is a recipe for industrial unrest. Polarisation of the teaching force is accepted as a matter of fact. Discipline is poor. Redistribution of teachers to where they are needed is a fraught process.

1. At the same time there are encouraging moves to upgrade the initial entry qualifications to teaching, issues raised for job induction of novice teachers and the beginnings of regular in-service training in the form of Teacher Professional Development (TPD), these innovations being part of the design of SSRP. However, the implementation is not satisfactory. To enhance the capability of novice teachers, NCED should be designated to develop and start job induction training. The costs of this activity should be included in the revised version of the SSRP costing model. TPD process could be further strengthened through reflecting on the difficulties faced in respect of conducting needs’ assessments, clustering, self-study and action research. Finally, there is the issue of how to encourage teachers to implement good practices.
2. In addition, there are concerns about the high cost of salaries, relative to international comparative norms and particular concerns about teacher productivity, related to deployment, management and incentives. As noted in the most recent Joint Consultation Aide Memoire, many schools are over-staffed. The plan for a study of over-staffed schools, proposed in 2009, has not been conducted. There is clear evidence of widespread irregularities on personnel practices, including bribery, political patronage, favouritism, and nepotism. Perhaps, Nepal is not receiving “value for money” for the large expenditure on salaries. Problems of teacher effectiveness may be undermining intended learning gains and, by extension, the anticipated economic return to the SSRP investment.

### Quality – One of the prime pillars of the School Sector Reform Program is the improvement of quality. Chapter 4 and Annex II have already noted the importance of effective teaching in order to produce quality outcomes. At the heart of quality of any educational experience is the curriculum, what is taught, how and with what resources it is taught and learned, how students are assessed and how the overall experience fits the future lives and job prospects of the learners. Concerns of quality in the SSRP are dominated by tracking the flow of inputs. No one can deny that certain inputs are essential to create the conditions for teaching and learning. One excellent innovation has been the development of Minimum Enabling Conditions, MEC. The MEC do not guarantee quality, but they are an essential step towards providing a common foundation of inputs for all schools.

1. In part, quality is measured in terms of learning outcomes, outcomes are determined by a host of variables including inputs, school processes, home background and contextual factors. SSRP is light on treatment of the curriculum: there is an assumption that the National Curriculum Framework, NCF, of 2007 is both relevant and implementable. But, it was found that teachers have not been thoroughly oriented to the demands of the 2007 curriculum. Unless they understand the pedagogy behind the new curriculum then they are likely to ignore new ideas and teach as before. The SSRP planned to have rounds of testing of student achievement at classes 3, 5 and 8. These have not happened yet, though by late 2012, there will be results of testing a sample of students at grade 8. Hence, there is no objective data, in terms of student achievement, to assess the impact of the SSRP investments.
2. Scattered accounts of poor reading in primary education suggest that the foundation of reading skills is not being securely laid in schools. SSRP correctly identified, within the MEC, a need for reading and other supplementary learning materials. A considerable amount of material has been developed by the CDC but these are not available in schools for reasons connected with the use of funding based on students – the PCF. As a first step, what is required is for the CDC material to be printed and distributed free of charge along with a teacher’s guide, possibly for use in the TPD training. Beyond the immediate term there should be a “book flood” for early years of basic education to encourage students to become independent readers. Chapter 5 sets out proposals.

### Legislative or Financial actions[[30]](#footnote-30)

1. Legislation: Implementation of the SSRP is being done under the 1971 Education Act. That Act does not contain mention of Basic Education nor does it allow secondary education to be defined in the way that the SSRP planned it, ie classes 9 -12. However, the government, in this case the MOE, has used the Education Regulations to slip in the term basic education and, among other things, to create a new type of school, the Multi-grade School where more than one grade are taught together. A full treatment of issues of governance is given below, section F.

## Use of Program Funds

### ECED – About USD 125 million have been allocated to the ECED sub-sector. A small portion of these funds is provided to establish new centers; most of the grants are for operating costs and the level of funding will increase annually, as new ECED centers are established, as shown in Figure 3.1. This will be an ongoing cost to the government, beyond the life of the SSRP.

**Figure 3.1: Annual cost of ECED support - USD (million)**



1. There are several issues related to ECED funding. It is intended that ECED will be financed through a combination of central government funding and local support. The original concept called for “cost sharing in richer districts” and more central support targeted on the basis of community SES. This has not happened: and all centers receive the same level of central support, irrespective of local fiscal capacity or enrolment. It is generally agreed that in poorer communities, the level of funding is too low to provide quality services. There is a wide spread problem in retaining ECED facilitators in communities that are unable to provide additional funding. Despite the massive increase in community provision, enrolment in fee-charging private establishments has continued to grow. This suggests that there continues to be the perception of quality problems in the community centers. The Program design was premised on the assumption that ECED would improve school readiness and that this would be reflected in improved performance and lower repetition in grade 1. There is no empirical evidence to support this assumption, a point raised in the most recent Joint Program Review.
2. **Discussion and Recommendations –** There is substantial international evidence that quality ECED can improve student performance and some evidence of benefits in adult life, beyond those associated with schooling. However, as is the case with basic education, it is not clear that enrolment in poor quality programs yields economic returns. We suggest that the MTR consider the following options for implementation post-MTR:
3. Undertake a study to assess the impact of the expansion of ECED on grade 1 performance during the initial two years of the SSRP. While there are clear data limitations, analysis could be done in the framework of an “interrupted time series” design. New ECED centers have been established in a phases; by combining historical data on grade 1 enrolment, repetition, drop out, results on end-of-year tests and continuous assessment and remediation data, it should be possible assess the impact of introducing ECED services in the “catchment areas” of individual primary schools.
4. Develop estimates of the cost of providing quality ECED services and of attracting and retaining facilitators.
5. Develop a system of enhanced ECED grants for low-income communities to bring funding levels up to required levels. If necessary, the real cost of existing grants to higher income communities could be lowered by not adjusting for inflation.

### Basic Education – SSRP funds support a wide range of activities in basic education. We focus on the highest costs activities, which are considered one at a time. Many of the economic issues associated with these activities also apply to parallel activities at the secondary level.

1. Most of the SSRP funds are used for teacher remuneration, grants, scholarships and textbooks. Issues and recommendations are discussed in Chapter IV and will not be repeated here.
2. Facilities construction, rehabilitation and external environment – About 357 US$ million have been planned for construction of additional classrooms, libraries and labs; rehabilitation of existing facilities; and the external environment, primarily water and sanitation. The financial projection model does not differentiate between basic and secondary education but the MOE will be able to provide a more detailed breakdown. A fiduciary assessment, currently underway with World Bank support, suggests that there are irregularities in procurement and that, in some cases, costs are unnecessarily high.
3. School management - About US$ 150 million have been allocated for school management at the basic level, with an additional 59 US$ million for decentralization (covering all levels) and 36 US$ million for grants for head teachers. An additional US $11 million is planned for management at other decentralized levels of government (DEO, VEC, etc.).
4. Quality enhancement - In addition to resources for textbooks (already discussed) there are US$ 44.5 million dollars for student evaluation and continuous assessment; 15 US$ million for teacher training (this covers both levels); 14 US$ million for ICT assisted teaching and learning (which may cover all levels) and relatively low levels of funding for curriculum revision and textbook updating. There is a relatively small allocation, US$ 3.6 million, for incentives for better performing schools.

### Secondary Education – Patterns in support to secondary education are similar to those described for basic education. Most expenditure goes for teacher remuneration, grants, scholarships and textbooks.

1. School management – About 42 US $ million is planned for grants to head teachers; this is higher than the allocation for the basic education subsector.
2. Quality enhancement – About 1.5 US$ million will be allocated to high performing secondary schools. For basic education, these grants are administered at the district level and, in general, different schools receive grants each year. At the secondary level, they are centrally administered and the same schools are generally selected each year, based on examination results. It is possible that exam results are determined mostly by the competencies of entering students, rather than “value added” at secondary. There may be need to review the criteria for awarding these grants. However, they constitute a very small share of total SSRP expenditure.

### TVET – The financial Program model includes US$ 23.2 million dollars for school-based TVET; no details are provided. Very little has actually started in the TVET area and there is a question as to whether this level of funding will be required. The MOE is initiating a program of expanding technical vocational schools which are outside the SSRP. Much of the technical/vocational education in Nepal occurs outside the formal school system. The 2008 National Labour Force Survey (CBS. 2008) reports that over one million citizens have received training in other (non-school) settings. There are preliminary plans for introducing “soft skills” in the curriculum, but this is still at the planning and discussion stage. There is also discussion of introducing vocational streams in secondary schools. Most international evidence suggests that this may not be a cost-effective strategy. More information on the TVET sector is available in the recent World Bank appraisal of the 50 million dollar grant for TVET (World Bank, 2011d); these activities are outside the SSRP.

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### Life-long Learning

About 27 US$ million dollars is planned for literacy and continuing education; about one-quarter of the funds are for construction of community learning centers, which will have a range of uses in addition to education. There is also an additional US$ 40 million for alternative provision of primary and secondary education.

1. **Capacity Development Measures**
2. There is a widespread acknowledgement of substantial capacity gaps within the public sector in Nepal. This is evident not only from the Government’s own policy documents such as the SSRP, but also those of the development partners. However, despite the apparent policy focus, capacity building in the education sector suffers from two basic flaws: one, it takes a restrictive view , equating capacity building with training for the most part; and from suffering a civil servant bias, at the cost of community forums like the SMC and PTAs.
3. In addition, capacity building efforts have weak targeting mechanisms. While there is general agreement that the need for capacity building is greater at lower tiers particularly at the local government and school levels, and this is widely cited as one of the key impediments in improvement of service delivery at school level, greater attention is paid to centre level capacity building. Given the SSRP’s concentration on the school as the management and accountability hub, the rationale for targeting capacity development initiatives at the school level in particular, is undeniable. Also, the expectations from SMCs and PTAs in relation to performing complex management and oversight tasks seem completely unrealistic, particularly when some government servants with training apparently also fail in their oversight role.
4. There is also an issue surrounding the efficiency and efficacy of the use of capacity building funds. Due to the tendency to focus overwhelmingly on training, other important modes of capacity building such as systems development, attitudinal change, on-the-job capacity building through secondments, and knowledge management and sharing of experiences through formal networks, are ignored. This in turn leaves vast gaps in the bid to improve capabilities.

### As with other sectors, rhetoric surrounding capacity development in the education sector is not backed up by material action in the form of consistent and substantial investments in capacity development. The SSRP allocated in 2009 only 0.57% of its total five year budget for capacity building, as opposed to 1.48% for program management. This low allocation is contradictory. It is difficult to state how much has been spent on capacity development, however defined. Annex II and Technical Appendix 2.05 address the issue of the use of Program Funds. What we can say is that capacity development is not regarded as high priority in the use of Program funds. Unless there is a review and reallocation of resources under the SSRP, existing resources for capacity development will likely be unable to cater to identified needs.

### Where capacity development has been undertaken, the evaluation systems for capturing impact are inadequate. Accountability ought to be a key feature of any investment but more so in cases where capacity development is undertaken through external funding. However, such feedback systems are generally missing and feature low on the priority of the government.

### The MOE has developed a National Framework and Guidelines for Capacity Development Plan for the entire education sector in the country. The former lays down the conceptual framework while the Guidelines provide templates and lay down standard processes to be followed while preparing the CD plans[[31]](#footnote-31). On the face of it, this Plan appears to be detailed, but careful review of its content reveals that its approach is too generic, tends to spread resources too thinly across a large number of activities rather than adopting a strategic approach that targets specific institutional gaps at the district and school level in relation to for example, development of the SIP and conduct of Social Audits and for strengthened quality assurance, MIS and policy research analysis at the central level.

## Program Governance

1. Given the scale and scope of the SSRP and the evolving nature of the political, institutional and legal frameworks with their attendant challenges of requisite capacity building, it is not surprising to find that several governance issues crop up in our analysis. These include:

### Absence of an Education Policy – While the SSRP provides the umbrella framework for school sector reforms, but it is important to emphasise that it is a *plan*, not a policy. In fact, there is no single, holistic education policy in Nepal. Instead, there are several, such as the Training Policy, Open and Distance Learning Policy, Non-formal Education Policy and the Technical Education and Vocational Skills Development Policy. In the absence of a holistic policy duly approved by the Cabinet with supporting legislation where needed, the risks of inconsistencies and contradictions are likely. It is possible for separate policies to be perfectly reconciled with each other under a collective vision, implementation of that vision would require an institutional sophistication that Nepal strives towards but has not yet attained.

1. Decentralised Service Delivery Without Decentralised Government – The SSRP governance model of decentralised service delivery assumes, and is predicated on, the existence of fully empowered, functional local governments. In reality, there are no local governments with elected representatives and institutional platforms such as the District Development Committees, District Education Committees, Village Development Committees and the Village Education Committees are all headed by the District and Village Development Officers. Moreover, there is little alignment between the Ministry of Local Development (MLD) and the MOE in terms of programmatic approach, fiscal transfer mechanisms and oversight systems. The SSRP’s fiscal transfers to districts and schools through PCF and subsequent reporting mechanisms do not follow the institutional arrangements of the Local Bodies Finance Commission (LBFC)[[32]](#footnote-32) and hence the expenditure tracking mechanisms employed by the latter are also not used. These parallel activities distort the decentralisation of reforms, lead to duplication and heighten fiduciary risk.
2. Key Institutions Still in the Making – The SSRP provides for establishing the Education Policy Committee (EPC) and the Education Review Office (ERO) and the National Examinations Board (NEB) as key institutions to provide policy guidance, support, supervision and improve the quality of education, but these institutions are—at the halfway stage—are still in the process of being established. The EPC, headed by the Minister for Education, has met only twice while the ERO is still in the process of determining its structure and operational model, let alone perform any oversight functions. It has no legal cover and is working on the basis of a directive issued by the MOE. There are also concerns over the degree of ownership of the concept of a regular, independent audit within the system and the low staffing (only 17 staff members) and change of leadership (five Joint Secretaries heading the ERO have been changed within the year) points to this lack of leadership for the ERO. In what could be a telling pointer to the low priority assigned to the ERO, the SSRP document itself refers to Appendix 8.3 where its composition, mandate and responsibilities were to be outlined, but that Appendix does not exist! As regards the NEB, its establishment is linked to the finalisation of the Constitution which in turn would allow for requisite amendments in the Education Act.

### The Inconsistencies of Legal and Policy Frameworks – The absence of clear, consistent and complete legal frameworks can severely compromise opportunities for rules-based governance and tends to promote discretionary, arbitrary patterns of implementation, thus causing or reinforcing existing inequities.

1. While both the Interim Constitution and the Comprehensive Peace Accord (CPA) contains several provisions relating to education (for details refer Appendix 2 of Annex I on Governance), there are several inconsistencies between the provisions of the Education Act, the Local Self Governance Act (LSGA) and the reforms framework of the SSRP. Implementation of the SSRP in its totality is reliant on amendments in the Education Act, in particular relating to the consolidation of primary and lower secondary grades into the Basic Education, establishment of the ERO and establishment of the National Examination Board (NEB) but all amendments are subject to finalisation of the Constitution. The conflict between the SSRP, LSGA and the Education Act 1971 is also serious, in that the LSGA provides for the devolution of primary and secondary education to the Village Development Committee (VDC) level while the SSRP has assigned this function to the District Development Committees (DDC). These legal inconsistencies constitute a high legal risk.
2. **Multiple Interventions, Players and Aims** – The SSRP envisions streamlined, coordinated and aligned implementation mechanisms but there is divergence in practice. While a large, complex reforms agenda, such as the SSRP, requires complexities and sophistication in the implementation arrangements, the SSRP has a complex and layered implementation design based on too many assumptions that have not materialised (functional local governments, EPC, ERO in place, amendments in Education Act). To add to this, there is considerable activity in the schools sector, funded by the government through its own resources and by development partners and International and local NGOs outside of the JFA. This complicates the implementation of the SSRP and jeopardises the objectives of school-based planning under the School Improvement Plan (SIP). The SIP is meant to serve as the principal plan at the school level, but at present, SMCs who prepare them are unaware of the total number of projects, interventions, pilots and funding available in their district or for their schools.

### Fragmentation of Accountability – Public accountability and transparency in Nepal is low, as may be judged from its low ranking (150th out of 185 countries[[33]](#footnote-33)) on the Corruption Perception Index. Despite the existence of several institutions to check corruption (Office of the Auditor General, Commission for Investigation of Abuse of Authority, National Vigilance Commission, Public Procurement Management Office), challenges abound. The absence of an overarching education policy limits coordinated accountability. The accountability process is currently central-government centric, while services are being delivered at the local level. In part, this dichotomy is a reflection on the continued influence and power that the national government exercises even in the devolved sectors. Moreover, it also highlights a gap in terms of accountability processes and mechanisms not being directly linked to responsibilities and authority. Furthermore, instruments such as the Social Audit have delivered mixed results and there is a widespread belief that these have become ritualistic and add little value to the accountability process.

1. Importantly, there is an inbuilt conflict of interest across all tiers in the institutional arrangements for accountability under the SSRP. The MOE, DOE, Districts and Schools are all involved in the implementation of the SSRP but are also charged with the responsibility for monitoring. This dissipates the accountability process and tends to reduce the robustness of accountability process by design, not default.
2. The SSRP also lays stress on public disclosure and transparency but this has not been easy to achieve. Although a Right to Information (RTI) Act exists, it is restrictive in nature and puts in place a cumbersome process for accessing public information, entailing a cost[[34]](#footnote-34).

### Standards, Benchmarking, Policy Analysis and Quality Assurance: The Missing Links – As the SSRP implementation moves forward, the roles and responsibilities of the central government would need to evolve from implementation to regulation, oversight and Quality Assurance. At present, this is not the case, as the MOE and DOE are performing both implementation and monitoring functions. In addition, a large amount of data is collected and available on the EMIS, but there is insufficient analysis of the data and hence very little information accessed from the numbers. The absence of policy analysis, non-reliance on evidence to inform assessments of school, district and regional performance weakens accountability and sustains the culture of *administering* reforms (focusing on compliance with rules and regulations), rather than *managing* them (results based management).

### Complexities of Teacher Management – There are several teacher management issues that impact the implementation of the SSRP, not least of which is the fact that teacher salary constitutes almost 3/4th of the total SSRP budget and thus is a key driver of costs[[35]](#footnote-35). Not only is the structure of the teaching cadre complex[[36]](#footnote-36), but there are rigidities in deployment. Substantial variations in pay structures, perks and privileges, opportunities for career advancement and professional development further compound the issue. Yet, the performance measurement uses the same yardsticks, hence creating disconnect between teacher performance, incentives and accountability. Furthermore, by all accounts, teachers are a politicised segment of the educational system and issues of corruption, nepotism arise in relation to their recruitment. Teacher management is a political issue as much as it is a governance one, yet there is a tendency to sidestep any effort to find a political solution rather than a bureaucratic one. The Governance and Accountability Action Plan Framework (GAAPF) actually indicates the need to engage with Teachers Unions, but during interviews with MOE officials, a distinct hesitation to engage with these representative bodies was evident. Unless this dialogue, as well as political engagement on this issue, is initiated, there appear to be no immediate resolutions in the offing for this deep-seated and lingering problem.

### Weak Incentives Structure – Successful implementation of reforms relies on the quality, adequacy and appropriateness of the incentives structure. In the case of the SSRP, examination of the incentives reveals several problems:

1. *Use of enrolment as sole criteria for PCF* This promotes a tendency for schools to inflate enrolment statistics and leads to subsequent difficulties for accountability of use of funds. More recently, directives and instructions have been sent from the DOE to address this issue and action initiated against some errant schools and districts[[37]](#footnote-37).
2. *PCF not linked to SIP*The School Improvement Plan (SIP) is not prepared with the knowledge of a defined resource envelope and thus its costs are not related to the financing received from the centre through PCF or other grants. This effectively creates a wedge between the planning and budgeting process, and reduces the incentive for SMCs to put in effort and develop a SIP that is truly representative of the school needs and is realistic in terms of what resources will be available.
3. *PCF reduces the incentive for institutional responsiveness*One of the arguments for decentralised governance and service delivery is that it allows for more flexible, responsive management. However, with the PCF funds earmarked for specific purposes and reallocation to meet emerging needs not permitted, there is little incentive for SMCs to continuously monitor emerging needs with a view to meet them.
4. *Social accountability is unhinged from reward or punishment* As mentioned earlier, conduct of social audit is mandatory for release of PCF funds but in practice schools received funds irrespective of whether they carry out the audit or not, and with no review of the quality of the audit.
5. *Human resource management of teachers and managers is unrelated to performance.*Performance benchmarks for teachers or education managers (DEOs) are few and far in between. Permanent teachers and DEOs have security of tenure, with the former also receiving political patronage. Moreover, School Supervisors, who are a very important cog in the managerial and supervision machine of the SSRP, have little incentive to improve performance, since their pay is far below that of Resource Persons and their responsibilities equal, if not higher. They receive Rs1,800 per month to carry out school supervision, a sum which is an inadequate incentive and compensation for travelling to remote areas for supervision.

### Private Sector, PPPs and NGOs Remain on the Periphery – The SSRP contains few provisions relating to education service delivery in the private sector. Given that private sector provisioning accounts for almost 15% enrolment this is surprising. In practice, capacity development of teachers through NCED’s former outsourcing to partner training institutions in the private sector, partnerships established at district and VDC levels for Life Long Learning components, stress laid on alternative education initiatives such as mobile schools, distance learning etc. and partnership building for the ECED network all point to the informal recognition of the value of partnering with the private and civil society sector.

1. At present, the School Supervisors and Resource Persons carry out—or are supposed to carry out—supervision of private schools, using the same format and systems as for public schools. In practice, this is rarely done as they struggle to monitor even the public sector schools. Furthermore, Nepal does not have a Public Private Partnership (PPP) policy or enabling legislation, although the principle of PPP features in various policy documents. Similarly, while NGOs, both international and local, contribute to the attainment of SSRP objectives, their role is not clearly acknowledged in the institutional mechanisms.

### No Formal Public Grievance Redress Mechanisms for the Education Sector – The existence of a formal public grievance redress mechanism assumes significance in decentralised service delivery. While the SSRP provides for several mechanisms for monitoring, and while the Social Audit is a tool for community based accountability, there exist no organised, citizen-friendly mechanisms for public grievance redress. Nepal does not have an independent Ombudsman institution, although the Commission for Investigation of Abuse of Authority performs the function of a general Ombudsman. Grievance redress at the local level in the education sector is arbitrary, with complaints about services handled through protracted, non-transparent processes and no accountability on commissions or omissions of abuse of authority, maladministration or negligence. This leaves a gap in local level accountability systems.

## Conclusions

1. This chapter has tried to evaluate the SSRP in terms of the five components and the three main goals, of access, equity and quality. The design was found strong on continuation of activities well entrenched in earlier programs such as scholarships for identified categories of students, though lacking in attention to curriculum and communications. Among the achievements are the rising popularity of ECED with half the four year olds in Nepal enrolled, increase in enrolments in basic education, increasing entry qualifications to teaching and new provisions for teacher professional development. The lack of capacity in terms of systems as well as skilled people especially at the school and district levels is a major handicap to effective implementation of the Basic Education component. The process of developing School Improvement Plans and undertaking Social Audits seem to have atrophied into rituals with neither incentives to do well nor penalties for failure to deliver satisfactory products in the form of feasible SIPs and useable Social Audits. The restructuring of secondary education is stalled on account of the absence of amendments to the Education Act.
2. The following chapter gathers in one place a review of the financial and economic factors which underpin the SSRP. While much of SSRP is work in progress the Program needs now to take stock of the resources needed to achieve those goals that were set in 2009 or to modify ambitions and ensure a foundation is laid for investment in the school sector post- SSRP.

# ECONOMIC AND FINANCIAL PERSPECTIVES

## Introduction

1. This chapter provides a brief summary of issues and analyses presented in Annex II. We have deliberately limited the amount of quantitative data in this chapter, to keep it concise, and focus on a discussion of the main conceptual issues. This chapter follows the structure of Annex II and readers should refer to Annex 2 for supporting details and analyses. The chapter is structured in two sections. The first section provides a concise executive summary of Annex II and follows the structure of that Annex. The second section highlights the main economic concern related to the SSRP.
2. The SSRP is an ambitious and complex program and the MOE is to be congratulated on its success in implementation and the dramatic progress in expanding access. Of necessity, during the first few years of the SSRP, government efforts have been focused on implementation; other important issues, such as quality, impact, efficiency and cost effectiveness, have received less attention. The MTR provides an opportunity to broaden the dialogue to address these issues. This chapter focuses specifically on economic and financial aspects of the Program.

## SECTION 1 – SUMMARY OF ANNEX II

* 1. Financial Analysis **[Section II[[38]](#footnote-38)]**

1. **SSRP Costs –** For reasons explained in Annex 2, we simply do not have complete or reliable information on SSRP costs. The primary tool for tracking and Programming costs is the “Financial Projection Model” that was developed in 2009. The model has never been updated. It appears that the current version of the model is missing over half the approximately 200 activities and sub-activities that make up the SSRP. With support under the MTR Evaluation Report contract[[39]](#footnote-39), the MOE is working on updating this information and will try to have revised figures by the time of the MTR.
2. Analyses (based on the information currently available) involved comparing four sets of cost estimates to the “baseline” figures presented in the government’s official SSRP document (August 2009). As specified in the TOR, there are separate analyses for the first three years (2009/10 – 2011/12) and the two following years (2013/14 – 2014/15). There are also estimates for the entire seven-year Program life.
3. Under any scenario, SSRP **costs are substantially higher**, than had been envisioned in 2009. The October 2011 ADB RRP estimated that costs would be 57 percent higher than originally planned. Some of the other estimates are even higher.
4. Bearing in mind the strong caveat about missing data, preliminary analyses of the Financial Projection Model, suggest large cost overruns in every year. However, for the first two years of the Program (where estimates of actual expenditure are available) this has not been the case. There is a clear “disconnect” between the data that are currently available in the model, and experience on the ground. Until updated data on costs and units are available, we are using data from the government’s Medium Term Expenditure Framework (MTEF) as the “best guess” as to what the updated MOE data will reveal.
5. **Resource Envelope** – We have updated the 2011 Projection of the resource envelope using a range of “scenarios” that use different data sources and assumptions for six key parameters. Depending upon assumptions and data sources, there is wide variation in projections; a subset of scenarios in presented in the Annex II. Based on discussions with ADB economists, we have identified the parameters which were believed to reflect the most likely scenario and these provide the bases for estimates of the financing gap.
6. **Financing Gap** – Bearing in mind the caveat about the cost data, our best estimate of costs, resources and the financing gap (using “most likely” parameters) is shown in Figure 1. This estimate includes DP pooled funding; the gap therefore reflects additional resources or cost savings that are likely to be required. Once updated cost data are available, this estimate will be revised.

Figure 1: Projected financing gap - dollars (million)



1. **Financial Sustainability** –It is highly unlikely (perhaps implausible) that the SSRP, in its present activities, will be financially sustainable, without additional external support in 2016/17 and for many years beyond.
2. EIRR **[Section III]**
3. As part of 2009 SSRP Program preparation a model was developed to estimate the Economic Internal Rate of Return (EIRR] to investments in the SSRP. Due to data limitations, the model was dependent on a number of assumptions regarding the projected “benefit stream.” While this was a sound model and the analysis included a section on sensitivity analysis to develop a range of estimates, its key weakness (beyond the control of the authors) was the lack of information to support the core assumptions about benefits. In the following years, there was no effort to empirically confirm those key assumptions. The model was not updated for purposes of the 2011 ADB RRP; however, experience during the first two years of the SSRP indicated that the estimated EIRR was probably too optimistic and the 2011 analysis suggested the lowest (least optimistic) estimates presented in the 2009 sensitivity analysis. The EIRR analysis was the subject of concern during the 2011 ADB internal departmental review of the most recent additional support to the SSRP.
4. As part of the MTR Evaluation Report process, we have further reviewed the key assumptions of the EIRR model and have identified a number of conceptual issues related to the projected benefit stream, which would lower the estimated “discounted present value” of benefits. The combination of reduced benefits and increased costs would substantially lower the estimated economic return to the SSRP. In communications with ADB economists it was agreed that there is need for revised EIRR analysis, using newer data and including analyses to test and update assumptions regarding benefits. This will be particularly important if (as the sustainability analysis suggests), there will be need to appraise a follow-on Program.
5. Use of Program Funds **[Section IV]**
6. Figures presented in this chapter refer to total costs over the seven-year life of the SSRP. Details, by year, are provided in Annex II.
7. Teacher remuneration consumes about 72 percent total SSRP funding. In current dollars, these costs are projected to double during the first six years of the Program, approaching one US$ billion a year by the end of the SSRP. There are three concerns regarding the level and pattern of these expenditures:
8. Budget Share - There is the danger that high expenditure salaries may “crowd out” resources for other important teaching and learning inputs in the recurrent budget. World Bank FTI guidelines suggest that no more than 65 percent of the total recurrent budget should for remuneration. By this criterion, expenditure is too high. This could become particularly problematic if/when external DP support is reduced.
9. Salary Levels – Analysis of four-year time series data (2007 – 2011) on salary data suggests that publicly employed teachers may be substantially over-paid, relative to an international recommended benchmark of salaries at 3.5 times per capita GDP. In 2007, except for temporary primary teachers, all categories of government teachers were overpaid by this criterion; this was particularly true of the highest categories (Class 1 and 2). In 2008 and 2009 their salary increments further increased real (inflation-corrected) wages. However, these increments were generally progressive, providing proportionately larger increases to lower paid teachers. During the first two years of the SSRP, salaries increased by 26.4 percent (more than 6 percent above the inflation rate); these were “across the board raises” providing larger increments to the highest paid teacher categories. There was little apparent economic (labor market) or educational rationale for these large increases. The cumulative impact of the SSRP increases will be on the order of 112 US$ million dollars over the life of the Program. These funds could of course have had other and possibly more valuable uses in the education sector.
10. Teacher Effectiveness – There are numerous indications of low teacher effectiveness. Selection is reported sometimes to be biased. Disciplinary actions against defaulting teachers are reported to be blocked in some cases by politicised teacher unions. There is evidence of absenteeism and poor time-keeping. This culture also undermines the ability of district education officers and school officials (head teachers and SMCs) to demand productivity. The long term strategy for the sector is to eliminate all centrally-hired teaching posts (through attrition), beginning in 2012 and to move toward a model of local staff management. The large SSRP salary increments increase the attractiveness of teaching positions as a political reward and may, to some extent, be undermining a central objective of the reform agenda.[[40]](#footnote-40) Once granted, these salary increments cannot be withdrawn and they are likely to influence the salary demands of locally-recruited PCF teachers. There are clear inequalities in teacher remuneration, as discussed in Annex IV, and the SSRP salary hikes during SSRP place upward pressure on an already high salary bill.
11. Per capita grants are based on enrolment data supplied by schools and these statistics determine a substantial proportion of overall SSRP funding. These include non-salary grants (270 US$ million ); textbook grants (US $ 253 million); grants for additional teachers for “unserved” students (US$ 890 million); and continuous assessment (US $ 45 million). They also effect the allocation of scholarship funds, discussed below. High levels of enrolment-based grant funding provide a strong incentive for schools to over-report enrolment and there is evidence that this is happening. In addition to the perverse impact of misallocation of funds, misreporting undermines many of the key Design and Monitoring Framework, DMF, indicators and calls into question some of the gains reported in bi-annual joint reviews. Lower estimates of net enrolment ratios from the recent NLSS III survey are one indication support this suspicion that enrolments are not reliably reported.
12. Scholarships for girls and students from disadvantaged groups will require about US$ 290 million ; about 70 percent of the funding is targeted at girls. In the original conceptualization of this component, the intention was to have needs-based targeting of girls’ scholarships. This changed due to political and other considerations. The current plan is maintain scholarships at their nominal 2009 level and let the real value of scholarships decrease through inflation. Based on IMF projections, scholarships would lose about 40 percent of their value over the seven-year life of the SSRP. At these reduced levels, the scholarships are less likely to be effective in reaching out-of-school children in the poorest communities.
13. Textbooks are estimated to require US $253 million dollars. Under the current system, all books are replaced annually.
14. ECED will receive about US$ 125 million; most of this is for recurrent operational costs which will continue beyond the life of the SSRP. In the original conceptualization of this component, support was to have been targeted to poorer communities. There is evidence that, in low income communities, the level of central funding is not adequate to provide quality services. There is a perennial problem in attracting and retaining ECEC facilitators. There are also concerns that no empirical evidence has been developed to indicate that ECED is having the anticipated impact on school readiness and grade 1 performance.
15. Broader Economic Issues **[Section V]**
16. Outcomes and Impacts – There is growing international consensus that increasing inputs and expenditure or getting more children enrolled in low quality schools is unlikely to result in sufficient improvements in student competencies to impact on earnings and livelihood and, by extension, on economic growth and development. A key weakness of the SSRP design is that, in its current form, there are no measures of outcomes or impacts that address the basic economic issue of whether the SSRP investment can be justified in terms of economic returns. This criticism is not unique to the SSRP. The planned NASA assessments, while valuable, will occur too late in the process to assess the impact of the SSRP. Moreover, a national assessment, implemented in a sample of schools, will not provide information required to improve management and effectiveness at the level of the individual school. While there are major weaknesses in existing assessment data, the MTR might provide a good opportunity to expand the “mind set” of the SSRP to begin work on assessing the impact of the Program on student learning gains with particular reference to cost-effectiveness and the value of specific Program components.
17. Accountability and Incentives – There is also growing agreement that effective reform is “driven” by incentives and that these must be linked to a reliable and transparent accountability framework. There is some basis for concern that the large increase in funding may have been creating perverse incentives leading to unintended consequences that run counter to the overall objectives of the Program. The MTR may provide an opportunity to begin work on an accountability framework that, in the longer term, could support a viable system of incentives, linked to consequence for poor performance.
18. Lessons emerging from international research – While it is clearly beyond the scope of the MTR Evaluation Report to provide a comprehensive review of empirical research, the following key lessons are emerging from comparative international research:
19. Spending – There is little evidence that increased spending is associated with better outcomes and certainly no reason to believe that higher spending will “guarantee” results.
20. Credentials – A substantial body of correlational studies generally finds little evidence of a relationship between credentials or training and teacher effectiveness.
21. Class Size – Findings are mixed; there is no consistent pattern that indicates that (within a reasonable range) learning outcomes are better in smaller classes. World Bank FTI benchmarks suggest a pupil/teacher ratio of 40:1 at primary.
22. Flexible Labor Markets for Teachers – There is substantial evidence that suggests that teacher productivity is higher in a flexible labor market environment. Contract teachers are often found to be more effective and guaranteed life-time employment can reduce incentives to be more effective.
23. Teacher Attrition – Encouraging ineffective teachers to leave the profession can be one of the most effective strategies for improving learning outcomes, even when this means larger class sizes. This is obviously related to the point on flexible labor markets. The estimated value (lifetime earnings of students) of purging school systems of ineffective teachers is potentially enormous.
24. Government Dominance – There is increased interest in the merits of limiting government’s role to financing basic education and increasing “demand-driven” service delivery through public-private partnerships, vouchers and other arrangements.
25. Education and Economic Growth – There is increasing evidence that student competencies, rather than years in the classroom, are important in fostering economic development and growth.
26. Inputs and “Countables” – There is realization that simply tracking things that are easy to count (“bottoms” on benches, teachers attending a training event, etc.) are a poor metric for assessing impact. Decentralization and Autonomy **–** There isevidence that Institutional autonomy contributes to improved efficiency and effectiveness.
27. Accountability and Incentives – Findings related to decentralization and autonomy have to be nuanced by concerns about accountability and incentives. Without a robust accountability system and actual incentives and consequences for poor performance, decentralization can be ineffective. A recent analysis of PISA[[41]](#footnote-41) data found that in developing and low-performing countries, autonomy can actually decrease student achievement.
28. A recent World Bank on study on improved delivery of socialservices (Bruns, Filmer & Patrinos, 2011) describes changes within which “education systems are becoming more accountable for results.” The change includes “a …growing willingness by … policy makers to subject new reforms to rigorous evaluations of their impacts and cost effectiveness. [Including] impact evaluation [which] exposes whether programs achieve desired results, who benefits, and at what public cost.” Simply finding that some policy or intervention has a “positive impact” is no longer enough; the key question is whether the size of the impact justifies its cost. From an accountability perspective, the World Bank views “**learning gains** as a **key metric** of quality” (World Bank, 2011a).
29. In summary, the World Bank study identifies three key policy instruments for improving learning outcomes:

*[I]mproved performance and measurable outcomes depend on a careful balance between three policy instruments that influence the behavior of local actors: (i) greater* ***autonomy*** *at the local level; (ii) enforcing relationships of* ***accountability****; and (iii) effective* ***assessment*** *systems (*World Bank, 2011a. p. 18)

1. Data Issues **[Section VI]**
2. Measures of Outcomes and Impacts – From an economic perspective, the most urgent issue is the lack of measures on student learning outcomes, tied to complementary research on the relationship of competencies to earnings. The SSRP focuses primarily on tracking inputs and enrolment; there would be merit to considering strategies for broadening this perspective, bearing in mind the limitations of available assessment data.
3. Costs of SSRP Activities – The Financial Projection Model has never been updated. This is currently being done on a “fast track” but ad hoc basis by the MOE. There is a need to systematize this process and to regularly update and track information.
4. Date Reliability and Consistency – The primary data source for monitoring the SSRP is school-generate Flash Reports. It is generally acknowledged that this information is unreliable, enrolment figures are inflated and statistical reports lack internal consistency.
5. Lack of Analysis – One factor contributing to data reliability is that most data are never analyzed. Large volumes of annual reports are generated to support the biannual joint reviews but, in generally, data are not sufficiently used for policy analysis.
6. Sharing Data and Information – Data are not shared by government agencies and there are problems in obtaining data, even within the MOE and DOE. There is need for a multi-agency government initiative to identify all data relevant to education planning and policy analysis, followed by actions to develop an integrated data base or a system of key variables that would support policy analysis.
7. Resource Mobilization **[Section VII]**
8. Preliminary analyses suggest that there will be a significant financing gap during the remaining years of the SSRP and beyond. The most recent (December 2011) Consultative Meeting Aide Memoire raises an important question related to this issue:

*What are the key priorities to improve the* ***efficient use of existing resources*** *… to increase the likelihood that the SSRP achievements can be sustained over the longer term?*

1. Preliminary analyses suggest that a substantial share of SSRP resources may not be as effective as possible. Some existing policies may, in fact, be having the perverse effect of encouraging inefficiency. The starting point for addressing the issue of ‘resource mobilization” would be to combine updated information on the cost of activities, (currently being prepared by the MOE), with information on the impact of individual components and activities. Some preliminary suggestions of areas for cost savings are discussed in Annex II.
2. Capacity Development **[Section VIII]**
3. There is broad agreement that the most urgent need for capacity development is at the local level, particularly at schools, where services are delivered. International evidence suggests that in the absence of a strong assessment and accountability framework, the transition to school-based management may not be effective.
4. Annex II outlines a proposed two-year pilot project to strengthen capacity in policy analysis at the central level. This initiative would complement investments in decentralized capacity building by moving toward an accountability framework that could eventually “empowering” local managers with relevant information. We suggest that the pace of this activity by determined by the MOE’s capacity to actively participate in all analyses and to absorb technical assistance.
5. One important pragmatic consideration is that many of the core issues related to SSRP efficiency and effectiveness are politically “sensitive.” For this reason, it would be essential that there be active DP engagement in the process and agreement on the overall scope of analysis, in advance of starting work. We suggest that the two-year agenda of activities be conceptually “grounded” in the preparation of an **Education Sector Public Expenditure Review (PER)**.
6. Summary and Recommendations **[IX]**
7. Annex II includes a section on summary and recommendations. These have been covered, in an abbreviated form in the description of Sections I to VIII, above.

### MAIN ECONOMIC CONCERNS REGARDING THE SSRP

1. While SSRP has reform and investment elements, it is basically the vehicle for financing the education sector. Depending on approaches, 93 to 99 percent of expenditure is for recurrent costs. An estimated 72 percent of funding goes for teacher remuneration and the project financed 26 percent increase in teachers’ salaries, during the first two years. Strictly speaking, it is not a Sector-Wide Approach (SWAp); it is focused on specific sub-sectors and does not address issues of inter-sector allocation, which may become an issue as the “social demand” for post-secondary education increases.
2. The SSRP will cost substantially more than was envisioned in 2009. The original government Program design was on the order of 4.4 billion dollars for the first five years. This was reduced to 2.4 billion through a process of policy dialogue and prioritization. We are still awaiting updated cost information from the MOE but it appears that costs will be closer to the original figure.
3. Various components of the SSRP involve substantial increases in the costs of service delivery – these will continue, beyond the life of the Program. Expenditure has been increased, based on the assumption that this will lead to better outcomes. This is the economic rationale for the “investment”. There is some basis for questioning the assumptions that underpinned the initial economic analysis of the SSRP and some concern regarding impacts and economic returns. We know that the SSRP will make education in Nepal considerably more expensive. Do we have a basis for assessing whether it will make it better? Will the returns justify the higher costs?
4. While the SSRP includes a range or reforms, the key reform is a transition from central to community-based management, a process which was started under previous basic education programs including the EFA 2004 -2009. The underlying premise is that local communities will be better placed to insist on sound management and improved teacher performance, leading to better learning outcomes for their children. There is a very substantial increase in funds flowing to schools through PCF grants, textbook grants, grants of head teachers, and grants for locally-recruited teachers to support this transition.
5. There is a long international experience of effective community-managed schools. Many developing countries had relatively low cost and effective community-based schools for decades. Many NGO-supported community schools are also extremely cost-effective. However, there is also substantial evidence that, once government has taken over the education sector, this can lead to a culture of feeling that education has become government’s responsibility and that government support is an entitlement. It can be difficult to get communities re-engaged and resume being responsible for education.
6. International evidence also suggests that decentralized management is only effective when there is a strong accountability framework and incentive structure. There is some evidence that student achievement may actually be lower in decentralized systems in developing countries and/or where there are weak governance structures.
7. The SSRP design is very “input driven.” There are no output indicators that look at student achievement. The NASA, while extremely important, will probably not provide a basis for assessing the impact of the SSRP. Of greater importance, it will not provide information that can support the accountability system and incentive structure that is probably critical to making community control effective.
8. The SSRP is the latest in a series of education Programs that span three decades. At the end of the last Program, EFA 2004-2009, the joint evaluation report noted that progress on quality had been “disappointing.” One weakness was that “[t]here is … no monitoring of changes in how students are learning and their learning achievement, as well as the factors and variables that affect that achievement.” Will the final evaluation of the SSRP include similar findings in 2016?
9. The SSRP is an extremely ambitious and complex Program, with over 200 separate activities. The first few year of the Program have, of necessity, focused on implementation. The MTR may be the appropriate time to begin the process of thinking about outcomes, impacts, cost effectiveness and “value for money.”
10. There are clear indications of problems in the Program which, if unaddressed, may undermine the objective of improving student competencies and reduce the likelihood of economic returns.
11. There are major problems in the deployment and management of teachers as well their productivity and incentives’ structures.
12. Personnel policies are heavily influenced by political considerations and school-level managers have neither the authority nor incentives to correct these problems.
13. A number of grant programs are not targeted on the basis of community economic need, which was a feature of the original design.
14. ECED enrolment has increased, but there is no empirical evidence supporting claims that it improves grade 1 outcomes; in poorer communities, it may be under-funded.
15. There is evidence of perverse incentives leading to inflated enrolment figures.
16. Many of these problems will not be addressed until there are accountability mechanisms in place. This, in turn, will require a substantially stronger school- and student-level assessment.
17. It would be naïve to think that Nepal is ready to move to an incentive system that links teacher evaluation to student outcomes. This is difficult and contentious, even in high income countries. However, it is important to expand policy dialogue and to shift the SSRP focus from inputs to outcomes and impacts. The MOE needs to begin the process of thinking through how it can assess effectiveness of alternative investments; the effectiveness of individual schools; and teachers and how this information can be used by managers at the school level to improve efficiency. There needs to be empirical evidence to support planning and policy making and to raise public awareness, so that communities feel that they have a right to demand high performance and good student achievement. There is also a need to convey the message that teachers have a responsibility, not only to be at school, but also to bring about learning gains – that public salaries are not an unconditional entitlement.
18. It is unlikely that a comprehensive accountability framework can be made operational during the life of the SSRP. However, this perspective needs to be “put on the table” so that by the time the successor Program is designed, it will incorporate features of accountability and incentives. The MOE needs to build capacity in evidence-based policy development and an “appetite” for reliable school-, student- and teacher-level data, to support these efforts. The government needs to engage with issues of costs, affordability, and financial sustainability and to view expenditure on education as an investment, which must be justified in terms of tangible and measureable returns. Although a substantial share of SSRP funds come through DP grants, they do carry an “opportunity cost.”
19. At the time of the MTR, we can say the following about the SSRP:
20. The Program has definitely increased the cost of public education in Nepal and these increases will continue beyond the life of the Program.
21. There is little tangible evidence that the quality of education has improved and some reason to question whether quality improvements are likely.
22. There is some evidence that aspects of the SSRP may have created perverse incentives, which run counter to overall goals and objectives.

# FINDINGS, LESSONS LEARNED AND RECOMMENDATIONS

## Introduction

1. The purpose of the Mid-term Evaluation was to increase the prospects of the School Sector Reform Plan [SSRP] achieving its goals.
2. The program’ s purpose is to ensure that all citizens have the opportunity to become functionally literate, numerate, and develop the basic life skills and knowledge required to enjoy a productive life. The SSRP aims to (i) expand access and equity, (ii) improve quality and relevance, and (iii) strengthen the institutional capacity of the entire school education system.

## SSRP Program Achievements at the Time of the MTR

### Access

1. **Growth in provision**
2. Gross enrolment in ECED/PPC has increased by 10 percentage points in the period 2008-2011.
3. The NER of Basic Education has increased. In primary level it has increased by 3 percentage points and in lower secondary level by 13 percentage points over the period 2008 - 2011. However, when the enrolments of two levels are compared a sharp decline is observed with a NER of 95 percent in primary level and only 70 percent in Lower secondary level. High repetition and dropout in primary grades are also affecting lower secondary level enrolment.
4. Enrolment in secondary level has increased over the SSRP period: but, as one goes up the grades, so enrolment rates decrease.
5. Notes of caution:
6. First there is an unknown degree of over-reporting of enrolments.
7. Second, the impact of the increased enrolments is not demonstrated. See below under Quality.
8. Third, 15 lakh[[42]](#footnote-42) students enrol in class 1, while 4 lakh sit the SLC and 2 lakh pass. A vivid indication of the waste of talent.

### Equity

1. Overall, the progress in equity has been piecemeal, with impressive increase in enrollments in basic education due largely to scholarships and other incentives such as the midday meal. However, the numbers of out-of-school children are a matter of grave equity concern. In addition, equity in internal efficiency remains elusive. Equity in the teaching force, education governance bodies, and SMCs is still lacking.

1. ECED participation is up 10 percent with gender equality. But, the GER of Dalit children has increased only by 1 percentage point and Janajati children's enrolment has rather decreased by 2 percentage points. Regional disparities are prominent and need probing.
2. Dalit's enrolment in primary level has increased only by 1.5 percentage point from 2008 to 2011.
3. NER of both boys and girls has increased significantly in basic education. At national level, GPI of NER has achieved parity in Basic Education.
4. Enrolment in private (institutional) schools has increased. More boys are sent to institutional schools. This reflects deep-seated gender bias in society.
5. Children with disability from the lowest income quintile risk missing school due to multiple disadvantages.

There are significant disparities in literacy rates across gender, region and social groups.

1. Three concerns need highlighting
2. First, the numbers of out-of-school children are not reliably counted.
3. Second, studies show that the incentives-monetary and non monetary- have hardly helped in improving efficiency. Poor performance and gradual decline in enrolment in upper grades require a concentrated attention to classroom practice. This means incentive schemes should be complemented by other education improvement activities.
4. Third, there is a lack of needs-based targeting, as envisaged in the original SSRP, with the likelihood of the real value of scholarships being allowed to decline, through inflation.
5. In case of Life Long Learning (LLL), there has been some improvement in access, with 900 community learning centres added in the post-SSRP period and another 150 expected to be increased in the current fiscal year. The literacy rates for ages 15 years and higher has seen a marginal increase from 55.6 percent in 2008 to 57 percent in 2011. However, gender and regional disparities remain a source of concern, with urban areas having 77 percent and rural areas only 57 percent literate among 6 years and above population.
6. Similarly, as regards Technical Education and Vocational Training (TEVT), not much progress has been achieved under the SSRP, except for a piloting exercise with a new curriculum in grades 6 -8 in 100 schools.[[43]](#footnote-43) However, there is no mention in the National Curriculum Framework (NCF) of TEVT. Also, although work has started to develop “soft skills” at the secondary level, the meaning of the term is not settled

### Quality

1. With four types of ECED or pre-primary institution and no “ownership” of ECED the quality of the education and care experience of four year olds is bound to vary.
2. Plans to assess core skills in basic education through sample national tests have been delayed though test results for class 8 will become available later this year. There is, therefore, no “objective” measure of student achievement against which to gauge progress over time and hence of the impact of the SSRP.
3. The design of SSRP paid inadequate attention to the curriculum. A first national curriculum framework was developed in 2007. Since then, yearly the revised curriculum has been introduced at classes 1 – 5. However, while batches (one from each school) of teachers are yearly inducted into the new curriculum, teachers have not been trained to implement the new subject based curriculum. Textbooks, which are the main vehicle for delivery of the curriculum, may not reflect the philosophy of the curriculum. (Time and appropriate expertise prevented an appraisal of textbooks.)
4. There is some evidence that secure reading skills are not being developed in primary. Inability to read is probably one factor in repetition and drop-out.

### Teacher Development and Deployment

1. **Achievements**
2. The SSRP has raised the qualification criteria for basic education teachers to intermediate level.
3. The backlog in untrained teachers in primary has been cleared and is all but cleared in Lower Secondary.
4. A new program for Teacher Professional Development (TPD) has been launched for the further development of teachers’ capacity.
5. The crucial concerns in the area of TPD are

* The high cost of salaries, which are judged high relative to international norms of salaries to GDP per head, see Annex II pages 25 - 29.
* Teacher productivity, in particular their deployment and management. Over-and under-staffed schools are common.
* Some continuing concern of irregularities in personnel practices, including the appointment of teachers.
* Women and excluded groups remain underrepresented in the teaching force, and their proportion of head teachers is minimal.
* The demand based training brought in under the TPD has drawbacks in that teachers are not in position to see their needs in certain critical areas such as literacy enhancement, equity and the new curriculum.
* Attempts to redeploy teachers within a District have little altered their distribution.
* The main issue may be the need for inter- rather than intra-district redeployment and that approach to re-distribution does not appear to be moving forward.

### Capacity Development

1. Achievements

* The very existence of a sector wide plan and the progress achieved in times of political and institutional transition is commendable.
* The SSRP builds on the results and strengths of earlier education sector reforms Such as the EFA.
* The SSRP development embraced the principle of inclusiveness, both in the process of development, and in terms of addressing the education needs of marginalised groups,
* In opting for a decentralised mode of service delivery, the SSRP makes the appropriate choice, empowering the local tiers of government and assigning roles for management to communities.
* The concept of formula based funding[[44]](#footnote-44) through the PCF circumvents the typical concerns over politicized, arbitrary funding mechanisms that have been the bane of many a social sector reforms in South Asia.
* Innovations such as the introduction of social audits to create community-based oversight systems and the establishment of an Education Review Office (ERO) at the Ministry of Education (MOE) reflects a strong focus on strengthening monitoring.
* A number of rules, regulations, manuals and directions have been developed, reviewed and disseminated, though the dissemination is an ongoing process.
* Strong engagement with development partners, leading to harmonization of strategies and pooling of funds under a Joint Financing Arrangement (JFA).

## Program Outcomes

### Lessons Learned

1. SSRP continued some activities from previous programs and these have by an large been implemented, with some variations. Where the SSRP has been so far unsuccessful has been in pushing reforms which lacked legislative backing e.g. the consolidation of Grades 1-8 as Basic Education and the consolidation of 9-12 as Secondary Education. Energies have been expended on the preparation for that major reform which seems to have low political commitment and probable resistance from the examinations’ boards.
2. Although the Joint Evaluation of the immediately preceding program, EFA 2004 -2009, made a strong recommendation that “the approach to evaluation should include adopting measures of outcomes for student achievement. …..Programme evaluation may include evaluating processes as well as outcomes …”[[45]](#footnote-45) SSRP has no measures of learning outcomes nor of classroom processes. The latter would have caught some of the impact of the newly specified MECs and the child-friendly school initiatives of SSRP.
3. Since so much in SSRP depends on student numbers being reported accurately, relying on the two annual Flash Reports an omission in the SSRP design was to have some independent verification of enrolments.
4. The significance of teachers’ salaries in the total cost of SSRP and the perennial problem of how to redistribute teachers needs a fresh approach – see below 5.3.2.
5. The lack of a strong public “profile” for SSRP arises at least in part from a lack of a communications strategy. (The absence of political ownership is also a factor.)

### Recommendations

1. From now on SSRP should focus on achieving quality education in basic education with renewed emphasis on equity and quality until a new Constitution is instituted or the Education Act is amended. Existing efforts in improving equity are fragmented, resulting in low effectiveness. They should be consolidated into a comprehensive equity strategy for greater synergy and sustainable progress[[46]](#footnote-46). The renewed focus should pull in the NGO sector to work in partnership with the Government to enhance quality and equity. A strong evaluation methodology should be included in any Government – NGO partnership.
2. In order to move towards increased quality a start can be made to training all teachers, through their needs’-based TPD courses, to implement the detailed class-wise and subject-wise curricula.
3. Also, towards trying to improve reading skills, as the core element of quality education, one short term and one medium / long term course of action are proposed. Proposals are made for free distribution of the CDC- developed and approved supplementary readers for primary school classes and a “book flood”. Details are appended to this chapter.
4. The available data inadequately addresses the performance of different groups of learners. Therefore, a set of equity related indicators is necessary. Discussion of stakeholders at school, district and national levels is needed to identify the indicators.
5. Verification of enrolments: All the vital education parameters and school funding depend on accurate reporting of enrolments. Two means of verification of enrolments are suggested for discussion and later costing.
6. As with population censuses, after the enumeration there could be a sample cross-check by an independent body such as the Bureau of Statistics. The aim would be to find scaling factors, possibly by region, to adjust reported enrolments.
7. For a sample of districts, where there are doubts about the reported enrolments, local NGOs or civil society organisations could be enlisted to undertake a cross-check of all basic education and ECED institutions.
8. Teacher redistribution through education micro-planning[[47]](#footnote-47). Part of the answer to teacher redistribution could be application of education micro-planning which would look at the location of schools - foundation (classes 1 -3); traditional primary (1 - 5); basic education, with all 8 grades. The benefit of education micro-planning is that it removes, to a considerable degree subjective and possibly emotional factors. Through such micro-planning, based on a village or ward or even District, one can, to an extent, say how many teachers, and of what kind, should be in those schools. In mountain areas, boarding is already used for small dispersed populations of students. To carry out the micro-planning one would need DOE/ DEO plus the teacher unions plus SMCs - a triumvirate of stakeholders. If there were local elections, politicians at that level would be interested. One outcome of a school location planning exercise is to clarify what number and types of teacher are needed for the future. Some teachers may opt to retire and for that the government may consider early retirement packages. Other teachers may move to a school where their skills may be more fully used.
9. A major effort is made to improve teacher performance evaluation. This is possible only with continuous discussion and negotiation with Teacher Unions. More on this proposal under Program Governance, recommendation 16.
10. In the remaining years, commission a comprehensive communications and public awareness strategy for SSRP.
11. For any future programs, settle upon outcome and classroom process measures before embarking on the program.

## Legislative and Financial Actions

### Lessons Learned

1. Legislative Actions
2. The process of amendment of Education Act should be accelerated to address the restructuring of school education and consolidation of grades under the Basic Education (1-8) and Secondary Education (9-12) structure. Furthermore, the role of key institutions such as the Education Review Office (ERO) and Education Policy Committee (EPC) can also be fully realised once the Education Act is amended to include provisions in this regard. Depending on the governmental structure and provisions of the final Constitution as regards the administrative, fiscal and legislative powers of various tiers of government, the Education Act will again be amended in line with the Constitution and the SSRP will have to be reviewed to ensure conformity with the Constitution.
3. Also, under Governance below the incompatibility of existing Acts is described.
4. Financial Actions
5. There appear to be substantial weakness in financial management systems at all levels from MOE down to schools. A study of financial management is underway and findings and recommendations are expected in June 2012. Evidence from the preliminary findings of that study suggest that fiduciary risks are particularly high at the district and school levels. These risks result from inadequate design and insufficient investment in capacity building, which entrusted financial management responsibilities to SMCs and the head teachers without first building requisite capacity and providing technical backstopping support. The fact that the SSRP financing falls outside the fiscal transfers mechanisms (including for tracking and auditing) under the Local Bodies Finance Commission (LBFC) compounds difficulties for streamlined financial management at the district and school level
6. Costs are substantially higher than anticipated in 2009. The MOE does not have a system for regularly updating the “Financial Projection Model”. and the national budget does not provide sufficient information to track and monitor SSRP activities.
7. There is likely to be a substantial financing gap during the remaining years of the SSRP and beyond.
8. Expenditure appears to be less efficient than optimal and there are concerns regarding the impact of the SSRP on improving quality and, by extension, economic returns to the large investment in the program.
9. There are few opportunities to reprioritize SSRP expenditure – most of the budget is committed to recurrent costs (e.g., salaries and salary increases, scholarships, various grant programs, etc.). Moreover, there is insufficient data and analysis to assess the relative cost-effectiveness of alternatives.

### Recommendations

1. Legislative Actions

See below under Governance.

1. Financial Actions
2. There is an urgent need to strengthen financial management systems and auditing. Specific recommendations are anticipated in the June 2012 report from the World Bank commissioned study of financial management.
3. The Financial Projection Model needs to be updated annually and options for automating this process should be considered.
4. There is a need for more disaggregated information on the cost of activities and unit costs at schools. This needs to be analyzed in the context of available (but somewhat limited) measures of learning outcomes to start the process of assessing cost-effectiveness and “value for money.”
5. There is a need to constrain the wage bill, bringing salaries into alignment with international norms and the Nepal labor market and wages in private schools. This is probably done most painlessly over time by freezing salaries or assuring that increments are substantially below the inflation rate.
6. There is need to eliminate overpayments of grants (due to over-reporting of enrolment) and scholarships (due to misreporting). There is a need to eliminate payments to “ghost” teachers and to reduce payments to teachers with high rates of absenteeism.

## Use of Program Funds

### Lessons Learned

1. Teacher remuneration consumes about 72 percent total SSRP funding. In current dollars, these costs are projected to double during the first six years of the Plan, approaching one billion dollars a year by the end of the SSRP. During the first two years of implementation, the SSRP financed large salary increases, resulting in levels that are substantially above international norms. There is evidence that some teachers are ineffective and unproductive due to a combination of: improper deployment; weak management and accountability; and insufficient incentive to perform. Given the large share of the SSRP allocated to salaries, this is the area that has the greatest potential for improvements in the use of program funds. However, issues related to these inefficiencies are politically “sensitive” and reforms will need to be considered and implemented carefully, in the context of evidence-based policy dialogue.
2. Various grant components constitute a significant share of expenditure. There is evidence of deliberate over-reporting of enrolment in Flash reports to increase grant income.
3. Needs-based targeting has, in many cases not been effectively implemented. The level of support to poor communities for ECED may be insufficient to assure quality and impact and scholarships (which are not indexed to inflation and which are declining in value) may be too low to assure inclusiveness for children in poor households.
4. Textbooks are replaced every year at high cost.
5. There are large allocations in school-level capacity building through a combination of grants to schools grants for head teachers. The anticipated improvements in quality are not being monitored due to institutional and legislative weaknesses.

### Recommendations

1. Teachers and their Effectiveness
2. There is need to accelerate teacher redeployment, both within and between districts and strengthen multi-grade teaching in small schools. See also Recommendation 6 above
3. There is need to focus on teacher effectiveness and to start initial work that may eventually provide a foundation for an effective accountability framework which provides incentives, linked to the performance of teachers and students. The present system is not working effectively
4. Management and information systems
5. There is need to generally strengthen information systems and to assign responsibility for the accuracy of biannual reports to individuals (e.g., head teacher or SMC chair) with penalties directed at that individual for misreporting.
6. To strengthen school-based management, there is need for complementary investments in capacity building at the central level to provide norms and standards; measures of school and teacher effectiveness and to move policy dialogue in the direction of considering quality and outcome issues.
7. Capacity Building for Improved Financial and Economic Analysis. It is proposed that, within Policy Analysis and Program Section of the MOE Planning Division, capacity is built for financial and economic analysis. A Concept Note has been prepared.
8. There is need to consider strategies for redirecting resources to poor communities and economically disadvantaged children.
9. Alternative strategies for extending textbook life should be examined from a cost-effectiveness perspective.

## Capacity Development

### Lessons Learned

1. The concept of capacity building suffers from two basic flaws:
2. Capacity building efforts have been aimed mainly at government servants rather than taking a broader view and including political parties and elected representatives, including SMCs.
3. The tendency to equate capacity building with training leads to inappropriate and inadequate design of capacity building efforts.
4. The SSRP’s concentration on the school, as the management and accountability hub, further accentuates the need for targeting capacity development initiatives at the school level. Allocations to capacity development seem inadequate in view of the crucial role that capacity development has in delivering the Plan.
5. There are also poor evaluation and feedback systems.
6. There is a National Framework and Guidelines for Capacity Development Plan for the entire education sector in the country. On close inspection the Plan is found wanting in being too generic, being spread too thinly across a large number of activities rather adopting a tactical approach that targets specific institutional gaps.

### Recommendations

See Recommendations under Program Governance (Para 221)

## Program Governance

### Lessons Learned

### Absence of a comprehensive Education Policy creates a policy risk since no holistic sector wide policy leads to multiple visions, strategies and implementation systems.

1. Incorrect assumptions about empowered, functional local governments create difficulties for the realisation of SSRPs vision of local political leadership for education reforms.
2. Several key institutions have yet to be fully functional including the high profile Education Policy Committee (EPC) and the Education Review Office (ERO).

### Several inconsistencies exist between the legal and policy frameworks between the provisions of the Education Act, the LSGA and the SSRP. Implementation of key reforms such as consolidation of primary and lower secondary grades into Basic Education, establishment of the ERO and establishment of the National Examination Board (NEB) cannot be made without amendments to the 1971 Education Act. Furthermore, the LSGA provides for the devolution of primary and secondary education to the Village Development Committee (VDC) level while the SSRP has assigned this function to the District Development Committees (DDC). These legal inconsistencies constitute a high risk.

### The multiplicity of players and interventions reduces opportunities for streamlined, coordinated and aligned implementation. The SSRP design is based on several assumptions that have not materialised (functional local governments, EPC, ERO in place, amendments in Education Act).

### Accountability is fragmented with the absence of an overarching education policy one of the contributory factors as each individual policy (e.g. TEVT, NFE) proposes separate accountability systems. Moreover, the accountability process is currently central-government centric, while services are delivered at the local level. The Social Audit process is widely regarded as having become ritualistic and adding little value to the accountability process.

1. Importantly, there is an inbuilt conflict of interest across all tiers in the institutional arrangements for accountability under the SSRP. The MOE, DOE, Districts and Schools are all involved in the implementation of the SSRP but are also charged with the responsibility for monitoring.
2. The SSRP also lays stress on public disclosure and transparency but this has not been easy to achieve. Although a Right to Information (RTI) Act exists, it is restrictive in nature and puts in place a cumbersome process for accessing public information, entailing a cost.
3. There is no formal public grievance redress mechanism in the education sector and complaints handling follows an arbitrary, protracted process with little transparency.
4. 2. **Recommendations**
5. A holistic, comprehensive education policy be developed which provides a clear, complete vision for the whole of the education sector. As part of this education policy, a Public Private Partnership (PPP) and Partnership with I/NGO policy and guidelines be developed to facilitate partnerships for service delivery.
6. A detailed analysis of the PCF is recommended leading to a rationalisation of the PCF, focusing on moving away from single criteria (enrolment) to include other factors such as retention; using Flash 2 data rather than Flash I reports for the enrolment data; building flexibility for use at the school level based on the SIP through including an unconditional grant component as is done for the LBFC transfers to districts; and through including an incentive grant that tops up development funds for the school, subject to the school meeting conditions related to improved quality, reduction in gender gaps, learning achievements and reductions drop outs etc.
7. Encourage political engagement for resolving teacher management issues: From ‘Hamro’ (Ours) to ‘Ramro’ (Good)

It is proposed that (a) a broad-based Task Force for Teacher Management under the chairmanship of a prominent educationist be established to examine the structure of the teaching cadre, streamlining of pay, pension and privileges and results-based performance measurement for teachers[[48]](#footnote-48). The report of this Task Force be presented to the Cabinet for decision; and (b) a series of policy dialogues on the same issues to generate debate and arrive at a broad-based assessment of how teacher management can be improved. As part of this dialogue and with an eye on the future, the possibility of separating teaching and management cadres could be explored.

1. Reorient Capacity Building Efforts to District and Schools and Improve Targeting

The case for reorienting capacity development efforts to districts and schools has already been made. Moreover, capacity building efforts need to encompass a wide range of activities including investing in strengthening MIS, quality assurance, policy analysis and effective supervision at the central level and target the needs of SMCs, PTAs and School Supervisors as well as include and address the needs of the political representatives, so as to build their comfort level with reforms processes and to enable them to frame and guide the implementation of policies. This would entail a review of the current Capacity Development Plan to explore its restructuring and targeting. Moreover, the eligibility of capacity building initiatives be widened to include political representatives at different tiers

1. Streamline Reporting and Relocate Social Audit Responsibility

A comprehensive review of the reporting mechanisms, stakeholder requirements, tools and frequency of monitoring reports is recommended. As a first step, we propose that the School Audit responsibility be shifted to the ERO which may carry out auditing in conjunction with PTAs, on a sampling and periodic basis either through its own resources when these are built, or through outsourcing in the short term. Furthermore, with reduced frequency, appropriate budgetary allocations be made. With the social audit responsibility progressively relocated, the PTA can assume enhanced functions of regular monitoring, thus creating a firewall between the implementers (SMC) and the monitor.

1. Activate EPC, ERO and Expand Their Mandate to Cover Private Sector Schools

The importance of the EPC and the ERO cannot be underscored enough. The EPC needs is to get more involved in the policy oversight process, wresting the responsibility away from the current bureaucracy-led processes. In case of the ERO however, we argue that its purpose of serving as an independent auditor cannot be met unless it enjoys complete administrative, operational and financial autonomy. Furthermore, both the EPC and the ERO need to ensure that they cover the private sector schools in their reviews. For this, there may to be an explicitly statement in the mandate of the EPC and to include this in the charter of the ERO once it is established under law. Furthermore, in order to ensure complete administrative, financial and operational independence, it is recommended that the ERO be established as an autonomous body.

1. Conduct Institutional Reviews of Key Institutions

Although the SSRP uses decentralised service delivery to achieve its stated objectives, the institutional structures at the MOE, DOE and the DEO largely remain the same as before the SSRP implementation. There is thus a mismatch between the systems and structures for policy making and oversight and the implementation systems. It is therefore recommended that institutional reviews of the central agencies (MOE, DOE, NCED etc.) as well as the DEO, RCs, SMCs and PTAs be carried out and their business processes re-engineered and aligned with the SSRP and the provisions of the LSGA.

1. Strengthen the public grievance redress mechanisms in the school sector.

As a first step, we recommend that a review of existing systems and procedures be carried out and based on the findings, a move be made towards the establishment of an Ombudsman institution.

1. Broaden the capacity development delivery mechanisms.

Delivery of capacity development be made through a variety of modes and arrangements, including partnerships with private sector, civil society organisations and use of ICT to increase cost-efficiency, enhance coverage and supplement more traditional delivery approaches.

## Summary and Concluding Observations

1. SSRP has made progress against many of its goals during a time of continued political uncertainty particularly over the extent of federalism to be agreed in the New Constitution. The Program’s main reform – restructuring school education into two cycles of 8 years basic and 4 years secondary is stalled on account of the difficulty of amending the 1971 Education Act. Other “reforms” are minor e.g. the increased emphasis on ECED and the extension of scholarships from class 5 to class 8. The majority of funds are tied up in recurrent expenditures on salaries and transfers rather than on investment, though there has been a successful school building/rebuilding component.
2. The boldness involved in decentralizing powers to more than 30,000 schools, while commendable in principle, has lacked the necessary resources to build capacity at school level in financial management, school planning and social audit.
3. The team recognises that most of their recommendations require resources to implement them. Unfortunately, at present the available data on which to cost the proposed changes is not available though the MOE is working on improvements to their cost projection model.

**Appendix to Chapter 5**

### Recommendations on Quality, specifically related to improving reading skills.

**Free distribution of already developed and approved supplementary reading material to all basic education classes**. To be undertaken within the remaining life of SSRP.

At present one book per subject per grade in schools is a very poor basis on which to build reading skills. Stimulating extra reading material, appropriate to the student’s developmental age, is generally accepted as good practice. CDC has 67 such items that are out-of-print. It is recommended that, in phases, beginning with material suitable for classes 1 – 3, and in a sample of Districts, free distribution of these materials is made available. RPs can be trained by a roaming team, involving among others, concerned NGOs such as *Room To Read* to introduce teachers to the uses of such material. Independent evaluation should be included in this activity to provide feedback to DOE, CDC and NCED. RPs could use some of the TPD time to orient teachers.

**The book flood. To be piloted in SSRP.**

An extension of the above recommendation will require time and careful planning and evaluation. Essentially, even 67 items covering basic education may prove insufficient to pull up reading skills. Teachers have to be convinced that student independent reading and learning is a “legitimate” school activity and a good use of time. Space has to be found in the school day for it. The relevance of the reading material to delivering the new curriculum has to be tested.

**Identifying and creating high quality reading material.** There is available in the market in Nepal reading material for children. NGOs have developed material. Private publishers may also have titles that meet criteria for use in basic education. In addition, new titles will be required. One suggestion is to have a national competition with prizes for children’s fiction. Two categories of entry are likely – adult story tellers writing for children and children writing for children. Such a competition, where part of the reward is having the stories published, can be seen as part of a renewed “communications’ strategy for SSRP, see Recommendations 8, above.

**Trial and introduction of a book flood in basic education.** We recommend that the book flood be done in stages, with a robust experimental design and enough time to identify the impact of the book flood. The remaining time of SSRP can be used to slowly introduce and test out the book flood for generalisation to all basic education in whatever program follows SSRP, assuming that the impact is such as to suggest it is a cost-effective strategy for improving reading and hence quality in schools. Teacher commitment to the idea of independent readers will be required.

Note: The above interventions require buttressing through improved reading instruction (increase instructional time for reading), an improved delivery system and greater engagement of communities.

Appendix I – TOR for MTR

***Final 20 August -2011***

**School Sector Reform Plan**

**Mid-Term Review**

**TERM OF REFERENCE**

1. **Background**

1. The School Sector Reform Plan (SSRP), jointly funded by the Government of Nepal (GON), nine pooling Development Partners[[49]](#footnote-49) and Fast Track Initiative-Catalytic Fund including non-pooling partners, has been implemented from 2009 and will be completed in 2014. The Joint Financing Arrangement (JFA) signed between the GON and Pooling Development Partners has a requirement to conduct a joint Mid-Term Review (MTR) of SSRP during the implementation.
2. The objective of the SSR Plan is to increase access to and improve quality of school education, with particular focus on basic education and children from marginalized groups. The SSR Plan has outlined a number of structural and functional reform initiatives in school education (see annex 1).

1. The Government of Nepal has focused on the education sector since the early 1990s through priority programs, implemented with the support of a large number of development partners (DPs). These were: Basic Primary Education Projects (BPEP I, 1992-1998 and BPEP II, 1999-2004), and most recently, Community School Support Program (CSSP, 2003-2008), Secondary Education Support Program (SESP, 2003-2009), and Education For All Program (EFA, 2004-2009). These programs have substantially contributed to improvements in education sector outcomes. The Net Enrolment Rate (NER) at the primary level (Grades 1-5) increased from 67 percent in 1995 to 92 percent in 2009, Gender Parity has been achieved at the primary and lower secondary level (grades 6-8) with a Gender Parity Index (GPI) of 0.98 and 0.96, respectively.
2. These achievements have been possible due to Nepal pushing through critical reforms implemented even during periods of instability and conflict over the past decade; including: (i) decentralization of decision making powers to communities and school management; (ii) the expansion of demand-side intervention schemes to enroll children from marginalized groups including per child financing and scholarships; (iii) capacity building for planning implementation and financial management at all levels of the system; and (iv) harmonizing support from across many DPs behind a set of coherent and agreed upon programs in school education.
3. Despite the substantial progress in the provision of school education services and towards achieving the EFA and Millennium Development Goals (MDGs) related to access and gender parity, significant challenges were apparent by the end of the EFA program. First, nearly 8 percent of primary-school aged children do not participate in schooling[[50]](#footnote-50). Second, internal efficiencies are low at the primary level with nearly 22 percent of students dropping out after Grade 1, and 30 percent repeating. Third, student learning assessments show very poor levels of learning. These challenges underline the need for identifying affordable strategies for the simultaneous improvement of both the quality and relevance of education while continuing the efforts to improve access for all and promoting regular attendance.
4. Building on the achievements of EFA and the earlier projects, such as the SESP, and to address some of these shortcomings and constraints, the Government of Nepal developed in 2008/9 the School Sector Reform (SSR) Plan which was designed to intensify the earlier focus on equitable access and quality improvement and at the same time to restructure the primary and secondary school system into an integrated grades 1–12 system which would deliver education services in a more efficient and effective manner. While the principal focus of SSR was on basic education (grades 1-8) it also aims to improve access to and quality of Secondary Schooling (grades 9-12) and strengthen the capacity to carry out key system management tasks such as implementing learning assessments, enhancing efficiency of program administration and developing further monitoring and evaluation processes.
5. The recent Joint Consultative Mission (JCM in December 2010) and Joint Annual Review (JAR in May 2011) noted that considerable progress has been made towards achieving many of the SSR Plan targets set for 2009/10: (i) enrollments in basic education have increased rapidly, with net enrollment rates (NER) reaching 94% for grades 1-5 and 83% for grades 1-8 in; (ii) the proportion of children admitted in grade 1 with ECED experience reached 50%; (iii) a restructured basic education system (grades 1-8) from the old primary and lower secondary systems (grades 1-5 and 6-8 respectively) is being put in place; (iv) secondary education enrollments have already exceeded the 2014 targets with the NER reaching 27.1% and the HSLC pass rate 39%; (v) teacher qualifications are improving ; (vi) rapid expansion of literacy programs which benefited 2.8 million participants between 2008 and 2010; and (vii) construction of XXX classrooms and rehabilitation of YYY schools, exceeding the targets for 2010. However, several challenges have been seen in the implementation of SSRP in relation to quality of education, teacher management, restructuring, financial management, textbooks and curriculum.
6. The Joint Financing Arrangement (JFA) includes the agreement of Government and the DPs to jointly conduct a mid-term review of SSRP. These Terms of References (TOR) provide the objectives, scope of work and expected outputs and outcomes of the review. They also outline the overall process of the review, including the preparation of back ground studies and information, composition of the consultant review team, the arrangements for the joint MOE/DP review, management arrangements timeline, methodology, funding arrangement and reporting mechanism.

**B. Objectives**

1. The overall objective of the MTR is to increase the prospects of the SSRP achieving its goals. This will be achieved through the review of programme progress and the development of practical recommendations on how to increase the efficiency and effectiveness of current strategies in relation to equity of access and quality, capacity development and financial management.
2. The MTR represents an important opportunity for the MOE/DOE and its development partners to objectively assess progress of the SSRP and operational aspects, such as the implementation of activities, the management structures and implementation approaches, the monitoring and reporting arrangements, and also the extent to which the programme strategies appear to be effective.
3. The MTR will review the SSRP progress in: (i) meeting programme outcomes; (ii) legislative and financial actions; (iii) the use of programme funds; (iv) capacity development measures, and (v) program governance. The immediate focus will be on analyzing implementation problems and identifying corrective actions needed for the SSRP to achieve its intended goals and on any necessary restructuring of the project . The MTR will also be used as an opportunity to recalculate programme cost in the light of structural reforms and recent policy changes as well as current levels of funding commitments. It will also evaluate the prospects for improving the roles of various stakeholders. particularly DPs and the MOE/DOE.

**C. Methodology**

1. The MTR will have three parts[[51]](#footnote-51):
   * **Carrying out background** studies. These will include the studies specified in paragraph 9 and 10 as well as other studies that are being carried out such as the PETS by the World Bank, a write up of the recent work carries out by ADB during its ESP IV FFM on issues of gender equity and social inclusion, school effectiveness (EU) and Violence against women and girls in schools in 14 districts (EU).
   * **Preparation of a MTR evaluation report of SSRP by a mixed team of international and national of consultants.** Onthe basis of the information developed in the background study phase, critical review of the relevant documents, interactions with all key stakeholders, and possible field visits, a MTR consultant team will prepare an evaluation report that assesses implementation progress, identifies critical issues that need to be addressed and proposes strategies and actions to improve SSRP implementation performance wherever needed.
   * **Government-DP Joint Review**. On the basis of the MTR consultant team evaluation report a MOE and the DPs will conduct a Joint Review of the SSRP implementation progress, the issues that need to be addressed and the remedial actions required
   * **Dissemination of the Evaluation Report** The Final Report will be translated into Nepali for wider dissemination to all the stakeholders.

***Background studies***

1. During the recent JAR 2011, it was agreed that in preparation for the MTR, a number of background studies would be undertaken, in addition to the ongoing work/studies like effectiveness of scholarship, NASA and disability. Of these proposed studies the following will be undertaken as an input to the work of the MTR team:

* Language issues in policy and practice (including the use of mother tongue, Nepali and English)
* Effectiveness of transparency instruments with focus on social audit at the local level.

1. In addition

* MOE/DOE will provide the Flash reports, implementation progress reports, FMRs, and reports of other studies they have undertaken.
* ADB will prepare an annotated bibliography of studies on the school sector
* WB will try to share at least the preliminary findings of the PETS reports prior to or during the joint Government/DP review phase

1. The findings of these studies will provide a basis for an in-depth discussion of related strategic issues to be addressed during the MTR.

***Evaluation Report***

1. The Consultants MTR evaluation report will be a critical document for the Joint Government/DP Review tentatively scheduled for the last two weeks of February 2012. The consultant evaluation report will be based upon:

* critical review of plan documents including SSRP, annual plans and programs (ASIP/AWPB) and their status reports, and aide memoires of various joint review missions
* Flash reports and implementation progress reports
* review of relevant and recent studies on Nepal school education and its current politico-economic situation;
* field visits, if required, to be focused on some strategic issues that DPs and MOE would jointly identify at the time of inception of consultant MTR mission;
* consultations and interviews with government officials, development partners and teachers’ associations, NGOs involved in the school education and other stakeholders;
* consultations and workshops on the preliminary findings.

17. The MTR Consultant Team will comprise of experienced specialists in their own professional fields who can provide high quality professional advice on strategic adjustments required to the programme.

18. The main output of the MTR Consultant team will be a report that documents key observations made and substantiate the conclusions and recommendations for improving programme efficiency and effectiveness in each of the four focus areas specified in the JFA. In addition to the main report, the MTR Consultant Team will prepare a summarizing PowerPoint presentation presenting in simple language the work of the MTR Team, including the MTR objective, the methods used during the MTR, the observations made, the conclusions drawn, and the recommendations of the MTR Team for improving the efficiency and effectiveness of the SSRP, and thereby the likelihood of achieving programme goals.

***The Government /DP Joint Review Mission***

19. The above output will be used by the MOE and its development partners to update the SSRP with a view to sustaining progress towards its strategic priorities, ensuring programme efficiency and effectiveness and achieving the programme goals. During joint Government/DP review the report prepared by the MTR consultant team will be reviewed, priority areas of concern discussed and actions that will ensure continued progress toward SSRP strategic priorities and programs agreed with corrective measures as required. These adjustments will be summarized in an Aide-memoire that will be agreed by MOE and the DPs with consequent incorporation of these changes in the preparation of the ASIP/AWPB for the FY 2012/13.

1. The Joint Government/DP review will take place for two weeks in February. It will comprise;

* inception meeting to which all stakeholders including NGOs and the press will be invited and during which key issues that the review will focus on will be agreed
* field visits during which special attention will be paid to the agreed issues of focus
* preparation of field visit reports
* thematic meetings on focus issues with MOE staff, DP representatives and other stakeholders
* preparation of a draft aide-memoire
* presentation of final aide memoire during a public wrap-up meeting

1. The field visits will take place during the first week of the review, the field visit reports are expected to be available by the beginning of the second week and the thematic discussions and aide-memoire drafting will take place in the second week. Field visit teams will include both MOE/DOE and DP staff. DP principals will expected to participate in key meeting in the second week.
2. Participants in the Joint Government/DP MTR work will be representatives of MOE and DOE, representatives of pooling and non-pooling DPs, the team leader of the MTR consultant team and a few consultants who will be able to contribute expert knowledge to key issues. A consultant with facilitation expertise will be recruited to participants through the process.

**D. Management of the MTR process**

23. At the overall level, the MTR process will be managed by a Coordination Committee charged with the responsibility for ensuring a smooth process that will produce relevant and implementable recommendations for the improvement of the SSRP efficiency and effectiveness.

24. At the operational level, the MTR Consultant Team will be headed by a Team Leader who will be responsible for the day-to-day management of the MTR Team as well as quality control of activities and outputs delivered by the MTR Team.

25. The following provides a more detailed explanation of the roles and responsibilities of the Coordinating Committee, the MTR Consultant Team and Joint Review Mission. At the end of the section, a tentative time schedule has been provided to illustrate the major phases of the MTR process, including tentative start and end dates of the phases, and key actions involved.

***The Coordination Committee***

26. The Coordinating Committee will consist of representatives from MOE/DOE and DPs. Its primary role will be to assist and support the MTR team in coordinating its activities with the government agencies and DPs and to facilitate the achievement of the MTR objectives.

27. The Coordination Committee will comprise 6 representatives – 3 each to be nominated by the DPs and the MOE. Members will be nominated in their personal capacity and based on their experience, competence and capacity to contribute actively during the MTR.

***The MTR Team***

28. The MTR team will consist of

1. Team Leader / Program Evaluation Specialist with expertise in public sector and quality improvement policies in general (basic and secondary) school education, and M&E: 36 person days: travel to Nepal twice.
2. Education Economist -21 person days travel to Nepal one time travel to Nepal
3. Institutional and Capacity Development and Governance Specialist : 21 person days: one time travel to Nepal
4. National consultants 100 person days
   1. Equity in Education Analyst:
   2. Financial Management Expert
   3. Teacher Development and Management Specialist
   4. School Based Management and Social auditing Specialist

29. An independent professional consultant will be recruited for the MTR by following the ADB consulting services procurement process. The Team Leader position will have direct responsibility for designing and implementing the review methods, writing the report, and ensuring the timely submission of the draft and final versions, including associated summarizing PowerPoint presentations. A special challenge will be to design and implement a transparent method and participatory process for the collection and analysis of data, the answering of key review questions, and the development of practical and strategic recommendations. Key elements of the terms of reference for the MTR Consultant Team are summarized below.

**Team Leader / Program Evaluation Specialist (International)**

30. The Terms of Reference for the Team Leader are as follows:

* Assess the key achievements under each component of SSRP and their contribution towards the goal and objectives of the Program.
* Based on the assessment recommend strategic directions on improving the efficiency, quality and effectiveness of the programs
* Review the program monitoring and evaluation mechanisms at all levels and indicate key achievements made and areas requiring further improvements with focus on key outcomes/outputs, instruments for monitoring.
* Lead and coordinate the inputs from the team of consultants working in the areas indicated below.
* facilitate a stakeholder discussion (workshop) of initial key findings and analysis with the view to cross-check for validity and perceptions, and jointly identify possible and practical strategic actions that will help increase programme efficiency and effectiveness and enhance quality over the remaining period;
* prepare, submit and present Draft MTR report to stakeholders with focus on key MTR findings and recommendations; and
* finalise, submit and present the MTR Report and associated summarizing PowerPoint presentation to the stakeholders.

**Terms of reference for the education economist (International)**

31. The Terms of Reference for the Education Economist are as follows:

* Review cost by component as planned (2012-15) and actual for 2010-2011 and 2011/12.
* Update cost activities by component in the SSRP financial projection model
* Explore broadly the possibilities of areas for resource mobilization
* Identify capacity constraints and financial gaps in the SSRP implementation, and suggest improvements in collaboration with other experts and specialists.
* Update financial sustainability and economic analysis.

**Institutional and Capacity Development and Governance Specialist (International)**

32. The Terms of Reference for the Institutional and Capacity Development and Governance Specialist are as follows:

* Review the institutional arrangements for the implementation of SSRP
* Review the capacity development framework, and other reports on capacity development plans, and identify progress made in implementation at some critical institutions and levels;
* Assess the existing provisions for capacity building measures at all levels with a particular focus upon the district and school levels for implementing different reform measures proposed by SSRP;
* Review the progress in Governance and Accountability Framework, and other milestones set by the MOE for improving governance issues.
* Identify capacity constraints in the SSRP implementation;
* Review, in collaboration with the Financial Management expert, the challenges to good governance;
* Suggest measures to address priority capacity constraints and measures that may be considered to improve accountability and implementation effectiveness.

**Financial Management Expert (National)**

33. The Terms of Reference for the Financial Management Expert are as follows:

* Review flow of funds from central level to schools and expenditure reporting mechanisms from the school to the centre.
* Analyze the risks associated with resource utilization in key areas and propose measures to mitigate these risks.
* Assess the existing and planned fiduciary risk mitigation mechanisms and strategies, by also analyzing the complete cycle of public financial management (including internal and external audit processes).

**Equity in Education Specialist (National)**

34. The Terms of Reference for the Equity in Education Specialist are as follows:

* Review the achievements and constraints to make the school education inclusive,
* Analyze the spatial pattern of the equity in the educational facilities and performance, and related them to the social inclusion issues.
* Review the constraints and suggest measures to improve the access of remaining out-of-school children to school
* Identify the key priorities for promoting equity in school education

**Teacher Development and Management Specialist (National)**

35. The Terms of Reference for the Teacher Development and Management Specialist are as follows;

* Review the progress made in teacher development (pre-service and in-service) against SSRP program targets by level, and analyze the teacher management issues (types of teachers, career development and other service related benefits).
* Assess in collaboration with the Education Economist the inefficiencies in teacher deployment and possible remedial strategies
* Assess progress and challenges that remain with regard to improvements in teacher’s instructional effectiveness in the classroom by level
* Review the mechanisms for decentralized pedagogical support and supervision of teachers and schools
* Identify strategies and key priorities for improving the educational performance of schools
* Suggest improvements in key areas reviewed

**School Based Management and Social Auditing Specialist (National)**

36. The Terms of Reference for the School Based Management and Social Auditing Specialist are as follows;

* In close collaboration with the Capacity Development and Financial Management specialists review the challenges of school based management especially in the areas of financial management, management of HR, and planning and management of quality improvement management and school improvement planning
* Assess the effectiveness of the involvement of School management Committees
* Review the experience with the implementation of the social auditing procedures
* Formulate recommendation for improved performance in school management, improvement planning, community involvement and social auditing

**Unallocated International and National Person Months**

37. There will be one personmonth each for International and National consultants – yet to be identified. Since SSRP is a complex sector wide program, only high priority concerns and issues are covered, and accordingly consulting inputs are allocated. Some unallocated international and national personmonths are kept for some other issues that are likely to be identified during the inception phase and even thereafter. Unallocated resources can also be allocated for some other purposes identified at the later phase and deemed essential.

**E. Timeline**

38. The Mid-Term Review process is divided into several interlinked phases. The phases have been designed with a view to ensure that key MTR findings are clearly substantiated, explained and fully understood by all stakeholders; and that the same stakeholders have been fully involved in the identification of appropriate strategies to address key issues and increase programme efficiency and effectiveness. The aim of this participatory process is to maximize the chances of MTR recommendations being owned and implemented.

39. The five inter-linked phases are presented in the table below with an indication of major action steps and the tentative start and end time of the phases.

|  |  |  |
| --- | --- | --- |
| **MTR Phases and tentative timeline** | **Start** | **End** |
| **Preparation Phase:**   * Prepare and agree to MTR TOR * Agree to financing arrangements * Recruit consultants for background studies * Recruit MTR Team | Mid June  Mid August  Late August | Mid August  September  Mid November |
| **Background Studies Phase**:   * Collect reports and data according to plan * MOE prepare Flash 1 and Implementation Progress report * Review of reports and process other collected data * Carry out background studies * Analyse data and formulate key initial findings * Prepare and submit Reports | Mid- September | Early November |
| **MTR Consultant Team Phase:**  **Inception:**   * Agree methods, data collection plan and process to be followed * Agree upon the key issues to be covered, and develop key questions to be responded to by interactions with key stakeholders.   **Analysis**   * Carry out review according to terms of reference * Present, explain, substantiate key initial key findings based on data to stakeholders and facilitate stakeholder discussion and analysis of key findings * Scan relevant documentation and literature to verify findings or further substantiate them, if possible   **Report writing**   * Prepare draft report * Prepare and submit to the Coordinating committee a Summary Report of the outcome of the stakeholder consultation, including brief outline of identified strategies * Analyze Feedback and summarize and confirm changes required to key findings and recommendations with Coordinating committee * Finalize report and submit to Coordinating committee * Prepare PowerPoint Presentation, summarizing the methodology used , the key findings, conclusions and recommendations | December | Early January |
| **MTR Joint Review Phase**   * Review MTR report and identify key issues to focus on * Field visits * Prepare field visit reports * Confirm key findings and agree on remedial action in thematic groups * Prepare aide memoire * Agree on draft aide memoire * Finalize aide memoire | Mid February | End February |
| **Dissemination of the Final Report**   * Translation of the Report into Nepali * Publication of the Report in Nepali |  |  |

40. At the end of each of the phases, the MTR Team Leader will request a meeting with the Coordination Committee with the purpose of verbally briefing the Coordination Committee on the progress made while handing over the physical outputs (reports and associated presentations) produced during that phase. Ten hard copies of all the reports and a soft copy need to be submitted.

**F. Funding Arrangement**

41. A tentative estimate of the cost of the different phases of MTR process is as follows[[52]](#footnote-52):

**COST ESTIMATES AND FINANCING PLAN**

**Item Total Cost**

**A. DANIDA Grant Funda**

1. Consultants
2. Remuneration and Per Diem
3. International Consultants 90,000
4. National Consultants 35,000
5. International and Local Travel 42,000
6. Meetings, Workshops and Retreats 9,000
7. Reports, Studies and Communication 7,500
8. Miscellaneous Administration and logistic 500
9. Contingencies 6,000

**Total 190,000**

a Administered by the Asian Development Bank.

Source: Asian Development estimates

42. The Embassy of Denmark has agreed to support the MTR process with a grant of DKK 1,000,000.

**Appendix 1: Schematic Presentation of the MTR process**

**Background** studies:

* Language issues in policy and practices,
* Effectiveness of transparency instruments with focus on social audit at the local level
* Annotated bibliography of recent studies of school sector and other relevant studies

**Government** provides:

* EMIS/Flash Reports
* ASIP/AWPB
* Implementation Progress reports
* FMRs
* Status Reports
* Other studies

**MTR Team:**

* Undertake studies, if not undertaken separately
* Field survey, if necessary
* Review and analytical works
* Sharing of findings

Report submission to the Joint Coordination Committee

**Joint Review Mission:**

* Critical review of the consultants’ MTR Report
* Field visit
* Review and dialogue
* Aide memoire

INCORPORATION IN THE ASIP AND AWPB BY GON

**Annex 2**

**The School Sector Reform Programme**

1. **Background**

The School Sector Reform Plan (SSRP) is a long-term strategic plan, which aims to increase access to and improve quality of school education, focusing on basic education and children from marginalized groups. In response to current challenges within the education sector, the SSRP aims to improve quality and relevance of school education in Nepal through strengthening existing services and introducing reform initiatives in the school education. Building upon the gained from previous programmes and projects the SSR Plan focuses on the strategic interventions and new reform initiatives to ensure children’s equitable access to quality education by restructuring school education and institutionalizing the accountability framework for performance enhancement across the education sector. Through improving efficiency and effectiveness in the delivery of education services, the SSR Plan envisages to bring about substantial improvements in pupils’ learning within the framework of EFA and MDGs.

The SSR programme is jointly funded by the Government of Nepal, nine pooling Development Partners (ADB, Aus-Aid, Denmark, DFID, EC, Finland, Norway, UNICEF and World Bank) and Catalytic Fund from Fast Track Initiative. Besides, non-pooling Development Partners (USAid, JICA, UNESCO) have been contributing to some of the activities of SSRP. The Joint Financing Arrangement (JFA) between the pooling Development Partners and GON defines the goals and scope for joint financing of the SSRP. The JFA also stipulates the responsibilities of the signatories and the meetings structure to discuss and monitor the progress.

1. **Objectives**

The major objectives of the SSRP are as follows:

* Ensure equitable access of quality basic education for all children with age between 5 and 12;
* Expand access to quality Early Childhood Education and Development services for children of four years of age to facilitate their holistic development and to prepare them for basic education;
* Enhance functional literacy and competencies among youths and adults;
* Increase access to, and equity, quality and relevance of secondary education;
* Equip secondary level students with soft skill based technical and vocational education;
* Improve the performance of the Ministry of Education service delivery system and develop capacity to implement critical reforms;
* Enhance teachers' qualifications and professional competencies to facilitate students’ learning;
* Monitor programme inputs, processes, and outputs and evaluate the impact of education interventions;
* Improve the efficiency and effectiveness of aid available for the SSRP.

1. **Key Reforms**

In order to accomplish the above mentioned objectives, the SSR Plan has identified the following key reform areas:

* ***School Structure:*** An integrated school system with grades 1-12 will be in operation with two levels: Basic Education with grades 1-8, and Secondary Education with grades 9-12.
* ***Governance and Management:*** Focusing on decentralized governance and managementthe SSRP has made provisions to empower school managing committees and the local governments.
* ***Access and Quality:*** To enable rightful access to basic education, the SSRP has envisioned that basic education will be free and compulsory with statutory provisions, opening ways to universal access to school education. The SSRP has developed mechanisms for quality control, comprising a national framework for setting norms and standards. To ensure quality, the emphasis has been placed on the enabling environment for learning including, curricula and textbooks, learner responsive classroom pedagogy, teacher and head-teacher management and development, and examination, certification and accreditation.
* ***Gender and Inclusion:*** One of the major thrusts of the SSRP is to make schools gender, Dalit and disadvantaged group responsive. Major strategies for inclusion in the SSRP consist of multi-lingual education, targeted interventions for extremely marginalized groups and communities, and flexible as well as decentralized approaches and differentiated treatments employed to facilitate and integrate the populations with diversity needs.
* ***Monitoring and Evaluation:*** Compliance monitoring, progress monitoring, and impact evaluation constitute major M&E functions in the SSRP. M&E will be guided by the key indicators to assess the performance results in the sector. The SSRP has included three M&E functions: (i) assessing compliance with acts and regulations, (ii) measuring progress against milestones and targets; and (iii) evaluating the impact of policies and strategies on sector goals and objectives.
* ***Capacity Development:*** Capacity development has been employed as an overarching framework in the SSRP that crosscuts at institutional, organizational and individual levels for the governance, management and delivery of services in the entire system. As an overarching component of the SSRP, capacity development emphasizes to address both readiness requirements and systemic capacity for the SSR Plan implementation, with focus on enhancing capacity of schools, communities and local governments.
* ***Institutional Arrangement:*** In addition to the exiting support system, the SSRP has envisaged to introduce a set of new institutions to underpin the implementation of the reform. The new institutional arrangements will include:
  + Education Policy Committee (EPC) aiming at policy harmonization and coordination.
  + Technical Board aiming at integrating technical functions and granting approval to norms and standards in the MoE system.
  + National Examinations Board (NEB) aiming at integrating school level examination functions, certification and accreditation.
  + Education Review Office (ERO) aiming at systemic auditing against the national norms and standards.
* ***Financing:*** The Joint Financing Arrangement (JFA) will provide a framework for resource sharing, mobilization, harmonization and TA management. The cost of the SSRP in its current form (2009) is estimated at US$ 4.040 billion over the seven year period. The estimated funding available from the Government of Nepal amounts to US$ 3.148 billion or 78%, leaving a funding gap of US$ 892 million over the seven years’ period. The government of Nepal, however, prepared a five-year School Sector Reform Plan (SSRP) with seven year horizon, and requested to the development partners for their support to bridge the funding gap. For the first five years, the cost of SSRP is estimated at US$ 2.626 billion. The estimated fund available from the Government of Nepal for five years is US$ 2.002 billion, and the pledge made by the DPs is US$ 0.62 billion. However, with the current level of DPs' financial support, the revised estimates of the costing of SSRP shows that the financing gap during the next two years is about US$ 224.4 million.

1. **Components**

The major components of SSRP are: (i) ECED, (ii) Basic Education (Grades 1-8); (iii) Secondary Education (Grades 9-12); (vi) Literacy and lifelong learning and (v) Institutional Capacity Strengthening for delivery and monitoring of the educational services and products, including teacher professional development.

* **ECED:** With the goal to foster children’s all-round development for laying a firm foundation for basic education, community and school based ECED centers has been established and are functional. The main objective of ECED is to expand access to quality ECED services for children of four years of age to prepare them for basic education.
* **Basic Education:** Basic Education focuses on expanding access to all children in Nepal through four main mechanisms: (i) physical expansion of schooling system, (ii) identifying and reaching the hardest to reach students from disadvantaged, marginalized and poor backgrounds, (iii) providing access safety nets/educational guarantee schemes, and (iv) through traditional schools. The SSRP aims to enhance quality in Basic Schooling by (i) developing and adopting minimum enabling conditions (MECs), (ii) development of national standards for education service delivery and the establishment of the Education Review Office (ERO), (iii) teacher professional development, and (iv) moving towards a competency based curriculum.
* **Secondary Education:** Though the primary focus of the SSRP is on strengthening Basic Education, the program will also finance to the expansion of access to, and the improving of quality in Secondary Education.
* **Literacy and lifelong learning:** Literacy and continuing education form the basis for lifelong learning for all youths and adults between 15 and 45 years of age. Literacy enables them to engage in lifelong learning and contributes to developing their capabilities to sustain their livelihoods and participate in society. As part of lifelong learning, continuous and non-formal education caters for the need for literacy development and complements formal schooling.
* **Institutional Capacity strengthening:** This improves capacity development across all levels of the system, with an emphasis on improving capacities at the school level with a focus on the School Management Committees and other community level organizations, and at the district level for improved planning and execution. A major emphasis of the SSRP will be to improve monitoring and evaluation of both the program, and in particular the ability to carry out international standard learning assessments. The GON and the DPs have agreed on a Governance and Accountability Action Plan as a way of ensuring a committed focus on improving governance in the education sector which will be financed through the SSRP. These components will be implemented against the backdrop of the major reforms that have already taken place in Nepal including; (i) decentralization of authority to schools and school management committees, (ii) grants based financing, (iii) decentralized recruitment of teachers by the SMC and financed by teacher grants through the provision of grants to schools on the basis of Per Capita Financing (PCF), (iv) provision of scholarship for children from disadvantaged or marginalized backgrounds who have historically been excluded from the schooling system. In addition, to be able to implement the SSRP, the GON needs to further strengthen its policy base and the GON and DPs have agreed on a Policy Matrix that aims to strengthen the GON’s capacity to deliver the SSRP.

1. **Major Indicators and Targets**

The following are the major SSR Programme indicators and targets:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Indicators | Unit | 2007/08 | 2013/14 | 2015/16 |
| 1. Share of Education Budget in | % |  |  |  |
| GNP |  | 2.0 | 2.4 | 2.5\* |
| GDP |  | 3.5 | 3.8 | 4.0 |
| 1. Share in Education Budget | % |  |  |  |
| Basic Education |  | 70 | 73 | 76 |
| Secondary Education |  | 9 | 9 | 9 |
| 1. Grade 1 |  |  |  |  |
| New entrants with ECED experience | % | 33 | 64 | 80 |
| Gross Intake Rate | % | 145 | 130 | 123.4 |
| Net Intake Rate | % | 81.9 | 95.1 | 100 |
| 1. Gross Enrolment Rate | % |  |  |  |
| ECED/Pre primary |  | 60 | 87.4 | 99 |
| Basic Education |  | 116 | 129 | 128 |
| Secondary Education |  | 38 | 66 | 82 |
| 1. Net Enrolment Rate | % |  |  |  |
| Basic Education |  | 82 | 92 | 96 |
| Secondary Education |  | 42 | 59 | 65 |
| 1. Teachers with required qualification and training | % |  |  |  |
| Basic Education |  | 62 | 90 | 100 |
| Secondary Education |  | 74 | 95 | 100 |
| 1. Teachers with required Certification | % |  |  |  |
| Basic Education |  | 90 | 98 | 100 |
| Secondary Education |  | 90 | 98 | 100 |
| 1. Pupil Teacher Ratio | Ratio |  |  |  |
| Basic Education |  | 44 | 40 | 34 |
| Secondary Education |  | 58 | 40 | 25 |
| 1. Repetition Rate | % |  |  |  |
| Grade 1\*\*\* |  | 30 | 2 | 1 |
| Grade 8 |  | 13 | 4 | 2 |
| 1. Survival Rate by cohort method | % |  |  |  |
| Grade 5 |  | 54 | 87 | 90\* |
| Grade 8 |  | 37 | 75 | 80 |
| 1. Coefficient of Efficiency | Ratio |  |  |  |
| Basic Education |  | 0.46 | 0.70 | 0.75 |
| Secondary Education |  | 0.30 | 0.55 | 0.60 |
| 1. Learning Achievement | % |  |  |  |
| Grade 5 |  | 40 | 70 | 80\* |
| Grade 8 |  | 35 | 50 | 60 |
| 1. Pass Rate | % |  |  |  |
| School Leaving Certificate |  | 60 | 70 | 75 |
| Higher Secondary Education |  | 23 | 40 | 50 |
| 1. Literacy Rate | % |  |  |  |
| Age Group 15-24 |  | 73 | 90 | 95 |
| Age Group 6+ years |  | 63 | 85 | 90 |
| Age Group 15+ years |  | 52 | 72 | 75 |
| 1. Literacy Gender Parity Index (15+ years) | Ratio | 0.61 | 0.80 | 1.0 |

Appendix II – Persons Met

|  |  |  |
| --- | --- | --- |
| **Ministry of Education** | | |
| Mr. Janardan Nepal | | Joint Secretary |
| Dr. Lava Deo Awasthi | | Joint Secretary |
| Mr. Hari Lamsal | | Under Secretary |
| Mr. Narayan Krishna Shrestha | | Under Secretary |
| Dr. Bhoj Raj Kafle | | Head – Education Review Office |
| **Department of Education** | | |
| Mr. Mahashram Sharma | Director General | |
| Mr. Kamal Pokharel | Director | |
| Mr. Tek Narayan Pandey | Director – Education Management | |
| Mr. Nhuchhe B. Maharjan | Under Secretary – Finance | |
| Mr. Shankar Bdr Thapa | Under Secretary | |
| Mr. Jaya Prasad Lamsal | Under Secretary – Inclusive Education | |
| Mr. Dhana Singh Dhami | Deputy Director | |
| Mr. Shiba Kumar Sapokota | Deputy Director | |
| Mr. Jaya Prasad Acharya | Deputy Director | |
| Mr. Balaram Timalsina | Deputy Director | |
| Mr. Ganesh Prasad Paudel | Deputy Director | |
| Mr. Megha Nath Sharma | Program and Budget Section | |
| Mr. Hari P. Khanal | Monitoring and Report Preparation | |
| Mr. Krishna Dhungana | Monitoring | |
| Mr. Khim Bahadur Bhujel | Section Officer | |
| Mr. Narayan Kaji Kashichawa | Section Officer | |
| **District Education Offices** | | |
| Mr. Man Kaji Shrestha | | DEO, Lalitpur |
| Mr. Maheshwor Sharma | | DEO, Lalitpur |
| Mr. Jeet Bahadur Shah | | DEO, Dang |
| Mr. Dipendra Subedi | | DEO, Dhading |
| Mr. Bharat Bahadur Shrestha | | DEO, Dhading |
| Mr. Bedhari Dahal | | DEO, Dhading |
| Mr. Shiva Prasad Regmi | | DEO, Dhading |
| Mr. Bhaskar Raj Gautam | | DEO, Dhading |
| Mr. Lal Bahadur Pandey | | DEO, Dhading |
| Mr. Inar Baba Malla | | DEO, Dhading |
| Mr. Krishna Kumar Shrestha | | DEO, Dhading |
| Mr Dipak Sigdel | | DEO, Dhading |
| Mr. Durgal Prasad Silwal | | DEO, Dhading |
| Ms. Nirmala Lamichhane | | DEO, Dhading |
| Ms. Bijaya Bhattarai | | DEO, Dhading |
| **Ministry of Local Development** | | |
| Mr. Yamnath Sharma | | Under Secretary |

|  |  |  |
| --- | --- | --- |
| Mr. Toya Nath Khanal | Under Secretary | Teacher Service Commission |
| Mr. Trailokya Ram Acharya | Gender Focal Point | Teacher Service Commission |
| Mr. Krishna Prasad Kapri | Deputy Director | NCED |
| Mr. Kagendra Nepal | Section Officer | NCED |
| Mr. Iswori Prasad Gyawali | Technical Officer | NCED |
| Mr. Baudh Raj Niraula | Section Officer, Open and Distance Education Center | NCED |
| Ms. Suman Bajracharya | Gender Focal Point | NCED |
| Mr. Divya Dawadi | Deputy Director/Section Chief | Gender Equality Development Section |
| Mr. Kamal Gyawali | Section Officer | GEDS |
| Ms. Geeta Ghimire | Section Officer | GEDS |
| Dr. Ananda Paudel | Deputy Director-Planning | CDC |
| Ms. Kamala Pandey | Gender Focal Point | CDC |
| Mr. Keshav Dahal | Deputy Director | NFEC |
| Mr. Gopal Bhattarai | Deputy Director | NFEC |
| Mr. Bishnu Mishra | Under Secretary | NFEC |
| Mr. Pramod Sharma | Under Secretary | NFEC |
| Mr. Dattatraya Dahal | Section Officer | NFEC |
| Mr. Ram Prasad Adhikari | Section Officer | NFEC |
| Dr. Bidya Nath Koirala | Professor | Faculty of Education, TU |
| Dr. Prakash Man Shrestha | Dean |
| Mr. Shanker Adhikari | Gender Focal Point | Office of the Controller of Examination |
| Mr. Pushkar Kadel | Program Director | Language Development Center |
| Dr. Basu Dev Kafle | Inclusive Education Expert |  |
| Mr. Peter R. Moock | Independent Consultant on 2009 Appraisal |  |
| Mr. Baburam Adhikari | Central Committee Chief | Teacher Union Nepal |
| Mr. Nabin Dangol | Senior Program Officer | Looniva Child Concern, Lalitpur |
| Mr. Krishna Govinda Maharjan | Senior Program Officer |
| Mr. Bhim Sapkota | Head Teacher | Adarsha Saula Maha-Vidyalaya, Bungamati |
| Ms. Purna Joshi | Vice President | Teacher Union |
| Mr. Gorakh Bahadur Thapa | Program Coordinator | ETC-B: Nepalgunj |
| Mr. Ram Lal Shrestha | Training Coordinator |
| Mr. Mukunda Risal | Resource Person | Dhikpur Resource Center, Dang |
| Mr. Mohan Lal Shrestha | Resource Person | Manpur Resource Center, Dang |
| Mr. Krishna Prasad Sharma | Resource Person | Binauna Resource Center, Banke |
| Mr. Kavi Ram Chaudhari | PTA, President | Kisan Primary School, Matera, Dang |
| Mr. Jug Ram Chaudhari | SMC, President |
| Mr. Ashol Kumar Shrestha | Vice Principal, Temporary teacher |
| Mr. Yem Lal Chaudhari | Raahat Teacher |
| Ms. Khima Paudel | ECD Facilitator |
| Mr. Keshav Shrestha | Community-funded Teacher |
| Mr. Ram Bahadur Chaudhari | Community-funded Teacher |
| Mr. Man Pati Ram Chaudhari | SMC, President | Shree Dipendra Secondary School, Manpur, Dang |
| Mr. Binod Sharma | Vice Principal, Secondary Teacher |
| Mr. Bishnu Prasad Regmi | Primary Teacher |
| Mr. Yadav KC | Head Teacher | Janbhawana Primary School, Mahu, Banke |
| Mr. Bikram Tharu | SMC, President |
| Mr. Rajendra Chaudhari | PTA, President |
| Mr. Bishnu Prasad Tharu | Head Teacher | Shree Nepal Rastriya Lower Secondary School, Dhampur, Banke |
| Mr. Kancha Chaudhari | SMC, President |
| Mr. Tara Bhandari | Chair | School Management Committee – Adarsha Higher Secondary School, Gajuri Dhading |
| Mr Hari Nepal | Member |
| Mr. Bishnu Bhatta | Member |
| Ms. Sabitri Baraili | Member |
| Mr. Gopilal Shrestha | Member |
| Mr. Madhav Bhandari | Member |
| Mr. Binod Pathak | Member |
| Mr. Somdas Shrestha | Teacher Representative |
| Mr. Nawaraj Adhikari | Member Secretary |
| Mr. Bishnu Mani Pathak | Chair | Parents Teachers Association – Adarsha Higher Secondary School, Gajuri Dhading |
| Ms. Bishnu Kumari Shrestha | Member |
| Mr. Hari Bishwokarma | Member |
| Ms. Sanju Lama | Member |
| Mr. Krishna Pariyar | Member |
| Mr. Ram Prasad Nepal | Member |
| Mr. Raghav Prasad Lal Karna | Teacher Representative |
| Mr. Tanka Prasad Silwal | Teacher Representative |
| Ms. Pramila Sharma | Teacher Representative |
| Mr. Udaya Bahadur Bhandari | Resource Persons | Adarsha Higher Secondary School, Gajuri Dhading |
| Mr. Arjun Bahadur Rijal |
| Mr. Dhurba Baniya |
| Mr. Nilkantha Regmi |
| Ms. Prem Kumari Malla |
| Mr. Babu Krishna Shrestha |
| Mr. Bhundra Shrestha |
| Mr. Om Prasad Pathak |
| Mr. Sudarshan Bhatta |
| Mr. Ishwor Kumar Shrestha |
| Mr. Baburam Nepal |
| Mr. Krishna Raj Adhikari |
| Mr. Basanta Raj Silwal |
| Mr. Kamal Raj Kandel |
| Mr. Sahdu Ram Devkota |
| Mr. Ramji Gautam |
| Mr. Keshav Paudel |
| Mr. Tulsi Khanal |
| Mr. Indra Bahadur Shrestha |

|  |  |
| --- | --- |
| Development Partners | |
| **ADB** | |
| Kowsar Chowdhury | Senior Social Sector Specialist |
| Bhuban Bajracharya | Program Coordinator |
| Yubaraj Acharya | Economics Officer |
| Pramod Bhatta | Education Specialist |
| **European Commission** | |
| Ms. Louise Banham | First Secretary (Education) |
| Ms. Anouk Rutter |  |
| **Embassy of Finland** | |
| Ms. Satu Pehu-Voima | Counsellor |
| Mr. Bhola Dahal | Program Coordinator |
| **UNICEF** | |
| Ms. Eva Ahlen | Chief Education |
| Ms. Aya Kibesaki | Education Specialist |
| Mr. Shiva Lal Bhusal | ECD Specialist |
| Ms. Sumon Tuladhar | Education Specialist |
| **UNESCO** | |
| Mr. Tap Raj Pant | National Program Officer |
| Mr. Ram Balak Singh | Education Support Staff |
| **World Bank** | |
| Mr. Venkatesh Sundararaman | Senior Economist |
| Mr. Bigyan Pradhan | Country Program Coordinator |
| Mr. Saurav Dev Bhatta | Senior Education Specialist |
| Mr. Mohan Prasad Aryal | Education Specialist |
| **World Education** | |
| Mr. Sambedan Koirala |  |

# Appendix III – MTR Team Diary

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **APPENDIX** | | | | | | |
| **ACTIVITIES OF TEAM** | | | | | | |
| **DATE** | **DAY** | **Dipu Shakya** | **Victor Levine** | **Farrukh Moriani** | **Sushan Acharya** | **Chris Cumming** |
| 18 Dec. 2011 | Sunday | Document Review |  |  |  |  |
| 19 Dec. 2011 | Monday |  |  |  |  |
| 20 Dec. 2011 | Tuesday |  |  |  |  |
| 21 Dec. 2011 | Wednesday |  |  |  |  |
| 22 Dec. 2011 | Thursday |  |  |  |  |
| 23 Dec. 2011 | Friday |  |  |  |  |
| 24 Dec. 2011 | Saturday |  |  |  |  |  |
| 25 Dec. 2011 | Sunday | Document Review |  |  |  |  |
| 26 Dec. 2011 | Monday |  |  |  |  |
| 27 Dec. 2011 | Tuesday |  |  |  |  |
| 28 Dec. 2011 | Wednesday |  |  |  |  |
| 29 Dec. 2011 | Thursday | Meeting with MOE official |  |  |  |  |
| 30 Dec. 2011 | Friday | Telephone Interview with FOE dean |  |  |  |  |
| 31 Dec. 2011 | Saturday |  |  |  |  |  |
| 1-Jan-12 | Sunday | Document Review |  |  |  |  |
| 2-Jan-12 | Monday | Telephone interview with TUN representative, Meeting with TSC and DOE officials | Reading, Preparation and Communication: Review documents - work plan and request for pre-mission research activities in Nepal - email communication |  |  |  |
| 3-Jan-12 | Tuesday | Meeting with MOE official |  |  |  |
| 4-Jan-12 | Wednesday | Meeting with DEO, Lalitpur officials |  |  |  |
| 5-Jan-12 | Thursday | Meeting with local NGO and visit to Adarsha Shaula school, Bungamati |  |  |  |
| 6-Jan-12 | Friday | Meeting with NCED officials |  |  |  |  |
| 7-Jan-12 | Saturday |  |  |  |  |  |
| 8-Jan-12 | Sunday | Draft Writing |  |  |  |  |
| 9-Jan-12 | Monday |  |  |  |  |
| 10-Jan-12 | Tuesday |  |  |  |  |
| 11-Jan-12 | Wednesday | Travel |  |  |  |
| 12-Jan-12 | Thursday | Reading and data analysis in transit |  | Meeting with ADB MTR Coordinator and SSP staff |  |
| 13-Jan-12 | Friday | Reading and data analysis |  |  |  |
| 14-Jan-12 | Saturday |  | Preliminary review of work plan - reading and analysis |  |  |  |
| 15-Jan-12 | Sunday | Preliminary Draft Submitted | Meeting with Hari Lamsal (MOE) continue review of work plan and components of SSRP |  |  |  |
| 16-Jan-12 | Monday |  | Meeting at ADB and concept note on 2009 economic analysis |  |  |  |
| 17-Jan-12 | Tuesday |  | Meetings with MOE and MTR Donor Coordinating Committee and Briefing on planned economic and financial analyses |  | Meeting with ADB gender consultant |  |
| 18-Jan-12 | Wednesday |  | Meetings at DOE; 2 page concept note on DOE role, including rationale and table shells |  |  |  |
| 19-Jan-12 | Thursday |  | Meeting MOE and DOE Staff; Review and documentation on each SSRP activity |  |  |  |
| 20-Jan-12 | Friday |  | Meeting on Economic Analysis at ADB; discussed concept note on 2009 economic analysis and presentation of preliminary models |  |  |  |
| 21-Jan-12 | Saturday |  |  |  |  |  |
| 22-Jan-12 | Sunday |  | Meeting with DOE |  |  |  |
| 23-Jan-12 | Monday |  | Desk work at the hotel |  |  | Travel to Nepal |
| 24-Jan-12 | Tuesday |  | Meeting at ADB to discuss work plan and alternatives; Inception Report presented and discussed at meeting and revised description of additional outputs prepared after meeting |  |  | Document Study |
| 25-Jan-12 | Wednesday |  | Meetings at MOE |  |  | Document Study |
| 26-Jan-12 | Thursday | Team Meeting | Team Meeting at ADB; Draft outline for Economic and Financial Analysis Annex |  | Meeting with MTR team | Team Meeting |
| 27-Jan-12 | Friday | Document Review | Desk work at the hotel |  | Meeting with MOE MTR team | Finance mtg / meeting at MOE |
| 28-Jan-12 | Saturday | Meeting with Team Leader |  |  |  |  |
| 29-Jan-12 | Sunday | Document Review | Meeting at MOE |  |  | Doc study |
| 30-Jan-12 | Monday | Meeting at MOE; Revised outline for Annex |  | Document Collection/ review/analysis/writing | Doc study |
| 31-Jan-12 | Tuesday | Team Meeting | End-of-mission meeting at ADB; Situational analysis of models and preliminary findings |  | Document Collection/ review/analysis/writing | Meeting at World Bank, team meeting |
| 1-Feb-12 | Wednesday | FIELD VISIT (Dang and Banke) | Meeting at MOE; Documentation and submission of final models and plans for follow-on work; Depart Nepal |  | Meeting at UNICEF; Report Writing | Prep of presentation to DPs |
| 2-Feb-12 | Thursday | Travel |  |  | Mtg with DPs |
| 3-Feb-12 | Friday |  |  |  | Doc study |
| 4-Feb-12 | Saturday |  |  |  | Rest Day |
| 5-Feb-12 | Sunday |  |  | Meeting with Team Leader | Mtg on Equity |
| 6-Feb-12 | Monday | Document Review |  |  | Meeting at DOE and CDC | Doc study |
| 7-Feb-12 | Tuesday | Team meeting |  |  | Meeting with the team; work on MTR report | Mgt with DOE Staff |
| 8-Feb-12 | Wednesday | Meeting with Dr. Lava dev Awasthi |  |  | Meeting at UNESCO; Report Writing | Mtg with MOE JS, EC Delegation |
| 9-Feb-12 | Thursday | Writing of Final Draft |  |  | Document review/analysis/writing | Visit to NCED |
| 10-Feb-12 | Friday |  |  | Document review/analysis/writing | Prep of Report outline Mtg with UNICEF |
| 11-Feb-12 | Saturday | Final Draft |  |  | Team meeting for presentation to be held at MOE next day; further work on report | Team Mtg to plan Report conclusions |
| 12-Feb-12 | Sunday |  |  |  | Presentation at MOE; report writing | Mtg with MTR coodinating committee |
| 13-Feb-12 | Monday |  |  |  |  | mtgs with World Bank and MOE (PSC) |
| 14-Feb-12 | Tuesday |  |  |  | Team Meeting; report writing | team mtg to plan report writing |
| 15-Feb-12 | Wednesday |  |  |  | Team meeting and Meeting at NFEC and CDC, Sanothimi | team mtg to plan report writing, visits to NFEC, CDC. |
| 16-Feb-12 | Thursday |  |  |  | Report writing; Team meeting and presentation at ADB | team mtg, Presentation to DPs |
| 17-Feb-12 | Friday |  |  |  | Report Writing | travel |
| 18-Feb-12 | Saturday |  |  |  |  |  |
| 19-Feb-12 | Sunday |  |  |  |  |  |
| 20-Feb-12 | Monday |  |  |  |  | Report Writing |
| 21-Feb-12 | Tuesday |  |  |  | Writing and input to main report |
| 22-Feb-12 | Wednesday |  |  |  |  |
| 23-Feb-12 | Thursday |  |  |  |  |
| 24-Feb-12 | Friday |  |  |  | Writing and input to main report |
| 25-Feb-12 | Saturday |  |  |  |  |  |
| 26-Feb-12 | Sunday |  |  |  | Writing and Submission of draft report to the Team Leader | Report Writing |
| 27-Feb-12 | Monday |  |  |  |  |
| 28-Feb-12 | Tuesday |  |  |  |  |
| 29-Feb-12 | Wednesday |  |  |  |  |

# Appendix IV – References

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Appendix V

What the team recognised as needing to be done and could not be done.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Area of SSRP not covered in the MTR Evaluation** | **Reason for not covering** | **Comment** | **Priority** |
| 1 | Content of basic education textbooks | Not in TORs. | As the main vehicle for transmission of the curriculum textbooks should be reviewed by an independent body | Medium |
| 2 | Supply and distribution of textbooks and “quality” of books | Not in TORs | Need to establish whether students receive tbs within stipulated time and that their physical quality conforms with specs.  ADB is sponsoring a study on textbooks, which is to be commissioned in the near future | High |
| 3 | Provision of education after disasters | Not in TORs | Need to plan for rapid resumption of education as part of disaster management | Low |
| 4 | ECED provision, quality of care and early learning | Not in TORs | Major investment within the SSRP. No evidence on processes or outcomes. | High |
| 5 | ECED profile of “facilitaTORs” | Not in TORs | Educational profile needed for planning their training. | Medium |
| 6 | Changing classroom processes in basic education | Not in TORs | The MECs and child-friendly school should be reflected in changed teaching/ learning | Medium |
| 7 | Linkages of ECED attendance to repetition and drop-out in classes 1 and 2 | Not in TORs | Need to establish that investment in ECED has a payoff | High |
| 8 | KPIs, tracking over SSRP | Not explicit in TORs | A routine annual exercise, part of DOE stats. Included in part in Annex III. | High |
| 9 | Continuous assessment system | Not explicit in TORs | Requires a study of how it works in practice | Medium/High |
| 10 | Improvements for EMIS | Not in TORs | Hari and Sambedan are preparing specific proposals | High |
| 11 | Assessment of private sector provisioning of education at various levels | Not explicit in TORs | Requires a study on governance systems, teacher management and quality assurance mechanisms in private schools | High |
| 12 | Assessment of Innovations in Public and Private Sector for Education | Not in TORs | Requires a study on use of ICT, Voucher schemes etc. | Medium |
| 13 | Financial Management and Fiduciary Risk Management | Not in TORs | Position of national consultant on financial management removed from MTR team since the World Bank is conducting a fiduciary risk assessment | High |
| 14 | Performance benchmarking of regions and districts | Not in TORs | Strong need for establishing a performance benchmark and to carry out regular evaluation on multiple criteria and standards. | High |
| 15 | Recruitment analysis of pre-service candidates | Not in TORs | To confirm whether teacher candidates have “quality”, given high no. of enrolment | Medium |
| 16 | Detail study of teacher license system | Not in TORs | License system is blamed of not selecting appropriate candidates | Medium |
| 17 | Effective deployment mapping/ projection | Not explicit in TORs | Due to lack of data, TMD and Education Economist specialist could not provide detail projection or costing model of teacher deployment in effective way. However, for further improvement in teacher management it will be must. | High |
| 18 | Profile of RPs and SSs and their capacity development needs | Not in TORs | RPs and SSs who are responsible for monitoring and pedagogical support to teachers are themselves not monitored and evaluated properly, | Medium |
| 19 | Assessment of private sector provisioning of education at various levels | Not explicit in TORs | Requires a study on governance systems, teacher management and quality assurance mechanisms in private schools | High |

# Appendix VI: Comments Grid

**Comments made by stakeholders on the draft of the MTR Evaluation Report**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **No.** | **Comments** | | | **Response** | **Whether incorporated and where** | | |
| **NORAD** | | | | | | | |
| 1 | NORAD underscores the importance of capacity development throughout the system, as without the necessary level of capacity; the system will not be able to deliver on other agendas such as teacher management, quality and inclusion/equity. Adequate financial resources must be prioritized for capacity development purposes. | | | Agree with this observation. These issues have been highlighted in Annex 1 on Governance and specific recommendations made for reorienting the capacity development efforts and for revising the existing capacity development plan to address the issues highlighted | Annex 1, Section V, subsections a-c and g and Section VII (iii) | | |
| 2 | There also seems to be a need to redefine and/or clarify the categories recurrent/development budgets in order to better understand their content. | | | MOE and DPs to consider what is required and incorporate in coding system. | No action in Report. | | |
| 3 | Recommendations should be provided in a prioritized order, within components and between components. | | | We left that to the MTR since many recommendations, we knew, would be rejected. The 20 recommendations are already a distillation of those made in the main text and Annexes. | No action[[53]](#footnote-53) | | |
| 4 | A strong information strategy should be developed. As a minimum, the information strategy should be a tool for providing balanced, de-politicized information through the system. The aim would be to foster a national understanding of the necessary priorities being done in order for the system to reach the ultimate goal of equitable quality education for all. | | | *Included in the final version of the Annex on Governance* | *See Annex I* | | |
| 5 | NORAD would like to highlight and support the following two as examples of capacity development tasks linked to teacher management: 1. To conduct a comprehensive study of over-staffed schools and develop agreed targets for re-deployment, within and between districts, and 2. To implement reliable mechanisms to monitor teacher attendance and actual teaching during the entire school day. | | | *The concept of overstaffing can be disputed. The report has a suggestion for the use of education micro-planning to determine in an objective way the disposition of staff and what to do with “surplus staff”.*  *Part of school supervision.* | No action | | |
| 6 | NORAD … (is) worried about the estimates of the share of persons with disabilities in Nepal, as it emerges from the NLSS III (3, 6 %), as it is substantially below international estimates of about 15 %. | | | *There is no other comprehensive and systematically done survey so we have no choice other than relying on NLSS III.* | *No action* | | |
| **JICA** | | | | | | | |
| 7 | Continuous Assessment System) is not explicitly discussed in the report. There may be a need for early grade reading assessment (EGRA) in early grades (1-3) focusing on literacy and numeracy as a part of continuous assessment? | | | *Not in the TORs, but recognised as important in implementing the curriculum.*  *There seems to be no systematic assessment of reading in early years.*  *Outside our scope and resources to investigate* | *New para 36 addresses CAS.*  *No further action.* | | |
| 8 | In order for ensuring Education For All, schools’ role in ensuring students’ health/nutrition is important, which could be included as a part of the quality education indicators. | | | *Quality as such was not in the TORs for the Evaluation. Nevertheless, we agree that nutrition is a crucial aspect for learning in those areas suffering from food insecurity. Health is also generally important, though outside the scope of our study* | No action | | |
| 9 | Capacity Gap Assessment for all the Education Sector, based on which, CD Plan for the Sector needs to be developed, rather than depending on the CD plan development by each entity. | | | *The idea of a sector wide CD plan is supported. Reference to this will be specifically made in the final version of the Annex on Governance* | *To be specified* | | |
| 10 | The linkage between formal and non-formal education is still weak, however, as we proceed with the compulsory education, stronger linkage would be required. Current role and capacity of VDC needs to be analyzed and strengthened. | | | *At a general level we agree. However, the linkage of formal and non-formal education when there is compulsory education was not a priority within the Equity nor Institutional Development studies.* | No action. | | |
| **USAID** | | | | | | | |
| 11 | *Reference Para 21*:  Does it mean that fallen repetition in class 1 is not because of ECED enrolments? What is the basis of this assumption? | | | *We have no definitive info on reasons. We are surmising. Other possibilities are reporting of ECED attendance is uncertain* | No action | | |
| 12 | *Reference Para 37*:  Literacy and numeracy are the most important skills children acquire during early grades of basic education (grades 1-3). Since the current studies do not represent national sample, is there a need for baseline study with a representational sample/size? | | | *Agreed that these are the most important skills in early years. There is a need for a baseline with a national sample as suggested, However, given the experience of launching the NASA it is reckoned that during this SSRP it is not feasible to undertake such work.* | *No action though the Quality Group explored this point extensively.* | | |
| 13 | *Reference Para 37*:  There is no discussion on the Continuous Assessment System (CAS for grades 1-3). Early grades of basic education are generally spent in acquiring the tools for later learning. Among those literacy and numeracy are paramount. Language and numeracy are common across the subject of the curriculum. In this context, is there a need for early grade reading assessment (EGRA) in early grades (1-3) focusing on literacy and numeracy as a part of continuous assessment | | | *See above Comment 7.* | No action | | |
| 14 | *Reference Para 188:*  No such recommendation has been made in the MTR report in this (above) regard | | | *Team didn’t have time to study the issue of ownership of ECED centres. We understand the amended Education Act may clarify the status of ECED within the education sector.* | No action | | |
| 15 | *Reference Para 191:*  Early grade reading assessment can be taken as one of the ways to secure reading skills at early grades in primary | | | *Agreed, but see above on tests for classes 1 -3. CAS is untested as yet. See Comment 7.* | No action | | |
| 16 | *Annex to chapter* V: Recommendation on Quality, specifically related to improving reading skills (appendix to chapter 5) emphasis on distribution of already developed and approved supplementary reading materials; book flood (to be piloted in SSRP); identifying and creating high quality reading materials; and trial and introduction of a book flood in basic education.  Comment:  All interventions mentioned above are important in terms of improving reading skills in basic education. Provision of free supplementary reading materials and introduction of a book flood will be effective if tied up with other supporting interventions such as improved reading instruction (increase instructional time for reading); improved delivery system; and greater engagement of communities. | | | *Agreed* | A note has been added to the Appendix to Chapter V to the effect recommended. | | |
| ***MOE*** | | | | | | | |
| 17 | Name of the districts visited to be added | | | *Names added* | Executive Summary | | |
| 18 | There are 4 non-pooling DPs. (JICA, UNESCO, WFP and US Aid) | | | *Correction made* | Executive Summary | | |
| 19 | No. of teachers are oriented in district level on the new curriculum | | | *Facts unknown to team at time of writing draft. In fact the orientation was about half a day. Training is required and time to adopt new teaching modalities.* | Inserted in executive summary and chapter 2 | | |
| 20 | We do have database on Student achievement. (it has been even mentioned in the annex in this report) | | | *There has been assessment, yes, But there is no systematic assessment system such as is now possible with NASA.* | Small wording change made to reflect the facts. | | |
| 21 | There are measures for learning outcomes and classroom processes on grade 3, 5, 8 and 10. | | | *We agree that there may be “measures” within the curriculum but these are not tracked over time.* | No action. | | |
| 22 | NCF itself is a broader policy framework, based on which implementation documents are developed and implemented. | | | *Agreed.* | *Additional point inserted.* | | |
| 23 | There is an intensive focus of developing capacities of SMCs, HTs, and Teachers based on National Framework for Capacity Development addressing annual plans e.g. SIP/DEP/ASIP | | | *Although capacity building for SMCs, PTAs and HTs do take place, the efforts are insufficient, tend to be restricted to orientations or very short term training and the content not targeted to broader needs.* | *No action* | | |
| 24 | Periodic national plans, SSR Core document, are the key educational policy documents | | | *Policy documents do not constitute a policy.* | *No action needed.* | | |
| 25 | What is the criteria for the proposed Task Force on Teacher Management | | | *The composition and Terms of reference are given in the Annex on Governance* | *Appendix 5 of Annex 1* | | |
| 26 | School Audit and Social Audit need to be separately dealt. ???? Major Responsibility of the SMCs/PTAs regarding social audit cannot be ignored | | | *The reference was to Social Audits. Correction made.* | *Para --, page --* | | |
| 27 | Role of LSGA largely fall under the local government. CLAs to be aligned with Educational Act and Regulations including SSR Core document. | | | *The MOLD is the responsible agency for the LSGA, but the LSGA is applicable to all decentralised governance, including for education.* | *No action needed.* | | |
| 28 | The report is insightful but lacks detail recommendation on how to deal with the problems. | | | *Report cannot make detailed recommendations. It makes broad suggestions. Which of these are accepted at MTR can be developed into action plans.* | | | No action |
| 29 | There is loss in public trust of public education, how to recover it? | | | *Communications’ strategy is suggested to publicise what MOE// SSRP are trying to do for free, quality education and reform.* | | | No further action. |
| 30 | Much is in focus to hardware, where is focus on software in MTR? | | | *We don’t agree. There is a focus on processes and systems.* | | | No action |
| 31 | Decentralization, what works in what condition? | | | *At present situation lot of collaboration and coordination. Much more time would be needed to study successes in decentralisation and the factors which determine the success.* | | | No action |
| 32 | The recommendation, to “focus on Basic education” needs to be revised, there is lot of expectation on SSRP and we cannot move back to focusing in basic education. | | | *This is the team’s recommendation which was slightly modified when we were informed that the draft amendment to the Education Act was to be discussed in the House shortly. It is for the Government to accept or reject such recommendations.* | | | See reworded Recommendation 1 in Exec Sum and in Chapter V. |
| 33 | Recommendations are needed to be reviewed and add value in Nepali context. | | | *That is the purpose of the MTR* | | | No action |
| 34 | District-wise TSC will be huge cost. | | | *For reform, there will always be cost. Current TSC with DOE. The benefits if implemented in better teachers and better learning may match the increased costs. The present TSC working out of the DEO is reported not to be working.* | | | No action |
| 35 | Lot of mention on “politicised” but how can this be addressed? | | | *TM is a“politicised” issue. However, involvement of politicians in policy dialogue can support reform and quality, if mobilised for SSRP. The report recommends establishment of a Task Force on Teacher Management that includes politicians, and for a series of policy dialogues.* | | | Annex I, Appendix 5 |
| 36 | RP guidelines are not incorporated. | | | *Study by Santwona Memorial Academy (2011), NFE-MIS comprehensive Report (2011) clearly shows overburden of current RPs, which were also justified through field visits.* | | | No action, beyond this point to wider attention. |
| 37 | There is a need to introduce localised indicators to monitor performance | | | *Agreed. The Report calls for benchmarking and performance evaluation of regions, districts and schools* | | | Annex 1 |
| **ADB** | | | | | | | |
| 38 | Regional insights on how we can move towards CAS and improved classroom practices. | | | *Perhaps ADB has material on formative assessment, including CAS, from the region. CAS like curriculum was not in the TORs.* | | | No action |
| 39 | How we can make present resources work more efficiently towards achieving the goal? | | | *A good overarching aim of the MTR. Evaluation team cannot do this task. First, MTR has to agree options for the next 2 – 4 years. Second, these need to be costed and tested for feasibility.* | | | No action |
| **WB** | | | | | | | |
| 40 | Landmark revisions are not taken account. For eg. There is draft of TVET policy in 2011. (Mohan) | | | *????? EPC has not seen whether feedbacks were incorporated and approved.* | | | No action |
| **AusAid** | | | | | | | |
| 41 | Some of the recommendations are same that were raised in EFA, which need to be focused. (James) | | | *Agreed. EFA Joint Evaluation was constantly in our minds.* | | | No action |
| 42 | Data correctness of disability children related to population? | | | *Available data was utilized. No comprehensive data is available. Census 2011 may provide but is not out yet.* | | | No action |
| 43 | Can the study include public/ private school analysis by consumption quintile? | | | *Not in ToRs* | | | No action |
| 44 | Content and qualification of pre-service need to be studied. | | | *Recommended in study. Beyond the scope of MTR Evaluation TORs* | | | No action |
| **UNICEF** | | | | | | | |
| 45 | Contribution of INGOs and MOLD need to be noted. | | | *The report maps the contribution of development agencies and INGOs outside of the SSRP* | | | Annex 1, Appendix 3 |
| 46 | Revision on pay roll of primary teachers required, so that there is dignity of primary teachers. | | | *As SSRP has changed the category of teachers, there is need to revise their pay roll as well. This is also suggested in study.* | | | No action |
| **Embassy of Finland** | | | | | | | |
| 47 | The report is critical but not creative. Where is move ahead? | | | *There are proposals in all areas of the Report within the competence of the team where there are novel suggestions.* | | | No action |
| 48 | More analysis required in TM and TVET. | | | *Time did not allow study of TVET. Some more analysis has been done within About TM, Teacher Management and Development Specialist did cover the key issues in Teacher Management in limited timeframe and generated issues to be discussed in the group work. As this is not an academic study, there will always be place for further analysis* | | | No Action |
| 49 | Isn’t involving political parties and TUs, not politicizing further? | | | *See comment 35* | | | No action |
| 50 | In equity issues, disparity between private and public also need to be included. | | | *Not in TOR* | | | No action |
| 51 | Is teacher salary really high in South Asia, comparing to civil servant salary? | | | *Study quoted secondary data about high salary in SA and have some analysis of relatively high salary in terms of international norms in Annex2.Data of civil servant salary of SA are not available. Analysis in government level recommended.* | | | Footnote added on page xiv on Exec Sum. |
| 52 | Does report on TM and Dev has ownership from TUs? Shared with them? | | | *Study is based on interviews with TUN representatives. Presentation to TUN was also conducted during MTR.* | | | No action |
| 53 | Could the study show pupil teacher ration relation with school teacher ratio, as deployment is also related to min. teachers to be provided? | | | *TMD specialist together with education economist did try to show this from current TMIS data, but were unable to clarify this relation with current TMIS data available. Analysis in government level recommended.* | | | No action |
| 54 | Need to clarify pre-service condition. | | | *Some points of teaching in pre-service like crowded classrooms, absenteeism of students and teachers etc.; and low pass rates are raised in the review of pre-service,*  *As the TOR only suggest to review the progress by SSRP. Detail study on pre-service is recommended.* | | | No action |
| 55 | Competency and commitment from professional unions need to be revised. | | | *Not in TOR.* | | | No action |
| 56 | Global out of school definition | | | *Researched, but couldn't find any definite classification within the given time to complete the report.* | | |  |
| 57 | Verify increased enrolment of boys in private school | | | *Both NLSS III and Flash Report I, 2011 show it.* | | | No action |
| 58 | Equity analysis against resource allocation | | | *Not in TOR. Data not available for such an analysis.* | | | No action |
| 59 | Poverty analysis of SLC pass | | | *No such data available* | | | No action |
| 60 | Impact of different interventions | | | *Not possible in the given time. Need separate studies* | | | No action |
| **JICA** | | | | | | | |
| 61 | | *Delink between planning and financing. How can this be improved?* | *The Report also points out this issue and recommends a review of the PCF arrangement* | | | Executive Summary, Chapter V, recommendation 16 | |
| **World Bank (additional comments)** | | | | | | | |
| 62 | | *Some progress has been made on Financial Management through FMAP, revised budget calls and some improvement in reconciliation* | *These issues are relevant but since the Report did not cover financial management, these were not discussed, However, the annex on Governance has been amended to mention these achievements.* | | | Annex 1 | |
| 63 | | *Issues of governance and accountability are at the core of the SSRP implementation issues and some of these continue to be unresolved* | *Agreed* | | | No action. | |
| 63 | | *Social Audits: 85% schools do it, so is this not a sufficient measure of its success?* | *The fact that 85% schools carry out Social Audits carries little weight unless its content is reviewed and its linkage with planning and budgeting established. The Report makes this point without detracting from the merit of introducing Social Audits* | | | No action | |
| **MOE/DOE (Additional Comments)** | | | | | | | |
| 64 | | *The assertion that governance is weak needs to be substantiated* | *The Report provides several examples of where and how weakness exist* | | | No action | |
| 65 | | *Public grievance redress mechanisms do exist at various tiers. The SMCs, PTAs, annual gathering of parents are examples* | *The basic principle of any effective public grievance redress mechanism is that it is independent. The Report points out to the fact that there is conflict of interest in the accountability function and also that an independent grievance redress mechanism does not exist at the local level. However, based on these comments, recommendations in the Report have been slightly amended to call for a review of the existing grievance redress systems* | | | Chapter V, recommendation 22 and Annex I | |
| 66 | | *Public disclosure of budgets takes place regularly and this is a sign of transparency* | *Public disclosure of budgets is an important step but as pointed out in the study on Transparency and Accountability conducted as part of this MTR, a negligible number of districts and almost none of the schools do this.* | | | No action | |
| 67 | | *Teachers salary is an important input and Nepal’s case is no different from other countries* | *Agreed. However the point regarding teacher salaries is not that they are relatively high but that there is no link between salaries and performance.* | | | Slight rewording done in Annex I | |
| 68 | | *The Report should also highlight success stories.* | *The Report mentions successes at the beginning of every chapter. However, a few success stories related to governance have now been included.* | | | Annex I | |
| 69 | | *The recurrent expenditure is high because of some classification issues whereby even TPD is counted as recurrent expenditure rather than capital expenditure* | *The new codes under introduction could perhaps clarify these issues and the MOE is encouraged to recast the budgets* | | | No action | |
| 70 | | *Standardisation of APWB norms needed to ensure ease of preparation and subsequent comparison* | *Agreed. The MOE is encouraged to develop these norms in consultation with DEOs, Schools and DPs* | | | No action | |
| 71 | | *How can ERO carry out Social Audits, Social Audits have to be carried out at community levels* | *Agreed to the extent that the SA have to be carried out at community level. The recommendation to relocate responsibility with ERO stems from the fact that part of the ERO mandate is to carry out school audits; second, it is not being recommended that the ERO carry out the SA without community engagement. On the contrary because the ERO will have more financial and technical resources at its disposal, it is likely to carry out more thorough, meaningful audits with full participation of the community and PTAs. The wordings in the recommendations in the Report have been amended slightly to reflect this.* | | | Chapter V, Recommendation 19 | |

1. Several activities are ongoing though under the Council for TEVT but these fall outside the operational and budgeting framework of the SSRP. [↑](#footnote-ref-1)
2. Starting yearly salary for beginning teachers are 3.86 times, 4.09 times and 5.31 times GDP per capita, respectively for primary, lower secondary and secondary. World Bank FTI “Best Practice” benchmarks recommend that in low income countries this ratio (salaries to GDP per capita) should be about 3.5 (World Bank, 2004). [↑](#footnote-ref-2)
3. Interestingly, salaries paid to teachers in the private school sector are on average lower than those in the state sector. [↑](#footnote-ref-3)
4. The numbering of recommendations follows that in Chapter 5. Only the most salient are mentioned here. [↑](#footnote-ref-4)
5. Details in Annex I [↑](#footnote-ref-5)
6. The pooling development partners include the Asian Development Bank, Australia, Denmark, the European Union, Finland, Norway, the United Kingdom, the United Nations Children’s Fund, and the World Bank including funds from the Fast Track Initiative, FTI. [↑](#footnote-ref-6)
7. JICA, USAID, UNESCO and WFP. [↑](#footnote-ref-7)
8. The costs of the Program are based in 12 “components” some of which are common to the 9 mentioned above. Annex II deals with costing of the Program and related economic issues. [↑](#footnote-ref-8)
9. JFA, para 57. [↑](#footnote-ref-9)
10. A key study on the fiduciary risk involved in the decentralisation of financial authority to School Management Committees, SMC, was not due to be completed until after the MTR Evaluation Team had completed their work. However, the Team had access to the preliminary findings of the work. [↑](#footnote-ref-10)
11. The SSRP program was designed for the years FY2009/10-2015/16, though financing was identified in 2009 for FY 2009/10-2013/14. Annex II deals with the proposed costs over seven years. [↑](#footnote-ref-11)
12. NORAD 2009 Joint Evaluation of Nepal’s Education For All 2004 -2009 Sector Programme, 7.4.2.5. [↑](#footnote-ref-12)
13. SSRP ASIP 2011-12, MOE, Government of Nepal, 2012 [↑](#footnote-ref-13)
14. Aide Memoire, Joint Annual Review of the SSRP, 2011 [↑](#footnote-ref-14)
15. SSRP 2009 Annex 3.2. [↑](#footnote-ref-15)
16. The NCF is a well-thought out document, based on extensive consultation with a range of stake-holders; it is comprehensive in scope and shows good understanding of the issues involved in developing, implementing and evaluating a progressive and balanced primary and secondary curriculum. It is clearly and accessibly written. The author group seems well-informed about current relevant global trends from a UNESCO viewpoint - Nepal is not a participant in PISA testing - but it is interesting that they informed themselves about education in Finland as well as in Thailand and Australia; they show currency, too in the way that they refer to the need to deploy head teachers capable to understand better their educational leadership role. They also give prominence to teacher training - though not to other aspects such as recruitment, selection etc and training of teacher educators. [↑](#footnote-ref-16)
17. The curriculum has been introduced one year at a time since 2007/8. In 2012 the piloting of class 6 will be undertaken. By 2014 all 8 classes of Basic Education will have been introduced. [↑](#footnote-ref-17)
18. Min Bahadur Ranabaht, 2011, School Effectiveness Research (including testing of G2 and G4 students in Math and Nepali).Prepared for DFID. At least 10% of students in grade 4 have not mastered the Nepali alphabet and 25% cannot recognize double-digit numbers.

    Pinto, C. (2010). *Impact of Literacy Boost in Kailali, Nepal, 2009–2010: Year 1 Report.* Prepared for Save the Children. This small scale study showed that 79% of grade 2 children in 16 sample schools were non-readers—i.e., they could not read a single word of a simple paragraph in Nepali. [↑](#footnote-ref-18)
19. NORAD 2009 7.7.2. [↑](#footnote-ref-19)
20. Interview of MTR team with central committee members of the Teachers Union of Nepal [↑](#footnote-ref-20)
21. Report on National Assessment of Grade 10 Students, Education, Education and Developmental Service Centre, 2011 [↑](#footnote-ref-21)
22. Annex II and Technical Appendix 2.95 deal with use of Program funds in some detail. The accuracy of present data on which to calculate costs of the various components is uncertain. [↑](#footnote-ref-22)
23. The new curriculum has been introduced after piloting in grades 1 – 5. [↑](#footnote-ref-23)
24. The SSRP will be investing US $45 million in developing and supporting the continuous assessment system. It would make sense to also use these data for policy analysis. [↑](#footnote-ref-24)
25. Logically enrolment data generated by Higher Secondary Education Board (HSEB) is supposed to be fitted into the EMIS at DOE. But this does not happen. Therefore the enrolment data of Higher Secondary level gathered by Flash may not give a true picture. [↑](#footnote-ref-25)
26. A fuller account of the difficulties of restructuring secondary education appears in Chapter 3 under Governance. [↑](#footnote-ref-26)
27. Tracer Study on the Employment Status of Market Oriented Short Term (MOST) Training Graduates and A Study Report on An Assessment of Proficiency Certificate Level Graduates of General Medicine Program under CTEVT [↑](#footnote-ref-27)
28. These views were expressed in a workshop on 4th March 2012, in which the findings of a study sponsored by UNESCO on capacity building needs of CLCs were shared, This study covers 24 districts and is under finalization by UNSECO in conjunction with MOE. Read more on www.unesco.org/new/en/kathmandu [↑](#footnote-ref-28)
29. Though from some accounts the share of government spending being allocated to education is actually falling. See Annex II. [↑](#footnote-ref-29)
30. These two aspects are coupled together in the TOR for the Mid-Term Evaluation. [↑](#footnote-ref-30)
31. Capacity Development Plan 2011-13, MOE, Government of Nepal, 2011 [↑](#footnote-ref-31)
32. The Local Self Governance Act assigns the LBFC with the powers for making fiscal awards in the form of conditional and unconditional grants, overseeing fiscal transfers and oversight of use of funds. [↑](#footnote-ref-32)
33. Corruption Perception Index 2009, Transparency International [↑](#footnote-ref-33)
34. Under the Rule 4 of the RTI Rules 2009, the fee for accessing information ranges from Rs5-10 per page for printed copies, to Rs50 per disk/CD and Rs50 per hour for observation/reference to documents. [↑](#footnote-ref-34)
35. Please refer Chapter 4 of the MTR Report and the Annex II on Economic Analysis, prepared by Victor Levine for the MTR [↑](#footnote-ref-35)
36. Shakya, D., Annex IV [↑](#footnote-ref-36)
37. Fiduciary Review of SSRP, World Bank 2012 (background study for MTR) [↑](#footnote-ref-37)
38. These references in square brackets are to the sections of Annex II, [↑](#footnote-ref-38)
39. A sub-contract for a research assistant. [↑](#footnote-ref-39)
40. In part, this analysis draws upon the EC-commissioned study of the Political Economy of Education in Nepal (Pherali, Moores, Smith and Vaux, 2011) which was prepared for the MTR. It is consistent with other qualitative studies. [↑](#footnote-ref-40)
41. Programme for International Student Assessment, PISA. A rolling programme of testing of 15 year olds in many countries in areas such as science, maths and reading. [↑](#footnote-ref-41)
42. One lakh is 100,000. [↑](#footnote-ref-42)
43. Several activities are ongoing though under the Council for TEVT but these fall outside the operational and budgeting framework of the SSRP. [↑](#footnote-ref-43)
44. The SSRP introduced Per Capita Funding for schools, based on the criteria of student enrolment [↑](#footnote-ref-44)
45. NORAD 2009 Section 7.7.2.1 [↑](#footnote-ref-45)
46. The Gender and Vulnerable Communities Action Plan that the Asian Development Bank developed could be considered as a starting point and sub-indicators could be considered thereafter [↑](#footnote-ref-46)
47. The International Institute of Educational Planning in Paris has done work in this field in many countries. [↑](#footnote-ref-47)
48. See Annex I for details. [↑](#footnote-ref-48)
49. ADB, Aus-Aid, Denmark, DFID, EC, Finland, Norway, UNICEF and World Bank [↑](#footnote-ref-49)
50. The 2010 NLSS found that as much as 22% of the children of school age do not attend school; many of these may have enrolled without further regular attendance [↑](#footnote-ref-50)
51. A schematic presentation of the process is attached as annex 1. [↑](#footnote-ref-51)
52. These are very rough and need to be detailed and recalculated [↑](#footnote-ref-52)
53. No action refers to no action taken within the Evaluation Report. Actions are required to respond adequately to many of the issues raised. [↑](#footnote-ref-53)