

**Government of Pakistan
Planning Commission**

- 1. Name of Project** Sindh Basic Education Program (SBEP)
- 2. Location** Sindh Province
- i) Name of the District/Province** Following districts of Sindh Province are included in the Program:

- a) Dadu
- b) Jacobabad
- c) Kambar-Shahdadkot
- d) Karachi (selective towns)
- e) Kashmore-Kandhkot
- f) Larkana
- g) Sukkur
- h) Khairpur

The Government of Sindh and USAID/Pakistan have mutually agreed to focus the interventions of the Program to the above districts/towns. These districts were selected on the basis of education, social and other indicators. Districts were also selected on the criterion of successful implementation of education reforms in the past.

- ii) Map of the area clearly indicating project location**

Attached as **Annexure - I**.

- iii) Provide that the location is accessible to all.**

USAID/Pakistan and Government of Sindh have agreed on school selection criteria, which also include the location (site) selection. Accessibility of the school to maximum number of students in the catchment area of the school will be ensured. Accessibility of the schools to girl student in terms of ease of transportation will be kept in mind. "Guiding Principles for School Selection" are given in **Annexure-II**. The draft guiding principles for school selection criteria are finalized. Any changes in the criteria are to be mutually agreed upon both by the GOS and USAID/Pakistan.

3. Authorities responsible for:

- i) Sponsoring**

Government of Sindh (GOS) with the assistance of USAID/Pakistan

- ii) Execution**

- a) Education & Literacy Department, Government of Sindh, and
- b) United States Agency for International Development, Pakistan.

A - 50000 Rs. Gov. funds.
B - 375.00
C - 275/257- 4

Government of Sindh Education and Literacy Department



PC- I

Sindh Basic Education Program Sindh Province

Program Cost: Rs. 14,355.00 million (US\$ 165.0 million)

USAID – Rs. 13,485 million (US\$ 155 million)

GoS – Rs. 870 million (US \$ 10 million)

Prepared by:

**Education & Literacy Department
Government of Sindh**

Updated 24-03-2012

Total cost of the Program is Rs 14,355.00 million (US\$ 165.0 million).

GOS executed component (G 2 G) would include US\$ 81 million (Rs. 7,047.00 million equivalents) grant from USAID for physical works for school construction. Rest of the USAID grant of US\$ 74 million (Rs 6,438.00 million) for the five components of the Program (discussed below) will be executed directly by USAID Pakistan. These five components will be executed in consultation with the Government of Sindh. The components to be executed by GOS and USAID/Pakistan will reflect overall integrated Programme approach.

In addition, the GOS will provide counterpart funding of Rs. 870.00 million (US\$ 10.0 million) to meet Project Management and Implementation Unit (PMIU) cost.

iii) Operation & Maintenance

Repairs: Works & Services Department, Government of Sindh

Operation: Education and Literacy Department with District Administration of the Program Districts.

iv) Concerned Federal Ministry

N/A

4. (a) Plan Provision

- i) If the project included in the Medium Term/Five Year Plan, specify actual allocation.

The Program is in line with the Medium Term/Five Year Plan priorities. It is specifically in sync with the Medium Term Sector Framework¹ for School Level Education, Sindh. Objectives of the Program are in line with Medium Term Development Framework (MTDF) prepared by the Planning Commission. MTDF plans to address issues related to missing infrastructure, gender gaps, improved monitoring and evaluation of projects and programs, etc. The new "Framework for Economic Growth, 2011" prepared by the Planning Commission, considers improving education in the country as one of most important factors for raising human productivity to accelerate economic growth in the country. Weak governance is identified as the key reason for poor performance of the education system. The Framework emphasizes Results-Based Systems, accountability of teachers and educational administrators to parents and communities, improved planning and monitoring capacity, and improved use of available resources.

GOS is committed to include the program in the provincial Annual Development Program (ADP) 2011-12.

- ii) If not included in current plan what warrants its inclusion and how is it now accommodated

The Program will be made a part of the current provincial Annual Development Program (ADP) through the approval of the competent authority i.e. the Chief Minister, Sindh.

¹ Kardar, Shahid. February 2007. *Sindh – Medium Term Sector Framework for School Level Education*.

- iii) If the project is proposed to be financed out of block provision indicate. The program is proposed to be financed by USAID/Pakistan on grant basis not exceeding US\$ 155 million. GOS will contribute PKR 870.00 million (US\$ 10.0 million approx.).

- (b) Provision in current year PSDP/ADP Nil

5. i) Program objective and its relationship with sectoral objectives

Program Goal

Goal of the Sindh Basic Education Program is to increase and sustain student enrolment in primary, middle and secondary schools in targeted geographic locations in Sindh by developing a school environment conducive to teaching and learning (See Annexure-III for Activity Agreement and detailed Program Description).

This transformation will be achieved through the following components:

1. Construction of schools affected by 2010 floods
2. Support to Government of Sindh (GOS) policy reforms to merge, consolidate and upgrade schools through construction of schools
3. Improvement in early grade reading in primary schools
4. Community mobilization, with a focus on increasing girls enrolment and improving nutritional status of children; and
5. Technical assistance to the Department of Education
6. Monitoring & evaluation
7. Office of Infrastructure & Engineering (OIE) Construction Design and Supervision

Relationship with Sectoral Objectives

Currently, with assistance from the World Bank, the Government of Sindh is implementing "Sindh Education Sector Reform Program (SERP)" since 2007. The objectives of SERP are to increase school participation, reduce gender and rural-urban disparities, increase progression and improve the measurement of student learning. The Program is being implemented with a credit of US\$ 300 million from International Development Association (IDA). SERP seeks results in four broad areas: (i) improved fiscal sustainability and the effectiveness of public expenditures including in education; (ii) improved education sector management; (iii) improved access to quality schooling with a particular focus on rural areas and girls; and (iv) improved quality of teaching and student learning. Medium Term Sector Framework for School Level Education, Sindh was prepared as part of SERP technical assistance.

Components and interventions of SBEP will complement and

enhance the objectives of SERP. Construction and furnishing of schools, provision of ancillary facilities, and improvements in early grade reading comprehension, motivation of parents, health education, and strengthening the role of School Management Committees are likely to increase school participation and increase progression of students, especially for girls. Greater emphasis on reducing gender disparities will bring equity, and a number of technical assistance initiatives are likely to improve the measurement of student learning.

SBEP will provide significant inputs to improve highly prioritized educational governance issue by undertaking systematic assessment and capacity building of Education and Literacy Department in terms of financial, procurement, and administrative management, and construction management. In addition, SBEP will provide technical assistance to develop district education plans, establish teacher licensing and certification system, strengthen provincial educational assessment system, MIS, GIS, budgeting systems, and school management and administration practices.

ii) Where possible, the project objectives should be aligned with women development/ empowerment, Government of Pakistan's policies concerning gender equality and attainment of MDGs.

National Policy for Development and Empowerment of Women 2002 emphasizes "primary school enrolment and secondary schooling for girls through provision of scholarships and subsidies for girls education to low income households, equality of access and quality education for girls to narrow the existing gender gap." SBEP is also in line with National Education Policy 2010, which promises "Education for all."

SBEP will also contribute to the following Millennium Development Goals (MDGs):

Goal 2: Achieve universal primary education by improving net primary enrolment ratio, completion/survival rate from grade 1 to 5, literacy rate, and

Goal 4: Promote gender equality and women's empowerment by improving Gender Parity Index (GPI) for primary and secondary education

iii) Elaborate how the project will contribute to implement the above mentioned policies.

SBEP will contribute to the National Policy on Development and Empowerment of Women in terms of equality of access and quality education for girls by putting more emphasis on girl schools, by providing child friendly and girl friendly school buildings and facilities, and by sensitizing communities to send girls to schools. By providing quality facilities for education to attract students, especially girls, SBEP will also contribute to Government of Pakistan's commitment to Dakar Framework for Action on "Education For All" as given in the EFA National Plan of Action 2003, Government of Pakistan.

6 (a). Description and justification of the project

i) Describe the project and indicate existing facilities (for male and female separately, where possible) in the area and justify the establishment of the Project.

A. Justification

Education has remained a neglected sector in terms of public and private spending in Pakistan.

Despite impressive economic progress, Sindh's education indicators are low. Two thirds of women and one thirds of people above the age of ten in Sindh are illiterate. Approximately 40 percent of school-aged children – approximately four million children aged 5 through 12 – are not in school. This number increases annually due to the high population growth rate that brings hundreds of thousands of additional children into the school-age cohort each year.

Efficiency of the educational system is low in Sindh, as SEMIS data shows that 49% of students enrolled in grade 1, remain in school until grade 5. The highest dropout rate is between grade 1 to 2 (about 29%). The transition rate from grade 5 to 6 is 66% for boys and 62% for girls.

Poverty is a major obstacle to lower access levels of education but inadequate and poor education infrastructure is an equally important constraint. About 42% of the schools that have buildings have just 1 or no classroom. Basic facilities such as boundary wall (43%), toilets (48%), electricity (24%), and water (48) are available in some of the schools. There is need to upgrade crowded facilities, fully utilize underutilized facilities, and consolidate in other areas to ensure effective use of resources.

Low quality of education is caused by lower budgetary allocations, non-merit recruitment of teachers, weak academic credentials, inadequate teacher training, and weak accountability mechanisms. Student performance shows similar trends. The results of a test conducted in 2006 for children attending grade 4 by the National Education Assessment System (NEAS) showed that in language (Urdu) and Mathematics children in Sindh, like those in the rest of Pakistan, performed below the mean scores set for the test.

Female participation in education remains a key challenge in Sindh. There is a large gap between the enrolment rates of boys and girls, though both are low; the Gender Parity Index in primary education shows enrolment of 77 girls in primary schools against 100 boys. Gender disparities vary across regions and become extremely high in rural parts of the province where only 31% of girls of official age are enrolled in primary school. The lack of girl-friendly facilities, such as separate latrines, boundary walls, and female teachers are key barriers to female participation in formal schooling.

| | Adult Literacy (male) % | Adult Literacy (female) % |
|--------------------------|-------------------------------|---------------------------------|
| Sindh (Overall) | 71 | 43 |
| Sindh (Rural) | 58 | 17 |
| Program Districts | | |
| Jacobabad | 52 | 10 |
| Kashmor-Kandhkot | 55 | 16 |
| Larkana | 66 | 29 |
| Sukkur | 74 | 32 |
| Dadu | 78 | 45 |
| Kambar-Shahdadkot | 56 | 23 |
| Khairpur | 70 | 23 |
| Karachi | 83 | 74 |

| | Net Enrolment Rate (%) | | | |
|--------------------------|-------------------------------|--------------------|------------------|-------------------|
| | Primary (boys) | Primary (girls) | Middle (boys) | Middle (girls) |
| Sindh (Overall) | 56 | 47 | 21 | 17 |
| Sindh (Rural) | 49 | 36 | 18 | 8 |
| Program Districts | | | | |
| Jacobabad | 49 | 31 | 19 | 9 |
| Kashmor-Kandhkot | 53 | 27 | 21 | 6 |
| Larkana | 53 | 37 | 24 | 17 |
| Sukkur | 55 | 43 | 30 | 15 |
| Dadu | 67 | 66 | 28 | 18 |
| Kambar-Shahdadkot | 44 | 32 | 15 | 9 |
| Khairpur | 59 | 49 | 23 | 20 |
| Karachi | 71 | 70 | 23 | 30 |

Source: Pakistan Social and Living Standards Measurement Survey, 2010-11.

The public education system for primary and middle level serves approximately four million children, which constitute 40% of the total student-age population in Sindh of approximately 10 million children. Public School students are enrolled in approximately 49,000 primary, middle, elementary, secondary, and higher secondary schools. The majority of these schools are in dilapidated condition and lack basic facilities such as drinking water, sanitation, boundary walls, furniture, reading rooms, and play areas. According to Education Management Information System (EMIS) statistics, approximately 65% of the 49,000

schools are in need of repairs; 23% (11,270) schools are shelter-less (i.e., no building), and approximately 14% (6,860) schools are non-functional due to poor choice of location or lack of resources such as a local female teacher. The Government of Sindh has recently initiated a program to reopen closed schools and has been taking active measures to ensure sustainability of these schools through funding to local School Management Committees (SMCs).

Limited access to schooling becomes more serious at the middle school level. The current middle school net enrolment rate (NER) is 17% with widespread disparities. Currently there are only about 3,000 middle schools (1,000 for female) in the public sector, and these are often over-crowded, poorly maintained, and under-staffed. This has resulted in limited enrolment, especially of girls, who often decide to leave education due to the lack of choice of schools (only mixed) and the long distance to available schools.

In 2010, the province of Sindh was severely affected by the floods caused by the monsoon rains. Nearly all districts adjacent to the River Indus were inundated resulting in loss of life and property. Estimates prepared by the World Bank and Asian Development Bank with help from the Planning & Development Department, Government of Sindh show that approximately 4,602 schools in Sindh have been affected out of which about half are fully damaged, i.e., dangerous and should be demolished). Monetary value of the damage to the school buildings was estimated at Rs 30.56 billion². Given widespread damage to school buildings, Government of Sindh has already planned (Annual Development Plan 2011-12) reconstruction of a number of schools in the flood affected areas, addition of classrooms, and up-gradation of schools with its limited resources.

B. Description of the Project

The Activity Agreement signed by GOS with USAID sets out two funding streams:

- a) Under the Government to Government mechanism, USAID/Pakistan will provide US\$ 81 million (Approx: Rs. 7047 million) to GOS for construction activities. The money will be used only for school construction works and furniture, fixtures, equipment, books etc.
- b) Out of the grant funds, USAID will directly utilize US\$ 74 million (Rs. 6,438.0 million) to implement reading literacy,

² Rehabilitation Department, Government of Sindh. Sindh Provincial Monsoon/Floods Contingency Plan 2011.
<http://www.pdma.pk/dn/LinkClick.aspx?fileticket=fRYgMjlmWW8%3D&tabid=36>

community mobilization, technical assistance to Department Of Education, M&E, and Office of Infrastructure & Engineering (OIE) components. However, these components will be executed in consultation with PMIU. Work Plans and Procurement Plans will be prepared with the assistance of and in consultation with PMIU. The procurement process will be managed by USAID/Pakistan. The Program Steering Committee (PSC) will be the approval forum for both funding streams.

- c) Government of Sindh will bear the capital, recurring, and other costs of the PMIU, Rupees 870.00 million (US\$ 10.0 million) required to manage and implement the construction work.

The following paragraphs provide an overview of the nature of the work to be accomplished under each of the Program interventions in Sindh:

1. Construction of schools affected by floods

The 2010 floods affected approximately 5,000 schools in Sindh of which approximately 2,500 schools were completely destroyed. Many of these schools were in the riverbed of the Indus River and cannot be rebuilt in the flood plains. This natural catastrophe hindered the education of thousands of children in Sindh and other parts of Pakistan. The GOS, in partnership with international organizations such as UNICEF, has made efforts to continue the education of children in affected districts through the provision of temporary shelters and school supplies. However, there is an urgent need to rapidly initiate the construction of schools to replace the lost classroom space.

Under the program, primary, middle, elementary and secondary/higher secondary schools which have been completely damaged during the 2010 floods in targeted districts will be selected (as explained in the Guiding Principles for the School Selection at **Annexure - II**)

Subject to the availability of funds, it is estimated that USAID support will include the following:

High/large schools (Grades 1 – 10) Approx.: 75

The number of schools/classrooms is tentative. The final numbers will be based on the school design and costing to be approved by GOS and USAID/Pakistan. The USAID-supported construction will ensure that all newly constructed flood-affected schools are equipped with furniture, are child friendly and meet minimum education and construction standards.

2. Support to GOS policy reforms to merge, consolidate and upgrade schools through construction of schools

Although the proliferation of small basic education facilities throughout the province is the result, in part, of isolated initiatives, it has rendered the Sindh education system nearly impossible to manage. There are nearly 48,000 schools in the GOS's current inventory, most of which are non-functional, poorly located, undersized (one or two-rooms), understaffed, and/or poorly constructed. Further teacher absenteeism is chronic. In addition, it is now common to have several "schools" situated on the same premises, each with separate administrative personnel. This has created inefficiencies that the GOS can ill afford. Finally, there has been an under-investment in school facilities serving students past Class 5, which has left few options for children to continue their education beyond the primary level, particularly for girls. Fortunately, the GOS has now taken on a series of education sector reforms to correct these problems. The first policy reform is to consolidate several small schools that exist in a village or neighbourhood into a single, properly managed facility. The second policy reform is to support the merging of several schools that are operating in a single location into a single school operating under a streamlined administrative structure. The third policy initiative is to upgrade primary schools to include facilities and teachers for middle and high school-age students. The fourth policy reform is to hire additional female teachers based on merit and qualifications. The fifth policy reform is the adoption of school-specific budgets and the placement of school-specific teachers, which will provide resources for maintenance and supplies and reduce teacher absenteeism.

Under the program, primary, middle, secondary and higher secondary schools having dangerous buildings will be selected. The concerned District Administration(s) will ensure and certify that these schools are meeting the criteria for merge, consolidate or up-grade with adjacent schools in targeted districts. (as per policy of the Government)

Subject to the availability of funds, it is estimated that USAID/Pakistan support will also include the following:

| | |
|------------------------------------|-------------|
| High/large schools (Grades 1 – 10) | Approx.: 45 |
|------------------------------------|-------------|

The number of schools is tentative and final numbers will be based on the school design and costing to be approved by GOS and USAID/Pakistan. USAID/Pakistan assistance will support these important policy initiatives by constructing, furnishing and equipping approximately 45 schools in carefully selected locations in the seven focus districts in Northern Sindh and selected towns in Karachi. This will be accomplished in

consultation with the Department of Education through a process that identifies dangerous school buildings that need to be demolished. In their place will be built larger facilities that encompass a broader catchment area, administratively merge "schools" operating in a single location, and include facilities for Grades 1-10. The construction activities will not include Higher Education, but where ever there are savings and need for construction of more classrooms this can be done.

This strategy is being adopted to ensure that all facilities that bear the "USAID" logo adhere to seismic and other quality standards of USAID. This strategy supersedes previously considered strategy to "upgrade" existing facilities or to add latrines and boundary walls to facilities of questionable structural integrity.

USAID Directly Funded Components

1. Improved early grade reading in primary schools

Studies have shown that learning outcomes have a direct correlation to a country's economic growth. Key to learning is the ability to read. A ten percent increase in the number of students achieving basic literacy translates into a 0.3 percentage point increase in the annual growth rate for that country. Other research has shown that early grade reading competency is critical for continued retention and success in future grades. Unfortunately, more than 70% of children in Pakistan in primary school cannot read at grade level.

Implementing a key goal of the new worldwide USAID Education Strategy, the program will improve reading and numeracy skills among students in early grades. The activity will be directly implemented by USAID/Pakistan in consultation and collaboration with GOS institutions. The activity is envisioned to maximize participation of parents, caregivers and the larger community in improving the quality of education in public schools.

2. Community Mobilization

Community engagement and mobilization will form a cornerstone of the Sindh Basic Education Program and will focus on three key areas:

- Community involvement for school construction
- Community involvement to increase girls' education
- Community involvement to improve the nutrition status of students

Engaging communities in school construction has proven to be an effective model of USAID in AJK, leading to increased enrolment in schools, minimizing delays in construction, and the provision of materials, such as books, for the schools.

As a means to increase girls' enrolment, increasing community participation in schools is a key component in bringing larger numbers of girls to school. In Sindh, low participation of girls in the formal schooling system is a key challenge in the education sector. The Gender Parity Index (GPI) in primary education shows enrolment of 77 girls in primary schools for every 100 boys. Gender disparities vary across regions and become extremely high in rural parts of the province. For example, in Jacobabad, the GPI shows enrolment of 39 girls in primary schools against 100 boys. Low social value is placed on educating girls; preference is given to educating boys. Some of the key barriers to female participation in the formal schooling system include: poverty (which puts children into the work force rather than schools); long distances between home and school; and lack of girl-friendly facilities, such as separate latrines, boundary walls, and female teachers.

The community mobilization component of the Sindh Basic Education Program will work to engage parents and help to provide solutions to problems that prevent sending girls to school. Part of the program will be to allow communities that do not benefit from newly built Sindh Basic Education Program schools to apply for small grants, linking with the school development plan. These funds may be used by School Management Committees (SMCs) or the local civil society organizations for the construction of latrines, provision of clean water, child friendly furniture, temporary teachers, school supplies, and minor school repairs.

Another key component of the community mobilization program will be a focus on nutrition. Currently, Sindh province is experiencing high malnutrition levels among children and women. The situation is the worst in districts affected by 2010 floods. As per the Government of Sindh/World Health Organization, districts in Northern Sindh are experiencing Global Acute Malnutrition (GAM) at a rate of 23.1 percent in children aged 6 -59 months. Various studies and reports have linked the high level of malnutrition with the high incidence of poverty, low levels of education (especially of mothers), poor access to health services, poor hygiene practices, and the non-availability of clean drinking water. Additionally, statistics have shown that malnourished or undernourished children often miss school. Those who attend school are often not able to concentrate on their studies, suffer learning disabilities, and drop-out at an early age. The situation is usually worse for young girls.

Programs have been implemented in Sindh to improve the nutrition of children in schools. However, these programs were discontinued due to various reasons, such as heavy engagement of teachers in cooking, and high levels of corruption. In addition, these programs often failed to address the preventive side of the issue such as widespread diarrheal cases due to poor hygiene practices, low levels of education among mothers, etc.

This component of the program attempts to address some of these issues from the school perspective, but will need to be linked with interventions in other areas. The following are key broad areas that this program will address:

- Education of families on nutritional needs of young children
- Ensuring the availability of clean drinking water, and adequate sanitation facilities both at school and home
- Increasing the availability of micronutrients such as iodine, iron, vitamin A for children (in collaboration with the USAID Health & Nutrition Office)
- Increasing the availability of adequate health care facilities for children (in collaboration with the Basic Health Units (BHUs))

The Sindh Basic Education Program will promote school sanitation and hygiene education as a cross-sectoral theme. Special emphasis will be given to the availability of clean water and the construction of child-friendly toilets in newly constructed schools. In other schools, communities can apply for grants to construct these facilities. Community training will include modules on health and nutrition, and community mobilizers will seek to increase links between the school and the local basic health units (BHUs.) Teachers will be specifically trained in on public health and hygiene practices. In addition, the Sindh Basic Education Program will explore the possibility of working with the USAID/Health & Nutrition office to provide micronutrients and sanitation and hygiene kits to children.

The activity will be directly implemented by USAID/Pakistan in consultation and collaboration with GOS institutions.

3. Technical Assistance to the Department of Education (DOE)

The Sindh Basic Education Program will provide technical assistance in three broad areas: financial, procurement and administrative management, engineering oversight and design, and education administration.

a) Financial, Procurement and Administrative Management: Through the Assessment and Strengthening Program (ASP), USAID/Pakistan will be strengthen the procurement system in the Education Department and will mitigate other agreed-upon institutional weaknesses identified through the pre-award assessment of the Department of Education and recorded on the risk mitigation framework.

b) Construction Management/Capacity Building: Through a USAID turnkey design/construct contract, a local firm(s) will provide engineering design and construction supervision to provide quality control on the building of schools as well as construction services through subcontracts with local firms. This firm will work in collaboration with the Government of Sindh, and build their capacity to monitor construction programs.

c) Education Reform and Administration: The Sindh Basic Education Program will support the Department of Education to continue with the education reforms started under World Bank and European Union funding. The key areas of these reforms are given as under:

- Consulting to assist with the coordination and synchronization of reform implementation
- Developing District Education Plans
- Establishing the Teacher Licensing and Certification System
- Strengthening the Provincial Education Assessment System
- Strengthening the Education Management Information System including GIS
- Strengthening education budgeting systems at the provincial and district level
- Strengthening school management and administration
- Capacity building of PMIU

The GOS and USAID/Pakistan will mutually identify some more additional potential areas of technical assistance, which will be provided through a direct USAID contract/grant.

4. Monitoring and Evaluation

The program will incorporate a strong Monitoring and Evaluation (M&E) component to ensure the rapid and efficient implementation of activities as outlined in the program description. A Pakistan third-party contractor/s and/or organization will be hired to monitor program activities in the field and submit reports to both GOS and USAID. The M&E system will maximize community participation through the capacity building of communities in monitoring and reporting. It is expected that valuable lessons learned from the Sindh Basic Education Program will be derived through the M&E component and that the potential impact of different variables on program success will be tracked (rural/urban settings, degree of community involvement, commitment of local authorities to reforms, commitment to girls education, etc.).

5. Office of Infrastructure and Engineering (OIE)

USAID/Pakistan's OIE will provide engineering design and construction supervision and management services

ii) Provide estimated number of male and female beneficiaries of the project.

Please see details in § 11 (b) (i).

iii) In case where a project is benefitting female population, include measures that address the constraints faced by them so as to ensure their participation in all respect of the project.

Please see details in § 5 (ii) and (iii).

iii) Provide technical parameters and discuss technology aspect of the Project.

Technical Parameters

The technical parameters kept in view to prepare SBEP are outlined below:

- Construction design will provide for child/grade appropriate facilities, play spaces, and adequate lighting.
- Needs of students and staff, especially females, will be kept in mind when building latrines to provide adequate privacy.
- Wall or appropriate barrier will be built around the school to provide a safe, quiet, and private environment that is conducive to learning.
- If electricity is not available around the school, creative ways of enhancing lighting in the school should be explored.
- Weather patterns and local geographic conditions will be kept in mind when planning construction time.
- Buildings will be made accessible to the disabled persons in terms of ramps, larger desks, wider doorways, and larger latrine that can accommodate wheel chairs in compliance with USAID Disability Policy Guidelines.
- Classrooms should be suitable for use of variety of instructional methodologies. Furnishing should be appropriate for the teaching methods employed.
- Furniture will be such that it is child friendly and can be maintained and repaired locally at modest cost.
- Local government and communities will be involved from the construction planning stage to ensure proper maintenance of school facilities.
- Guidelines and standards set by the "USAID Disability Policy Paper" Americans with Disabilities Act, and the Architectural Barriers Act will be implemented, where possible, while keeping the design cost effective.
- Guidelines and standards set by Environmental and Social Management Framework of the Sindh Education Reform Program will be implemented, where possible, while keeping the design cost effective.
- Community recommendations regarding the design of a school, where possible and feasible, will be seriously considered.
- Labor and physical resources available at the community level will be used, when feasible, to reduce cost and stimulate local economies.
- Uniform set of standards will be built into the Quality Control Plan to be implemented, communicated to all stakeholders and monitored by the Program Management and Implementation Unit (PMIU), SBEP. USAID/Pakistan will also be actively involved in quality control.

iii) Provide details of civil works, equipment, machinery and other physical facilities required for

Technical Works

Civil works

- Construction of school buildings facilities

the project.

- Provision of electricity and safe water
- Furniture for teaching and administration etc

Equipment and machinery

- Not applicable

Land

- May be required for schools where existing site is not feasible for re-construction. In addition, land may be required in case of consolidation of schools, where existing school sites are not adequate to build a larger school.

iv) Indicate governance issues of the sector relevant to the project and strategy to resolve them.

Governance Issues

The new "Framework for Economic Growth, 2011" prepared by the Planning Commission lists the following key governance challenges facing the education sector:

- a) An overly centralized education system where distant ministries and directorates determine syllabi, post and transfer teachers and manage budgets without results
- b) No results-based systems
- c) Weak or nonexistent accountability of teachers and educational administrators to parents and communities
- d) A complex structure, where the provincial government has policymaking responsibility while the district governments are responsible for implementation
- e) Limited capacity for planning and monitoring, especially at the district and lower levels of government
- f) Poor management of available sector resources
- g) No efforts to build the capacity of parent-teacher councils to contribute to school management

A lack of clarity regarding policies for private sector participation and public-private partnerships in education.

In relation to issue (a), Education policy, planning, and implementation has been devolved to provinces under the 18th amendment to the Constitution of Pakistan. Through Technical Assistance component, SBEP will build the capacity of provincial education managers to deliver high quality and cost effective education in the Province. Technical Assistance component will also address issue, and (b) by strengthening provincial educational assessment system.

In relation to issue (d), Technical Assistance component will help districts with the development of District Education Plans. In relation to issue (e), independent monitoring & evaluation consultants will build capacity of the districts to monitor the educational operations effectively. In relation to issue (g), Community mobilization component will effectively engage School Management Committees to improve site selection for newly constructed schools, motivate parent to send their children

to school, troubleshoot issues at the school level, and improve school level facilities such as water and sanitation, etc.

Sindh Education Sector Reforms Report 2007 lists the following governance related issues facing the Sindh Province:

- h) Weak policy framework
- i) Poor quality of the teaching force, and political interference in appointments and transfers
- j) Insufficient accountability of service providers in terms of their presence on duty
- k) Lack of transparency
- l) Weak School Management Committees in terms of administrative and financial powers
- m) Weak credibility of financial expenditures and procurement processes
- n) Inadequate data collection on schools for planning and delivery of educational services
- o) Lack of comprehensive strategy and continuing programs for teacher training

Working along the Sindh Education Reform Program, through its components and interventions, SBEP will bring about improvements in issues (i), (l), (m), (n), and (o).

Some other emerging issues include:

- p) Many but small and poorly managed schools with inadequate staff and facilities have proliferated; and
- q) Staff recruitment has largely been ineffective

To counter the issue (p) above, GOS has formulated a School Consolidation Policy, which seeks to strengthen the school level performances by way of school consolidation and creation of school campuses, at least one in every Union Council in the beginning, for creating bigger and efficiently functioning schools. These schools will be provided with financial and administrative autonomy for ensuring that these evolve as state-of-the-art modern education imparting institutions. Government will institute independent examination system to undertake periodic assessment of children's attainments in these schools.

The School Consolidation Policy will be implemented in two phases. In first phase adjoining and embedded schools may be targeted. In 2nd phase, a strategic school may be identified in an area where there is an oversupply of schools. Additional capacity will be provided to the 'strategic school' and satellite smaller schools will be merged with the strategic school. SBEP will support Consolidation Policy of GOS by constructing larger schools, by providing appropriate furniture and facilities, and by supporting other elements of the Consolidation Policy through technical assistance for reforms.

Regarding issue (q) above, in 2008, Education and Literacy Department announced school based contract appointment of teachers. Two rounds of such recruitments have already been held under the supervision of World Bank and European Union, the other donors of to GOS. Similar process will be followed for future recruitments related to schools receiving SBEP interventions.

6(b). Education, Training, and Manpower

i) Give student-teacher ratio for the project and the national average for the proposed level of education.

Student-teacher ratio for Pakistan, Sindh Province and the Program Districts is given in the table below:

Student-Teacher Ratio by School Level

| | School Level (Student-Teacher Ratio) | | | |
|-------------------|--------------------------------------|--------|------------|-----------|
| | Primary | Middle | Elementary | Secondary |
| Pakistan* | 40 | 16 | - | 6 |
| Sindh Province | 32 | 22 | 27 | 24 |
| Districts | | | | |
| Jacobabad | 37 | 16 | 34 | 24 |
| Qambar-Shahdadkot | 49 | 29 | | 38 |
| Dadu | 37 | 17 | 30 | 25 |
| Sukkur | 34 | 26 | 24 | 22 |
| Larkana | 33 | 30 | | 30 |
| Kashmore-Kandhkot | 38 | 18 | | 23 |
| Khairpur | 40 | 23 | 38 | 31 |
| Karachi | 22 | 14 | 24 | 20 |
| Program Area | 36 | 21 | 27 | 27 |

* NEMIS, 2009-10
Source: SEMIS, 2010-11

ii) Year-wise proposed enrolment of the institution for 5 years (male and female separately).

Enrolment and Growth Rate in Primary Schools

| | Enrolment (2009-10) | | | Annual Growth Rate | | |
|-------------------|---------------------|-----------|-----------|--------------------|--------|-------|
| | Male | Female | Total | Male | Female | Total |
| SINDH | 2,016,185 | 1,386,206 | 3,402,391 | 0.4% | 2.0% | 1.0% |
| Jacobabad | 89,653 | 42,318 | 112,269 | 5.6% | 12.6% | 8.0% |
| Kashmore-Kandhkot | 61,137 | 23,040 | 84,177 | -6.6% | -6.9% | 6.7% |
| Sukkur | 71,927 | 47,178 | 119,105 | 1.7% | 3.4% | 2.4% |
| Kambar-Shahdadkot | 105,729 | 63,702 | 169,431 | 9.0% | 9.5% | 9.2% |
| Larkana | 98,534 | 74,077 | 172,611 | 0.5% | 2.8% | 1.5% |
| Dadu | 121,932 | 77,221 | 199,153 | -2.1% | 3.1% | 0.2% |
| Khairpur | 150,292 | 103,431 | 250,723 | 0.03% | 1.5% | 0.6% |
| Karachi | 161,881 | 177,914 | 339,795 | -3.0% | -1.7% | 2.3% |
| Program Area | 841,085 | 606,179 | 1,447,264 | 0.2% | 2.1% | 0.9% |

Enrolment and Growth Rate in Middle Schools

| | Enrolment (2009-10) | | | Annual Growth Rate | | |
|--------------------|---------------------|---------|---------|--------------------|--------|--------|
| | Male | Female | Total | Male | Female | Total |
| SINDH | 117,146 | 111,586 | 228,832 | -5.4% | 5.7% | -0.4% |
| Jacobabad | 2,534 | 2,320 | 4,854 | 0.3% | 20.6% | 8.6% |
| Kashmore@Kandhkot | 1,688 | 1,198 | 2,882 | -8.1% | 7.0% | -2.6% |
| Sukkur | 8,505 | 7,411 | 15,916 | 12.1% | 2.7% | 7.4% |
| Kamber- Shahdadkot | 2,874 | 2,381 | 5,255 | -10.4% | -18.8% | -14.5% |
| Larkana | 3,713 | 3,857 | 7,570 | 12.7% | 25.4% | 15.7% |
| Dadu | 7,516 | 4,363 | 11,879 | -17.5% | -3.5% | -13.1% |
| Khairpur | 9,788 | 7,808 | 17,596 | -11.4% | 3.1% | -5.8% |
| Karachi | 23,559 | 37,286 | 60,845 | 2.1% | 15.4% | 9.7% |
| Program Area | 60,175 | 56,622 | 126,797 | -3.0% | 9.3% | 2.9% |

Enrolment and Growth Rate in Secondary Schools

| | Enrolment (2009-10) | | | Annual Growth Rate | | |
|-------------------|---------------------|---------|---------|--------------------|--------|-------|
| | Male | Female | Total | Male | Female | Total |
| SINDH | 523,289 | 334,697 | 857,986 | 6.5% | 4.9% | 5.8% |
| Jacobabad | 6,488 | 7,057 | 23,545 | 12.7% | 16.6% | 13.8% |
| Kashmore@Kandhkot | 11,138 | 3,427 | 14,665 | -5.2% | 25.8% | 0.0% |
| Sukkur | 20,906 | 12,271 | 33,177 | 1.4% | 13.5% | 5.4% |
| Kamber Shahdadkot | 20,248 | 9,739 | 29,987 | 8.3% | 12.4% | 9.6% |
| Larkana | 30,217 | 16,939 | 47,156 | 5.4% | 8.0% | 5.8% |
| Dadu | 24,508 | 11,376 | 35,884 | 2.6% | 8.0% | 4.2% |
| Khairpur | 43,047 | 17,325 | 60,372 | 6.3% | 15.1% | 8.8% |
| Karachi | 78,036 | 115,194 | 193,230 | 3.1% | -2.2% | -0.2% |
| Program Area | 244,588 | 193,328 | 437,916 | 4.3% | 2.8% | 3.6% |

Source: SEMIS, 2009-10

Projection of enrolment for secondary school student for the next 10 years is given in section 9 (ii) below.

iii) For scholarship projects, indicate number of scholarships to be awarded each year along with selection criteria (male and female bifurcation may be given for award of scholarships).

N/A

iv) Provide faculty strength in relevant discipline, in case of expansion of facilities.

The construction/reconstruction is of existing schools with existing sanction posts. On expansion/up-gradation new sanction posts will be added as per the need.

v) Indicate the extent of library and laboratory facilities available in case of secondary, college, and university education.

Elementary and Secondary schools will have properly equipped computer labs and libraries. Secondary schools will also have science laboratories as per the need.

vi) Provide details of technical staff required for operation and maintenance of laboratories.

The program PC-I will be followed by sub-project PC-Is with details of construction/reconstruction of each school. The staff requirement will be met by existing sanction strength and where required through SNE

7. Capital Cost Estimates

Total Cost: Rs 14,355.00 million (USD \$165.0 million)
(@ US\$ = PRS. 87)

a) USAID/PAKISTAN Grant: US\$ \$155.0 million
(Rs 13,485.00 million)

b) GoS counterpart funding: Rs 870.00 million
(US\$ 10.0 million)

The Activity Agreement signed by GOS with USAID sets out two funding streams:

a) Under the Government to Government mechanism, USAID will provide USD 81 million to GOS for construction activities. The money can be used only for school construction works and furniture, fixture, equipment, books etc.

b) Out of the grant funds, USAID/Pakistan will directly utilize USD 74 million to implement reading literacy, community mobilization, technical assistance to Department of Education (DOE), M&E, and Office of Infrastructure & Engineering (OIE) components. However, these components will be executed in consultation with PMIU. Work Plans and Procurement Plans will be prepared with the assistance of and in consultation with PMIU. The procurement process will be managed by USAID. The Project Steering Committee will be the approval forum for both funding streams.

Government of Sindh will bear the capital and recurring cost of the PMIU, M&E cost, and cost of land, Rs 870.00 million (US\$ 10.0 million) required to manage and implement the construction work.

Detailed Capital cost estimates and Revenue requirements (furniture, fixture and equipment) for the schools will be provided in each sub-project PC-Is.

(i) Indicate date of estimation of project cost.

October, 2011

(ii) Basis of Estimates

This is a consolidated Program and the implementation would be undertaken on the basis of detailed work plans to be developed for detailed requirements/development activities to be approved as sub-projects. The Program will engage consultants to prepare cost estimates, as per the market rates, after preparation of

selection of schools and detailed engineering design. For all the procurements including goods and services, the SBEP activities shall be undertaken in accordance with SPPRA-2010 and provisions of the Articles of the Activity Agreement signed between USAID/Pakistan and GOS. Exchange rate between US Dollar and Pakistan Rupee is based on the weighted average buying exchange rate (as reported by the State Bank of Pakistan on its website) prevailing in the open market at the start of September 2011.

(iii) Provide year wise estimates of physical activities by main components

Please see **Annexure- IV** for component wise and year-wise cost estimates.

(Figures in million)

(iv) Phasing of Capital cost
(Figures in millions)

| Component | Year 1 PKR (USD) | Year 2 PKR (USD) | Year 3 PKR (USD) | Year 4 PKR (USD) | Year 5 PKR (USD) | Total Cost PKR (USD) |
|--|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------|-------------------------------|
| USAID Grant | | | | | | |
| Reconstruction flood schools including Revenue requirements (furniture, fixture and equipment) for the schools | 913.5 (10.5) | 1,174.5 (13.5) | 1,131.0 (13.0) | 1,218.0 (14.0) | - | 4,437.0 (51.0) |
| Consolidation, upgrade and merge school construction including Revenue requirements (furniture, fixture and equipment) for the schools | 739.5 (8.5) | 783.0 (9.0) | 609.0 (7.0) | 478.5 (5.5) | - | 2,610.0 (30) |
| Improved reading & reading instruction | 348.0 (4.0) | 609.0 (7.0) | 609.0 (7.0) | 522.0 (6.0) | 522.0 (6.0) | 2610.0 (30.0) |
| Community Mobilization | 348.0 (4) | 348.0 (4) | 348.0 (4) | 348.0 (4) | 348.0 (4) | 1740.0 (20) |
| Technical Assistance to Dept. of Education (DOE) | 174.0 (2.0) | 130.5 (1.5) | 130.5 (1.5) | 87.0 (1.0) | - | 522.0 (6.0) |
| M&E | 130.5 (1.5) | 87.0 (1.0) | 43.5 (0.5) | 43.5 (0.5) | 43.5 (0.5) | 348.0 (4.0) |
| Office of Infrastructure and Engineering (OIE) Construction Design and Supervision | 391.5 (4.5) | 304.5 (3.5) | 304.5 (3.5) | 217.5 (2.5) | - | 1218.0 (14.0) |
| Sub-total USAID Funding | 3045.0 (35.0) | 3436.5 (39.5) | 3175.5 (36.5) | 2914.5 (33.5) | 913.5 (10.5) | 13488.0 (155.0) |
| Counterpart Funding by Government of Sindh | | | | | | |
| Project Management and Implementation | 130.8 (1.50) | 116.5 (1.34) | 119.5 (1.37) | 127.8 (1.47) | 137.4 (1.58) | 632.0 (7.26) |
| Land acquisition (if required) | 75.0 (0.88) | 50.0 (0.57) | 50.0 (0.57) | 40.0 (0.46) | 23.0 (0.26) | 238.0 (2.74) |
| Sub-total GOS Funding | 205.8 (2.37) | 166.5 (1.91) | 169.5 (1.96) | 167.8 (1.93) | 160.4 (1.85) | 870.0 (10.00) |
| Grand Total (USAID+GOS) | 3250.78 | 3602.99 | 3344.98 | 3082.29 | 1073.98 | 14358.0 |

Note: exchange rate: US\$1 = PKR 87

8. Annual operating and maintenance cost after completion of the project

Government of Sindh will hire additional teachers, technicians, librarians (as needed) to staff the new schools. Operation and maintenance cost of the completed schools will be sustained through Schedule of New Expenditures. GOS/Finance Department would allocate additional funds in regular budget of Education Department for the sake of sustainability after completion of Program. Repair of the schools is the responsibility of Works & Services Department. Under the School Consolidation Policy of Government of Sindh, non-salary budget will be provided to each consolidated school. The headmasters will have Drawing and Disbursement Officer (DDO) powers and will be provided dedicated budgets. The funds may be used for operation and maintenance of the schools. The budget is linked to level of school, enrolment and number of rooms in a school. The budget may cover expenditures related to travel, stationery, sports, instructional materials and supplies, library/laboratory materials, and student co-curricular activities. The expected additional total repair and maintenance budget of the Program schools will be in line with standard estimates.

PMIU will be responsible for actively involving representatives of the District Administration from planning and design stage to handing over of the building to ensure smooth transfer of school buildings.

9. Demand and supply

i) Existing capacity of services and its supply

The Government of Sindh added 73 (41 for females) new secondary schools between FY2008-9 and FY2009-10. In FY 2009-10, there were a total of 1,893 secondary schools in the Province, out of which 31% were for females. The 115 proposed new secondary schools will add 6% to the existing stock of schools in the Province (and 14% of the secondary schools in the Program districts). However, in terms of number of rooms this addition might be 12% of the existing stock. Average enrolment in a secondary school was 387 students (SEMIS FY2010-11). The additional constructed schools will significantly reduce the number of students per classroom.

ii) Projected demand for ten years (male and female separately, if possible).

There were 201,541 male and 176,003 female students enrolled in secondary schools in the Program Districts in FY2009-10. In the Program districts, growth in enrolment of female students in secondary schools is negative: -2.2%. This means that enrolment of females in the Program districts at secondary school level is decreasing. But enrolment of male students is increasing at 3.1%. However, the growth in enrolment at the provincial level is 6.5% for male and 5% for female students. It is assumed that growth in enrolment in the Program Districts is lower than the provincial rates mainly due to school supply constraints. This is evidenced by higher number of both male

and female students per secondary school in the Program districts (455 against provincial average of 387). Using the provincial enrolment growth rates for secondary schools, the projected increase in schools required to keep the current ratio of students per school is given in the table below:

| Schools | Male | Female | Total |
|----------------------------|------|--------|-------|
| Existing | 446 | 384 | 829 |
| After 10 years (projected) | 850 | 624 | 1,475 |

This represents a required increase of 78% over the existing schools in the Program districts.

iii) Capacity of projects being implemented both in the public & private sector

In FY2009-10, all the projects and programs combined added about 3.8% (71 schools) to provincial stock of secondary schools. This increase is clearly insufficient to meet the projected demand over the next 10 years, as shown above.

iv) Supply – demand gap

Without implementation of SBEP, the supply of schools is likely to fall short of demand over the next 10 years by more than 30%

v) Designed capacity & output of the proposed project

This has been covered in the above sections.

10. Financial plan and mode of financing

The program is proposed to be financed by USAID/Pakistan on grant basis not exceeding US\$ \$155.0 million (Rs 13,485.0 million @US\$1=PKR87). GOS will contribute PKR 870.00 million (US\$ \$10.0 million). Further details are given in **Annexure- IV**.

11 (a). Project benefits and analysis

The following overall benefits are expected from the Program:

- Reclaimed capacity lost due to floods, with USAID/Pakistan support.
- More Enrolled girls to elementary and secondary schools in a sustainable manner
- Significantly improved teaching and learning outcomes at the school level in the selected districts.
- Enhanced capacity of the Education and Literacy Department to enable them to deliver high quality education to students by making the most effective use of the available resources.
- Lasting changes in the educational governance practices through reforms
- Stimulated local economy of the selected districts and province through construction and other activities

i) Financial

The financial benefits of the program are given as under:

- a) GOS will have additional funds to significantly address the supply and demand gap for education facilities.
- b) Improved systems for procurement, financial management, human resource management, and monitoring & evaluation will result in cost-effective and optimal use of existing resources of the Education and Literacy Department. Systematization will lead to saving through elimination of inefficiency and waste.

ii) Social (Women and children separately, where possible)

- a) Construction of schools will improve net enrolment, literacy, and graduation/transition of school age children. This is likely to have more pronounced effect on girls.
- b) Parents will be motivated and incentivized to send children, especially girls to school, as child friendly school premises become available
- c) Health and hygiene practices among communities will get a boost through motivation and availability of safe water, improved sanitation, and nutrition.

iii) Economic

- a) Earning ability of children in the future will improve significantly.
- b) Construction industry, i.e. construction designers and planners, suppliers of raw materials, construction contractors, and skilled labour will benefit enormously from the injection of the Program funds on construction
- c) Demand for social service providers, e.g. community mobilisers, and local non-profit organizations will increase.
- d) As more students enrol and transition to higher levels, demand for qualified teachers for and primary, elementary and secondary levels of education will go up.
- e) Incidence of poverty in the Program districts is likely to reduce as better educated students find better jobs and contribute more productively to the economy.

iv) Environmental

The program is not likely to have major environmental benefits. However, motivation of communities and education of students in hygiene and health issues is likely to reduce pollution levels in the Program communities.

(b) Project analysis

i) Quantifiable output of the project

Main outputs of the Program include:

- | | |
|--|----|
| a) Construction/reconstruction of schools in flood affected | 75 |
| b) Up-gradation/consolidation and construction of existing schools | 45 |

ii) Unit cost analysis

Construction cost per school = ranging between Rs 40 to 50 million. (note: the unit cost will be comparatively lower in case more number of schools is constructed)

Construction cost per student = Rs 40,000 (approx.)

Above estimate include total cost of school construction components plus cost of OIE Construction Design and Supervision component but exclude cost of program management (for a total of 120 schools, and 100,000 students). Cost of technical assistance is also not included. Assuming annual growth in net enrolment of 2.3% in the 120 Program schools, it is estimated that, under the best case scenario, about 87 new students will enrol in the schools for 20 years. Current average growth in enrolment in secondary schools in the Program districts is -0.2% against 5.8% for the entire Sindh Province.

iii) Employment generation (direct and indirect)

Other than the program staff, about 4,000 persons are estimated to be employed by contractors and service providers in the Program districts.

iv) Impact of delays on project cost and viability

Current inflation rate in the country is around 15% per annum. At this inflation rate, project cost will escalate significantly with delays. However, as a significant part of the project financing is denominated in foreign currency (dollars), risk of inflation may be moderate in terms of financing if the benefit of depreciation of Pak Rupee against US Dollar is passed on to Government of Pakistan.

Some possible causes of delay in the implementation of the Program are forecasted as under:

- a) Natural calamities
- b) Paucity of funds/delayed release of funds
- c) Delays in procurement of supplies due to shortage or other factors
- d) Capacity issues in the Government of Sindh
- e) Litigation by stakeholders

12 (a). Implementation of the Project

i) Indicate starting and completion date of the project

February , 2012 to June, 2017

ii) Item-wise/year-wise implementation schedule in

The line chart is attached as Annexure- V.

line chart co-related with the phasing of physical activities.

b) Result Based Monitoring (RBM) Indicators

Indicate Result Based Monitoring (RBM) framework indicators in quantifiable terms in the following table.

Covered under 13 (a) below.

13. Management Structure & Manpower requirements

i) Administrative arrangements for implementation of the project.

Executing and Implementing Department for SBEP will be the Education and Literacy Department of the Government of Sindh. Program Steering Committee will have overall responsibility for overseeing the Program and overall coordination among all GOS departments and USAID stakeholders.

1. Program Steering Committee (PSC)

The GOS would establish PSC with representation from USAID. The PSC will be chaired by the Secretary, Education & Literacy Department. Members of the Committee include Secretary, Planning & Development Department, Additional Secretary, Finance Department, Chief Program Manager SERP, and Deputy Commissioners of concerned Districts. Program Director, SBEP will act as member/Secretary of PSC. The representative of USAID/Pakistan will attend all meetings of the PSC as an observer, and may contribute to the discussions. Notification of the PSC is attached as **Annexure- VI**.

2. Terms of Reference of PSC

Primary function of the Program Steering Committee is to take responsibility for the achievement of outcomes of the Program, overall coordination, and guidance on and approval of major business decisions.

The Program Steering Committee will be responsible for:

- a) Monitoring and review of the project status, as well as providing oversight of the project deliverables rollout.
- b) Controlling project scope in the changing circumstances, ensuring that scope aligns with the agreed outcome requirements of GOS and USAID. Scope management will be particularly important in pre-budget meetings and at the time of Mid-Term Review of the Program.
- c) Resolving project conflicts and disputes, reconciling differences of opinion and approach
- d) Granting formal acceptance of project deliverables as

reported through various progress reports

- e) Granting acceptance/clearance to the sub-project PC-Is for placing in PDWP for formal approval
- f) Championing and building support for the Program

The Program Steering Committee will also be responsible for approval of the following major elements:

- g) Prioritization of project objectives and outcomes as identified in the Program Results Framework
- h) Deliverables and schedules as identified in the Program work plans and budgets (quarterly, annual, overall)
- i) Program budget to ensure that effort, expenditures and changes are compatible with stakeholder expectations
- j) Strategic Risk Management Framework to ensure that strategies to address potential threats to the project's success have been identified, estimated and approved, and that the threats are regularly re-assessed
- k) Quality assurance plan to ensure that project deliverables meet the expectations of all the stakeholders

PSC will review and redefine the above terms of reference in its first meeting. PSC will meet on quarterly basis or as required. The Program Director SBEP will facilitate the PSC meetings. Program Director, SBEP will be responsible for preparing Minutes of the PSC Meetings to be shared with the Chief Minister Secretariat, members of the Committee, all Program staff, and general public through the Program website.

3. Program Management and Implementation Unit (PMIU)

For the implementation and management of the Program, a Program Management and Implementation Unit (PMIU) will be established in the Education and Literacy Department, GOS. PMIU will be headed by a Program Director who will report directly to the Secretary Education and Literacy Department. PMIU will serve as the Secretariat of the PSC. PMIU will comprise four sections: Construction Management, Learning, Reforms, and Community Mobilization, Back Office Services, and Planning, Monitoring, and Evaluation (Please see Annexure- VII).

Government of Sindh will be responsible for using its own resources to pay the salaries and other personnel related benefits and expenses, and operating (recurring expenditures) of the PMIU. Operating costs of PMIU represent the integral part of GOS funding in the Program. The Government of Sindh will be contributing to the Program by hiring additional teachers, technicians, libraries (as needed) to staff the new schools. Other operation, repair and maintenance costs of schools will also be the borne by the Government of Sindh. Summary and detailed

cost estimates of counterpart funding (physical assets + operating costs) and Monitoring & Evaluation consulting services is given in **Annexure- VIII**.

PMIU will have two regional offices, one each in Sukkur and Larkana to provide on-ground liaison, and interaction with, and monitoring of the schools, sub-contractors, and communities. Sukkur office will be responsible for the Program operations in Sukkur, Kashmore, Kandhkot, Khairpur, and Jacobabad districts and Larkana office will be responsible for Larkana, Qambar-Shahdadkot, and Dadu districts. On-ground interventions in selected towns of Karachi District will be directly managed by PMIU Karachi.

The Government of Sindh will ensure that the government staff working on deputation with the Program is not transferred to the extent possible. Annual Confidential Reports of all staff of PMIU will be linked to job descriptions and respective deliverables. Detailed job descriptions for the key positions of PMIU will be developed as part of the Capacity Building Plan of PMIU.

4. Terms of Reference of PMIU

Overall objective of the PMIU is the transparent and efficient management of SBEP, ensuring programmatic quality and effectiveness, technical coordination, internal and external communication, accountability, and sound administration. PMIU is accountable to PSC.

The PMIU is responsible for:

- a) Engaging with SBEP stakeholders on strategy and policy matters
- b) Identifying windows of opportunity to further develop the programme and components; managing actively the scope of the Program according to changing strategic environment
- c) Elaborating PC-I document guiding implementation at the individual component level
- d) Appraising sub-project PC-Is within the mandate given by the Programme Steering Committee
- e) Working out frameworks, regulations, policies, and procedures necessary for effective management of the Program, to be approved by PSC
- f) Identifying schools for construction and/or up-gradation in accordance with agreed policies
- g) Initiating and managing architectural design of schools and preparing procurement packages for sub-contractors
- h) Supervising construction sub-projects in terms of timeliness, cost effectiveness, delivery, and quality of works
- i) Introducing systems and procedures for Project Cycle Management as specified by USAID

- j) Procuring or facilitating the procurement of services and other inputs to the interventions at component level
- k) Approving the utilization of funds within the mandate given by the PSC
- l) Monitoring progress and outcomes of all components under its jurisdiction and undertaking specified evaluations
- m) Preparing quarterly and annual work plans and budgets as specified by the Project Monitoring & Evaluation System (PMES)
- n) Preparing monthly and quarterly progress reports as per PC-III format
- o) Developing and implementing a quality plan for identification, design, and construction of sub-projects to ensure quality of works in line with agreed upon standards
- p) Preparing a risk management framework to identify potential risks and risk response measures for active risk control
- q) Collaborating and coordinating with SBEP staff, to be hired by USAID, to implement all components of the Program in an integrated manner for optimum results
- r) Promoting a team culture within PMIU and with its stakeholders; ensuring timely staff recruitment and creating incentives for staff retention
- s) Publicizing the achievements of the Program through paper, and electronic media to ensure its visibility and to improve accountability of implementers
- t) Undertaking any other assignments as delegated by the PSC

5. Preparation of Sub-Project PC-Is

Damaged schools for reconstruction and up-gradation will be identified through the selection guidelines agreed with USAID/Pakistan (Annexure-II refers). District level Education and Literacy Department staff will be engaged to prepare and short-list the schools. PMIU will share such List with USAID for approval. As a result the approved list will be basis for preparation of detailed sub-project PC-Is. Construction works in districts will be divided into 2-3 phases. Sub-project PC-Is will be prepared separately for each district as per approved phasing. Sub-project PC-Is has to be based on detailed projections of estimated student population for the next 20 years and detailed architectural design. Detailed cost estimates need to be provided. PMIU will be responsible for preparing and appraising the sub-project PC-Is with technical assistance from Design and Supervision consultants. Planning, Development and Finance (PDF) sections of Education and Literacy Department should be given due role in the sub-project PC-Is preparation process. Active support and clearance should be sought from representatives of respective Districts. Sub-project PC-Is would be cleared by PSC and approved by Provincial Development

Working Party (PDWP), in line with the guidelines provided by the Planning Commission.

While preparing sub-projects PC-I, the requirements under 'Revenue Head' i.e. furniture, fixtures, equipment, books etc will also be incorporated in the cost of the schools. This expenditure will be part of USAID grant funding for the physical works viz. Construction/reconstruction of schools. However, the following need to be taken into account while preparation of estimates for 'Revenue Head' requirements:

- Furniture, Fixtures and Equipment should not exceed 15% of the capital cost of the school.
- Cost of Land should not be more than 10% of capital cost.
- The word 'Approx.' to be used for the purpose of flexibility.
- Furniture, Fixtures and Equipment cost will be incurred after the completion of Capital/civil works, hence, should be booked in next year.

Works & Services Department of GoS will be responsible for repair and maintenance of schools after completion of construction activities. Repair and maintenance of buildings will be financed by the Government of Sindh through non-development annual budgets.

6. Technical Assistance and Consultancy Services

To ensure quality of works executed, USAID will hire Design and Supervision consultant(s) for the implementation of the Program in consultation and coordination with the Education and Literacy Department. USAID will charge the cost of the consultant(s) and the cost of hiring process of consultants to SBEP. Terms of Reference of the Design and Supervision consultants will be developed by USAID. USAID may decide to recruit consultants/contractors for reforms, community mobilization and learning component directly. However, USAID will seek endorsement of selection of the consultants and contractors from PMIU. PMIU will take lead role in preparing work plans for community mobilization, reforms, and learning activities.

Technical Assistance (TA) covers US\$ 74 million (Rs. 6438 million) which would be spent on consulting services by USAID directly. This includes i) Rs. 522 million for Design and Supervision consultants, ii) Rs. 1218 million for Office of Infrastructure & Engineering (OIE) Construction Design and Supervision, iii) Rs. 2610 million for Improved reading and reading instruction, iv) Rs. 1740 million for Community mobilization, and v) Rs. 348 million for independent Monitoring & Evaluation.

In addition to above, Rs 52.4 million (US\$ 0.6 million) will be spent by PMIU, through GoS counterpart funding, on engagement of; j) Monitoring & Evaluation consultant/ specialist, and ii) expertise on emerging need basis.

The total Technical Assistance and consultancy services provision comes to Rs. 6,490.4 million (USD 74.6 million). Please see Annexure- IX for details.

7. Financial, Procurement, and Human Resource Management Systems

The PMIU shall ensure that the observations raised in pre-award assessment by USAID, and specifically covered in the section 7.4 below, are adequately addressed in terms of systems, procedures, and practices adopted for SBEP.

Support Services Section has been provided for in the management structure of the PMIU, with adequate staff. Support Services Section will be responsible for looking after the financial, procurement, and HR management related to the Program.

7.1 Finance

In coordination with the Economic Affairs Division, State Bank of Pakistan, and the Finance Department, GOS, the Education and Literacy Department will open a Special Assignment Account in the designated bank subject to fulfilment of all codal formalities in accordance with the Revised Accounting Procedure of Revolving Fund Account (RFA), issued by the Finance Division, Government of Pakistan. The Auditor General of Pakistan will audit the accounts of the Program (Only enforced rules of Auditor General of Pakistan will be used).

Government rules regarding Assignment Accounts and PIFRA will be strictly adhered to in relation to financial and procurement management. All books of accounts and accounting records will be mandatorily maintained in "Systems Applications and Products" (SAP) software.

Audit of the Program will be conducted annually and results of the audit will be submitted to Government of Sindh and USAID within nine months of the close of a financial year.

7.2 Procurement

PMIU will prepare Procurement Plans for the Program, at least annually. All procurement actions undertaken by SBEP must be consistent with Government of Pakistan and Government of Sindh laws, regulation, rules, policies, and procedures. The Program will adhere to the applicable procurement rules, regulation, policy guidelines and related pronouncements issued by the Sindh Public Procurement Regulatory Authority.

7.3 Human Resources

PMIU will ensure that proper human resources are made available with appropriate description of duties, lines of reporting, market based salary, appropriate qualification, and segregation of duties, etc. HR Manager has been provided in the management structure of the PMIU.

7.4 Capacity Building

Through USAID-assisted Assessment and Strengthening Program (ASP) PMIU will engage Procurement, Human Resource, and Financial Management experts as short-term consultants to formulate the Procurement, Human Resource, and Financial Management frameworks, respectively. Procurement Framework will include award/contract administration policy and procedures, standard bidding documents, pre-audit function, procurement audit and process review mechanism, grievance redress mechanism, and capacity building measures of educational managers. Procurement Framework will specify guidelines for Annual Procurement Plan, and will list best practices for the procurement process. Human Resource expert will prepare the Human Resource Framework. These frameworks will be considered an essential part of PC-1. The frameworks will be the basis for development of manuals, rules, and financial software, etc. The Frameworks shall be prepared before the start of the Program.

8. Monitoring & Evaluation

A full-fledged M&E section will be created under the PMIU to be able to meet monitoring and reporting requirements of the USAID and the GOS. Detailed M&E structure and terms of reference of the staff will be developed as part of the M&E Framework. Besides a Program Manager, one manager each for Monitoring and Evaluation, and for Information Technology has been provided for. A number of external consultants will be hired by the M&E Section to ensure independence of opinion and quality of outputs.

USAID will also engage independent consultants to undertake monitoring and evaluation activities under the Program. These consultants will largely assist and supplement the work of the M&E Section. Primary responsibility for monitoring and evaluation will rest with the M&E Section, PMIU, Education and Literacy Department.

8.1 Monitoring & Evaluation Framework

Monitoring & Evaluation Framework will be developed for SBEP by a consultant. The framework will be an essential part of the PC-1. The framework will describe the aims and objectives of the monitoring and evaluation activities. It will list and describe major requirements, activities, and methods for measuring and course-correcting progress, performance, processes, and

outcomes with a clear description of responsibilities and resource implications. A consultant will be hired by the PMIU to assist in operationalization of the M&E Framework. The following table will be populated by the M&E expert in consultation with all the stakeholders (Gender sensitive indicators, where possible):

| S. No | Input | Output | Outcome | | Targeted Impact |
|-------|-------|--------|--------------------|-------------------------------------|-----------------|
| | | | Baseline Indicator | Targets after Completion of Project | |
| 1 | | | | | |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |
| 5 | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

8.2 Key Monitoring & Evaluation Arrangements

M&E staff will prepare Annual/Quarterly work plans and Quarterly Cash Plans as per the PMES guidelines and website provided by the P&D Department.

Quarterly Progress Report (QPR) will be prepared using the PC-III proforma. It will include both program (physical) and financial progress indicators. However, the indicators included in the PC-III will also conform to the Performance Management Plan guidelines of the USAID.

Draft QPR will be reviewed by the PMIU in a joint meeting with all stakeholders. Final QPR incorporating the comments of the stakeholders will be shared with GOS, Planning Commission and USAID.

A simple format will be developed to record the findings and decisions of a field visit by all the officers of the PMIU. The format may contain a narrative of the visit and list of key issues for decisions, course correction or follow-up. Based on the field visit reports, a Quarterly Monitoring Report (QMR) will be prepared. Key findings of the QMR may be reflected in the QPR.

Mid-Term Assessment of the program will be administered by the PMIU through a consultant. Mid-Term Assessment will be discussed by the PSC as part of the Mid-Term Review of the Program.

Project completion report of the program will be administered by the PMIU through a consultant in accordance with the PC-IV format. This will ensure further processing of SNEs including any need for staffing and equipment for additional classrooms.

Baseline survey of the Program will be administered by the PMIU through a consultant in line with the USAID and Planning Commission's guidelines for evaluation of projects and programs. End-line evaluation survey will also be conducted through a consultant. The end-line survey will follow up with the same households as in the baseline survey. Monitoring & evaluation budget will be included as a separate sub-head in the Annual Work Plan and Budget of the PMIU.

ii) Manpower requirements during execution and operation of the project be provided by skills/profession (The project should provide equal opportunity for hiring of female workers).

Detailed manpower requirements by skill/profession will be prepared by experts at the start of the Program.

iii) Job description, qualification, experience, age and salary of each job be provided.


Job descriptions and other details will be prepared by experts at the start of the Program.

14. Additional projects/ decisions required to optimize the investment being undertaken in the project.

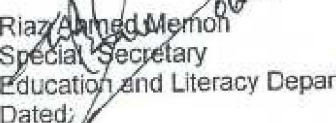
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15. Certified that the program proposal has been prepared on the basis of instructions provided by the Planning Commission for the preparation of PC-I for Social Sector projects.

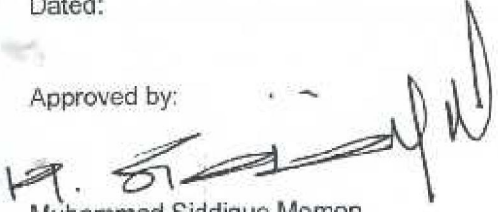
Prepared by:


Dilawar Mangi
Director
Planning & Development
Education and Literacy Department
Dated:

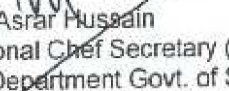
Checked by:


Riaz Ahmed Memon
Special Secretary
Education and Literacy Department
Dated: 06/4/12

Approved by:


Muhammad Siddique Memon
Secretary, Education and Literacy
Department

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Malik Asrar Hussain
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P&D Department Govt. of Sindh

Additional Chief Secretary (Dev)
Planning & Development Department
Government of Sindh.