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Report No: PAD4212

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED CREDIT

IN THE AMOUNT OF SDR 13.2 MILLION
(US\$18.7 MILLION EQUIVALENT)

AND A

PROPOSED GRANT

IN THE AMOUNT OF SDR 52.5 MILLION
(US\$74.8 MILLION EQUIVALENT)

AND A

GRANT

IN THE AMOUNT OF US\$56.5 MILLION
FROM THE GLOBAL PARTNERSHIP FOR EDUCATION

TO THE

REPUBLIC OF MALAWI

FOR A

MALAWI EDUCATION REFORM PROGRAM PROJECT

August 6, 2021

Education Global Practice
Eastern and Southern Africa Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective June 30, 2021)

Currency Unit = SDR

SDR0.70 = US\$1

US\$1.43 = SDR 1

FISCAL YEAR

January 1 - December 31

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ABBREVIATIONS AND ACRONYMS

CAMFED	Campaign for Female Education
CAS	Country Assistance Strategy
CERC	Contingent Emergency Response Component
CFM	Common Financing Mechanism
CFOA	Common Fiscal Oversight Agent
COVID-19	Coronavirus Disease 2019
DBE	Directorate of Basic Education
DDF	District Development Fund
DEO	District Education Office
DHRM	Directorate of Human Resource Management
DLI	Disbursement-Linked Indicator
DLR	Disbursement-Linked Result
DP	Development Partner
DPP	Directorate of Policy and Planning
DQAS	Directorate of Quality Assurance Services
DSHNHA	Directorate of School Health and Nutrition, HIV and AIDS
DTED	Directorate of Teacher Education and Development
EIMU	Education Infrastructure Management Unit
EMIS	Education Management Information System
EQUALS	Equity with Quality and Learning at Secondary
ESIP	Education Sector Implementation Plan
ESJF	Education Sector Joint Fund
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESPIG	Education Sector Plan Implementation Grant
FCDO	United Kingdom Foreign, Commonwealth and Development Office
FM	Financial Management
GBV	Gender Based Violence
GDP	Gross Domestic Product
GEMS	Geo-Enabling Initiative for Monitoring and Supervision
GM	Grievance Mechanism
GoM	Government of Malawi
GPE	Global Partnership for Education
GRS	Grievance Redress Service
HCI	Human Capital Index
IA	Implementing Agency
IFMIS	Integrated Financial Management Information System
IPF	Investment Project Financing
IVE	Independent Verification Entity
LAYS	Learning-Adjusted Years Of Schooling
LEG	Local Education Group
LGAP	Local Government Accountability Project



M&E	Monitoring and Evaluation
MANEB	Malawi National Examinations Board
MERP	Malawi Education Reform Program
MESIP	Malawi Education Sector Improvement Project
MGDS	Malawi Growth and Development Strategy
MHM	Menstrual Health Management
MIE	Malawi Institute of Education
MLSS	Malawi Longitudinal Schools Survey
MoE	Ministry of Education
MoGCDSW	Ministry of Gender, Community Development and Social Welfare
MoLG	Ministry of Local Government
MTR	Mid-Term Review
NESIP	National Education Sector Investment Plan
NESP	National Education Sector Plan
NOK	Norwegian Krone
NPV	Net Present Value
NRP	National Reading Programme
PAD	Project Appraisal Document
PBC	Performance-based condition
PCR	Pupil-Classroom Ratio
PDO	Project Development Objective
PEA	Primary Education Adviser
PforR	Program For Results
PFT	Project Facilitation Team
PqTR	Pupil-Qualified Teacher Ratio
PSIG	Primary School Improvement Grant
PSLCE	Primary School Leaving Certificate of Education
RF	Results Framework
RNE	Royal Norwegian Embassy
SACMEQ	Southern and Eastern Africa Consortium for Monitoring Education Quality
SDG	Sustainable Development Goal
SDP	Skills Development Project
SE	Secretary of Education
SEA	Sexual Exploitation and Abuse
SH	Sexual Harassment
SIG	School Improvement Grant
SLP	School Leadership Program
SSA	Sub-Saharan Africa
TTL	Task Team Leader
USAID	United States Agency for International Development
WASH	Water, Sanitation and Hygiene



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DATASHEET

BASIC INFORMATION

Country(ies)	Project Name	
Malawi	Malawi Education Reform Program Project	
Project ID	Financing Instrument	Environmental and Social Risk Classification
P174329	Investment Project Financing	Moderate

Financing & Implementation Modalities

<input type="checkbox"/> Multiphase Programmatic Approach (MPA)	<input checked="" type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input checked="" type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made Disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Enhanced Implementation Support (HEIS)

Expected Approval Date	Expected Closing Date
27-Aug-2021	31-Dec-2025

Bank/IFC Collaboration

No

Proposed Development Objective(s)

The Project Development Objective is to improve learning environments for students in lower primary in Government schools.

Components

Component Name	Cost (US\$, millions)
Component 1. Expanding and Reforming Primary School Improvement Grants	44.00
Component 2. Improved Learning Environments in Lower Primary to Support Learning Recovery After COVID-19	131.45
Component 3. Supporting Girls' Learning	18.02
Component 4. School Leadership Program	11.00
Component 5. Project Coordination and Capacity Building	6.00
Component 6. Contingent Emergency Response	0.00

Organizations

Borrower:	Republic of Malawi
Implementing Agency:	Ministry of Education

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	210.47
Total Financing	210.47
of which IBRD/IDA	93.50
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	93.50
IDA Credit	18.70
IDA Grant	74.80

Non-World Bank Group Financing

Counterpart Funding	60.47
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Borrower/Recipient	60.47
Trust Funds	56.50
EFA-FTI Education Program Development Fund	56.50

IDA Resources (in US\$, Millions)

	Credit Amount	Grant Amount	Guarantee Amount	Total Amount
Malawi	18.70	74.80	0.00	93.50
National PBA	18.70	74.80	0.00	93.50
Total	18.70	74.80	0.00	93.50

INSTITUTIONAL DATA

Practice Area (Lead)

Education

Contributing Practice Areas

Climate Change and Disaster Screening

This operation has been screened for short and long-term climate change and disaster risks

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category

Rating

1. Political and Governance	● Moderate
2. Macroeconomic	● Substantial
3. Sector Strategies and Policies	● Moderate
4. Technical Design of Project or Program	● Moderate
5. Institutional Capacity for Implementation and Sustainability	● Substantial
6. Fiduciary	● Substantial
7. Environment and Social	● Moderate
8. Stakeholders	● Low
9. Other	



10. Overall

● Substantial

COMPLIANCE

Policy

Does the project depart from the CPF in content or in other significant respects?

Yes No

Does the project require any waivers of Bank policies?

Yes No

Environmental and Social Standards Relevance Given its Context at the Time of Appraisal

E & S Standards	Relevance
Assessment and Management of Environmental and Social Risks and Impacts	Relevant
Stakeholder Engagement and Information Disclosure	Relevant
Labor and Working Conditions	Relevant
Resource Efficiency and Pollution Prevention and Management	Relevant
Community Health and Safety	Relevant
Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Not Currently Relevant
Cultural Heritage	Not Currently Relevant
Financial Intermediaries	Not Currently Relevant

NOTE: For further information regarding the World Bank’s due diligence assessment of the Project’s potential environmental and social risks and impacts, please refer to the Project’s Appraisal Environmental and Social Review Summary (ESRS).

Legal Covenants



Sections and Description

The Recipient shall recruit, not later than ninety (90) days after the Effective Date, and thereafter maintain throughout Project implementation, an independent verification agent (“Verification Agent”) with qualification, experience and under terms of reference satisfactory to the Association to undertake the verification of compliance with the PBCs in accordance with the Verification Protocol.

Sections and Description

The Recipient shall ensure that the Verification Agent, not later than thirty (30) days after the verification of compliance with/achievement of the PBCs for the pertinent calendar year has been completed, prepares and furnishes to the Recipient and the Association, a report on the results of said verification process of such scope and in such detail as the Association shall reasonably request.

Sections and Description

The Recipient shall prepare and furnish to the Association, within one (1) month after the Effective Date, a work plan and budget containing all the activities proposed to be carried out during the first year of project implementation, and a proposed financing plan for expenditures required for such activities, setting forth the proposed amounts and sources of financing

Sections and Description

The Recipient shall, not later than six (6) months after the Effective Date, recruit a procurement specialist for the MOE with experience, qualifications, and terms of reference, satisfactory to the Association.

Sections and Description

The Recipient shall, not later than four (4) months after the Effective Date, update or install an accounting system within the MOE, in form and substance satisfactory to the Association.

Conditions

Type	Financing source	Description
Effectiveness	IBRD/IDA	the GPE Grant Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of the IDA Financing Agreement) have been fulfilled
Effectiveness	IBRD/IDA	the Recipient has prepared and adopted a Project Implementation Manual in form and substance satisfactory to the Association
Effectiveness	IBRD/IDA	the Recipient has established a Project Facilitation Team within its Ministry of Education with a composition and mandate as described in Section I.A.2(b) of Schedule 2 to the IDA Financing Agreement
Effectiveness	Trust Funds	Th execution and delivery of the Grant Agreement on behalf of the Recipient has been duly authorized or ratified by all necessary



		governmental and corporate action.
Type Effectiveness	Financing source Trust Funds	Description The IDA financing agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the Effectiveness of the GPE Grant Agreement) have been fulfilled.
Type Disbursement	Financing source Trust Funds, IBRD/IDA	Description Notwithstanding the provisions of Part A in the FA/Grant Agreement, no withdrawal shall be made under Categories (2) through (8) unless and until the Recipient has furnished evidence satisfactory to the Association, including verification reports from the Verification Agent, that: (i) payments for the relevant Eligible Expenditures for the PBCs have been made in accordance, and in compliance, with the procedures set forth in the Verification Protocol; and (ii) the PBCs for which payment is requested have been met on terms and conditions and in a manner satisfactory to the Association and verified in accordance with the Verification Protocol
Type Disbursement	Financing source IBRD/IDA	Description Notwithstanding the provisions of Part A in the FA, no withdrawal shall be made for Emergency Expenditures under Category (9) unless and until all of the following conditions have been met in respect of said expenditures: (i) (A) the Recipient has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Association a request to withdraw Financing amounts under Category (9); and (B) the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and (ii) the Recipient has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Association.



I. STRATEGIC CONTEXT

A. Country Context

1. **Malawi is home to about 18 million people of which 70 percent live below the poverty line of US\$1.90 per day per capita.** Incomes are unequally distributed, with the poorest quintile of households accounting for only 7 percent of income and the wealthiest quintile, 50 percent.¹ Nearly 85 percent of the population lives in rural areas², most engaged in low productivity subsistence farming. The Malawian population is very young and growing fast; the mean age is 17 years, with 75 percent of Malawians under the age of 35 years. The population is expected to double by 2038 putting pressure on the agriculture-dependent economy as well as on limited public services.

2. **Human capital outcomes are low.** Malawi has made progress on the Human Capital Index (HCI) - from 2010 to 2020, the HCI value for Malawi increased from 0.36 to 0.41, which means that a child born in Malawi today will be 41 percent as productive when s/he grows up as s/he could be if s/he enjoyed complete education and full health. In education, low rates of learning mean that, while children in Malawi can expect to complete 9.4 years of pre- primary, primary and secondary school by age 18, when adjusted for quality of learning, this is only equivalent to 5.4 years.³

3. **Women's empowerment is constrained with a high incidence of early marriage and childbirth,** affecting Malawi's human capital development. Despite a decline in recent years,⁴ fertility rates remain high, particularly among rural women and those in the lowest-income quintile of households (6.1 persons per household, versus 4.5 in the least poor quintile).⁵ Early marriage is common, with 46 percent of women aged 18-22 reporting having been married before the age of 18, and nearly one-third of women aged 15-19 having already begun childbearing.⁶ Early pregnancy affects girls' ability to complete their education and the future chances and opportunities of their newborn children.^{7;8}

4. **The global coronavirus disease 2019 (COVID-19) pandemic has interrupted Malawi's trajectory of accelerated growth.** Real gross domestic product (GDP) per capita grew at an average of 1.5 percent per year in 1995–2018, while similar economies in Sub-Saharan Africa (SSA) grew at an average of close to 3 percent per year over the same period. Growth improved to an estimated 4.4 percent in 2019, up from 3.5 percent in 2018, reflecting improved agricultural production and stronger performance in the industrial and service sectors. The economy was on a trajectory for its third consecutive year of faster growth in 2020 before the onset of the COVID-19 pandemic. Malawi first saw a high number of infections between June and August 2020, followed by a decline, and in December/January 2021 the pandemic spread at a quick pace with both new infections and deaths increasing exponentially. The Malawian Government declared a State of Disaster and ordered the closing of nonessential businesses and institutions, placing further pressure on an already weak private sector with imperfect access to

¹ Integrated Household Survey (IHS) 2016/17.

² World Bank estimate based on United Nations Population Division's World Urbanization Prospects. 2018. Available at: <https://data.worldbank.org/indicator/SP.RUR.TOTL.ZS?locations=MW>. Accessed: 9th June 2020.

³ World Bank. 2018. "Malawi". Available at: https://databank.worldbank.org/data/download/hci/HCI_2pager_MWI.pdf. [10th June 2020]

⁴ Total fertility rate declined from 7 children per women in 1990 to 4.4 in 2015. World Bank. 2018. International Development Association Project Appraisal Document on An Investing In Early Years For Growth And Productivity In Malawi Project." Washington, DC: World Bank.

⁵ IHS 2016/17

⁶ Multiple Indicator Cluster (MICS) 2017 survey.

⁷ Malawi Economic Monitor: Investing in Girls Education, November 2018. World Bank.

⁸ Adolescent pregnancy is shown to have an impact on child and infant mortality, stunting, and a number of other health indicators for both the mother and the child.



liquidity and credit markets. Growth in 2020 slowed to an estimated 0.8 percent⁹, down from previous projections of 4.8 percent. With population growth around 3.0 percent, this represents a 2.0 percent contraction in per capita GDP. The resource crunch in the wake of economic shrinkage is expected to create challenges to sustained capital expenditures on services circumscribing the ability to attain human capital development goals. The pandemic is also likely to exacerbate chronic high levels of poverty and inequality.

B. Sectoral and Institutional Context

5. **Education outcomes in Malawi are poor despite consistent public investment.** Education and Skills Development are among the five Key Priority Areas within the Malawi Growth and Development Strategy III, 2017-2022, and Human Capital Development is one of the seven Enablers of Malawi's 2063 Vision Framework. Since 2015, public expenditure on education has increased from 4 percent of GDP to 5.1 percent in 2019, representing 21 percent of public expenditure.¹⁰ However, Malawi has not been able to consistently meet the Global Partnership for Education (GPE) target of 20 percent of public expenditure on education in recent years. Basic education accounts for 49 percent of public education expenditure as of 2020/21; this is above the average for SSA but potentially inequitable given low levels of post-primary enrollment.¹¹

6. **Malawi's primary education system has achieved remarkable progress in increasing access to school, with Gross Enrollment Rates above 100 percent at primary level for more than a decade, but faces continued pressure to provide quality learning in the face of growing intake of students.** Chronic rates of high repetition and dropout among students, particularly in lower grades, represent a significant source of inefficiency. More than 3 percent of students drop out in Standard 1, with dropout rates rising to almost 5 percent in upper grades (and to almost 7 percent for girls – see Annex 2). Fewer than two-thirds of students entering Standard 1 survive to Standard 5, and this rate has declined in the last five years.¹² Those who do survive to upper primary learn very little. In learning assessments conducted as part of the Malawi Longitudinal Schools Survey (MLSS), implemented by the World Bank in partnership with the Ministry of Education (MoE)¹³, students struggled to complete simple tasks such as adding two- and three-digit numbers or identifying a missing letter in a sequence.¹⁴ These poor outcomes continue in upper primary.¹⁵ Moreover, with 1.3 million children entering the school system every year, the large, fast growing young population places tremendous pressure on limited resources available for education service delivery. The number of school-age population at primary level is expected to rise from 4.8 million to 6.5 million by 2030¹⁶. Without smart, strategic investments in schools the education component of Malawi's HCI is likely to decline over time.

7. **These pressures are likely to be deepened by the COVID-19 pandemic, which poses a threat both to**

⁹ World Bank. 2021. "Malawi Economic Monitor: Investing in Digital Transformation". Available at: <https://openknowledge.worldbank.org/bitstream/handle/10986/35880/Malawi-Economic-Monitor-Investing-in-Digital-Transformation.pdf?sequence=1&isAllowed=y> [7.13.21]

¹⁰ Government budget 2020/21 allocates 21.6 percent of total budget to Education (Statement by Minister of Finance to Malawi Parliament, 11th September 2020)

¹¹ World Bank. 2020. "Malawi Public Expenditure Review 2020: Strengthening Expenditure for Human Capital." Available at: <https://openknowledge.worldbank.org/handle/10986/35855> [8.4.21]

¹² EMIS data, 2016-2020.

¹³ Previously known as the Ministry of Education, Science and Technology

¹⁴ The MLSS includes learning assessments administered to Standard 4 students in English, Maths and Chichewa which contain test items for each of Standards 1 to 4, enabling students' relative proficiency level to be determined irrespective of the grade they are currently studying for.

¹⁵ Malawi registers the lowest numeracy and literacy learning levels in eastern and southern Africa, according to Southern and Eastern Africa Consortium for Monitoring Education Quality (SACMEQ, 2013), with most Standard 6 learners not achieving minimum competencies.

¹⁶ This include children between 6 and 13 years old based on population projections from the United Nations Department of Economic and Social Affairs, adjusted to reflect school-age share of population as reported in the United Nations Children's Emergency Fund (UNICEF) Multiple Indicator Cluster Survey.



learning and to future education financing. The Government of Malawi closed all schools and universities from late March to early October 2020 and again in January-February 2021. Learning loss as a result of COVID-19 is expected to be substantial and exacerbate existing inequities. Analysis by the World Bank suggests that in SSA, school closures of five months could produce a reduction in student learning outcomes from 4.9 learning-adjusted years of schooling (LAYS) to only 4.3, assuming some successful mitigation of learning loss from distance learning and catch-up learning following the reopening of schools.¹⁷ These impacts are likely to be most severe among poorer and disadvantaged households, exacerbating existing disparities in learning among Malawian students. The COVID-19 pandemic is also expected to push more households into extreme poverty, and to increase the incidence of early marriage, erecting further barriers to students' participation in school.¹⁸ Furthermore, the economic impacts of the pandemic are expected to be substantial and reduce public revenues, with potential negative impacts on education financing.¹⁹

Binding Constraints to Learning

8. There is a need for urgent attention to binding constraints to learning at lower primary level, particularly large class sizes. Malawi's primary schools are an extreme case of a 'traffic-jam' problem, with extremely large class sizes and low learning in Standards 1 and 2. High fertility rates have driven a rapid rate of enrollment expansion in recent years. Without adequate supply of classrooms and teachers, this results in extremely large class sizes, typically above 100 students in Standards 1-2. In such conditions, schools act more as daycare centers than places of learning. Students and teachers alike respond to these poor conditions with high absenteeism rates: in a typical school, 29 percent of enrolled students are absent on a typical day.²⁰ These poor conditions make it difficult to achieve progress on reducing the high rates of repetition and dropout or on raising learning outcomes.²¹ Even when controlling for teaching practices and a wide range of other characteristics, students in schools where the Standard 4 class size is above 60 achieve several weeks' less learning on average by the time they reach Standard 4.²² In the context of COVID-19, these poor conditions constitute a risk for disease transmission and retard the possibilities for catch-up of learning loss.

9. Reduction in class sizes is imperative to unlock the benefits from recent improvements in teaching. In recent years, teaching practices in lower primary (Standards 1-4) have been supported by interventions including the National Reading Programme (NRP), conducted nationwide with support from the United States Agency for International Development (USAID), which has provided training, teacher's guides, and support to more than 48,000 lower primary teachers to improve literacy outcomes.²³ Malawi's primary school teachers, when teaching, are as likely as those in comparable countries to exhibit a range of positive behaviors associated with improved learning

¹⁷ World Bank Group. 2020. "Simulating The Potential Impacts Of COVID-19 School Closures On Schooling And Learning Outcomes: A Set Of Global Estimates." Washington, D.C.: World Bank Group.

¹⁸ As noted above, the economic impact of the pandemic is likely to be substantial, deepening pressure on public expenditures. Development partners already account for 15% of Malawi's education spending, and this is also expected to come under pressure in the coming years.

¹⁹ World Bank. 2020. "Malawi Public Expenditure Review 2020: Strengthening Expenditure for Human Capital." Washington, D.C.: World Bank Group.

²⁰ Evidence from a wide range of countries suggests that large class sizes are a key driver of student absenteeism (Tran, L. and Gershenson, L. 2018. "Experimental Estimates of the Student Attendance Production Function." Institute of Labor Economics Discussion Paper No. 11911. Bonn: Institute of Labor Economics). In Malawi, a similar dynamic appears to be at work: classes with 90 students enrolled have 2.6 percentage points greater absenteeism than classes with 60 students on average; classes with 120 students have four points higher absenteeism rate (MLSS baseline).

²¹ Evidence from a wide range of countries suggests that large class sizes are correlated with lower rates of grade promotion (Walter, T. 2018. "Misallocation of State Capacity?" Thesis submitted to the Department of Economics of the London School of Economics and Political Science for the degree of Doctor of Philosophy. London, September 2018) and that reduction in class size is an effective means to reduce dropout (Catterall, J. 2010. "The Societal Benefits and Costs of School Dropout Recovery." *Education Research International* Volume 2011.).

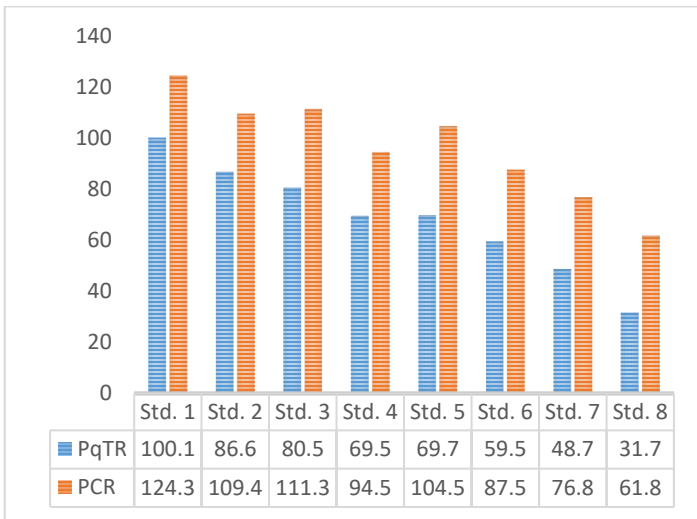
²² Twelve points lower learning on 500-centred scale (MLSS baseline). 110 points equivalent to one year's learning.

²³ The National Reading Programme has also been associated with the extension of the academic day in lower primary, increasing teaching time.



such as correcting mistakes and giving positive reinforcement, and asking questions of students²⁴. Teachers also have a satisfactory knowledge of the concepts covered in the lower primary curricula.²⁵ However, only 10 percent of teachers set homework for students, and only 5 percent collect, or review homework previously assigned²⁶, activities that place unreasonable time burdens on teachers with more than 100 students to a class. Multivariate regression analysis suggests that even those teachers who do employ good practices do not achieve much higher learning outcomes for their students than other teachers; the sheer size of classes renders their hard work ineffective at improving learning.²⁷

Figure 1. Pupil-classroom and pupil-qualified-teacher ratios, by grade (2019/20)



Source: World Bank calculations using EMIS 2019/20 data

10. **Addressing large class sizes in lower primary requires investments in classrooms and teachers.** The average Pupil-Qualified Teacher Ratio (PqTR) in public primary schools in Standard 1 is 100:1, and in Standard 2, 87:1 (Figure 1). The overall PqTR in lower primary is 86:1²⁸. PqTRs decline substantially in upper grades, reflecting poor allocation of teachers within the school. Owing to severe shortages of classrooms, Pupil-Classroom Ratios (PCR)²⁹ in lower grades are even higher: 124:1 in Standard 1 and 109:1 in Standard 2³⁰. The World Bank estimations suggest that the stock of classrooms for lower primary would need to be increased by 30,000 in order to bring all schools to PCRs below 60 in these grades, a much greater pace of construction than has been achieved in the last decade.

11. **Targeted attention to the most severely disadvantaged schools is critical to raise overall**

levels of learning. PqTRs and learning environments vary widely between schools, even within a single sub-district zone. In particular, schools in remote areas – those further from trading centers – face more severe shortages of teachers, accentuating overall poor outcomes in lower grades. The interquartile range – the difference between the 25th and 75th percentile school – for PqTR in lower primary is very high at 43. Shortages of classrooms also vary widely, with the most severely disadvantaged schools having an average PCR in Standard 1 of 228, versus 55 in the least disadvantaged schools.³¹ The interquartile range for PCR in lower primary is 77. These inequities are predictive of disparities in learning.³² Given the scale of the overall resource challenge, achieving improvements in learning equitably and efficiently necessitates targeted investment in the most disadvantaged schools.

12. **In addition, improvement in lower-grade PqTRs requires sustained improvement in the distribution of teachers between schools and between grades.** Misallocations of teachers – between schools and, within schools,

²⁴ Comparison of MLSS baseline (2016) with Service Delivery Indicators (SDI)

²⁵ E.g. correcting mistakes, giving positive reinforcement, and asking questions of students. MLSS, baseline data, 2016.

²⁶ MLSS baseline, 2016.

²⁷ Author’s analysis based on MLSS baseline, 2016.

²⁸ Permanent qualified teachers. EMIS data 2019/2020.

²⁹ Throughout this document, PCR is used to denote Permanent Pupil-Classroom Ratio.

³⁰ EMIS data 2018/19.

³¹ P90 versus P10.

³² MLSS midline, 2018/19.



between grades – represent the single largest misallocation of resources in the Malawi education sector. Teacher salaries account for around 70 percent of public primary expenditure, but a large share is used inefficiently to finance inefficient staffing in certain schools with PqTRs well below 60, predominantly in towns and trading centers³³. High PqTRs in lower primary are exacerbated by under-allocation of teachers within schools to these grades. In order to achieve long-term and fiscally sustainable reduction in class sizes, it is necessary to increase the equity of both inter- and intra-school teacher allocations.

13. **There is a need to ensure equitable learning opportunities, especially for girls.** Though Malawi has achieved gender parity in enrolment in primary school,³⁴ girls are falling behind boys in terms of test scores and primary school completion. In the MLSS learning assessments, Standard 4 girls achieve average scores twenty points below boys on a standardized knowledge scale, which is equivalent to several months' less learning.³⁵ These disparities persist in upper primary.³⁶ High rates of dropout for girls in upper primary, exacerbated by early marriage, mean that girls are less likely than boys to complete primary education (50.5 percent versus 52.2 percent).³⁷ Concerted efforts to support girls in upper primary have successfully reduced the gap in completion rates in recent years, but further progress is necessary in order to address the divergent learning outcomes between girls and boys across primary schools in Malawi.

14. **Girls face a number of additional barriers to getting a quality education in Malawi.** There is limited availability of gender-specific infrastructure such as changing rooms, and menstrual health management (MHM) materials. Additionally, cultural factors including a high incidence of early marriage and early pregnancy, low educational aspirations for girls and a lack of support from households also have a negative impact on girls' education. Other barriers include the high prevalence of violence (physical, sexual and emotional) facing both girls and boys in Malawi, with one study indicating that 99 percent of children reported being bullied and almost 25 percent of those surveyed reported being forced to have sex against their will.³⁸ The most common location for sexual abuse for children aged 13 to 17 was on a road or in school,³⁹ according to another nationally representative survey.

15. **Ensuring the adequacy and distribution of female teachers is particularly important for girls' education.** Although Malawi's teaching workforce is almost evenly split between men and women (the teacher population is around 45 percent female⁴⁰), 41 percent of female teachers are clustered in the one-fifth of schools closest to trading centers.⁴¹ As a result, the typical school has only one female teacher for every 97 female students, versus one male teacher for every 51 male students.⁴² In remote schools, the ratio rises to one female teacher for every 151 female students (The World Bank, 2018). Twelve percent of schools do not have a single female teacher.⁴³ Combined with the fact that female teachers are typically allocated to lower grades, the result is that female students in upper

³³ The 10 percent of schools with the highest rate of staffing have a PTR below 39, less than two-thirds the target of 60. PqTR variation is highly correlated with distance from the trading center; see Asim, S., Chimombo, J., Chugunov, D. and Gera, R. 2019. "Moving teachers to Malawi's remote communities: A data-driven approach to teacher deployment." *International Journal of Educational Development* 65 (2019): 26–43.

³⁴ The gross intake ratio for girls is slightly higher than that for boys, 124 percent versus 122 percent in 2017/18, according to the Education Management Information System (EMIS), and girls repeat and drop out at similar rates to boys in lower grades.

³⁵ MLSS baseline, 2016. Initial analysis suggests continued gender disparities at midline (2018/19)

³⁶ By Standard 6, girls achieve scores ten percentage points lower in SACMEQ Math and seven percentage points lower in reading (SACMEQ 2013), and by Standard 8, only 72 percent girls pass the Primary School Leaving Certificate of Education (PSLCE) versus 82 percent of boys.

³⁷ Ministry of Education (MoE). 2020. *Malawi Education Statistics 2019/20*.

³⁸ Burton P., 'Suffering at School- Results of the Malawi Gender-based Violence in School Survey', National Statistics Office Malawi, Oct 2005, available at <https://issafrica.s3.amazonaws.com/site/uploads/SUFFERINGATSCHOOL.PDF>.

³⁹ UNICEF (2013) Violence Against Children Study (VACS).

⁴⁰ EMIS 2017/18.

⁴¹ EMIS 2017/18.

⁴² MLSS Baseline.

⁴³ Using EMIS database in the 2018-19 academic year.



primary face severe shortages of role models, which may contribute to the high rates of dropout.⁴⁴ Evidence has demonstrated that female teachers can be effective in increasing girls' learning outcomes, particularly in settings where there exists only a few female teachers,⁴⁵ and are crucial for female retention.⁴⁶ A number of barriers prevent female teachers from accepting postings in remote schools, including safety concerns, lack of housing, water, electricity and other basic amenities; and lack of access to medical services.

16. **Addressing these challenges requires action to address longstanding bottlenecks in the management capacity of the education system.** Weaknesses in the teacher management system prevent district officials from allocating and enforcing allocation of teachers to remote schools. Weaknesses in school management, and sub-district school supervision lead to persistent inequitable allocations of teachers to lower grades. Weaknesses in central- and district-level planning lead to continued inadequate targeting of resources; and weaknesses in procurement and supervision lead to high-cost and slow construction of classrooms (for more details, see Annex 2).

17. **In addition, weaknesses in the flow of discretionary finance to schools pose additional restrictions on schools' capacity to effect improvements in learning environments.** Primary School Improvement Grants (PSIG) are the primary source of discretionary finance to schools, and of vital importance for the long-term capacity of schools to ensure safe and effective learning environments. PSIG supports all non-staff expenses for schools, including repair and maintenance of infrastructure; supply of student learning materials; mobilization of communities; and provision of support to girls, disadvantaged students, and students with special needs. PSIG is also the key modality for financing of schools' efforts to ensure a safe and hygienic environment for students in the context of the COVID-19 pandemic and recovery. However, the current PSIG is inadequate to meet school needs, and is subject to delays and discrepancies in delivery which pose severe limitations in its usefulness for schools (for details, see Annex 2).

Recent Progress and Developments

18. **Under the most recent Education Sector Plan (2008-2017), significant progress has been made in identifying successful means for reform.** The Government's National Education Sector Plan (NESP) 2008-2017, and related Education Sector Implementation Plan II (ESIP-II) 2013-2018, was supported by the Malawi Education Sector Improvement Project (MESIP, P158145), financed by the GPE. Under MESIP, significant gains have been achieved in school learning environments, teaching practices and outcomes through interventions including provision of additional grants, disbursed directly to schools to reduce delays; School Leadership Program training for headteachers, deputy headteachers, and Primary Education Advisers (PEAs, sub-district officials); and substantial improvements in the targeting of newly allocated teachers to schools. Following the successful piloting under MESIP of a new, low-cost approach to classroom construction led by communities, a new standardized design is being developed for low-cost classrooms by the Education Infrastructure Management Unit (EIMU) within MoE, which is intended to allow the construction of safe and high-quality low-cost classrooms by communities for approximately US\$7,000. Additionally, under ESIP-II, the aforementioned NRP has achieved significant improvements in teaching practices.

19. However, each MESIP intervention is limited to around 15 percent of public primary schools and in most cases, the participating schools are all within eight disadvantaged districts. To achieve change in outcomes at a

⁴⁴ Beaman, L. Duflo, E., Pande, R. and Topalova, P. 2012. "Female leadership raises aspirations and educational attainment for girls: A policy experiment in India." *Science* 335.6068 (2012): 582-586.

⁴⁵ Gordon, R., Marston, L., Rose, P., & Zubairi, A. (2019). 12 Years of Quality Education for All Girls: A Commonwealth Perspective. Summary. <https://doi.org/10.5281/zenodo.2541574>.

⁴⁶ World Bank Group: Education Global Practice. (2016). *Reaching Girls, Transforming Lives*. Available at: <http://documents1.worldbank.org/curated/en/212341467999691082/pdf/98450-REVISED-PUBLIC-WB-EGP-Reaching-Girls-040816-final6-web.pdf>.



national level, there is a need to transition from the project approach exemplified by MESIP, with project-specific finance and activities targeted to particular districts, to a programmatic approach which entails pooling project resources with existing government finance and programs to support national implementation, and catalyzing investments from Development Partners (DPs) in a focused, coordinated sector-wide manner, with investment targeted to particular schools on the basis of need.

Climate Vulnerability

20. **Malawi is highly vulnerable to climate change and the risks of climate change are increasing.** According to data from the 2011 Climate Risk and Adaptation Country Profile, Malawi is particularly prone to adverse climate hazards that include dry spells, seasonal droughts, intense rainfall, riverine floods, hailstorms, and flash floods. Indeed, over the past two decades flood and drought events have increased in frequency, intensity, and magnitude, with negative consequences for education, food and water security, water quality, energy, and the sustainable livelihoods of rural communities. Two major climate-related changes are predicted to occur over the next several decades that will have major economic and social implications for Malawi. First, the mean annual temperature is projected to increase by 1.1-3.0°C by the 2060s, and by 1.5-5.0°C by the 2090s. All projections indicate that the frequency of days and nights that are considered ‘hot’ in all seasons will increase substantially and number of days and nights considered ‘cold’ will decline. This has implications for agriculture and livestock, affecting livelihoods and increasing risks of malnutrition and heat strokes. Second, rainfall patterns are likely to become more variable and water flows will change. Projected increases and decreases in seasonal rainfall, total runoff, and the proportion of rainfall in heavy events will have profound implications for flooding and drought risk in the future.

21. **Droughts and floods constitute a major obstacle for the economy and weakens the education system in Malawi, with the negative impact being magnified for women and girls.** Flash floods in January 2007 affected more than 22,000 households, resulting in the destruction of livestock, crops and over 1,000 homes—some belonging to teachers.⁴⁷ Similarly, floods in March 2019 resulted in the loss of teaching and learning materials as well as the utilization of schools as shelters, disrupting learning.⁴⁸ Malawi has seen further flash floods recently in January and February 2020.⁴⁹ Further, droughts have been observed to increase poverty and increase time spent collecting water for household use, with negative impacts on school participation and learning, particularly for girls,⁵⁰ consistent with findings which indicate that there is a direct relationship between women’s empowerment and climate change.⁵¹ Given that they depend more on natural resources for their livelihoods, receive less education and are often poorer, women and girls are more exposed and vulnerable to climate change.

C. Relevance to Higher Level Objectives

22. **The proposed operation is aligned with the World Bank Group Country Partnership Framework (CPF) for Malawi (FY 2021-25) (Report No. 154505-MW).** The proposed operation is directly aligned to CPF Focus Area 3, Human Capital, specifically Objective 3.2, *Improving learning outcomes and skills*. The proposed project will also contribute to the World Bank’s twin goals of ending extreme poverty and promoting shared prosperity, and is consistent with the World Bank Group’s Human Capital Project and Africa Human Capital Plan. In addition, the project’s focus on improving learning environments in lower primary is well aligned with the World Bank’s target to

⁴⁷ https://www.unicef.org/emergencies/malawi_38123.html.

⁴⁸ <https://times.mw/schools-bear-floods-burden/>.

⁴⁹ <http://floodlist.com/africa/malawi-floods-lilongwe-january-2020>.

⁵⁰ <https://www.unicef.org/press-releases/unicef-collecting-water-often-colossal-waste-time-women-and-girls>.

⁵¹ Habtezion, S. with Eggerts, E., Huyer, S., Strohmeier, H. and Wanjiru, L. 2012. “Overview of linkages between gender and climate change.” Available at: <https://www.undp.org/content/dam/undp/library/gender/Gender%20and%20Environment/PB1-AP-Overview-Gender-and-climate-change.pdf>. [1.4.21]



reduce learning poverty at age 10 by at least half by 2030.

23. **The proposed project is aligned to the 3rd Malawi Growth and Development Strategy (MGDS III, 2017-22) which provides anchorage for the CPF.** Education and skills development is one of the five key priority areas in the MGDS III with an overall goal to *‘improve quality and relevant education and skills for all’* being aligned to specific outcomes including: (a) increased quality and relevance of primary education; (b) improved access and equity in basic education; and (c) improved governance and management of basic education. In addition, improved education opportunities are expected to contribute to the realization of results for several MGDS III priority program areas, specifically health and population, agriculture and climate change management, ICT infrastructure, HIV and AIDS, together with environmental sustainability. The proposed project is also aligned with Malawi’s 2063 Vision Framework, which establishes a priority goal to improve the availability, accessibility and quality of education, ensure every child attains at least 12 years of formal education, and construct and expand disability friendly and gender sensitive school physical infrastructure.

24. **The proposed project will support the new National Education Sector Investment Plan (NESIP) 2020-2030.** NESIP was approved in August 2020 with an objective to “be a catalyst for socio-economic development and industrial growth” by ensuring “that learners acquire the necessary knowledge and skills which they can use for their livelihood as productive citizens.” The proposed project will support the NESIP strategic objectives for primary education: improved equitable, inclusive access and participation; improved quality and relevance of teaching and learning; and efficient governance, management and accountability of service delivery. NESIP includes both measures to address the most severe challenges in learning environments and education system management in the short-medium term, and longer-term reforms to place the sector on a higher equilibrium of quality and sustainability. For example, NESIP includes both hiring of auxiliary teachers to address severe shortages of staff in the short-medium term, and improvements in the supply and distribution of formally employed teachers in the medium-long term, with a goal of reducing the national PqTR to 58:1 by 2030. The proposed project supports this dual approach, for example by supporting appointment of auxiliary teachers and providing results-based incentives for improvements in teacher distributions.

25. **The project will also contribute to Malawi’s progress towards the Sustainable Development Goals (SDGs) on education over the coming CPF cycles,** specifically SDG 4: ‘ensure inclusive and equitable quality education and promote lifelong learning opportunities for all’. It will contribute to specific targets including Target 4.1; 4.5; 4.6; 4A and 4C.⁵²

26. **The project supports the World Bank and GPE’s COVID-19 recovery response in Malawi.** The project will assist in the Government’s response to COVID-19 by expanding the project’s support to improved learning environments and reduced overcrowding in lower primary and supporting construction of water, sanitation and hygiene (WASH) facilities (see Component 2 for details).

⁵² United Nations. 2015. “Global indicator framework for the Sustainable Development Goals and targets of the 2030 Agenda for Sustainable Development.” Available at: https://unstats.un.org/sdgs/indicators/Global%20Indicator%20Framework%20after%202020%20review_Eng.pdf. [3.1.2021]



II. PROJECT DESCRIPTION

A. Project Development Objective

PDO Statement

27. The PDO is to improve learning environments for students in lower primary in Government schools.

PDO Level Indicators

- I. Pupil-classroom ratios (PCRs) in lower primary, school-level average and interquartile range
- II. Share of schools with pupil-qualified teacher ratios in Standards 1-2 in the acceptable range [Percent]
- III. Student dropout rate (total, male and female) [Percent]

28. All PDO indicators will be reported disaggregated by grade and district. In addition, corporate-required indicators are included for the total number of student beneficiaries; female student beneficiaries; and teachers recruited and trained.

B. Project Components

Component 1. Expanding and Reforming Primary School Improvement Grants (US\$44.00 million, of which US\$5.00 million equivalent IDA, US\$15.00 million GPE, and US\$24.00 million from Government; of which US\$12.50 million subject to PBCs)

29. This component supports the expansion and reform of PSIG, which is the primary source of discretionary finance to schools, to provide additional and more needs-based support to schools, with timely and predictable delivery of finance, building on the successful pilot under MESIP. The component will expand the standard per-student allocation of PSIG; expand the enrollment-related component to provide more equitable per-student funding; and support and incentivize reforms to the flow of funds for PSIG to enable timely and full delivery of finance to schools. PSIGs will be invested by schools in line with the PSIG Guidelines, which were recently updated to include additional activities piloted under MESIP⁵³; and additionally PSIGs will also support schools' development of emergency response plans where they do not yet exist, focused specifically on droughts, flooding, earthquakes and hailstorms, disasters to which Malawi is specifically prone.

1. Financing of US\$10 million will close the existing shortfall in PSIG allocations, ensuring that all schools receive their allocation; and allow the average per-student PSIG to increase from US\$1.75 to US\$2.25, increasing the capacity of schools to implement the updated PSIG Guidelines including the mainstreamed MESIP strategies.
2. A revised formula will expand the share of the PSIG budget allocated on the basis of enrollment, and of needs, and improve targeting of needs-based finance, improving the equity of per-student allocations to schools. Of the US\$10 million described above, US\$2.5 million will be subject to a PBC (PBC 1) to incentivize the introduction of the revised formula and reforms to the flow of funds to ensure timely payment of PSIG to schools.
3. Further finance of US\$5 million, subject to a PBC, will support further increases to the enrollment- and needs-

⁵³ Ministry of Education, Science and Technology. 2020. "Primary School Improvement Program (PSIP) / Malawi Education Sector Improvement Project (MESIP) Guidelines".



based components of PSIG, increasing the average per-student PSIG to US\$2.50.

30. The component finance includes government financing of US\$24 million, which reflects current expenditure on PSIG which will be subject to the revised formula and form part of the MERP Project Expenditure Framework (see Annex 9). Of the US\$20 million in total IDA and GPE financing for the component, US\$2.5 million will be subject to a PBC to incentivize the introduction of the revised formula and reforms to the flow of funds to ensure timely payment of PSIG to schools (PBC 1); US\$5 million will be subject to a PBC rewarding the timely release of adequate finance by Treasury for annual PSIG (PBC 2); and US\$5 million will be subject to a PBC rewarding the timely delivery of PSIG to a target percentage of schools each year (PBC 3).

Component 2. Improved Learning Environments in Lower Primary to Support Learning Recovery After COVID-19 (US\$131.45 million, of which US\$77.50 million equivalent IDA, US\$17.50 million GPE, and US\$36.45 million from Government; of which US\$11.50 million subject to PBCs)

31. This component will provide finance targeted to schools with exceptional need (“MERP SIG”), to support construction of low-cost classrooms and latrines, and hiring of auxiliary teachers. The component will also support the introduction of Hardship Support for teachers posted in remote schools.

Sub-component 2.1: Low-cost construction

32. *Low-cost classrooms.* Schools with PCRs above 90 in Standards 1-4⁵⁴ will receive a sufficient amount of funds to construct a block of two low-cost classrooms. Schools with PCR above 120 will be eligible to receive finance for a second block once the first one is complete, and schools with a PCR above 200, a third block once the second one is complete. Classrooms will be constructed using community labor and procurement of materials, in a similar manner to under MESIP. In order to ensure adequate safety and quality of construction, while maintaining low costs, classroom construction under this component will adopt the new standardized design for low-cost classrooms (see Sectoral and Institutional Context), constructed by communities with supervision from EIMU as well as district-level Clerks of Works (see Annex 1). The standardized design will be endorsed by the Local Education Group (LEG) prior to Effectiveness. Construction will also abide by Malawi’s Safer Schools Construction Guidelines. A total of US\$76.3 million will be allocated to construction of low-cost classrooms, supporting the construction of 10,900 classrooms.

33. *Sanitation blocks.* The subcomponent will support construction of an additional 1,000 sanitation blocks in schools which are constructing low-cost classrooms and which also face severe shortages of latrines (pupil-latrine ratios above 120:1). The standardized sanitation block includes two latrines, at least one of which will be set aside for use by girls, as well as a change room for girls’ menstrual health, equipped with dedicated sanitary disposal bins and handwashing facilities. The provision of latrines is particularly important for enhancing climate resilience by contributing to improved hygiene and sanitation and reducing the outbreak of water-borne diseases such as *Campylobacter* which is commonly found in Malawian children⁵⁵ and its associated malnutrition risks, thereby potentially contributing to improved survival rates. A total of US\$5 million will be allocated to construction of sanitation blocks.

34. *Supervision of construction.* Construction will be conducted in accordance with the standardized design, with the Safer Schools Construction Guidelines, and a Construction Manual, agreed prior to Effectiveness, which stipulates the requirements for the construction process including in relation to environmental and climate change-related standards and social safeguards, including meeting the needs of students with special needs. In order to ensure timely

⁵⁴ The eligibility of schools for additional MERP SIG will be established based on EMIS data.

⁵⁵ <https://pubmed.ncbi.nlm.nih.gov/23555739/>.



and high-quality construction of the required classrooms and latrines, the component also provides support to the training and capacitation of PEAs, district-level Coordinating PEAs, and district-level Clerks of Works for supervision of construction activities, and Primary School Improvement Plan (PSIP) Desk Officers for supervision of project activities. The subcomponent will also support the contracting of a third-party firm to support supervision of construction, including providing expert evaluation of adherence to the standardized design and targeting of classrooms and the safety and adequacy of buildings. A total of US\$5.3 million will be allocated to supervision of construction.

35. *Expansion of construction in response to COVID-19.* In response to the request from the Government for support to its response to COVID-19, the scope of construction under this component has been expanded to accelerate the addressing of severe congestion in lower primary and support improved sanitations. For details, see Table 2.1 in Annex 2.

36. *Sub-component 2.2. Auxiliary teachers.* In order to mitigate the most severe shortages of staff, in each project year, starting in 2021/22, schools with PqTRs above 90 in lower primary⁵⁶ will receive a sufficient amount of MERP SIG to hire or maintain an auxiliary teacher. Schools with higher PqTRs in lower primary will receive finance for additional teachers, up to a maximum of four. Auxiliary teachers will be qualified teachers who are not currently employed in the official Government teaching workforce. A total of US\$16 million will be allocated to hiring of auxiliary teachers.

37. *Scope of MERP SIG activities.* MERP SIG will be targeted to approximately 3,500 schools (around 60 percent of public primary schools) which face severe shortages of classrooms and teachers in lower primary. In total, the component will support construction of around 10,900 classrooms and appointment of 3,500 auxiliary teachers.

38. *Sub-component 2.3. Hardship Schools Support.* In order to address the large disparities in staffing between schools in remote areas and those close to trading centers (see Annex 2), the component provides support to a revised Hardship Schools Support scheme to reward teachers working in the most remote schools. MoE will also refine and re-circulate tools to guide district-level officials in allocation of teachers to the schools with the highest PqTRs, and conduct capacitation activities to ensure correct utilization of the tools. A total of US\$18.90 million, including Government finance of US\$8.95 million, will be allocated to Hardship Schools Support. The Government finance will be released from the existing rural allowance scheme, which will form part of the Expenditure Framework of the MERP Project and will be reduced in scope to release finance for the new Hardship Schools Support scheme, enabling Government to provide primary finance to the scheme in the last two years of MERP Project implementation (for details, see Annex 2).

39. The Hardship Schools Support is financed subject to two PBCs. PBC 4, which is financed by IDA, provides incentives for the establishment of the scheme and provision of updated guidance to districts. In order to reward the implementation of the scheme, and improvement in both inter- and intra-school allocations of teachers, PBC 5 provides annual incentives for increases in the share of schools with PqTRs in Standards 1-2 within an acceptable range.⁵⁷⁵⁸ (For additional details, see Annex 2 and 3).

⁵⁶ The eligibility of schools for additional MERP SIG will be established based on EMIS data.

⁵⁷ Improvements in intra-school allocations are also supported by the School Leadership Program training (Component 4)

⁵⁸ PBC 6, under Component 3, will also contribute a small amount (US\$0.15 million) towards the Scheme.



Component 3. Supporting Girls' Learning (US\$18.02 million, of which US\$5.80 million equivalent IDA, US\$12.20 million GPE, and US\$0.02 million from Government; of which US\$11.00 million subject to PBCs)

40. This component supports a range of activities to raise the learning achievement of girls, including supporting female learners and improving the numbers of female teachers in schools in remote areas. For a more detailed description of the supported activities, see Annex 2.

41. *Learner Guides.* The project will provide support to the appointment and training of Learner Guides. Learner Guides are graduates of local secondary schools, usually female, who are trained in delivering life and learning skills, as well as vital sexual and reproductive health information and psycho-social support. They act as female role models and provide female learners with a support mechanism that provides them with remedial education and confidence building support to help them succeed. Evidence has demonstrated that Learner guides interventions implemented by the Campaign for Female Education (CAMFED) have had positive impacts on girls' retention and learning outcomes in lower secondary school. Learner Guides will (a) create or support girls' clubs to provide safe spaces for female students to share and discuss concerns and provide mutual support; (b) advocate where required for female learners with teacher and school leadership; (c) call attention to and address bullying, harmful traditional practices, gender-based violence (GBV) and sexual abuse and exploitation (SEA), and inappropriate treatment of girls, both by fellow students and by teachers; (d) provide guidance and support to female learners; (e) deliver skills and wellbeing lessons; and (f) assist school governing structures (Parent-Teacher Associations, School Management Committees and Mother Groups) in harmonizing and implementing the PSIG strategies to provide support to female learners.⁵⁹

42. Modules on climate change awareness, adaptation and mitigation measures will also be incorporated into the Learner Guide program. Learner Guides will work with school staff members appointed as 'climate change (eco) champions' within their schools,⁶⁰ and together, will work with learners in groups to (i) raise their and other students' and staff members' awareness of climate change; (ii) motivate them to take steps to combat it; and (iii) encourage them to form 'eco-clubs' with a focus on climate change mitigation and sustainability (such as planting trees⁶¹ to preserve the greenery and recycling, food waste and energy-efficiency school campaigns⁶²), and/or engage in other activities which would contribute to making their schools more eco-friendly. With support from Guides and other staff members, students will also be encouraged to carry out social responsibility activities in their neighborhood communities to increase climate change awareness. This may include the procurement of Technical Assistance (TA) to support the design and incorporation of climate change mitigation⁶³ and adaptation⁶⁴ content into the program curricula.

43. *Improved distribution of female teachers.* Building on evidence that has demonstrated that female teachers can be effective in increasing girls' learning outcomes and are crucial for their retention, particularly in settings where there exist only a few female teachers, the project will support the development and operationalization of district

⁵⁹ This might include (i) raising awareness and sensitizing community leaders and members as to the importance of girls' education; (ii) supporting community leaders in developing and enforcing by-laws that encourage girls to attend and stay in school and stop harmful cultural practices, such as early marriage and pregnancy; (iii) identifying males in communities to act as 'champions' for girls' education; and (iv) other implementable forms of support at the community level that will be enacted to support girls' education.

⁶⁰ Through Component 4's School Leadership Program.

⁶¹ Especially around new construction emerging from this project and in areas with less trees, as a mitigation measure (for example, to absorb carbon dioxide).

⁶² Resource which highlights some activities to teach sustainability in schools: <https://www.plt.org/educator-tips/8-sustainability-activities-and-ideas-for-the-classroom/>.

⁶³ Such as causes and impacts of climate change and activities that reduce, capture, or sequester greenhouse gas emissions.

⁶⁴ Such as local impacts of climate change, flood response, water conservation, etc.



action plans for the rationalization of distribution of female teachers. In Year 1⁶⁵, MoE will develop, in consultation with District Education Offices (DEOs), an action plan on improvement of distribution of female teachers, identifying recommended strategies to be employed by districts to address challenges and achieve safe and sustainable placement of female teachers in more remote schools. Each district will then develop its own costed district-level action plan including targets for increase in the share of schools in which the female PqTR is within an acceptable range.⁶⁶ In Years 2-4, the component will provide finance to districts to support the implementation of district-level action plans. District-level action plans will contribute to a decrease in overall travel demand by supporting housing to enable female teachers to live closer to rural schools, which will in turn reduce the demand for private motor vehicle use. They will also support female teachers to use cleaner transport options such as cycling and mass public transport to get to and from schools, where deemed feasible and safe. A total of US\$2 million will be allocated to district-level action plans for improved distribution of female teachers.

44. *Common zonal testing (CZT) and gender-disaggregated feedback.* Following its introduction in selected districts under MESIP, zone-level standardized testing in all subjects is now being prepared to be scaled up to all districts, providing comparable information on learning trajectories in lower primary for the first time. The component will support the scaling-up of CZT to all 34 districts.⁶⁷ Under the guidelines for the new tests, results are to be disseminated to school communities; building on another MESIP innovation, provision of report cards on key school indicators, the component will support this through the provision to schools of report cards, that show grade- and gender-disaggregated results from tests, raising awareness of student learning levels and gender disparities at the school level. A total of US\$4.5 million will be allocated to common zonal testing and feedback.

45. Support to CZT and feedback, and to district-level action plans for improved distribution of female teachers, will be subject to a PBC (PBC 6) rewarding increases in the share of schools which participate in CZT and receive report cards in the agreed format. (For additional details, see Annex 3. For details of the alignment with the GPE Variable Part dimensions, see Annex 2).

Component 4. School Leadership Program (US\$11.00 million, of which US\$1.20 million equivalent IDA, US\$9.80 million GPE, and US\$0.00 million from Government; of which US\$0 subject to PBCs)

46. This component will support the national delivery of an updated School Leadership Program (SLP) supporting headteachers, deputy headteachers, PEAs, inspectors, and selected female section heads to (1) create a positive and inclusive culture towards vulnerable children including girls, over-age students, and those with special needs; (2) support improved morale and performance of teachers, including strengthening their capacity to teach large classes; (3) supervise the construction of low-cost classrooms to ensure compliance with climate change mitigation and adaptation measures,⁶⁸ as outlined in the Construction Manual; (4) improve the efficiency and equity of school resource utilization; (5) maintain and utilize academic records to support low-performing students; and (6) act as climate change (eco) champions within their schools, facilitating teachers' and students' engagement with climate activities⁶⁹, and conducting in-school trainings to ensure that teachers within their school understand what

⁶⁵ The Government can potentially achieve the PBC right after project effectiveness if the required steps are completed prior to Project Effectiveness.

⁶⁶ "Female PqTR" denotes the ratio of female students enrolled at a school to female qualified teachers employed at the school.

⁶⁷ Under NESIP the Government intends to introduce common zonal testing in Standards 3-8; in line with MERP's focus on lower primary, the component will focus its support on ensuring the scaling-up of testing for Standards 3-4.

⁶⁸ Training curriculum will include sensitization on climate change adaptation and mitigation, such as accounting for schools' risk of flooding into construction activities as well as energy conservation techniques.

⁶⁹ For instance, by forming/contributing to (eco) clubs and/or other school initiatives/activities to build capacity and raise awareness of, for instance, food waste, energy efficiency, recycling, and other climate mitigative measures. In schools with Learner Guides, climate change (eco) champions will lend support and provide opportunities for engagement for learners.



to do in the case of climate-induced emergencies.

47. The SLP will be updated to harmonize the MESIP pilot and the materials developed under the Local Government Accountability Project (LGAP), implemented by the Ministry of Local Government (MoLG) with finance from USAID and the United Kingdom Foreign, Commonwealth and Development Office (FCDO) (see Annex 2). Beginning in 2021/22, the revised SLP will be scaled up to existing headteachers, deputy headteachers, and PEAs who did not undergo the original SLP under MESIP, and in a modified form for inspectors. Priority will be given to female school leaders, recently appointed deputy headteachers, and recently appointed headteachers.

48. *Inclusion of selected female section heads.* Building on the support provided to the identification and capacitation of future female school leaders under Component 3, the revised SLP will include selected female teachers in junior leadership positions, such as section heads, with a particular emphasis on schools where neither the headteacher nor deputy headteacher is female. Training female teachers to take on leadership positions is crucial as evidence from Malawi indicates that the presence of a female in a leadership position at a school was associated with a large increase in test scores—particularly for female students and that schools where girls overperform are more likely to have a female in a leadership position.

Component 5. Project Coordination and Capacity Building (US\$6.00 million, of which US\$4.00 million equivalent IDA, US\$2.00 million GPE, and US\$0.00 million from Government; of which US\$1.00 million subject to PBCs)

49. This component will finance the management of the project, including reporting. The component will support the recruitment of specialists for a Project Facilitation Team (PFT), consisting of a project manager, deputy project manager, and specialists in financial management, procurement, monitoring and evaluation (M&E), gender, and environmental and social safeguards.

50. *Digital M&E platform.* The complexity and breadth of MERP Project activities, and decentralized project management involving a number of agencies and all of Malawi's districts, necessitates an innovative approach to M&E. In addition to supporting direct M&E by the PFT, the component will support the development of a digitized, flexible supervision platform. This will complement EMIS and enable monitoring by a range of stakeholders at national and district levels of implementation, including adherence to standardized designs, targeting frameworks, and climate measures; provide transparent information to the public on key project investments and outcomes; and support verification of PBC achievement. The system will utilize and integrate with the World Bank's Geo-Enabling Initiative for Monitoring and Supervision (GEMS) initiative to maximize effectiveness and geospatial accuracy of collected data. The establishment of an institutional and policy framework for this system, and for M&E of the MERP Project and other education system activities, and development of the system, is supported by a PBC (PBC 7). See Annex 3 for details.

51. *Capacity building.* The component will support selected capacity building activities to develop the capacity of MoE and other implementing entities. The capacity building activities will be carried out in accordance with capacity assessments completed prior to the project's effectiveness and defined in the Project Implementation Manual (PIM). Key activities under the capacity building allocation of the project will include skills training for MoE Directorates in (i) cross-sectoral collaboration; (ii) data management; (iii) evidence-based implementation; (iv) resource mapping; (v) expenditure tracking; and (vi) climate change awareness, adaptation and mitigation measures, early warning, climate risk management and disaster preparedness and quick recovery, with a focus on flooding and droughts, given Malawi's specific vulnerability context.⁷⁰ See Annex 1 for more details.

⁷⁰ Environmental Safeguards specialists will be responsible for the planning and delivery of climate change adaptive and mitigative training curricula and sessions. This will be specified in their TORs in the Project Implementation Manual.

Component 6. Contingent Emergency Response (US\$0).

52. In addition to the above-described components, a CERC is included in the project which can be triggered if required during project implementation, primarily intended to enable the Government to take steps to prevent or manage a resurgence of COVID-19 in schools but also eligible for use for any other Eligible Crisis or Emergency as defined in the IDA Financing Agreement.

Table 1. Overview of activities supported by fixed and PBC finance

Component	Activities supported by fixed finance	Activities supported by PBC	Reform/result incentivized by PBC
Component 1. Expanding and Reforming Primary School Improvement Grants	Expanded enrollment- and needs-based support for more equitable conditions between schools	Additional expansion to needs-based component	Timely payment of PSIG through reformed flow of funds
Component 2. Improved Learning Environments in Lower Primary to Support Learning Recovery After COVID-19	Low-cost classrooms Auxiliary teachers	Hardship Schools Support Sanitation blocks	Improved distribution of teachers between schools and within schools, between grades
Component 3. Supporting Girls' Learning	Learner Guides	Improved distribution of female teachers Common zonal testing	Improved learning outcomes for girls
Component 4. School Leadership Program	School Leadership Program	N/A	N/A
Component 5. Project Coordination and Capacity Building	Project coordination Monitoring and Evaluation Capacity Building	Development of integrated M&E framework Development of Digital M&E Platform	Development of integrated M&E framework

Table 2. Performance-Based Conditions (US\$ million)

Performance-based condition	Source	Dimension	2021/22	2023	2024	2025
PBC 1 On or before December 31, 2022, the Recipient has ensured Timely Delivery of Grants, and allocated Adequate Funds for PSIG in the Education Budget, in accordance with the revised PSIG Formula	IDA	Efficiency	2.5	-	-	-
PBC 2 The Recipient has, in accordance with the revised PSIG formula, released adequate finance for PSIG to Local Councils prior to the start of the school year	GPE	Efficiency	1.25	1.25	1.25	1.25
PBC 3 Percentage of public primary schools receiving PSIG in first 60 days of the school year in accordance with the revised PSIG formula.	GPE	Efficiency	1.25	1.25	1.25	1.25
PBC 4 On or before December 31, 2022, the Recipient has: (i) established the Hardship Schools Support Scheme and (ii) updated the Primary Teacher Management Strategy	IDA	Equity	2.5	-	-	-
PBC 5 Percentage of Public Primary Schools within the Acceptable Range of Pupil-Qualified Teacher Ratios in standards 1-2	GPE	Equity	5	2	1	1
PBC 6 Percentage of public primary schools participating in the common zonal testing and receiving grade- and gender-disaggregated feedback report cards	GPE	Learning/ Equity	3	3	3	2
PBC 7 On or before December 31, 2022, the Recipient has developed and approved a Monitoring and Evaluation Framework	IDA	Efficiency	1	-	-	-

Note: 2021/22 = Effectiveness to December 31, 2022. Other years denote calendar years.

Financing

Table 3. Summary of components, financing, and PBCs (US\$ million)

Component	Total Government financing*	Total IDA+GPE financing	Total financing	Fixed	PBC	PBC applicable
Component 1. Expanding and Reforming Primary School Improvement Grants	24.00	20.00	44.00	7.50	12.50*	PBCs 1, 2, 3
Component 2. Improved Learning Environments in Lower Primary to Support Learning Recovery After COVID-19	36.45	95.00	131.45	83.50	11.50	PBCs 4, 5
Component 3. Supporting Girls' Learning	0.02	18.00	18.02	7.00	11.00**	PBC 6
Component 4. School Leadership Program	-	11.00	11.00	11.00	-	-
Component 5. Project Coordination and Capacity Building	-	6.00	6.00	5.00	1.00	PBC 7
Component 6. Contingent Emergency Response	-	-	-	-	-	-

*US\$5 million of US\$12.5 million PBC finance for Component 1 used to finance activities under Components 2 and 3.⁷¹

**US\$5.5 million of US\$11 million PBC finance for Component 3 used to finance activities under Component 2.⁷²

Table 4. Overview of Component Financing (US\$ million)

	Total	IDA fixed	IDA variable /PBCs	GPE ESPIG fixed	GPE ESPIG variable /PBCs	GPE Multiplier fixed	GPE Multiplier variable /PBCs	Government
Component 1.	44.00	2.50	2.50	5.00	9.00	-	1.00	24.00
Component 2.	131.4	75.00	2.50	3.00	8.00	5.50	1.00	36.45
Component 3.	18.02	5.80	-	1.20	10.00	-	1.00	0.02
Component 4.	11.00	1.20	-	9.80	-	-	-	-
Component 5.	6.00	3.00	1.00	2.00	-	-	-	-
CERC	-	-	-	-	-	-	-	-
Total	210.50	87.50	6.00	21.00	27.00	5.05	3.00	60.50

C. Project Beneficiaries

53. The project is expected to invest in all public primary schools in Malawi, with benefits to around five million students⁷³. In particular, the project is expected to benefit 2.5 million female students in primary schools⁷⁴. In addition, the project is expected to support recruitment and training of 21,500 teachers, and additionally benefit approximately 21,000 teachers in remote postings.

D. Results Chain

54. The project interventions, and associated outputs, lead to timely delivery of PSIG; construction of low-cost classrooms; reduced repetition in lower primary; number of Learner Guides appointed; schools with acceptable female PqTRs; girls' achievement in national examinations; and participants completing the SLP. These intermediate

⁷¹ Finance from PBC 6, part of Component 1, will be partially used to finance construction of classrooms (US\$4 million) and district-level action plans for improved distribution of female teachers (US\$1 million).

⁷² Finance from PBC 6, part of Component 3, will be partially used to finance construction of sanitation blocks (US\$5 million) and classrooms and provision of Hardship School Support (US\$0.5 million).

⁷³ 5,063,917 public primary students as of 2017/18 (MoE Education Statistics 2017/18).

⁷⁴ 2,559,560 female public primary students as of 2017/18 (MoE Education Statistics 2017/18).



results lead to the PDO, strengthened learning environments in lower primary, as indicated by improved PCRs; schools with PqTRs in the acceptable range; and reduced dropout (Figure 2).

E. Rationale for World Bank Involvement and Role of Partners

55. **Thirty-eight percent of Development Partner (DP) financing for the MERP Project comes from the GPE, a coalition of more than 20 major education DPs.** The preparation and design of the MERP Project has been subject to extensive consultation with DPs, through the LEG, which is comprised of representatives of MoE; Ministry of Gender, Community Development and Social Welfare (MoGCSW); MoLG; DPs; the Teachers Union of Malawi (TUM); international and national NGOs; and civil society organizations. In addition to provision of support to education through GPE, DPs provide support to the sub-sector through a number of additional projects, including the aforementioned SMES (FCDO) and LGAP (FCDO and USAID) and USAID's support to the NRP; see Annex 6 for more details.

56. **The World Bank has been selected by the MoE and LEG, with approval by GPE, to serve as the Grant Agent for the MERP Project.** In its application to GPE, the World Bank emphasized its previous experience as Grant Agent for MESIP as well as its high degree of technical knowledge and experience in the sub-sector and the types of reforms supported by the project. This expertise has already enabled guidance from the World Bank to inform the design of project activities, such as input by construction experts into the standardized design for low-cost classrooms.

57. **IDA co-financing is essential to meet the severe challenges facing lower primary education, particularly in reduction in class sizes.** The need for widespread investments in low-cost classrooms and auxiliary teachers could not be substantially met with the GPE allocation of US\$48.7 million alone. Even with the adoption of low-cost models for classrooms and auxiliary teachers, an allocation of US\$22 million – equivalent to 46 percent of the entire GPE allocation – would support construction of only 14 percent of the classrooms, and hiring of only 23 percent of the auxiliary teachers, required to bring all schools below PCR and PqTR of 90 in Standards 1-2 – and allow no additional investments in Standard 3-4. To bring all schools to below PCR/PqTR 90 in all lower primary standards would cost an estimated US\$100 million. With the inclusion of US\$93.5 million of IDA finance, and the resulting additional US\$8.5 million of GPE Multiplier finance, the proposed project will allocate US\$76.3 million to the provision of low-cost classrooms; at the expected unit costs, this is adequate to reduce the share of schools with PCR above 90 in lower primary to around 30 percent. Building on the successful pilot introduction of low-cost classrooms and auxiliary teachers, through school grants, under MESIP, there is a unique opportunity to address longstanding extreme shortages which act as the most severe constraint on learning in Malawi's primary schools, with IDA finance playing an essential role.

58. **The project is intended to act not as a standalone project, but as a framework for potential additional investments in support of NESIP from other DPs. In line with a programmatic approach, it is anticipated that:** (1) The standardized design for low-cost classrooms, and community-led construction approach conducted through school grants (Component 2), will be employed for other DP support to classroom construction; and (2) Support to girls' learning (Component 3) is expected to be targeted to schools with the most severe challenges in this area - for example, the 12 percent of schools without any female teachers. Additional DP investments can extend this support to schools with less severe constraints, and to add greater support for broader inclusive education, including for students with special needs. The support to general planning and sector coordination capacity within MoE (Component 5), will increase the general capability of MoE to conduct large-scale DP-supported activities and reduce administrative duplication and associated constraints.



Figure 2. Results Chain

Components	Interventions	Outputs	Intermediate Results	PDO
Enhanced Primary School Improvement Grants	Updated policy framework and funds flow arrangements for Primary School Improvement Grants (PSIG) (PBC)	PSIG released to schools in a timely and accurate manner	Increase in % of schools receiving PSIG in first month of school year in accordance with the PSIG formula (PBC)	to improve learning environments for students in lower primary in Government schools
Improved learning environments in lower primary	Needs-based MERP SIG, with targeted support to schools with severe disadvantages of learning environments in lower primary	Low-cost classrooms and sanitation blocks constructed by schools and communities Teachers hired by schools for lower primary	Low-cost classrooms and sanitation blocks constructed using needs-based MERP SIG Reduction in student repetition rate in lower primary, by gender	
	Introduction of Hardship Support for Teachers in Remote Schools (PBC) Support to improved teacher allocations	Pupil-qualified teacher ratios (PqTR) in Standards 1-2 in the acceptable range (PBC)	Reduction in PqTR in lower primary (average and interquartile range)	
Supporting girls' learning	Learner's guides trained and appointed to support female learners	Learner's guides active in schools	Increased number of learner's guides trained and appointed	
	District-level action plans for improved distribution of female teachers	Improved distribution of female teachers	Increased share of schools with Female PqTR in the acceptable range	
	Common zonal testing and feedback	Participation in CZT and receipt of gender-disaggregated report cards Increased attention to gender learning disparities at school level	Schools participating in CZT and receiving gender-disaggregated report cards (PBC) Increased share of female students achieving minimum learning standards	
School Leadership Program	School Leadership Program training for headteachers, deputy headteachers, selected female teachers, & PEAs	School leaders, PEAs, and selected female teachers trained to create enabling environment for learning	Increased number of headteachers, deputy headteachers, and PEAs undergoing School Leadership Program	



F. Lessons Learned and Reflected in the Project Design

59. **Schools have demonstrated a strong level of capacity, with intensive supervision from PEAs, to spend additional SIG to address key weaknesses in learning environments. However, an expanded financial envelope is required for such discretionary finance.** The expanded provision of SIG under MESIP was conducted experimentally to assess the capacity of schools to invest additional discretionary finance to address persistent challenges, support student retention and reduce female dropout. MESIP SIG supported the construction of more than 1,000 low-cost classrooms by communities, and appointment of more than 250 auxiliary teachers; as well as implementation of a wide range of other strategies. However, analysis by the World Bank suggests that only around one in ten participating schools were able to construct adequate classrooms or appoint sufficient auxiliary teachers to reduce PCRs and PqTRs in Standards 1-2 to reasonable levels. A larger needs-based component, targeted to schools with the most severe needs, would likely have enabled a greater share of schools to reduce PqTR and PCR in these grades to reasonable levels. The proposed project achieves this through both the expanded support to mainstream PSIG and the introduction of MERP SIG.

60. **School- and community-led construction can address severe shortages of classrooms at much lower cost than traditional construction.** Under MESIP, support was provided to construction of conventional classrooms, through central procurement, as well as to community-led construction of low-cost classrooms, through MESIP SIG. The difference in relative value for money of the two approaches is stark: an average cost of around US\$3-4,000 for low-cost classrooms, versus a unit cost of more than US\$20,000 per classroom for traditional classrooms constructed under Component 2. The new project introduces a new model of low-cost community classroom construction, which utilizes a standardized design developed by EIMU, building on the strengths of construction under MESIP SIG with an approach which raises standards of resilience and safety, with an enhanced supervisory role for Clerks of Works and the EIMU.

61. **Emerging data on the extent of between-school inequities in learning environments necessitates a targeted approach.** Since the development of MESIP, new rich data on school conditions, particularly from the MLSS, have demonstrated the extent of inequities in school conditions and learning environments within a single zone which can dwarf those between zones or districts. This necessitates a transition from the MESIP approach, of targeting activities in disadvantaged districts; to a programmatic, needs-based approach, which provides support to all schools while targeting key investments to the most severely disadvantaged schools on a needs basis. Key MERP Project investments are explicitly intended to 'raise the floor' of learning outcomes by targeting resources to close the gap between the most disadvantaged schools and the rest. At the same time, building on the MLSS, there is a need for continued collection of high-quality and detailed longitudinal data on school conditions to enable the ongoing identification of constraints to learning; iteratively adapt program implementation to adjust to unexpected challenges and changes in school conditions; and create feedback loops to develop frameworks for smarter investments in education sector.

62. **Hardship Schools Support can help to address inequities in school staffing, but careful and evidence-based targeting is required.** Payment of allowances in addition to salaries for teachers in remote postings is equitable, in the light of the considerable hardship such postings can entail; evidence from a range of countries suggests that it is also effective in reducing disparities in staffing between schools.⁷⁵ In Malawi, a previous allowance was introduced in 2010 to support teachers in remote postings; however, this allowance was poorly targeted at the planning and rollout stage, with the result that more than double the planned number of teachers were initially eligible; further weakening

⁷⁵ Pugatch, T. and Schroeder, E. 2014. "Incentives for Teacher Relocation: Evidence from the Gambian Hardship Allowance." *Economics of Education Review* 41, August 2014: 120-136.



of targeting took place in the ensuing years, including as a result of legal challenges. The result is that more than 80 percent of teachers are now eligible for the allowance, the value of which has shrunk to less than one-seventh the typical teacher salary, with negligible incentive effect⁷⁶. Under the MERP Project, the revised scheme will employ a data-driven definition of remoteness which has been demonstrated to clearly predict variation in school PqTRs (for details, see Annex 2). The list of eligible schools will be agreed prior to Effectiveness and included in the PIM, preventing any weakening of targeting.

63. **The seeds of poor female access in upper primary and secondary school are sown in low learning outcomes in lower primary.** MESIP, and other projects such as SMES, have provided support to retention and attendance of girls in upper primary and contributed to reducing the gap in primary completion over the last five years.⁷⁷ However, the persistence of significant learning disparities in Standard 4 suggests that the seeds of differential primary completion are sown in lower primary. Attention to girls' learning in lower primary, to close the learning gap with boys, is likely to be necessary to fully eliminate the gap in primary completion. The proposed project addresses this through targeted support to girls' learning in lower grades, through improved distribution of female teachers; measures to create inclusive school cultures through school leadership training; and results-based finance for improvement in girls' learning outcomes, including in lower primary.

64. **There is a high rate of responsiveness to results-based financing in Malawi, but annual targets can enhance the incentive effect to ensure achievement.** Under the Skills Development Project (SDP, P145309), the first IPF with disbursement-linked indicators (DLIs) in the education sector in Malawi, all five DLIs were fully achieved by project closing. Under MESIP, despite a lack of familiarity with DLIs and challenges in the early stages to mobilize finance to support activities, the Government fully achieved two DLIs and partially achieved a third. MESIP DLIs employed a common sequencing structure, with year-one DLRs supporting the drafting and approval of improved policy strategies and documents in key areas; and year-four DLRs supporting improvements in key indicators through the operationalization of these strategies. This two-stage approach proved effective in supporting rapid completion of policy reforms, providing a strong basis for achievement of the later indicators; however, the placement of the remaining targets at project close reduced the incentive effect, with the result that key indicators showed minimal or negative progress at MTR. Therefore, the MERP Project maintains initial targets supporting preparatory activities but employs annual targets for improvement in key indicators to incentivize rapid and consistent implementation.

65. **Embedding of the PFT within MoE directorates and systems is vital for effective implementation.** Under MESIP, the PFT operated as a quasi-independent unit outsider of the main MoE building. This reduced the overall effectiveness of the team and limited the potential for lasting capacity building of other MoE officials by the specialists recruited for the PFT. Under the MERP Project, the specialists recruited for the PFT will be embedded in the relevant directorates, and report to the heads of directorates or organs whose function they will be complementing. It is anticipated that this will support the programmatic approach and lead to greater integration of MERP Project activities into the wider implementation of NESIP.

66. **Careful selection of Independent Verification Entity (IVE) is required to support timely and clear verification of PBC achievement.** Verification of Year 4 DLRs under MESIP experienced challenges as a result of weaknesses in the methodology of the verification exercise, with the result that additional analysis by the World Bank was required in order to build confidence of the LEG in the results and enable disbursement to take place. In order to prevent such issues under the MERP Project, it is agreed that the LEG will review and approve the Terms of Reference for the IVE and be represented in the committee for its selection. The LEG and Grant Agent will also review

⁷⁶ Asim, S., Chimombo, J.; Chugunov, D.; Gera, R. 2019. "Moving Teachers to Malawi's Remote Communities: A Data-driven Approach to Teacher Deployment." *International Journal of Educational Development* 65: 26-43.

⁷⁷ Although the gap has also reduced as a result of declining completion by boys



and approve the IVE's proposed methodology. The IVE will be engaged within 90 days of the Effective Date and each year will submit its report within 30 days of the completion of verification. See Annex 3.

III. IMPLEMENTATION ARRANGEMENTS

A. Institutional and Implementation Arrangements

67. **The project will be implemented by the MoE** under the leadership of the Directorate of Basic Education (DBE) with support from the Directorate of Policy and Planning (DPP) and supported by the 34 DEOs. DPP is responsible for overall sectoral program coordination for education, including aid coordination. The Secretary of Education (SE) will provide overall project oversight, holding the implementation team accountable for the results. The SE will continue to chair the quarterly LEG meetings which constitute all key stakeholders in education including DPs and civil society. Quarterly, bi-annual and annual progress reports on the MERP Project will be presented to the LEG for review.

68. **The DBE will work with supporting institutions/departments consistent with their statutory mandates.** These include Malawi Institute of Education (MIE); Directorate of School Health and Nutrition, HIV⁷⁸ and AIDS⁷⁹ (DSHNHA); Directorate of Quality Assurance Services (DQAS); Directorate of Human Resource Management (DHRM); and Directorate of Teacher Education and Development (DTED); and the DPP along with associated technical units of M&E and EMIS; Procurement and Disposal Unit; EIMU; as well as Accounts and Audit Department. The respective supporting institutions/departments will appoint Focal Point Officers that will work directly with the DBE. The day-to-day administration of the project will be supported by the PFT, including oversight of fiduciary management, environmental and social safeguards, and M&E.

69. At the district level, the PSIP Desk Officer will be responsible for coordinating all MERP Project activities in the district, linked to both their DEOs and the respective Component Leads. The PSIP Desk Officer is an established government post working alongside PEAs and reporting to the District Education Office Structure (Director of Education and Youth; Chief Education Officer; District Education Manager and Coordinating Primary Education Advisor). Clerk of Works in each district will assure the quality of all school level construction works in liaison with the PSIP Desk Officer and reporting to the DEO.

70. Each component will be led by a Component Lead from the relevant Directorate of MoE who will report to the Programme Implementation Coordinator, the Director of Basic Education. The Component Lead's role will include implementation planning, budgeting, execution, monitoring and reporting. Under each component, there will be Support Institutions/Departments' Focal Point Officers who will work in close collaboration with the Component Lead. The Component Lead will coordinate all the supporting Focal Point Officers in the implementation and monitoring of progress of the respective component interventions.

71. For more details on implementation arrangements, including organogram, see Annex 1.

B. Results Monitoring and Evaluation Arrangements

72. **Monitoring of project results will be integrated in the existing M&E systems of MoE.** The Monitoring and Evaluation Unit under the oversight of the Directorate of Education Planning (DEP) will have the overall responsibility

⁷⁸ Human immunodeficiency virus

⁷⁹ Acquired immunodeficiency syndrome



of M&E the project interventions.

73. The agreed indicator baselines and progress reporting against the agreed indicator targets in the Results Framework (RF) will be furnished by various administrative data sources, with oversight and guidance of the M&E Unit, complemented by the EMIS data managed by the EMIS Unit. The Annual School Census will be the main source for most indicators, complemented by the Digital M&E Platform developed under Component 5.

74. Completion of annual targets for the PBCs will be verified by an IVE, which will be competitively selected through established procurement procedures. The terms of reference for the IVE, and methodology of the verification, will be subject to review by the Grant Agent and approval by the LEG. The LEG will also be represented in the committee for selection of the IVE. (For more details, see Annex 3).

C. Sustainability

75. The design of the MERP Project includes a mixture of time-limited project-specific activities, which are intended to be effectively completed by project closing; and permanent reforms, which will be mainstreamed into Government operations by project closing.

76. *Component 1. Expanding and Reforming Primary School Improvement Grants.* PBC 1 supports the inclusion of the revised formula and increased allocations for PSIG in the education budget. In the final project year (2024/25), PBC 2 also rewards the inclusion of the enhanced top-up for PSIG into Government budgets for the subsequent year.

77. *Sub-component 2.1: Low-cost classrooms.* By project closing, World Bank estimations suggest that MERP SIG will enable schools to construct approximately 10,900 classrooms, an adequate quantity of low-cost classrooms to reduce PCRs to below 90 in the majority of schools. Following MERP Project completion, remaining needs for classrooms will be met through the expanded PSIG as well as other existing sources of education infrastructure finance (e.g. District Development Fund [DDF]), as part of the NESIP target to reduce the national average school-level PCR to 80:1, and the share of schools with PCR above 80 to 15 percent, by 2030. Additional support to this is provided by the Governance for Effective Service Delivery Project (P164961), which supplements the DDF with performance-based financing to support priority development expenditures including education infrastructure.

78. *Sub-component 2.2: Auxiliary teachers.* By project closing, reforms to teacher deployments to schools, supported by a PBC (see below); and improved allocations of teachers between grades at school level, supported by School Leadership Program training (see Component 4), are expected to improve staffing in lower primary and reduce the need for auxiliary teachers. Following MERP Project completion, remaining needs for auxiliary teachers will be met through the expanded PSIG.

79. *Sub-component 2.3: Hardship Schools Support.* DP financing for this reform will be front-loaded with the Government fully taking over financing of the scheme in the final year of the project.

80. *Component 3. Supporting Girls' Learning.* Activities under this Component are expected to be mainstreamed into Government budgets prior to project closing as part of the financing of NESIP.

81. *Component 4. School Leadership Program.* Prior to project completion, the MoE will prepare a costed plan for the continuation of the SLP for newly appointed deputy headteachers, headteachers, female section heads, and PEAs, and in modified form for inspectors. Following the inclusion of finance for the SLP in national and district budgets, the Primary Teacher Management Strategy will be amended to require completion of the SLP as a prerequisite for headteacher appointments.



82. *Reforms supported by PBCs.* Following the development/updating of relevant action plans/strategies under the various PBCs, it is anticipated that the implementation of these plans/strategies will be continued by Government following project closing.

IV. PROJECT APPRAISAL SUMMARY

A. Technical, Economic and Financial Analysis

83. **Instrument:** The selection of IPF with PBCs is appropriate. The Government's implementation of prioritized institutional reforms has been weak due to adoption of a solutions-based as opposed to a problem-driven approach. The FY13-16 Malawi Country Assistance Strategy (CAS) Performance and Learning Review recommends that progress should be measured on the basis of outcomes indicators rather than process indicators. MESIP, the predecessor project for primary education, as well as the recently closed Skills Development Project (SDP, P131660), both have been demonstrating a high level of achievement of DLIs in an IPF framework. However, challenges of implementation, particularly with regard to mobilization of large quantities of advance finance, mitigate a Program for Results (PforR) approach at the current time. An IPF subject to PBCs will provide necessary support for key program activities, particularly provision of grants to schools for addressal of severe disadvantages in learning environments; while providing powerful results-based incentives for reform and operationalization of key strategies.

84. **Technical Design:** The proposed design is technically moderately complex and informed by extensive analytical work, including impact evaluations of pilot interventions under MESIP now supported for scale-up as well as broader analysis of the nature and origins of disparities in conditions and learning outcomes between schools and individual students. Key innovations such as the new standardized design for low-cost classrooms have been subject to extensive review by construction experts at the World Bank as well as within Government. The number of components and sub-components is low for a project of this financial size, particularly in education. The operation's economic benefits depend primarily on factors that can be adequately addressed in the design.

85. **Economic Analysis:** The rationale for public sector financing of primary education is well established. Investments under this project would support system improvements to schools with low quality provision and strengthen efficiency and equity at the primary level overall, contributing to improved learning outcomes at the school level. The pressing needs and challenges for both improved efficiency and equity which the proposed project aims to address warrant public sector support consistent with Malawi's commitment to providing universal primary education of reasonable quality to all children. The project is expected to contribute positively to Malawi's education system and national economic development. It aims to improve learning in the lower grades and primary sub-sector efficiency overall. To that end, it is expected that the proposed interventions will affect the probability of a child completing the lower primary education and transitioning to upper primary school. This, in turn, will yield gains in labor earnings measured over the course of a standard working life. The key project's economic impact is, therefore, estimated as the incremental benefit accruing to a representative child as the result of effects induced by the program's interventions. (See Annex 2 for a full Technical Description). The economic analysis confirms the viability of the project, with Net Present Value (NPV) ranging from US\$1,273 million to US\$287 million, and Internal Rate of Return (IRR) around 24 percent. It is important to emphasize however that they do not exhaust all the possibilities under the uncertainty of the current COVID-19 pandemic. (See Annex 4 for the full Economic and Financing Analysis).

B. Fiduciary

(i) Financial Management



86. The Financial Management (FM) arrangements of MoE have been assessed as moderately unsatisfactory and risk is substantial. This assessment is because of the following: (i) the MoE does not have appropriate accounting software for project accounting and reporting. The accounting systems used by the entity have a number of weaknesses and forensic audit revealed many bank transactions with substantial monetary values that were not processed in the Integrated Financial Management Information System (IFMIS). The control environment around IFMIS has generally been assessed as weak and this undermines the integrity of the system. The weak control environment is worsened by weak and mostly nonexistent remedies for noncompliance; (ii) incidences of ineligible expenses in previous projects; (iii) weak audit committees leading to ineffective internal audit function; (iv) weak or absence of corruption and fraud deterrence mechanisms; (v) MoE uses the consolidated government bank account for project funds. The bank reconciliations are not done on time and for those that are done the reconciling items are not timely resolved; (vi) delays in funds flow from the Ministry of Finance to MoE resulting in delays in implementation of some of the project activities; and (vii) lack of dedicated FM staff working on project accounting and reporting resulting in delays in reporting which affects timeliness of drawdowns on credits and grants. As a result of the above weaknesses in the FM arrangements of MoE the following mitigation measures have been recommended to ensure proper use of funding resources. See Annex 9 for the MERP Project Expenditure Framework.

87. *FM Specialist:* The project will have a full-time FM specialist assigned to it as part of the PFT, reporting to the Head of Accounts, with requisite expertise. The specialist, and the broader PFT will ensure adherence to FM policies and procedures as agreed between the World Bank and Government.

88. *Common Financing Mechanism:* A Common Financing Mechanism (CFM) was established in Malawi in 2016, consisting of an Education Sector Joint Fund (ESJF) and Common Fiscal Oversight Agent (CFOA). In the CFM as currently designed, the CFOA acts as a signatory on the ESJF account. This is incompatible with best practice for strengthening of national systems and World Bank procedure as it mixes oversight and implementation roles. MESIP funds are not channeled through the CFM but works through an interface approach whereby the CFOA acts in advisory capacity. It is expected that this arrangement will be maintained in the proposed project. The project will use a MESIP-style arrangement to interface with the common funding mechanism that will procure a fiduciary agent (FA) to perform fiduciary oversight function on project operations. While the FA will not be directly involved in implementation, the oversight role will include budget preparation and implementation ensuring compliance with project documents, and adherence to policies and procedures in use of funds including application of agreed internal controls.

89. *Retroactive Financing:* Retroactive financing up to US\$10,000,000, from the IDA financing, may be made for payments made on or after July 1, 2021, for expenditures relating to activities supported by fixed finance and for those supported by PBCs 1, 4, and 7.

90. *Conclusion:* The conclusion of the assessment is that after the implementation of the proposed mitigation measures the arrangements will meet the World Bank's minimum requirement for FM in accordance with the Bank Directive.⁸⁰ The residual risk for the project is substantial.

(ii) Procurement

91. *Applicable Procurement Procedures.* Procurement activities under the IPF component of the proposed project will be carried out in accordance with the World Bank's "Procurement Regulations for IPF Borrowers", dated November 2020, and the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by

⁸⁰ Financial Management in World Bank Investment Project Financing Operations (Catalogue Number OPCS5.05- ID.02) Issued on February 10, 2017 and effective March 10, 2010



IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016, and other provisions stipulated in the Financing Agreements.

92. *Procurement implementation arrangements.* Procurement planning, procurement processing, contract management and the related decision-making authority under the proposed project will be carried out by the MoE.

93. *Preparation of the Project Procurement Strategy for Development (PPSD).* As required by the Procurement Regulations, the MoE has prepared a PPSD. The PPSD sets out market approaches and selection methods to be followed during project implementation. The PPSD also identifies optimum procurement strategies on how fit-for-purpose procurement of activities will support project operations for the achievement of project development objectives and deliver Value for Money (VfM). Based on the PPSD findings, the Procurement Plan (PP) for the first 18 months has been prepared, setting the selection methods to be used by the MoE in the procurement of goods, works, non-consulting services, and consulting services under the project. The Procurement Plan will be updated at least every 12 months, or as required, to reflect the actual project implementation needs. Each update will require World Bank approval and will be publicly disclosed in accordance with the World Bank Access to Information Policy 2010. The project will use the World Bank’s Systematic Tracking of Exchanges in Procurement (STEP) as a primary tool to submit, review and clear all procurement plans, conduct all procurement transactions; monitor delays; and measure procurement performance. The PPSD, is a living document that should be regularly updated during project implementation to provide necessary justifications for procurement arrangements, procurement plans, and their updates.

C. Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

D. Environmental and Social

94. **Environment and Social risks are rated moderate.** Potential impacts include (i) construction related impacts such as health and safety of learners, teachers and local communities that will be involved in the construction of low-cost learning shelters; (ii) the potential for GBV which may happen out of the interaction between learners themselves and between learners and teaching/school personnel or during construction recognizing that local workers will be used for construction; (iii) labor and working conditions of local community workers and alignment with national regulations; (iv) child labor given the possibility of using children (especially learners) in construction related activities such as collecting water; (v) possible social exclusion of vulnerable groups such as learners with disabilities; (vi) potential sand mining along the roads and on riverbanks to be used as raw materials for construction; (vii) improper disposal of construction wastes such as rubble, dust emissions from construction sites; (viii) noise that may disrupt learning processes; (ix) safety of communities that may enter the sites from incomplete works and materials; and (x) occupational health and safety (OHS) of workers. Given the construction is all within existing schools the risks to biodiversity, important habitats and areas with high conservation values are minimal. These risks and impacts, in general, are envisaged to be site specific and can be addressed through well-known and appropriate mitigation and management measures that are outlined in the project Environmental and Social Management Framework (ESMF). Potential risks relating to the safety to school staff and students from unsafe structures are addressed through construction design and construction supervision.



95. With regard to GBV, taking into account contextual factors, the risk has been assessed using the GBV risk tool to be moderate. Mitigation measures are outlined in the ESMF and will include the assessment of and ensuring of existence of child protection measures within Environmental and Social Management Plans (ESMPs), such as positive discipline regulations, CoCs, gender-specific infrastructure, awareness raising and sensitization at school level, grievance mechanisms (GMs) that are GBV aware/sensitive and ensuring a clear referral pathway/system that identifies violence and thus reduces its impact and continuation as well as providing an effective response mechanism supporting the survivors. In the same regard, for potential GBV/SEA or sexual harassment (SH) that may arise from the interaction of learners and local contractor and community workers during classroom construction, mitigation measures include: (i) assessment and reflection of GBV risks and mitigation measures in the project site specific ESMPs and Contractor ESMPs including as necessary inclusion of a GBV Action plan with an Accountability and Response Framework as part of project ESMP as well as evaluating the GBV response proposal in the Contractor ESMPs to confirm prior to finalizing the contract the contractor's ability to meet the project's GBV requirements; (ii) sensitization of local communities about GBV risks, as part of stakeholder consultations; (iii) mapping out GBV prevention and response services in project area of influence; (iv) ensuring availability of an effective grievance mechanism (GM) with multiple channels to initiate complaints; and (v) defining the GBV requirements and expectations in the contract bid documents, including the requirement for a Code of Conduct (CoC) which addresses GBV and ensure that CoCs are signed and understood by all contractor and community workers.

96. **Capacity of Implementing Agency.** The project will be supported by the PFT which will include qualified environment and social specialists, who while have not implemented an ESF project, have been trained on the ESF. However, given the large number of low-cost classrooms that will be built in this operation, the implementing agency will need to improve their environmental and social management systems and procedures to provide adequate coverage, in particular supervision, notably of construction and environmental and social management.

97. **Grievance Mechanism.** Under the current/ongoing MESIP and Equity with Quality at Secondary (EQUALS, P164223) projects, GMs have been set up and are functioning well across the country. This project will, therefore, adopt the MESIP GM to ensure an accountability platform for interventions under this project. This GM has committees at four levels - school and community level, zonal level, district level and PFT level. Refresher training was conducted for all GM committees in October 2019 and the GM is receiving and processing complaints. The project will strengthen accountability within the GM to empower learners, parents, teachers, other school staff, construction workers and members of the local community to voice complaints, concerns, queries, clarifications and increase awareness about the features of the project as well as establish a continuous feedback between beneficiary communities and implementing structures. The grievance mechanism will also be modified and revamped to enable initiation, uptake and referral of GBV/SEA/SH cases.

98. **Consultations and Disclosure.** Communications, citizen engagement, and stakeholder coordination activities during project implementation will be managed by the PFT. Stakeholder consultations and engagement have been undertaken as a core element of project preparation, and stakeholder views and feedback have been incorporated into project design as well as in the ESF documents. Continuous consultations and engagement with stakeholders will be undertaken throughout project implementation, including program inception events at national and district levels, community sensitizations, periodic consultations with national, district and community level stakeholders, and close-out meetings at all levels. A budgeted Stakeholder Engagement Plan has been prepared and resources allocated to its activities within Component 5 of the project. ESF documents were disclosed on MoE and World Bank website.

99. As exact locations for construction and the exact scoping of other activities are unidentified, the Project has anticipated and will manage the potential environmental and social risks through the preparation and



implementation of a suite of instruments including an ESMF to provide guidance on the development of site-specific ESMPs, a Stakeholder Engagement Plan to ensure engagement with relevant stakeholders, beneficiary communities and project-affected parties throughout the project cycle, and Labor Management Procedures to outline the terms and conditions on which labor will be managed.⁸¹ The ESMF has carried out generic screening of potential activities and identified potential likely environmental and social impacts and generic mitigation measures.

V. GRIEVANCE REDRESS SERVICES

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

VI. KEY RISKS

101. The Overall Risk Rating for the MERP Project is 'Substantial'.

102. **Macro-economic risks (Substantial).** Although Malawi has enjoyed a period of economic stability since 2017, this is at risk with the onset of the COVID-19 pandemic. Since 2017, Malawi has benefitted from single-digit inflation and a stable exchange rate for the first time since 2011. GDP growth is projected at only 1.3 percent in 2020, the lowest in more than a decade, and down from pre-pandemic projections of 4.8 percent. Repeated high fiscal deficits have reduced fiscal space for human capital spending, which is being further constrained by the COVID-19 pandemic. Fiscal deficits have averaged over 6 percent of GDP since 2013. As a result, total public debt increased from 30.5 to 59.4 percent of GDP between 2012 and 2019. This buildup has largely been high cost domestic debt, which almost tripled between 2012 and 2019, from 10.4 to 29.7 percent of GDP. Repeatedly optimistic revenue assumptions, combined with an increase in government expenditure, expenditure overruns, and arrears have contributed to high deficits. In FY2019-20, revenue shortfalls and expenditure overruns, further impacted by the COVID-19 pandemic, led to a deficit of 9.4 percent of GDP. The impact of the pandemic on growth has led to lower revenues, combined with the need for higher expenditure, which will further shrink fiscal space. Tax revenues averaged 17.3 percent of GDP from FY2016/17 to FY2018/19, to decline to 16.3 percent in FY2019/20, and even further to a projected 15.8 percent of GDP in FY2020/21 (although part of the FY2020/21 reduction is due to payroll tax reductions). This reduction of more than one percent of GDP of tax revenues would correspond to over 20 percent of Government spending on education, and more than one-third of Government expenditure on health or social protection. Mitigation measures in the project include support to low-cost and more cost-effective models of construction and service delivery, and incentivization of inclusion of key reforms in the education budget through PBCs. The World Bank will also closely monitor the situation to pre-empt and manage any impact on project

⁸¹ The ESMF, Stakeholder Engagement Plan, and Labor Management Procedures were disclosed on the MoE website on 19th March 2021. The ESMF and Labor Management Procedures were disclosed on the World Bank website on 23rd March 2021. The ESCP and Stakeholder Engagement Plan were disclosed on the World Bank website on 7th May 2021.



implementation or achievement of results.

103. **Institutional capacity and sustainability (Substantial).** Despite improvements in the last two years, initial rapid capacity assessments suggest ongoing limitations in implementation capacity within MoE, including unfilled vacancies and skills shortages at both the Directorate of Basic Education and the Directorate of Education Planning. In addition, proliferation of DP-supported projects has historically placed additional pressure on MoE coordination capacity. The project mitigates these risks through (i) targeted support to capacity building within MoE; and (ii) a programmatic approach intended to act as a framework for other DPs to align with, reducing coordination burden. With regard to sustainability, the COVID-19 pandemic and associated pressures on public expenditures pose a risk to mainstreaming and sustainability of supported activities. These risks are mitigated through support to inclusion of selected project activities in Education budgets following completion of the project through PBCs (see Sustainability).

104. **Fiduciary risks (Substantial).** The FM risk is substantial as discussed in the fiduciary appraisal section. Appropriate mitigation measures have been identified. Key procurement risks that could lead to delays in project implementation and/or non-compliance, if not properly mitigated, include: (i) limited knowledge and experience of MoE staff with new features allowed by the World Bank's Procurement Regulations; (ii) limited contract management capability; (iii) inadequate record management and; (iv) impact of COVID-19 on supply chains. To mitigate these risks and strengthen the procurement capacity of MoE, the following measures will be undertaken: (i) hiring a qualified and experienced procurement specialist; (ii) providing procurement and contract management training for MoE staff during project implementation; and (iii) the PIM will include a chapter on procurement comprising of clear rules, step-by-step procedures and responsibilities, timeline requirements for procurement activities, actions and decisions, sample documents and evaluation report for small procurements. Based on the findings of the assessments and corresponding mitigating measures laid out in the action plan, the procurement risk of the project is therefore rated as Substantial.

105. **Climate Vulnerability.** The overall risk associated with climate change to the outcome of the project is considered Moderate. Malawi, therefore, must take a number of steps to ensure school safety and disaster risk reduction, including for preparedness, response, and recovery. Numerous factors hinder Malawi's efforts to build resilience, including but not limited to extreme poverty and low levels of education amongst the most vulnerable groups, which causes difficulties for the transfer of new technologies and meaningful long-term planning (Climate Change Country Profile for Malawi, 2011). During the preparation of the MERP Project, climate change, necessary mitigation and adaptation measures and actions were discussed, identified, and incorporated throughout its various components. Through its focus on improving learning in Malawi, amongst other initiatives, the MERP Project will demonstrate solutions that enhance the resilience of the education sector to adverse weather and climate change impacts. Specifically, the project design will strive to reduce risks associated with the project, avoid geophysical hazards, and mitigate potential risks posed by them. With regard to construction, the project will also incorporate efforts to ensure that construction is 'climate safe'. For instance, it will promote the use of climate resilience infrastructure in the event of future extreme weather events, such as floods and droughts, climate hazards which are prominent in Malawi. The project also aims to increase awareness of climate change and support teachers and students in acquiring climate change adaptation skills through training and small groups. Interventions under the project also support measures to limit the potential impact of the project on the environment, for example, using energy-saving measures when possible (including the use of energy saving bulbs). Moreover, the project aims to apply a climate-safe approach to construction, ensuring school activities supported by PSIG are environmentally friendly. More details regarding the project's actions with regard to the climate can be found in Annex 5.

VII. RESULTS FRAMEWORK AND MONITORING

Results Framework COUNTRY: Malawi Malawi Education Reform Program Project

Project Development Objectives(s)

The Project Development Objective is to improve learning environments for students in lower primary in Government schools.

Project Development Objective Indicators

Indicator Name	PBC	Baseline	Intermediate Targets			End Target
			1	2	3	
to strengthen learning environments in lower primary in all Government schools						
1. Pupil-classroom ratio in lower primary (average and interquartile range) (Text)		126 (average) 77 (interquartile range)	110 (average) 60 (interquartile range)	100 (average) 45 (interquartile range)	90 (average) 30 (interquartile range)	78 (average) 23 (interquartile range)
2. Share of schools with pupil-qualified teacher ratios in Standards 1-2 in the acceptable range [PBC 5] (Percentage)	PBC 5	30.12	40.00	50.00	60.00	70.00
3. Student dropout rate (total) (Percentage)		3.97	3.90	3.65	3.45	3.05
Student dropout rate (female) (Percentage)		4.09	4.00	3.75	3.50	3.10
Student dropout rate (male) (Percentage)		3.87	3.80	3.55	3.35	3.00
Students benefiting from direct interventions to enhance learning (CRI, Number)		0.00				5,000,000.00

Indicator Name	PBC	Baseline	Intermediate Targets			End Target
			1	2	3	
Students benefiting from direct interventions to enhance learning - Female (CRI, Number)		0.00				2,525,000.00
Teachers recruited or trained (CRI, Number)		1,600.00				21,500.00
Number of teachers recruited (CRI, Number)		0.00				3,500.00
Teachers recruited or trained - Female (RMS requirement) (CRI, Number)		0.00				2,000.00
Number of teachers trained (CRI, Number)		1,600.00				14,000.00

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets			End Target
			1	2	3	
Component 1. Enhanced Primary School Improvement Grants						
Ensured timely delivery of PSIG, and allocated adequate finance for PSIG in the budget, in accordance with the revised PSIG formula [PBC 1] (Yes/No)	PBC 1	No	Yes	Yes	Yes	Yes
Released adequate finance for PSIG to Local Councils prior to the start of the school year [PBC 2] (Text)	PBC 2	TBC	100.00	100.00	100.00	100.00
Share of schools receiving Primary School Improvement Grants in the first 60 days of the school year in		9.52	75.00	80.00	90.00	100.00

Indicator Name	PBC	Baseline	Intermediate Targets			End Target
			1	2	3	
accordance with the PSIG formula [PBC 3] (Percentage)						
Share of schools receiving Primary School Improvement Grants in accordance with the PSIG formula (Text)		TBC	100.00	100.00	100.00	100.00
Component 2. Improved learning environments in lower primary for learning recovery after COVID-19						
Total number of low-cost classrooms constructed at public primary schools using MERP SIG (Number)		0.00	2,000.00	5,000.00	8,000.00	10,900.00
Share of schools with PCR below 90 in lower primary (Percentage)		39.00	45.00	53.00	60.00	70.00
Total number of sanitation blocks constructed at public primary schools using MERP SIG (Number)		0.00	250.00	500.00	750.00	1,000.00
Pupil-Qualified Teacher Ratios (PqTRs) in lower primary, average and interquartile range (Text)		86 (average) 44 (interquartile range)	82 (average) 43 (interquartile range)	78 (average) 40 (interquartile range)	75 (average) 36 (interquartile range)	73 (average) 32 (interquartile range)
Share of schools with PqTR below 90 in lower primary (Percentage)		62.00	64.00	66.00	68.00	70.00
Student repetition rate in lower primary (female) (Percentage)		26.13	24.00	22.00	20.00	18.00
Student repetition rate in lower primary (male) (Percentage)		28.10	26.00	24.00	22.00	20.00
Introduced Hardship Schools Support and updated Primary Teacher Management Strategy to strengthen guidance on allocation of teachers [PBC 4] (Yes/No)	PBC 4	No	Yes	Yes	Yes	Yes
Component 3. Supporting girls' learning						
Share of schools with female pupil-qualified teacher ratios in the		14.08	20.00	40.00	60.00	80.00

Indicator Name	PBC	Baseline	Intermediate Targets			End Target
			1	2	3	
acceptable range (Percentage)						
Number of learner's guides appointed and trained to support female learners (Number)		675.00	675.00	3,175.00	3,175.00	5,800.00
Local Councils have developed costed action plans for improvement in distribution of female teachers, with targets, acceptable to Association (Yes/No)		No	Yes	Yes	Yes	Yes
Share of schools participating in common zonal testing and receiving grade- and gender-disaggregated feedback report cards (PBC 6) (Text)		0.00	25.00	50.00	75.00	100.00
Share of female lower primary students achieving minimum standards in key subjects (Text)		TBC	TBC	TBC	TBC	TBC
Component 4. School Leadership Program						
Number of headteachers, deputy headteachers, and female section heads completing School Leadership Program training (Number)		0.00	0.00	2,000.00	6,000.00	9,800.00
Number of PEAs completing School Leadership Program training (Number)		0.00	0.00	200.00	300.00	400.00
Component 5. Project Coordination and Capacity Building						
Approved M&E Framework [PBC 7] (Yes/No)		No	Yes	Yes	Yes	Yes
Share of grievances submitted to GM addressed within acceptable timeframe (Percentage)		0.00	100.00	100.00	100.00	100.00
Number of school-level officials		0.00	2,000.00	6,000.00	9,800.00	9,800.00



Indicator Name	PBC	Baseline	Intermediate Targets			End Target
			1	2	3	
that have been sensitized on climate change mitigation and adaptation measures (Number)						

Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
1. Pupil-classroom ratio in lower primary (average and interquartile range)	<p>1. Calculation of PCR: Total number of permanent classrooms (including MESIP learning shelters and low-cost classrooms; not including structures with grass or tarpaulin roofs) available for use by Standards 1-4 / total enrollment in Standards 1-4. Calculated for each public primary school.</p> <p>2. Calculation of average: Sum of public primary school PCRs / total number of public primary schools.</p> <p>3. Calculation of interquartile range: 75th percentile minus 25th percentile.</p>	Annual. (Achieved by December 31 of previous year; targets set for February to allow time for ASC reporting)	Annual School Census	Reported by EMIS Unit	EMIS Unit



	Note: indicator for support of project to COVID-19 response.				
2. Share of schools with pupil-qualified teacher ratios in Standards 1-2 in the acceptable range [PBC 5]	<p>Calculation of PqTR in Standards 1-2: Total enrollment in Standards 1-2 in each public primary school / total number of qualified teachers (IPTE/ODL) primarily teaching Standards 1-2 in school</p> <p>(Schools with 0 qualified teachers in Standards 1-2 are counted as outside acceptable range)</p> <p>Calculation of indicator: total number of public primary schools for which PqTR in Standards 1-2 is in acceptable range / total number of public primary schools</p> <p>Acceptable range: 61-90 inclusive.</p>	Annual. (Achieved by December 31 of previous year; targets set for February to allow time for ASC reporting)	Annual School Census.	Reported by EMIS team.	EMIS Team.
3. Student dropout rate (total)	Calculation of dropout per school: Number of students dropping out each year / total number of students	Annual. (Achieved by December 31 of previous	Annual School Census	Reported by EMIS team.	EMIS team.



	enrolled in previous year. Calculated for each public primary school. Calculation of average dropout: Sum of dropout rates for all dual-gender public primary schools / number of dual-gender public primary schools	year; targets set for February to allow time for ASC reporting)			
Student dropout rate (female)	Calculation of dropout per school: Number of female students dropping out each year / total number of female students enrolled in previous year. Calculated for each dual-gender public primary school. Calculation of average dropout: Sum of female dropout rates for all dual-gender public primary schools / number of dual-gender public primary schools	Annual. (Achieved by December 31 of previous year; targets set for February to allow time for ASC reporting)	Annual School Census	Reported by EMIS team.	EMIS team.
Student dropout rate (male)	Calculation of dropout per school: Number of male students dropping out each year / total number of male students enrolled in previous year. Calculated for each dual-gender public primary school. Calculation of average				



	dropout: Sum of male dropout rates for all dual-gender public primary schools / number of dual-gender public primary schools				
Students benefiting from direct interventions to enhance learning		Annual	PFT	Calculated by PFT from Project M&E	PFT
Students benefiting from direct interventions to enhance learning - Female		Annual	PFT	Calculated by PFT from Project M&E	PFT
Teachers recruited or trained					
Number of teachers recruited		Annual	PFT	Calculated by PFT from Project M&E	PFT
Teachers recruited or trained - Female (RMS requirement)		Annual	PFT	Calculated by PFT from Project M&E	PFT
Number of teachers trained		Annual	PFT	Calculated by PFT from Project M&E	PFT

Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Ensured timely delivery of PSIG, and allocated adequate finance for PSIG in the budget, in accordance with the revised PSIG formula [PBC 1]	1. Circular issued to all stakeholders to update the PSIG formula to the revised formula as recorded in the PIM	Once	Treasury/PFT	PFT to share relevant documents.	PFT



	<p>2. Agreement between Treasury, Local Government Finance Committee, and MoE for reformed flow of funds, acceptable to the Association, signed by all three parties</p> <p>3. FY22/23 budget includes allocation for PSIG, verified adequate according to the revised PSIG formula by the Association</p>				
Released adequate finance for PSIG to Local Councils prior to the start of the school year [PBC 2]	<p>Share of total finance required to provide PSIG to all public primary schools for a given school year in accordance with revised formula released by Treasury to Local Councils before first day of school year as defined by MoE /</p> <p>Share of total finance required to provide PSIG to all public primary schools for a given school year in accordance with revised formula * 100</p> <p>Baseline to be updated prior to Effectiveness based on 2021 PSIG data</p>	Annual	Treasury	Treasury to report fund release to PFT	PFT
Share of schools receiving Primary School Improvement Grants in the first 60 days	Number of public primary schools in which Primary	Annual.	Annual School	Reported by EMIS Unit	EMIS Unit



of the school year in accordance with the PSIG formula [PBC 3]	School Improvement Grants for each school year were received into the schools' bank account or in cash in the first 60 days of the school year / total number of public primary schools * 100 Baseline to be updated prior to Effectiveness using ASC 2020/21 data.		Census		
Share of schools receiving Primary School Improvement Grants in accordance with the PSIG formula	Number of public primary schools in which Primary School Improvement Grants for each school year were received into the schools' bank account or in cash during the school year / total number of public primary schools * 100 Baseline to be updated prior to Effectiveness using ASC 2020/21 data.	Annual.	TBC	TBC	PFT
Total number of low-cost classrooms constructed at public primary schools using MERP SIG	Number of low-cost classrooms in accordance with standardized designs constructed at public primary schools for use of Standards 1-4 and using needs-based MERP SIG for partial or total financing.	Annual. (Achieved by December 31 of previous year; targets set for	Project M&E/PFT	TBC	PFT



	Note: indicator for support of project to COVID-19 response.	February to allow time for ASC reporting)			
Share of schools with PCR below 90 in lower primary	<p>1. Calculation of PCR: Total number of permanent classrooms (including MESIP learning shelters and low-cost classrooms; not including structures with grass or tarpaulin roofs) available for use by Standards 1-4 / total enrollment in Standards 1-4.</p> <p>2. Calculation of share: Number of public primary schools with PCR below 90 in lower primary as above / Total number of public primary schools * 100</p> <p>Note: indicator for support of project to COVID-19 response.</p>	Annual. (Achieved by December 31 of previous year; targets set for February to allow time for ASC reporting)	Annual School Census	Reported by EMIS Unit	EMIS Unit
Total number of sanitation blocks constructed at public primary schools using MERP SIG	Number of sanitation blocks in accordance with standardized design constructed at public primary schools using needs-based MERP SIG for partial or total financing.	Annual (Achieved December 31 of the previous year; targets set for	Project M&E/PFT	TBC	TBC



	Note: indicator for support of project to COVID-19 response.	February to allow time for ASC reporting)			
Pupil-Qualified Teacher Ratios (PqTRs) in lower primary, average and interquartile range	1. Calculation of PqTR: Total number of qualified teachers employed in Standards 1-4 / total enrollment in Standards 1-4. Calculated for each public primary school. 2. Calculation of average: Sum of public primary school PqTRs / total number of public primary schools. 3. Calculation of interquartile range: 75th percentile minus 25th percentile.	Annual. (Achieved by December 31 of previous year; targets set for February to allow time for ASC reporting)	Annual School Census	Reported by EMIS team	EMIS team
Share of schools with PqTR below 90 in lower primary	1. Calculation of PqTR: Total number of qualified teachers employed in Standards 1-4 / total enrollment in Standards 1-4. 2. Calculation of share: Number of public primary schools with PqTR in lower primary below 90 as above / Total number of public primary schools * 100	Annual. (Achieved by December 31 of previous year; targets set for February to allow time for ASC reporting)	Annual School Census	Reported by EMIS team	EMIS team



<p>Student repetition rate in lower primary (female)</p>	<p>Calculation of lower primary repetition per school: Number of female students in Standards 1-4 dropping out each year / total number of female students enrolled in Standards 1-4 in previous year. Calculated for each public primary school. Calculation of average lower primary repetition: Sum of female lower primary repetition rates for all dual-gender public primary schools / number of dual-gender public primary schools</p>	<p>Annual. (Achieved by December 31 of previous year; targets set for February to allow time for ASC reporting)</p>	<p>Annual School Census</p>	<p>Reported by EMIS team.</p>	<p>EMIS team</p>
<p>Student repetition rate in lower primary (male)</p>	<p>Calculation of lower primary repetition per school: Number of male students in Standards 1-4 dropping out each year / total number of male students enrolled in Standards 1-4 in previous year. Calculated for each public primary school. Calculation of average lower primary repetition: Sum of male lower primary repetition rates for all dual-gender public primary schools / number of dual-gender public primary schools</p>	<p>Annual. (Achieved by December 31 of previous year; targets set for February to allow time for ASC reporting)</p>	<p>Annual School Census</p>	<p>Reported by EMIS team</p>	<p>EMIS team</p>



Introduced Hardship Schools Support and updated Primary Teacher Management Strategy to strengthen guidance on allocation of teachers [PBC 4]	Hardship Schools Support included in MoE Budget; funds flow arrangements agreed and approved; Updated Primary Teacher Development Strategy, acceptable to the Association and LEG, approved and signed	Once	PFT	PFT	PFT to share draft documents for Association and LEG endorsement and to share approved documents once signed.
Share of schools with female pupil-qualified teacher ratios in the acceptable range	<p>Calculation of female PqTR: Total female enrollment in each public primary school / total number of female qualified teachers (IPTE/ODL) in school</p> <p>Calculation of indicator: total number of public primary schools for which Female PqTR is in acceptable range / total number of public primary schools</p> <p>Acceptable range: 90-120, to be confirmed prior to Effectiveness and recorded in PIM.</p>	Annual. (Achieved by December 31 of previous year; targets set for February to allow time for ASC reporting)	Annual School Census	Reported by EMIS team	EMIS team
Number of learner's guides appointed and trained to support female learners	Total number of female secondary school graduates appointed and completing training as learner's guides	Annual.	Project M&E	TBC	PFT



<p>Local Councils have developed costed action plans for improvement in distribution of female teachers, with targets, acceptable to Association</p>	<p>1. List of permissible expenditures and per-district allocations, acceptable to the Association, communicated to Local Councils 2. Costed four-year action plans, in line with eligible expenditures and per-district allocations, submitted by all Local Councils to MoE and approved by DBE</p>	<p>Once</p>	<p>PFT</p>	<p>PFT to share completed and approved set of Action Plans with GA and LEG.</p>	<p>PFT</p>
<p>Share of schools participating in common zonal testing and receiving grade- and gender-disaggregated feedback report cards (PBC 6)</p>	<p>Number of public primary schools in which all lower primary classes participate in common zonal testing, and report card showing grade- and gender-disaggregated results from common zonal testing is delivered to school and displayed publicly within four months of completion of testing / total number of public primary schools * 100</p>	<p>Annual. (Achieved by December 31 of previous year; targets set for February to allow time for ASC reporting)</p>	<p>EMIS team; PFT</p>	<p>Results collated and achievement calculated by PFT. Achievement verified by IVE through sample-based review of CZT records and verification of display of report cards at schools.</p>	<p>PFT</p>
<p>Share of female lower primary students achieving minimum standards in key subjects</p>	<p>(Total number of female students in Standards 1-4 achieving passing mark in National Reading Programme testing in English + Total number of female students in</p>	<p>Annual</p>	<p>National Reading Programme; EMIS team; PFT</p>	<p>Collated by PFT</p>	<p>National Reading Programme; EMIS team; PFT</p>



	<p>Standards 1-4 achieving passing mark in National Reading Programme testing in Chichewa + Total number of female students in Standards 1-4 achieving passing mark in common zonal testing in Math) / (Total number of female students in Standards 1-4 undergoing National Reading Programme testing in English + Total number of female students in Standards 1-4 undergoing National Reading Programme testing in Chichewa+ Total number of female students in Standards 1-4 undergoing common zonal testing in Math) * 100</p> <p>Baseline to be updated prior to Effectiveness based on 2021 common zonal testing/NRP data.</p>				
<p>Number of headteachers, deputy headteachers, and female section heads completing School Leadership Program training</p>	<p>Total number of headteachers, deputy headteachers, and female section heads completing entire course of School Leadership Program training supported by MERP.</p>	<p>Annual.</p>	<p>MIE</p>	<p>Reported by MIE to PFT</p>	<p>MIE</p>



Number of PEAs completing School Leadership Program training	Total number of PEAs completing entire course of School Leadership Program training supported by MERP.	Annual	MIE	Reported by MIE to PFT.	MIE
Approved M&E Framework [PBC 7]	Institutional and policy framework for M&E of MERP activities, including standardized activity designs, targeting and procedures, and stipulating all relevant stakeholders and their level of viewing and editing access, as well as standards for access to information for the public; acceptable to the Association, approved by Government.	One-off	PFT	PFT to share approved framework.	PFT
Share of grievances submitted to GM addressed within acceptable timeframe	Number of grievances submitted to GM addressed within acceptable timeframe / total number of grievances submitted. Acceptable timeframe to be stipulated in PIM.	Annual	GM	PFT to calculate from GM records.	PFT
Number of school-level officials that have been sensitized on climate change mitigation and adaptation measures	Total number of headteachers, deputy headteachers, section heads, School Management Committee office-holders, Parent-Teacher Association office-holders, and Mother Group office-holders,	Annual	PFT	Collected by PFT through component activity monitoring	PFT; MIE



	receiving sensitization on school-level activities for climate change mitigation and adaptation, including climate sensitive construction				
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Performance-Based Conditions Matrix

PBC 1	On or before December 31, 2022, the Recipient has ensured Timely Delivery of Grants, and allocated Adequate Funds for PSIG in the Education Budget, in accordance with the revised PSIG Formula			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Process	No	Yes/No	2.50	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
From Effectiveness until 31 December 2022	Yes		2.50	Full amount released on achievement of result.
1 January 2023 - 31 December 2023	Yes		0.00	n/a
1 January 2024 - 31 December 2024	Yes		0.00	n/a
1 January 2025 - 31 December 2025	Yes		0.00	n/a



PBC 2	The Recipient has, in accordance with the revised PSIG Formula, released Adequate Funds for PSIG to Local Councils prior to the start of the School Year			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Process	Yes	Text	5.00	
Period	Value		Allocated Amount (USD)	Formula
Baseline	TBC			
From Effectiveness until 31 December 2022	100.00		1.25	The allocated finance is pro-rated according to the percentage achieved of the difference between the target percentage and baseline
1 January 2023 - 31 December 2023	100.00		1.25	The allocated finance is pro-rated according to the percentage achieved of the difference between the target percentage and baseline
1 January 2024 - 31 December 2024	100.00		1.25	The allocated finance is pro-rated according to the percentage achieved of the difference between the target percentage and baseline
1 January 2025 - 31 December 2025	100.00		1.25	The allocated finance is pro-rated according to the percentage achieved of the difference between the target percentage and baseline



PBC 3	Percentage of Public Primary Schools receiving PSIG in the first sixty (60) days of the School Year in accordance with the revised PSIG Formula			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Percentage	5.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	9.52			
From Effectiveness until 31 December 2022	75.00		1.25	The allocated finance is pro-rated according to the percentage achieved of the difference between the target percentage and baseline
1 January 2023 - 31 December 2023	80.00		1.25	The allocated finance is pro-rated according to the percentage achieved of the difference between the target percentage and baseline
1 January 2024 - 31 December 2024	90.00		1.25	The allocated finance is pro-rated according to the percentage achieved of the difference between the target percentage and baseline
1 January 2025 - 31 December 2025	100.00		1.25	The allocated finance is pro-rated according to the percentage achieved of the difference between the target percentage and baseline

PBC 4	On or before December 31, 2022, the Recipient has: (i) established the Hardship Schools Support Scheme and (ii) updated the Primary Teacher Management Strategy			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Process	No	Yes/No	2.50	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
From Effectiveness until 31 December 2022	Yes		2.50	Full amount released on achievement of result.
1 January 2023 - 31 December 2023	Yes		0.00	n/a
1 January 2024 - 31 December 2024	Yes		0.00	n/a
1 January 2025 - 31 December 2025	Yes		0.00	n/a
PBC 5	Percentage of Public Primary Schools within the Acceptable Range of Pupil-Qualified Teacher Ratios in standards 1-2			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Percentage	9.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	30.12			
From Effectiveness until 31 December 2022	40.00		5.00	The allocated finance is pro-rated according to the percentage achieved of the difference between



				the target percentage and baseline
1 January 2023 - 31 December 2023	50.00		2.00	The allocated finance is pro-rated according to the percentage achieved of the difference between the target percentage and baseline
1 January 2024 - 31 December 2024	60.00		1.00	The allocated finance is pro-rated according to the percentage achieved of the difference between the target percentage and baseline
1 January 2025 - 31 December 2025	70.00		1.00	The allocated finance is pro-rated according to the percentage achieved of the difference between the target percentage and baseline
PBC 6	Percentage of Public Primary Schools participating in the Common Zonal Testing and receiving grade and gender disaggregated feedback report cards			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	Yes	Text	11.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	0.00			
From Effectiveness until 31 December 2022	25.00		3.00	The allocated finance is pro-rated according to the percentage achieved of the difference between the target percentage and baseline
1 January 2023 - 31 December 2023	50.00		3.00	The allocated finance is pro-rated according to the percentage achieved of the difference between

				the target percentage and baseline
1 January 2024 - 31 December 2024	75.00		3.00	The allocated finance is pro-rated according to the percentage achieved of the difference between the target percentage and baseline
1 January 2025 - 31 December 2025	100.00		2.00	The allocated finance is pro-rated according to the percentage achieved of the difference between the target percentage and baseline
PBC 7	On or before December 31, 2022, the Recipient has developed and approved a Monitoring and Evaluation Framework			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Process	No	Yes/No	1.00	
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
From Effectiveness until 31 December 2022	Yes		1.00	US\$1 million disbursed on achievement of PBC.
1 January 2023 - 31 December 2023	Yes		0.00	n/a
1 January 2024 - 31 December 2024	Yes		0.00	n/a
1 January 2025 - 31 December 2025	Yes		0.00	n/a

Verification Protocol Table: Performance-Based Conditions

PBC 1	On or before December 31, 2022, the Recipient has ensured Timely Delivery of Grants, and allocated Adequate Funds for PSIG in the Education Budget, in accordance with the revised PSIG Formula
Description	PBC is achieved when the Government issues a circular to all stakeholders to update the PSIG formula to the revised formula as recorded in the PIM; reforms funds flow arrangement to ensure timely delivery to schools; and includes updated PSIG allocations, adequate to provide PSIG to all schools in accordance with revised formula as recorded in the PIM, in the Education budget.
Data source/ Agency	Treasury/PFT
Verification Entity	IVE
Procedure	IVE to confirm adequacy of agreement and budget allocation.
PBC 2	The Recipient has, in accordance with the revised PSIG Formula, released Adequate Funds for PSIG to Local Councils prior to the start of the School Year
Description	Share of total finance required to provide PSIG to all public primary schools for a given school year in accordance with revised formula as recorded in PIM, released by Treasury to Local Councils before first day of school year as defined by MoE / Share of total finance required to provide PSIG to all public primary schools for a given school year in accordance with revised formula * 100 Baseline to be confirmed prior to Effectiveness but does not affect formula.
Data source/ Agency	Treasury
Verification Entity	IVE
Procedure	Treasury to report release of funds to PFT. Local Councils to share documentation of receipt of funds, and calculation of required finance, with IVE for verification.
PBC 3	Percentage of Public Primary Schools receiving PSIG in the first sixty (60) days of the School Year in accordance with the revised PSIG Formula
Description	(Number of public primary schools in which full allocation of Primary School Improvement Grants for each school year, in accordance with revised PSIG formula as recorded in PIM, were received into the schools' bank account or in cash in the first 60 days of that school year / total number of public primary schools * 100) / (Target percentage - baseline) PBC rewards increase in share of schools receiving PSIG on time from baseline. Baseline to be updated prior to Effectiveness using ASC

	2020/21 data.
Data source/ Agency	Annual School Census/EMIS team
Verification Entity	IVE
Procedure	Achievement reported by EMIS team. Verified by IVE using IFMIS data and sample schools.
PBC 4	On or before December 31, 2022, the Recipient has: (i) established the Hardship Schools Support Scheme and (ii) updated the Primary Teacher Management Strategy
Description	The PBC will be achieved when the Recipient has: 1. Updated the Teacher Management Strategy to provide unified and streamlined guidance to district officials on the allocation of teachers to schools, update policies on teacher transfers, promotion and discipline, and provide clear guidance to schools on allocation of teachers between grades; and develop a costed implementation plan for the Strategy, with a fully fleshed out results framework and a theory of change that supports achievement of Year 1-4 targets. It is anticipated that the implementation plan will include dissemination and training activities at district and sub-district levels, as well as alignment with the School Leadership Program. 2. MoE has introduced a revised hardship school support to teachers working in the most remote schools (defined as 'Category A' as defined in the Primary Teacher Management Strategy and not exceeding one-third of schools).
Data source/ Agency	PFT
Verification Entity	TPV
Procedure	TPV to confirm adequacy of approved document
PBC 5	Percentage of Public Primary Schools within the Acceptable Range of Pupil-Qualified Teacher Ratios in standards 1-2
Description	Calculation of PqTR in Standards 1-2: Total enrollment in Standards 1-2 in each public primary school / total number of qualified teachers (IPTE/ODL) primarily teaching Standards 1-2 in school (Schools with 0 qualified teachers in Standard 1-2 are counted as outside acceptable range) Calculation of share of schools in acceptable range: total number of public primary schools for which PqTR in Standards 1-2 is in acceptable range / total number of public primary schools*100 PBC rewards increase in share of schools in acceptable range from baseline. Calculation of PBC achievement: (Share of schools in acceptable range - baseline)/(Annual target - baseline) Acceptable range: 61-90 inclusive. Baseline to be updated prior to Effectiveness using ASC 2020/21 data.
Data source/ Agency	Annual School Census/EMIS Team

Verification Entity	IVE
Procedure	Achievement reported by EMIS team. Verified by IVE using EMIS data and sample schools.
PBC 6	Percentage of Public Primary Schools participating in the Common Zonal Testing and receiving grade and gender disaggregated feedback report cards
Description	Number of public primary schools in which all lower primary classes participate in common zonal testing, and report card showing grade- and gender-disaggregated results from common zonal testing is delivered to school and displayed publicly within four months of completion of testing / total number of public primary schools * 100
Data source/ Agency	EMIS team; PFT
Verification Entity	IVE
Procedure	Results collated and achievement calculated by PFT. Achievement verified by IVE through sample-based review of CZT records and verification of display of report cards at schools.
PBC 7	On or before December 31, 2022, the Recipient has developed and approved a Monitoring and Evaluation Framework
Description	The PBC is achieved when an Institutional and policy framework for M&E of MERP activities, including standardized activity designs, targeting and procedures, and stipulating all relevant stakeholders and their level of viewing and editing access, as well as standards for access to information for the public; acceptable to the Association, is approved by Government.
Data source/ Agency	PFT
Verification Entity	IVE
Procedure	IVE to verify approval and adequacy of frameworks



ANNEX 1: Implementation Arrangements and Support Plan

Implementation Arrangements

1. MERP Project implementation will be led by the DBE, under the leadership of the Director of Basic Education as the Programme Implementation Coordinator, supported by the 34 DEOs. For effective technical leadership of the programme implementation, DBE will work in collaboration with the DPP that is charged with the coordination of development projects in the education sector and overall sectoral programmes coordination, including aid coordination. The DPP will provide programme policy, planning and monitoring which will be linked to the overall education sector planning function undertaken by the DPP under the leadership of the Director of Policy and Planning. In addition, DPP will also coordinate the development of policies supported by the MERP Project; synthesize the monitoring and evaluation data to inform sectoral evidence based planning and policy development; and ensure accurate reporting on MERP Project progress at the MoE Sector Working Group and LEG meetings, all of which functions are linked to the overall education sector planning function executed by the DPP.
2. The SE will provide overall programme oversight, holding the programme implementation team accountable for the programme results. The SE will continue to chair the quarterly LEG meetings which constitute all key stakeholders in education including development partners and civil society. Quarterly, bi-annual and annual progress reports on the MERP Project will be presented to the LEG for review. In the execution of the programme activities, the DBE will work with supporting institutions/departments consistent with their statutory mandates. These include MIE, DSHNHA, DQAS, DHRM, and DTED; DPP, along with associated technical units of M&E and EMIS; Procurement and Disposal Unit; EIMU; as well as Accounts and Audit Department. The respective supporting institutions/departments will appoint Focal Point Officers that will work directly with the Directorate of Basic Education.
4. The day-to-day administration of the project will be supported by the PFT, including oversight of fiduciary management, environmental and social safeguards, and M&E. In line with the programmatic approach, for capacity development and sustained ownership of project interventions, the respective recruited personnel will report to the heads of directorates or organs whose function they will be complementing. The Project Manager, part of the PFT, will coordinate the various PFT members and provide day to day support to the Programme Implementation Coordinator; liaising with all MERP Project recruited specialists in selected technical areas who will be placed within, and reporting to the leadership of the respective technical units they will be supporting (M&E, Finance, Procurement, Safeguards, and other education departments where additional support will be provided at the national or district levels), to ensure well-coordinated and timely implementation.
5. At the district level, the PSIP Desk Officer will be responsible for coordinating all MERP Project activities in the district, linked to both their DEOs and the respective Component Leads. The PSIP Desk Officer is an established government post working alongside PEAs and reporting to the District Education Office Structure (Director of Education and Youth; Chief Education Officer; District Education Manager and Coordinating Primary Education Advisor). Clerk of Works in each district will quality assure all school level construction works in liaison with the PSIP Desk Officer and reporting to the District Education Office.
6. Each Component will be led by a Component Lead who will report to the Programme Implementation Coordinator. The Component Lead's role will include implementation planning, budgeting and execution, monitoring and reporting. Under each component, there will be Support Institutions/Departments' Focal Point Officers who will work in close collaboration with the Component Lead. The Component Lead will coordinate all the supporting Focal Point Officers in the implementation and monitoring of progress of the respective component interventions.

7. The sections below highlight the lead and implementation supporting institutions/departments for the respective components.

Component 1: Expanding and Reforming Primary School Improvement Grants

8. **Component Lead: DBE.** This component supports the expansion and reform of Primary School Improvement Grants (PSIG) to provide additional and more needs-based support to schools, with timely and predictable delivery of finance.

9. The supporting institutions/departments will include the following: (a) At national level, DPP which will revise the PSIG formula as agreed to increase allocations and make it need based and, in partnership with Ministry of Finance and the LGFC, revise flow of funds arrangements to ensure timely delivery to schools. (b) At district level, PSIP Desk Officer who will coordinate all PSIG school interventions at the district level in liaison with the District Education Office; (c) At sub-district level, PEAs who will monitor school implementation of the use of PSIG; and (d) At school level, SMCs which will oversee the use of PSIG.

Component 2: Improved Learning Environments in Lower Primary to Support Learning Recovery After COVID-19

10. **Component Lead: DBE.** This component will provide additional grant finance, targeted to schools with exceptional need to support construction of low-cost classrooms and hiring of auxiliary teachers to address severely large class sizes in lower primary.

11. The supporting institutions/departments will include the following: (a) EIMU Unit which will provide relevant guidance and monitoring of the school led construction of such works in accordance with the agreed design; (b) District Clerk of Works who will quality assure construction works at the school levels; (c) the PSIP Desk Officers who will coordinate all auxiliary teachers and teacher deployment activities at the district level; (d) PEAs who will supervise the use of MERP SIG at school level; and (e) SMCs which will manage the use of MERP SIG. TA will be provided to support the DBE to update the Teacher Management Strategy; provide unified and streamlined guidance to district officials on the allocation of teachers to schools; update policies on teacher transfers, promotion and discipline; provide guidance on allocation of teachers between grades, as well as develop a costed implementation plan on teacher requirements including a results framework.

Component 3: Supporting Girls' Learning

12. **Component Lead: DBE.** This component supports a range of activities aimed to raise the learning achievement of girls, including supporting female learners and improving the numbers of female teachers in remote schools.

13. The supporting institutions/departments will include the following: (a) DSHNHA to design and deliver capacity development program for Learner Guides/mentors; (b) DQAS for design and implementation of Zonal tests and design of PBC 5; and (c) PSIP Desk Officers to coordinate all Learner Guides/gender responsive interventions at the school levels, deployment of female teachers and learner assessments within their respective districts.

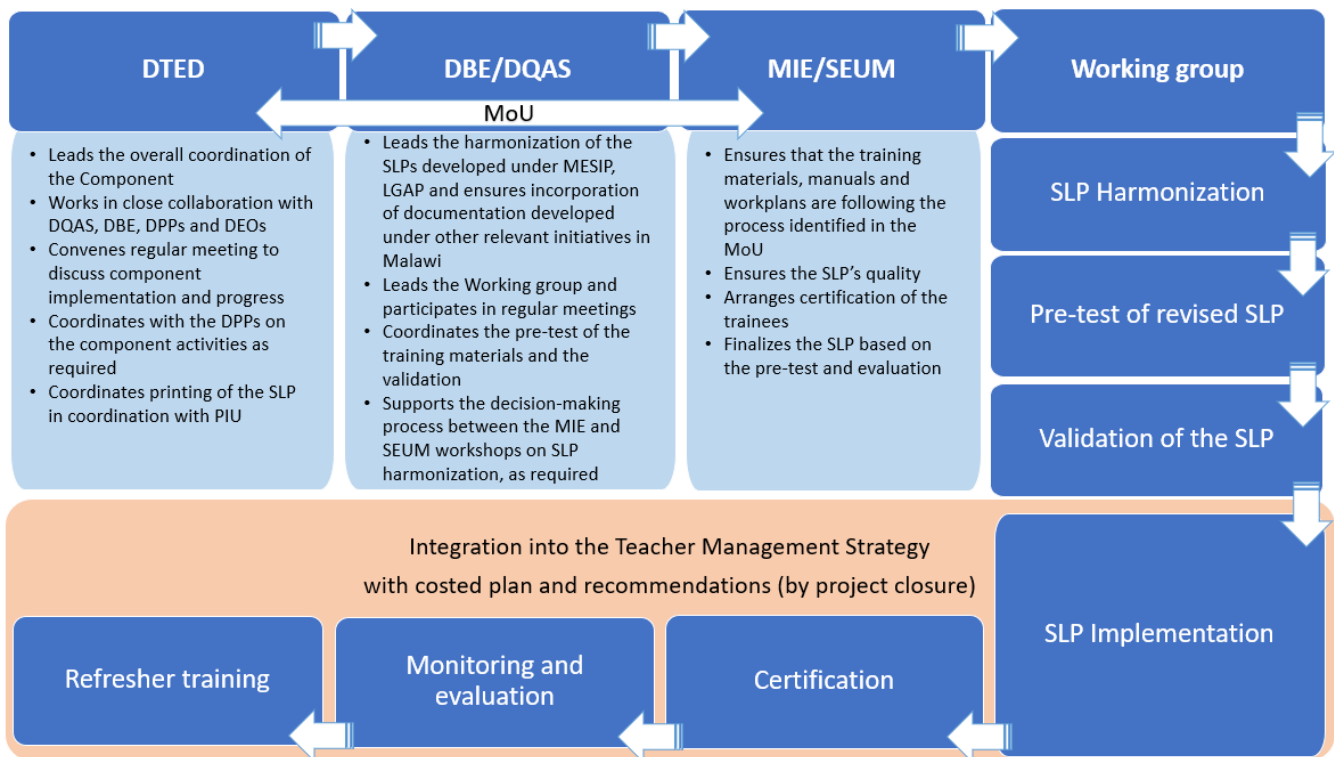
Component 4: School Leadership Program

14. **Component Lead: DTED.** This component will support the national delivery of an updated and revised SLP to capacitate headteachers, deputy headteachers selected female leaders in junior leadership positions, and PEAs, and in modified form to inspectors, in school leadership. DTED will coordinate all activities in collaboration with the DPP, DBE and DQAS in the process of harmonization of the SLP curriculum and delivery of training, and DPP and DBE in monitoring

the changes in the performance among trained participants.

15. The supporting institutions/departments include the following: (a) MIE to design the school leadership curriculum and implementation of trainings building on the MESIP 1 leadership program; (b) DPP, DBE and DQAS to support the design of school leadership curriculum and implementation of trainings; (c) DBE and DQAS to monitor the improvements in school leadership and management practices including changes in school cultures, female teacher retention, school resource utilization, instructional leadership practices of headteachers/deputies and maintenance of school records; and (c) PSIP Desk Officers to coordinate all school leadership interventions at the district levels. The DQAS will lead the harmonization process which will be implemented by the Malawi Institute of Education (MIE) and the School of Education of the University of Malawi. The MIE and the SEUM will establish a joint Working group consisting of both entities and other stakeholders. The work will be guided by the Memorandum of Understanding that will identify the key requirements for the SLP’s modules, its key components and the timeline.

Figure 1.1. SLP implementation



Component 5. Project Coordination and Capacity Building

16. **Component Lead: Programme Implementation Coordinator – Director of Basic Education.** This component will finance the management of the MERP Project including reporting. The Programme Implementation Coordinator will provide overall programme implementation technical guidance, planning, budgeting and implementation monitoring; overall coordination of MERP Project implementation in all the education districts consistent with the decentralized service delivery framework for basic education. In addition, the DBE will chair monthly implementation coordination meetings with all component/subcomponent leads; as well as work in collaboration with all the Components Leads with support from the Project Manager who will be recruited as part of the PFT.

17. The supporting institutions/departments that will service the implementing directorate (DBE) include the

following: (a) M&E and EMIS to coordinate the programme monitoring and evaluation, reporting and documentation; (b) Accounts and Audit Unit to undertake programme budgeting and financial oversight, financial reporting and accountability; (c) Procurement Unit to coordinate all programme procurements, documentation and reporting on programme procurement; (d) Social Safeguards personnel to coordinate all programme safeguards activities, documentation and reporting on safeguards; and (e) Environmental Safeguards personnel to coordinate all programme environment activities, including the design of training curriculum and the delivery of sessions on climate change adaptation and mitigation,⁸² as well as the documentation and reporting on environment and climate change.

18. The component will support the recruitment of personnel for the PFT comprised of competitively recruited personnel who will complement the existing staff for smooth and timely implementation of the MERP Project. This arises from the staffing capacity assessment exercise that was conducted during the MERP Project preparation. The additional staffing arrangements are summarized in the Table 1.1 below

Table 1.1: Staffing arrangements

Expertise to be recruited by MERP Project	Reporting Lines
Project Manager (1)	Director of Basic Education
Deputy Project Manager (1)	Director of Basic Education
Procurement Officer General (1)	Head of Procurement
Financial Management Specialist/ Accountant (1)	Head of Accounts
Monitoring and Evaluation (1)	Director Deputy Director Policy and Planning M&E/EMIS
Social Safeguards Specialist (1)	Director of Basic Education
Environmental Safeguards Specialist (1)	Director of Basic Education
Gender Specialist (1)	Director of Basic Education

19. All the specialized TA to be provided under the respective components will be under this Component. In addition, Component 5 will also support recruitment and all activities of the IVE.

Capacity building

20. As part of Component 5, the MERP Project will provide capacity building support to key MoE directorates and other implementing entities. Although the precise capacity building plan will be confirmed prior to Effectiveness, initial consultations suggest the following priorities:

21. The DBE will require some capacity building for effective and efficient delivery of its leading role in the MERP Project. There are two staff vacancies in DBE at the central level that require to be filled by government prior to the programme commencement: Chief Education Officer and Principal Officer. In terms of training, in the short term the following have been prioritized to be done within the first two years of the programme thus: (a) Directorate and all supporting directorates and focal points orientation on the programme design and collaborative ways of working; (b) Orientation of MoE Directorate and District Councils, Local Government on enhancing better coordination and collaboration; (c) Directorate Senior Staff training in high level leadership and policy formulation and review; (d) Directorate Senior Staff training on extensive coordination skills and high-level skills on advocacy; and in the long term: (e) Cross Directorates senior staff training in data management and utilization for better efficiency and evidence - based

⁸² This will be specified in Environment Specialists' TORs in the Project Implementation Manual.



policies and strategies; (f) Orientation of all MoE Directorates on decentralization and how it can be further enhanced and for better understanding of jurisdiction and responsibilities; and (g) MoE peer learning from other countries on decentralization.

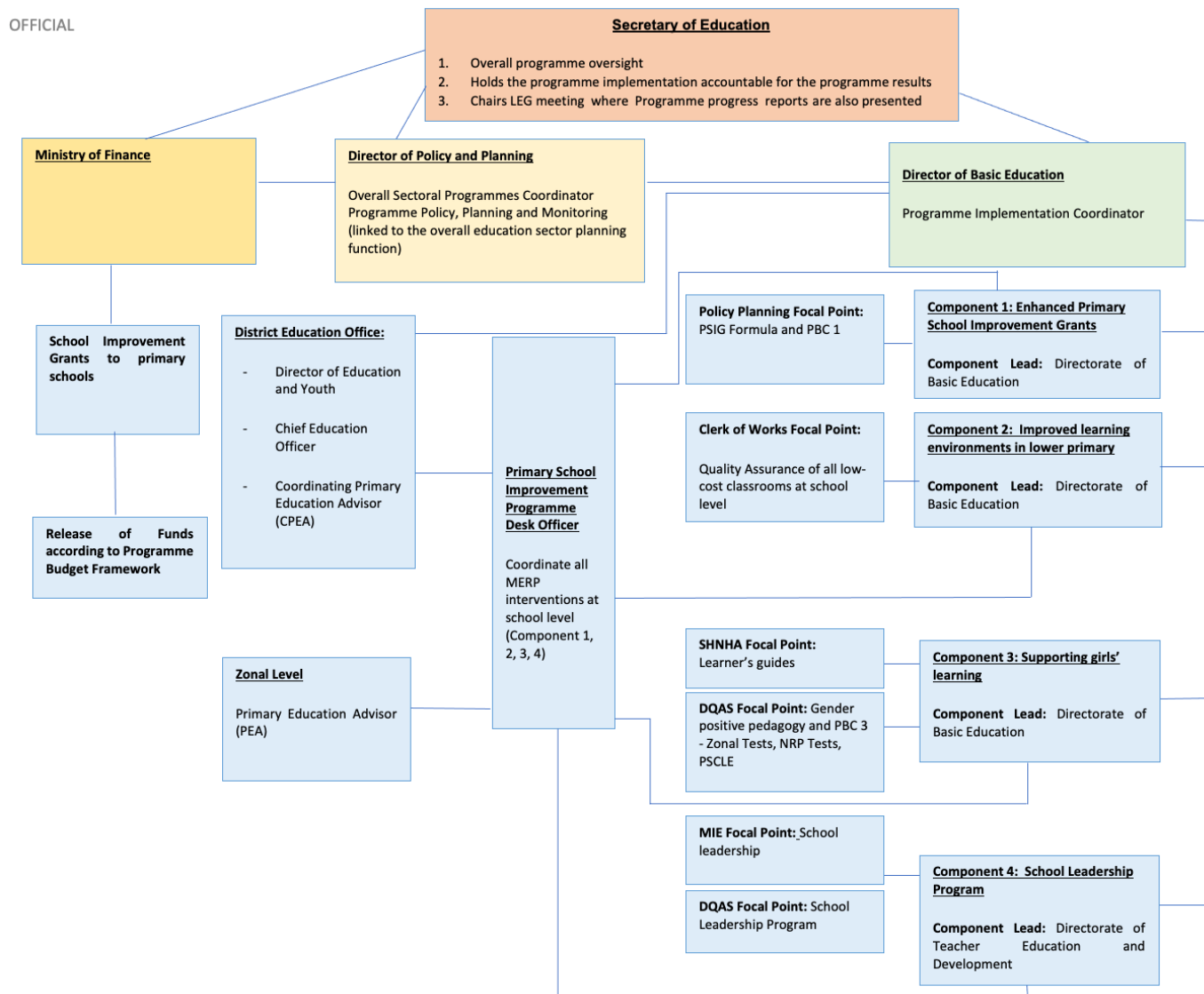
22. DPP in its programme policy, planning and monitoring role support to the MERP Project will require the following in terms of skills: In the short term first two years (a) M&E skills especially on evaluation of projects / programs in the education sector for ongoing performance assessment; (b) Enhanced aid coordination for better efficiency; (c) Resource mapping and expenditure tracking; and in the long term three to four years (e) Evidence based policy development and better policy coordination, implementation and management; (f) Both EMIS Officers at Central and District/Zonal level capacity building in data management (data collection, quality checks, reporting and dissemination).

23. DTED in its leading role on school leadership will require the following skills: In the short term first two years: (a) project management, monitoring and evaluation (b) special pedagogical skills in content , module design and curricula related issues in general (c) implementation of donor funded projects and quality management (d) gender mainstreaming. In the long term (three-four years): (a) Leadership and policy implementation (b) Strategic Performance Management (c) Study tours on design and provision of school leadership, at all levels ;how content is developed and type of certification ; teachers and head-teachers motivation after undergoing such CPDs and link to promotion. The Directorate is fully staffed; however TA will be required to support the School Leadership Program design and evaluation.

24. At the decentralized level, the MERP Project will work through the DEO structure within the District Council, with the PSIP Desk Officer as the main entry point at the school level for all components activities, and the Clerk of Works as the lead quality assurer on construction. PSIP Desk Officers is an establish government role and currently there are 56 officers across the country in all districts with some districts having more than one, depending on the district size. Through MESIP, 15 of these PSIP Desk officers were provided with motorcycles , leaving a gap of 41 officers with no reliable transport, hence the need to procure motorcycles for the 41 PSIP Desk Officers. Not all districts have Clerk of Works, an arrangement will be made to assign the neighboring districts Clerk of Works to supervise those districts. To enable efficiency of the quality assurance role, provisions for allowances and fuel will be made for them to be able to go out to schools on a regular basis.

25. PEAs have an overall advisory support role to schools but their role is affected by lack of reliable transport by most of them. The MERP Project will provide limited support to those in dire need of transport to enhance their capacity to providing holistic support and holding schools accountable. Some trainings will be required at the decentral level to enhance the capacity of the districts (DEMS, DEYS, Coordinating PEAs , PEAS, Clerk of Works and PSIP Desk Officers) for better delivery. These include: (a) training in project management (planning , budgeting , M&E and reporting) and effective leadership; and (b) Targeting DEMS and DEMIS, training on use of software for efficient teacher allocations and reallocations.

Figure 1.2. MERP Project Implementation Arrangements



Implementation Support

26. The strategy for implementation support has been developed based on the nature of the project, its design and risk profile. The objective of the implementation support is to provide the client with flexible and efficient guidance and support to mitigate risks. Implementation support will cover technical, fiduciary, social, environmental and safeguards issues. It will comprise: (i) review missions; (ii) regular technical meetings and field visits by the World Bank team between review missions; and (iii) internal audit and FM reporting.

Table 1.2 Implementation Support Plan

Time	Focus	Skills Needed	Resource Estimate
First twelve months	Technical Review and Support	Technical knowledge and experience in basic education, teacher management, planning and capacity building	Task Team Leader (TTL): 12 Staff-weeks (SWs) Co-TTL: 12 Weeks
	Institutional arrangements and project supervision coordination and team leadership	Task/project/team management, operations, planning and coordination	TTL: 10 SWs Co-TTL: 10 SWs
	FM/Procurement Training and Supervision	Technical knowledge and experience in FM and procurement	FM specialist: 6 SWs Procurement specialist: 6 SWs
	Environment and Social Monitoring and Reporting	Technical knowledge and experience in environmental (including climate change adaptation and mitigation) and social safeguards	Environmental Specialist: 3 SWs Social Safeguards Specialist: 3 SWs
12-48 months	Technical Reviews/Support	Technical knowledge and experience in basic education, teacher management, planning and capacity building	TTL: 8 SWs Co-TTL 8 SWs
	Institutional arrangements and project supervision coordination and team leadership	Task/project/team management, operations, planning and coordination	TTL: 6 SWs Co-TTL: 6 SWs
	M&E arrangements review	Technical knowledge and experience in M&E	M&E Specialist: 4 SWs
	Environmental and Social monitoring and reporting	Technical knowledge and experience in environmental (including climate change adaptation and mitigation) and social safeguards	Environmental safeguards: 3 SWs annually Social Safeguards: 3 SWs annually
	FM monitoring and reporting	Technical knowledge and experience in FM	FM specialist: 4 SWs
	Procurement management	Technical knowledge and experience in procurement	Procurement specialist: 4 SWs

Table 1.3: Task Team Skills Mix Requirement for Implementation Support

Skill needed	Number of Staff Weeks Per Fiscal Year	Number of Trips
Program Management (TTL and Co TTL)	30	Field trip as needed
Operations Officer	9	Field trip as needed
M&E Specialist	5	Field trip as needed
Economist	4	Field trip as needed
FM Specialist	6	Field trip as needed
Procurement Specialist	6	Field trip as needed
Environment Specialist	3	Field trip as needed
Social Safeguards Specialist	3	Field trip as needed
Administrative Support	10	Field trip as needed

Procurement arrangements

27. **Applicable procurement procedures.** Procurement activities under the IPF component of the proposed project will be carried out in accordance with the World Bank’s “Procurement Regulations for IPF Borrowers” (Procurement Regulations) dated November 2020, and the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016, and other provisions stipulated in the Financing Agreements.

28. **Procurement Implementation Arrangements.** Procurement under this project will be carried out by Ministry of Education (MoE). The institutional arrangements for procurement build on the institutional arrangements used under the following ongoing projects: MESIP and EQUALS.

29. **Procurement Capacity Assessment.** The capacity of MoE was reviewed during preparation of the project and noted that even though requiring some improvements, was found to be acceptable for managing the procurement activities for the project. MoE is already implementing projects financed by the Bank, however, given that the proposed project will increase the workload, current staff may not be adequate to handle additional workload effectively and efficiently. Therefore, a qualified procurement specialist will be hired to enhance the capacity. MoE is well equipped with office space and all the means to perform the work satisfactorily. An action plan to improve the capacity was put in place and will be continuously monitored, during the project implementation, to ensure that the PFT performing at acceptable level.

30. The above-mentioned assessment rated the overall procurement risk Substantial, given the procurement scope and associated risks identified. The assessment findings identified the following weaknesses which could adversely influence the project implementation if not mitigated, including proposed mitigation measures:

31. **Filing and record keeping:** The Procurement Manual (part of the PIM) will set out the detailed processes for maintaining and providing readily available access to project procurement records, in compliance with the FA. The MoE will assign one person responsible for maintaining the records. The logbook of the contracts with unique numbering system will be maintained.

32. **Commitment Control System:** The signed contracts as in the logbook will be reflected in the



commitment control system of the MoE's accounting system or books of accounts as commitments whose payments should be updated with reference made to the payment voucher. This will put in place a complete record system whereby the contracts and related payments can be corroborated.

33. **Project Procurement Strategy for Development:** As part of preparation of the project, the MoE has prepared its PPSD. The PPSD sets out market approaches and selection methods to be followed during project implementation of the project. The PPSD identifies optimum procurement strategies on how fit-for-purpose procurement of activities will support project operations for the achievement of project development objectives and deliver VfM. Based on the PPSD findings, the PP for the first 18 months has been prepared, setting the selection methods to be used by the Borrower in the procurement of goods, works, non-consulting services, and consulting services under the project. The Procurement Plan will be updated at least every 12 months, or as required, to reflect the actual project implementation needs. Each update will require World Bank approval and will be publicly disclosed in accordance with the World Bank disclosure policy. The PPSD is a living document that will be regularly updated during project implementation to provide necessary justifications for procurement arrangements, procurement plans, and their updates.

34. **Procurement Templates.** The World Bank's Standard Procurement Documents (SPDs) will be used for procurement of goods, works, and non-consulting services under International Competitive Procurement. National Bidding documents may be used under National Procurement Procedures (NPP) subject to the exceptions stipulated in the textual part of the Procurement Plan. Similarly, selection of consultant firms will use the Bank's SPDs, in line with procedures described in the Procurement Regulations.

35. **National Procurement Procedures.** National open competitive procurement procedures may be used while approaching the national market. National open competitive procurement will observe the requirements stipulated in the Procurement Regulations for IPF Borrowers on National Procurement Procedures. Other national procurement arrangements (other than national open competitive procurement), which may be applied by the Borrower (such as limited competitive bidding, request for quotations, direct selection), will be consistent with the World Bank's Core Procurement Principles and ensure that the World Bank's Anti-Corruption Guidelines and Sanctions Framework and contractual remedies set out in its Legal Agreement apply. However, the request for bids/request for proposals document will require that bidders/proposers submitting bids/proposals present a signed acceptance at the time of bidding, to be incorporated in any resulting contracts, confirming application of, and compliance with, the World Bank's Anti-Corruption Guidelines, including without limitation the World Bank's right to sanction and the Bank's inspection and audit rights, and that the Procurement Documents include provisions, as agreed with the Bank, intended to adequately mitigate against environmental (including climate change adaptation and mitigation), social (including sexual exploitation and abuse and gender-based violence), health and safety ("ESHS") risks and impacts.

Table 1.4. Procurement risk assessment and mitigation action plan

No.	Risk	Risk Type	Mitigation Measure	Time Frame	Responsible Agency
1.	Delays in procurement processing due to limited capacity, staffing and workload.	Substantial	MoE will hire a procurement specialist with qualifications and experience satisfactory to the Bank	Within six months of project effectiveness	MoE
2	Lack of adherence to procedures due to inadequate understanding of the World Bank Procurement Regulations for IPF Borrowers.	Substantial	MoE staff involved in project implementation will receive training on the World Bank Procurement Regulations for IPF Borrowers. The Bank will also provide constant support to staff to ensure adherence to the Procurement Regulations.	During project implementation	World Bank, and MoE
3	Impact of COVID-19 emergency on supply chains and lead times.	High	Advance procurement	During implementation	MoE
4	Challenges of bids submission due to COVID-19 movement restrictions imposed by many countries worldwide.	High	MoE will closely monitor market trends, and promptly propose more efficient procurement approaches and methods.	Throughout project implementation	MoE
5	Delays and/or unsuccessful completion of contracts due to inadequate contract management capacity	Substantial	The project will develop simple contract monitoring sheets for each signed contract Key staff who will be involved in project implementation will undergo contract management training to enhance their capacity	During project implementation Within six months of project effectiveness	MoE World Bank and MoE
6	Loss and/or unauthorized access to procurement records due to inadequate record management	Substantial	MoE will put in place an effective and secure record management system, with a dedicated staff to manage the records.	During project implementation	RA

36. **Approach to Market.** Based on the size of the contracts under this project, open international bidding will be followed; however, generally, the thresholds shown in Table 1.5 will be used for open national/international and Request for Quotation bidding under this project. The table below shows the Thresholds and Procurement Methods to be used under the Project given a risk rating of Substantial:

Table 1.5: Procurement Thresholds Methods

Thresholds for Procurement Methods							
Works			Goods, IT & Non-Consulting Services			List of National Consultants	
Open International or ICB (\$'000)	Open National or NCB (\$'000)	Request for Quotation or National Shopping (\$'000)	Open international or ICB (\$'000)	Open National or NCB (\$'000)	Request for Quotation or National Shopping (\$'000)	Consulting Services (\$'000)	Engineering & Construction Supervision (\$'000)
≥	<	≥	≥	<	≥	<	≥
7,000	7,000	200	1,000	1,000	100	200	300

37. **Procurement Plan.** MoE has prepared a Procurement Plan for the first 18 months, based on the findings and recommendations of the PPSD. The Procurement Plan is subject to public disclosure and will be updated on an annual basis or as needed. The updates or modifications of the Procurement Plan will be subject to the World Bank's prior review and 'no objection'. The World Bank will arrange for the publication of the Procurement Plan and any updates on the World Bank's external website directly from STEP.

38. **Fiduciary oversight by the World Bank.** The World Bank will prior review contracts as provided for in the procurement plan. Contracts below the prior review thresholds will be subject to post review according to procedures set forth in World Bank Procurement Regulations on an annual basis by the World Bank team. The rate of post review is initially set at 20 percent. This rate may be adjusted periodically based on the performance of the Procuring Entity. In addition, Bank procurement specialist will regularly participate in implementation support missions to assist in monitoring procurement procedures and plans. Table 1.6 below indicates the contract thresholds that require prior review by the World Bank. All activities estimated to cost below these amounts will be treated as post review and will be reviewed by the World Bank during the Implementation Support Missions under a Post Procurement Review exercise. Direct Contracting/Single Source will be subject to prior review only above the amounts given in the table. The World Bank may, from time to time, review the amounts based on the performance of the implementing agencies.

Table 1.6: Prior Review Thresholds

Procurement Type	Prior-review Thresholds Substantial Risk
Works	10,000,000.00
Goods and non-consulting services	2,000,000.00
Consultants (Firms)	1,000,000.00
Individual Consultants	300,000.00

39. **Monitoring by STEP.** STEP will be used to prepare, clear and update procurement plans and conduct all procurement transactions for the project. As part of project preparation, two staff from MoE staff have already attended STEP training. Through mandatory use of STEP by the Recipient, the World Bank will be able to consolidate procurement/contract data for monitoring and tracking of all procurement transactions. Using STEP, comprehensive information of all prior and post review contracts for goods, works, technical services, and consultants' services awarded under the whole project will be available automatically and systematically on a real time basis whenever required, including, but not limited to: (a) the reference number as indicated in



the Procurement Plan and a brief description of the contract; (b) the estimated cost; (c) the procurement method; (d) timelines of the bidding process, (e) the number of participated bidders; (f) names of rejected bidders and reasons for rejection; (g) the date of contract award; (h) the name of the awarded supplier, contractor, or consultant; (i) the final contract value; and (j) the contractual implementation period.

40. **Publication of Procurement Information.** The project will follow the World Bank's policies on publication of procurement information that are set forth in the World Bank's Procurement Regulations.

41. **Training, Workshops, Study Tours, and Conferences.** Training activities would comprise workshops and training, based on individual needs, as well as group requirements, on-the-job training, and hiring of consultants for developing training materials and conducting trainings. Selection of consultants for training services follows the requirements for selection of consultants above. All training and workshop activities (other than consulting services) would be carried out on the basis of approved Annual Work Plans / Training Plans that would identify the general framework of training activities for the year, including: (i) the type of training or workshop; (ii) the personnel to be trained; (iii) the institutions which would conduct the training and reason for selection of this particular institution; (iv) the justification for the training, focusing on how it would lead to effective performance and implementation of the project; (v) the duration of the proposed training; and (vi) the cost estimate of the training. Report by the trainee(s), including completion certificate/diploma upon completion of training, will be provided to the Project Manager and will be kept as parts of the records, and will be shared with the World Bank if required.

42. **Training Plan.** A detailed plan of the training/workshop describing the nature of the training/workshop, number of trainees/participants, duration, staff months, timing and estimated cost will be submitted to IDA for review and approval prior to initiating the process. The selection methods will derive from the activity requirement, schedule and circumstance. After the training, the beneficiaries will be requested to submit a brief report indicating what skill have been acquired and how these skills will contribute to enhance their performance and to attain the project objective.

43. **Operational Costs.** Operational costs financed by the project would be incremental expenses incurred on account of Project implementation, based on the Annual Work Plan and Budget approved by the Association, and consisting of expenditures for bank charges, public awareness-related media expenses, office supplies, vehicle operation and maintenance, maintenance of equipment, communication and insurance costs, office administration costs, utilities, rental, consumables, accommodation, travel and per diem, expenses related to Project management, and other reasonable expenditures directly associated with implementation of the Project activities, but excluding salaries of officials of the Recipient's civil service and such other expenditures as may be agreed by the Association.

44. **Procurement Manual.** Procurement arrangements, roles and responsibilities, methods and requirements for carrying out procurement under the proposed project will be elaborated in detail in the Procurement Manual which will be a section of the PIM. The PIM will be prepared by the Recipient and agreed with the World Bank prior to Effectiveness.

Financial Management Arrangements

45. *Disbursement and Funds Flow Arrangements:* Disbursement method recommended is report based requiring the project to make six monthly resource forecasts every quarter and submitting funds withdrawal applications as and when required. An exclusive designated account in US Dollars will be opened at the Reserve Bank of Malawi or a commercial bank acceptable to the World Bank. A Kwacha holding account will



also be opened at the RBM and a corresponding operating account at a commercial bank acceptable to IDA. Payments against the achievement of PBCs will be made on a reimbursement-basis, that is, the Government will pre-finance the agreed eligible expenditure items and submit an application for reimbursement (up to the maximum of the PBC payment value for the given year) when a particular PBC is achieved.

46. *Staffing:* The primary FM staff will be recruited by the project as part of the PFT and consist of a qualified and experienced FM specialist. Government will also assign an accountant and at least two senior accounts assistants. The project FM staff will be supervised by the Head of Accounts of MoE. The procurement of FM staff will be based on terms of reference to be cleared by the World Bank.

47. *Budgeting:* Annual work plan and budget will be activity based following government budgeting procedures which have been assessed as adequate and suitable for the proposed project.

48. *Accounting and reporting:* The Public Finance Act of 2003 and the Financial Regulations thereof and other circulars issued by MoF from time to time guide Government financial management procedures. The project will use country systems including on accounting and payment processes of the Government of Malawi (GoM) at MoE. The MoE will prepare a Financial Procedure Manual (FPM) satisfactory to the World Bank. The MoE under MESIP is already using a computerized software for transaction processing and reporting. It is recommended that the same software should be reconfigured to incorporate accounting and reporting requirements of the new project. If the reconfiguration is not feasible then the ministry should acquire a software for the purpose of new project. The configuration or acquisition and installation of software should be in place within four months of effectiveness. Interim financial reports prepared quarterly will be submitted to the Bank within 45 days after end of each calendar quarter during the implementation.

49. *Internal controls and internal audit:* Adequate internal control system is in place. MoE under the MESIP has internal controls that allow for the segregation of duties for the initiation, approval and authorization of project expenditures. The internal controls system is adequate and can safeguard the project assets. MoE will update and document the internal control system in the project FPM in line with the public finance regulations of the GoM, and acceptable to the World Bank. The central internal audit unit (CIAU) will be responsible for the internal audit activities of the proposed project. The internal auditors will develop risk based internal audit annual work program and submit to MoE for approval and share with the World Bank. The internal audit will be carried out on quarterly basis and biannual internal audit reports submitted to the Bank 45 days after the end of each semester. Also, the internal auditors will submit the internal audit reports to the Audit Committee of MoE.

50. *External Audit:* The Ministry will prepare, during the entire duration of the project, audited annual financial reports for project for each financial year or part thereof as agreed with the World Bank. The audited financial statements will be submitted to the Bank within six months after the end of the financial year.



ANNEX 2: Technical Description

Component 1. Expanding and Reforming Primary School Improvement Grants (US\$44.00 million, of which US\$5.00 million equivalent IDA, US\$15.00 million GPE, and US\$24.00 million from Government; of which US\$12.50 million subject to PBCs)

1. *Rationale.* PSIG are the primary source of discretionary finance to schools, and of vital importance for the long-term capacity of schools to ensure safe and effective learning environments. PSIG supports all non-staff expenses for schools, including repair and maintenance of infrastructure; supply of student learning materials; mobilization of communities; and provision of support to girls and disadvantaged students. However, the current PSIG is inadequate to meet school needs, and is subject to delays and discrepancies in delivery which pose severe limitations in its usefulness for schools.

2. This component builds upon the successful pilot under MESIP, in which additional SIG was provided to schools on a randomized experimental basis, paid directly to schools from central Government, to be spent on a number of strategies to address low rates of promotion and learning, and high female dropout rates. The component aims to address the following limitations of PSIG:

- (a) *Adequacy:* PSIG is low on a per-capita basis in Malawi in comparison with other countries: the typical schools receives just US\$1.50-2.0 per student, compared to US\$5 in Tanzania and US\$12 in Kenya. The strategies supported by MESIP SIG have been mainstreamed into the guidance for utilization of the main PSIG, including provision of MHM materials and gender-specific infrastructure, notably girls' changing rooms; awards for most improving students; inviting female role models to schools; monitoring and counselling girls at risk of dropout; awareness raising around early marriage and sexual and reproductive health; monitoring and addressal of gender-based violence (GBV) as well as increased testing and remedial teaching. Without an expansion in the PSIG amount, there is a risk that schools will not be able to fully implement these additional responsibilities.
- (b) *Delays and shortfalls:* PSIG is subject to severe delays in disbursement. Although it is intended to be released early in the school year, normally in September-November, the average date of receipt is 25th February, more than halfway through the school year.⁸³ These delays stem from bottlenecks in disbursement of PSIG from districts to schools. Around five percent of schools in any given year do not receive PSIG at all, representing a shortfall in budgeting.
- (c) *Needs-based component:* The current PSIG formula contains a needs-based component which provides additional support to schools with severe shortages of classrooms and teachers; however, this needs-based component is insufficiently large to address longstanding inequities in conditions between schools. In better-resourced schools, all classrooms have chalk, a blackboard, and a chair for the teacher, almost all students have a pen/pencil and notebook, and 2.4 students share a textbook. In the least well-resourced schools, however, there are substantial gaps in availability of blackboards, pens/pencils and notebooks; zero learning materials corners; and nine students share a textbook. Regression analysis confirms that these disparities have a negative effect on learning.⁸⁴ As the primary source of school expenditure on these items, there is a need to strengthen the needs-

⁸³ MLSS baseline, 2016. Initial analysis suggests continuing delays at midline. School year typically begins early September but has recently been moved backwards in response to COVID-19-related closures of schools during 2019/20 and 2020/21 school years.

⁸⁴ MLSS baseline, 2016.



based targeting of PSIG to address these longstanding disparities.

- (d) *Enrollment-based component*: The current PSIG formula makes enrollment-linked finance available to schools with more than 1000 students, representing less than one-quarter of schools. This means that there are severe inequities in PSIG received per student between larger and smaller schools: the smallest ten percent of schools, those with fewer than 270 students, receive an average MWK 3,500 (US\$5) per student, while schools with more than 1000 students receive just MWK 666 (US\$0.87) per student (Figure 2.8). Malawi's approach is an outlier in Sub-Saharan Africa, where most countries employ an entirely or primarily enrollment-based approach (e.g. Tanzania).

3. **Formula for enhanced PSIG.** Although the final reformed formula for is not yet confirmed, it is expected to include:

- **Increased enrollment-based component**, with a lower school size threshold for receipt of enrollment-based finance, to reduce inequities between schools by school size
- **Increased needs-based component** to address longstanding disparities in conditions
- **Increased overall per-school and per-student allocations** to ensure adequacy to complete the additional MESIP SIG mainstreamed activities.

4. *Supported activities.* The component will expand the standard per-student allocation of PSIG; expand the enrollment-related component to provide more equitable per-student funding; and support and incentivize reforms to the flow of funds for PSIG to enable timely and full delivery of finance to schools. PSIGs will be invested by schools in line with the PSIG Guidelines, which were recently updated to include additional activities piloted under MESIP⁸⁵; and additionally PSIGs will also support schools' development of emergency response plans where they do not yet exist, focused specifically on droughts and flooding, disasters to which Malawi is specifically prone. These plans will be displayed at the school level along with the school improvement plans, visible to parents, teachers and students.

1. Financing of US\$10 million will close the existing shortfall in PSIG allocations, ensuring that all schools receive their allocation; and allow the average per-student PSIG to increase from US\$1.75 to US\$2.25, increasing the capacity of schools to implement the updated PSIG Guidelines including the mainstreamed MESIP strategies.
2. A revised formula will expand the share of the PSIG budget allocated on the basis of enrollment, and of needs, and improve targeting of needs-based finance, improving the equity of per-student allocations to schools. Of the US\$10 million described above, US\$2.5 million will be subject to a PBC (PBC 1) to incentivize the introduction of the revised formula and reforms to the flow of funds to ensure timely payment of PSIG to schools. The revised formula will be recorded in the PIM and operationalized through the MERP Project.
3. Further finance of US\$5 million, subject to a PBC, will support further increases to the enrollment- and needs-based components of PSIG, increasing the average per-student PSIG to US\$2.50.

5. *Utilization requirement for PBC finance.* Under Component 1, US\$10 million is made available to increase the overall envelope for PSIG and to expand the enrollment- and needs-based components of the allocation formula. A further US\$5 million is made available to further increase the needs-based component, subject to timely delivery of PSIG on an annual basis. In order to ensure that schools can utilize the additional

⁸⁵ Ministry of Education, Science and Technology. 2020. "Primary School Improvement Program (PSIP) / Malawi Education Sector Improvement Project (MESIP) Guidelines".



finance, schools will only be eligible to receive the expanded needs-based support if they have utilized at least 60 percent of the previous years' PSIG allocation.

6. The component finance includes Government finance of US\$24 million, which reflects current expenditure on PSIG which will be subject to the revised formula and form part of the MERP Project Expenditure Framework (see Annex 9).

7. Of the US\$20 million in total IDA and GPE financing for the component, US\$2.5 million will be subject to a PBC to incentivize the introduction of the revised formula and reforms to the flow of funds to ensure timely payment of PSIG to schools (PBC 1); US\$5 million will be subject to a PBC rewarding the timely release of adequate finance by Treasury for annual PSIG (PBC 2); and US\$5 million will be subject to a PBC rewarding the timely delivery of PSIG to a target percentage of schools each year (PBC 3). PBCs 1, 2 and 3 form part of the Variable Part of the MERP Project, with PBCs 2 and 3 forming part of the GPE Variable Part. (For additional details, see Annex 3.) The strategy is transformational: as currently constituted, PSIG is inadequate in size, insufficiently targeted to schools with the greatest need, and typically arrives at schools several months late, severely impacting the capacity of schools to complete planned activities, as described above. Achieving on-time delivery to schools will require extensive collaboration between MoE, the Ministry of Finance, and the Local Government Finance Committee (LGFC), and constitutes a significant 'stretch'. The strategy of reforming and expanding PSIG is aligned with the GPE dimension of *Efficiency* and supports Strategic Objective 3 of NESIP, *Efficient governance, management and accountability of primary education service delivery*. Specifically, the direction of PSIG finance to schools with the greatest need, and the reduction of delays in payment of PSIG to schools, will increasing the impact of PSIG resources on access, quality and learning outcomes.

8. *Climate considerations.* Beyond providing support to schools to develop emergency response plans, any construction, reparation, rehabilitation and/or maintenance of schools' infrastructure—including latrines and changing rooms—through the expanded and reformed PSIG under the MERP Project, will be subject to similar arrangements regarding the requirements and supervision for climate adaptation and sensitivity, as those for the low-cost construction under Component 2, as will now be described in more detail.

Component 2. Improved Learning Environments in Lower Primary to Support Learning Recovery After COVID-19 (US\$131.45 million, of which US\$77.50 equivalent million IDA, US\$17.50 million GPE, and US\$36.45 million from Government; of which US\$11.50 million subject to PBCs)

9. *Rationale:* The typical school faces severe shortages of classrooms and teachers in lower grades, with 326 students in Standards 1-2 and only two classrooms available for classes in these grades.⁸⁶ More than a quarter of schools employ at least one open-air classroom, and these are predominantly used in lower primary. Similarly, the typical school employs 11 teachers for 730 students, an overall school pupil-teacher ratio of 66:1; however, only two-three teachers in a typical school are primarily engaged teaching Standards 1-2 despite higher enrollments.⁸⁷ Regression analysis confirms that large class sizes are associated with increased absenteeism and lower learning.⁸⁸ In addition to overcrowding, many schools also face severe shortages of WASH facilities, with more than one thousand schools having a pupil-latrine ratio of 120 or more. Students and

⁸⁶ MLSS midline, 2018/19

⁸⁷ MLSS baseline, 2016.

⁸⁸ Classes with 90 or more students enrolled have 2.6 percentage points higher absenteeism rates than those with 60 students, and those with 120 or more enrolled students have absenteeism rates four points higher, equivalent to three additional absent students. Even when controlling for teaching practices and a wide range of other characteristics, students in schools where the Standard 4 class size is above 60 achieve several weeks' less learning on average. (MLSS baseline).



teachers alike respond to these poor conditions with high absenteeism rates: in a typical school, 29 percent of enrolled students are absent on a typical day.⁸⁹ In the context of COVID-19, these poor conditions constitute a risk for disease transmission and retard the possibilities for catch-up of learning loss. There is an urgent need to address this extreme overcrowding and lack of WASH facilities in order to support prevention of COVID-19 prevention and learning.

10. Under MESIP, a successful pilot confirmed the effectiveness of construction of low-cost classrooms and sanitation blocks, and hiring of contract “auxiliary” teachers, by schools using grant finance (see Sectoral and Institutional Context). In addition, the Government is in process of preparing a new data-driven Hardship Schools Support scheme to improve the distribution of teachers in the medium-long term.

11. *Supported activities:* In order to reduce overcrowding and improve school sanitation and hygiene, this component will provide finance targeted to schools with exceptional need (“MERP SIG”), to support construction of low-cost classrooms and sanitation blocks; and hiring of auxiliary teachers to address severely large class sizes in lower primary. Through a PBC, the component will also support the rolling-out of Hardship Support to Teachers in Remote Schools.

Sub-component 2.1: Low-cost construction.

12. *Low-cost classrooms.* Schools with PCRs above 90 in Standards 1-4 will receive a sufficient amount to construct a block of two low-cost classrooms. Schools with PCR above 120 will be eligible to receive finance for a second block once the first one is complete, and schools with PCR above 200, a third block once the second is complete. Classrooms will be constructed using community labor and procurement of materials, in a similar manner to under MESIP. In order to ensure adequate safety and quality of construction, while maintaining low costs, classroom construction under this component will adopt the new standardized design for low-cost classrooms (see Sectoral and Institutional Context), constructed by communities with supervision from EIMU as well as district-level Clerks of Works (see Annex 1). The standardized design will be endorsed by the LEG prior to Effectiveness. Schools will be required to complete construction of each year’s classrooms and allocate new classrooms to grades with the highest PCRs, before becoming eligible for further MERP SIG in the following year.

13. *Sanitation blocks.* Building on the successful construction of 300 sanitation blocks under MESIP, the subcomponent will support construction of an additional 1,000 blocks in schools which are constructing low-cost classrooms and which also face severe shortages of latrines. The standardized sanitation block includes two latrines, at least one of which will be set aside for use by girls, as well as a change room for girls’ menstrual health. The provision of latrines is particularly important for enhancing climate resilience by contributing to improved hygiene and sanitation and reducing the outbreak of water-borne diseases such as *Campylobacter* which is commonly found in Malawian children⁹⁰ and its associated malnutrition risks, thereby potentially contributing to improved survival rates.

14. *Supervision of construction.* Construction will also be conducted in accordance with the standardized design, and abide by Malawi’s Safer Schools Construction Guidelines. These Guidelines and the accompanying Roadmap aim to increase the resilience of school infrastructure to disasters and climate risks by assessing the

⁸⁹ Evidence from a wide range of countries suggests that large class sizes are a key driver of student absenteeism (Tran, L. and Gershenson, L. 2018. “Experimental Estimates of the Student Attendance Production Function.” Institute of Labor Economics Discussion Paper No. 11911. Bonn: Institute of Labor Economics). In Malawi, a similar dynamic appears to be at work: classes with 90 students enrolled have 2.6 percentage points greater absenteeism than classes with 60 students on average; classes with 120 students have four points higher absenteeism rate.

⁹⁰ <https://pubmed.ncbi.nlm.nih.gov/23555739/>.



risks to existing and future infrastructure and monitoring the application of construction norms on rehabilitation or construction of school works. The guidelines establish the standards and requirements for materials, techniques and procedures for the construction of safer schools. Following these guidelines will ensure multi-hazard resilient design and construction of public education infrastructure, and outline a way forward for safe location, selection of materials, and construction techniques for safer schools. Further, these guidelines will strengthen the capacity of the country by training school officials, community members, district-level officials, contractors, engineers, and others involved in/responsible for construction and/or construction supervision, to ensure compliance with the technical norms outlined through the climate-smart guidelines.

15. Construction will also be done in accordance with a Construction Manual, agreed prior to Effectiveness, which stipulates the requirements for the construction process including in relation to environmental and climate change-related standards and social safeguards, including meeting the needs of students with special needs.

16. In order to ensure timely and high-quality construction of the required classrooms and latrines, the component also provides support to the training and capacitation of PEAs, district-level Coordinating PEAs, and district-level Clerks of Works for supervision of construction activities, and PSIP Desk Officers for supervision of project activities. The subcomponent will also support the contracting of a third-party firm to support supervision of construction, including providing expert evaluation of adherence to the standardized design and targeting of classrooms, climate-related measures, and the safety and adequacy of buildings. A total of US\$5.3 million will be allocated to supervision of construction.

17. *Ensuring quality of low-cost construction.* Evidence from a wide range of countries suggests that classroom construction by communities can support a significant reduction in cost compared to centralized procurement without necessitating the use of low-quality materials. However, a standardized design with careful supervision is necessary to ensure the maintenance of quality. Under the MERP Project, quality will be assured through a number of channels: (1) All low-cost classrooms will be constructed using the standardized design developed by EIMU, with input from World Bank construction experts to ensure adequate levels of quality, resilience and facilities; (2) Construction of low-cost classrooms will be subject to three layers of supervision: (a) PEAs and Coordinating PEAs will conduct day-to-day monitoring of the pace and organization of construction. Training in this role will be provided as part of sub-component 2B, and through the School Leadership Program supported under Component 4; (b) District-level Clerks of Works will monitor construction from a technical perspective, including adequacy of materials; adherence to standardized design; and compliance with climate measures and the Labor Management Plan, with support from sub-component 2B; (c) EIMU will oversee the overall process of construction, conducting sample-based monitoring of compliance with the standardized design and providing support in response to concerns reported by Clerks of Works.

18. *Climate considerations.* The placement, design and construction of low-cost classrooms, Sanitation blocks and regular maintenance of the education system infrastructure will take account of climate-related risks and include feasible measures to support climate change adaptation and mitigation, accordingly. For example, where a school is particularly prone to flooding, design measures will reflect measures to minimize the negative impacts of floods. This will include the use of efficient architectural designs, building techniques and the integration of energy efficient appliances, as appropriate. Specific guidance related to this will be included in Construction Manual,⁹¹ to be financed by and developed under this Component, as well as through the provision of training to school officials, community members, district-level officials, contractors, engineers, and others

⁹¹ The Construction Manual will highlight the climate change mitigative and adaptive measures to be utilized in this project's construction activities, with specific details on climate-smart measures and materials.

involved in/responsible for construction and/or construction supervision, to ensure compliance with climate-smart guidelines throughout construction activities in this project.

19. *Financing of sub-component 2.1.* The total cost of activities under the sub-component is US\$80.3 million, including US\$28 million from the extended IDA financing for COVID-19 response and from the GPE Multiplier (Table 2.1). In addition to US\$67.5 million in fixed IDA and GPE finance, the sub-component activities are financed with US\$10.8 million released on full achievement of PBCs: US\$4 million on achievement of PBC 3, US\$1.5 million from PBC 5, and US\$5.3 million from PBC 6.

Table 2.1. Expansion of Component 2 activities from extended IDA and GPE Multiplier finance

Baseline PCR in lower primary ⁹²	126	
Baseline share of schools with PCR below 90	39%	
Scenarios:	With US\$116 million financing (US\$48 million GPE and US\$68 million IDA)	With US\$150 million financing (additional US\$25.5 million IDA and US\$8.5 million GPE Multiplier)
Classrooms constructed under the MERP Project	6,700	10,900 ⁹³
Sanitation blocks constructed under the MERP Project	0	1,000

Sub-component 2.2. Auxiliary teachers.

20. In order to mitigate the most severe shortages of staff, in each project year, starting in 2021/22, schools with PqTRs above 90 in at least one of Standards 1-4 will receive a sufficient amount of MERP SIG to hire or maintain an auxiliary teacher. Schools with PqTRs in lower primary above 120 will receive finance for four auxiliary teacher positions.

21. Auxiliary teachers will be qualified teachers who are not currently employed in the official Government teaching workforce. Schools will be required to appoint auxiliary teachers to teach entirely or predominantly in grades with the highest PqTRs to receive continued finance for auxiliary teachers in the following year. Auxiliary teacher positions created under the MERP Project will be maintained until project closing although the individuals holding the positions are expected to be freshly recruited annually.

22. *Supply of auxiliary teachers.* World Bank simulations (see paragraph 23 below) estimate the number of auxiliary teacher positions required to bring most schools below a PqTR of 90 in lower primary at approximately 3,500-4,000. This is in line with the number of teachers graduating annually from Initial Primary Teacher Education (IPTE), the main teacher pre-service training program in Malawi. Graduates from IPTE typically wait 1 to 2 years for deployment to schools, as a result of financing constraints. Auxiliary teachers appointed under MESIP were predominantly IPTE graduates awaiting deployment. Under the MERP Project, all IPTE graduates will be eligible to apply for one-year auxiliary teacher positions. Districts will support the matching of applicants to suitable schools, with priority placed on schools with the highest PqTRs in lower primary. Auxiliary teachers will not be deployed to schools with an average PqTR below 90 in lower primary. Schools will be required to deploy auxiliary teachers to teach the grades with the highest PqTRs. Following the completion of their

⁹² EMIS 2019/20

⁹³ Additional classroom construction also reflects expanded Government counterpart financing.

appointment, auxiliary teachers will be eligible to apply for full public teacher positions in the normal fashion. IPTE graduates who do not become auxiliary teachers will remain eligible to apply for full teacher positions as is currently the case.

23. *Scope of MERP SIG activities.* MERP SIG will be targeted to approximately 3,270 schools (around 57 percent of public primary schools) which face severe shortages of classrooms and teachers in lower primary. In total, the component will support construction of around 10,900 classrooms and appointment of 3,500 auxiliary teachers.

24. *Targeting of MERP SIG.* Official service standards in Malawi call for PCRs and PqTRs below 60 in all grades. World Bank estimations suggest that, in order to reduce all schools to PCR and PqTR below 60 employing low-cost classrooms and auxiliary teachers would cost approximately US\$200 million. In the absence of adequate finance, it is proposed to focus support under the MERP Project on the most extreme shortages, schools with PCRs and PqTRs above 90. Regression analysis suggests that this is the level at which the most negative impacts on learning are observed.⁹⁴ Within the population of schools with PCRs/PqTRs above 90, priority will be given to those with the highest PCRs/PqTRs, with each qualifying school classified as having either substantial, major, or extreme needs for each of classrooms and teachers (Table 2.2).

Table 2.2 Eligibility for MERP SIG

Category	Classroom criterion	Schools	Eligibility	Teacher criterion	Schools	Eligibility
Substantial needs	PCR 90-120	1,232	2 classrooms	PqTR 90 - 100	562	1 teacher
Major needs	PCR 120 - 200	1,577	4 classrooms	PqTR 100 - 120	803	1 teacher
Extreme needs	PCR 200+	687	6 classrooms	PqTR > 120	846	4 teachers
Total qualifying		3,496			2,211	

Note: estimations based on EMIS 2019/20 data. Eligibility in each year dependent on successful completion of hiring/construction in previous year.

25. *Simulation of impacts of MERP SIG.* The World Bank developed a simulation tool to estimate the impacts of the provision of MERP SIG on school learning environments. The tool enables the simulation of the impacts of MERP SIG and the related construction of low-cost classrooms, and appointment of auxiliary teachers, on school PCRs and PqTRs in lower primary. The analysis suggests that the allocated finance for MERP SIG will enable:

- Construction of around 10,900 low-cost classrooms, supporting:
 - reduction in the national average PCR in lower primary from 126 to 76
 - increase in the share of schools with average PCR in lower primary below 90 from 39 percent to 76 percent
- Appointment of around 3,500 auxiliary teachers, supporting:
 - reduction in the national average PqTR in lower primary from 86 to 73
 - increase in the share of schools with average PqTR in lower primary below 90 from 62 percent to 75 percent

26. *Implementation of MERP SIG activities.* PEAs are expected to play a primary role in supervising the use of MERP SIG. Training for this activity will be provided as part of the School Leadership Program (Component 4).

⁹⁴ MLSS baseline.

In addition, capacity building support will be provided to this supervision as part of support to project Monitoring and Evaluation (M&E) under Component 5. For more on how construction and hiring under MERP SIG will be managed and supervised, see Annex 1.

Sub-component 2.3. Hardship Schools Support.

27. In order to address the large disparities in staffing between schools in remote areas and those close to trading centers (see Annex 3), the component provides support, subject to PBCs, to a revised Hardship Schools Support scheme to reward teachers working in the most remote schools. The new scheme employs an objective and data-driven definition of remoteness to ensure incentives are appropriately targeted to schools, with safeguards to ensure it is only received by teachers currently employed at eligible schools. MoE will also refine and re-circulate tools to guide district-level officials in allocation of teachers to the schools with the highest PqTRs, and conduct capacitation activities to ensure correct utilization of the tools.

28. *Definition of remoteness.* The new remoteness system, introduced by the updated Primary Teacher Management Strategy approved by MoE in 2018, defines three categories of school remoteness based on the distance to the nearest trading center, conditions at the school, and conditions at the trading center. Under the revised scheme, Hardship Support will be provided to teachers working at schools which are in 'Category A' schools (most remote) (Table 2.3).

29. A total of US\$18.90 million, including Government finance of US\$8.95 million, will be allocated to Hardship Schools Support. The Government finance will be released from the existing rural allowance scheme, which will form part of the Expenditure Framework of the MERP Project and which currently costs approximately US\$7 million per year. This scheme is currently poorly targeted, with the result that around 45 percent of teachers receiving the allowance are employed at Category C schools which are not remote. It is expected that these teachers will be made ineligible for the existing allowance, releasing around US\$3 million per year for the new Hardship Schools Support scheme. It is anticipated that the Government finance will be primarily used to support the Scheme in the last two years of the project as DP finance is phased out to prepare for mainstreaming after project close. Teachers in Category B schools, which are somewhat remote, will not be eligible for the new Hardship Support Scheme, but will continue to receive the existing rural allowance if they currently receive it.

Table 2.3. Classification of Schools: Remoteness and Access to Amenities

Category	Type	Number of schools	Number of qualified teachers	Number of students	Average PTR at school level
Category A	Most remote	1,707	11,988	1,163,163	106.8
Category B	Remote	1,770	16,639	1,435,478	96.7
Category C	Not remote	2,220	32,232	2,354,551	84.4
Total		5,697	60,859	4,953,192	94.9

Source: EMIS 2018/2019

30. Hardship Schools Support forms part of the Variable Part of the MERP Project and is financed subject to two PBCs. PBC 3, which is financed by IDA, provides incentives for the establishment of the scheme and provision of updated guidance to districts. In order to reward the implementation of the scheme, and improvement in both inter- and intra-school allocations of teachers, PBC 4, which is part of the GPE Variable Part, provides annual incentives for increases in the share of schools with PqTRs in Standards 1-2 within an



acceptable range.⁹⁵ Finance from PBC 5, under Component 3, also part of the GPE Variable Part, will also be eligible for use for the scheme.

31. Hardship Schools Support is a transformational strategy which is expected to lead to substantial improvement in misallocation of teachers in the medium term. If PBC 4 is fully achieved Malawi will move from a situation where around one-quarter of schools have PqTRs in an acceptable range to one where 70 percent of schools do; this is achievable given the existing stock and expected pipeline of teachers, but constitutes a significant 'stretch'. This strategy is aligned with the GPE dimension of equity and supports Strategic Objective 1 of NESIP for primary education, *Improved equitable, inclusive access and participation in primary education*. Specifically, Hardship Schools Support and improvements in inter-school allocations will reduce the large inequities in staffing between schools in remote areas and those in trading centers, which constitute one of the most severe forms of inequity in service standards between schools; and further improvements in intra-school allocations will reduce inequities in staffing between lower and upper grades.

Component 3. Supporting Girls' Learning (US\$18.02 million, of which US\$5.80 million equivalent IDA, US\$12.20 million GPE, and US\$0.02 million from Government; of which US\$11.00 million subject to PBCs)

32. *Rationale:* Girls achieve lower learning outcomes at all stages of primary school, diverging from boys as early as Standard 4. Though Malawi has achieved gender parity in enrolment in primary school,⁹⁶ girls are falling behind boys in terms of test scores and primary school completion.⁹⁷ Levels of female drop-out are high (especially in rural areas and the South) and as a result, girls are less likely than boys to complete both primary and secondary education.⁹⁸ Concerted efforts to support girls in upper primary have successfully reduced the gap in completion rates in recent years, but further progress is necessary in order to address the divergent learning outcomes between girls and boys across primary schools in Malawi.

33. *Supported activities:* This component supports a range of activities to raise the learning achievement of girls, including supporting female learners and improving the numbers of female teachers in schools in remote areas.

34. *Learner Guides.* The project will also provide support to the appointment and training of Learner Guides. Learner Guides are graduates of local secondary schools, usually female, who are trained in delivering life and learning skills, as well as vital sexual and reproductive health information and psycho-social support. They act as female role models and provide female learners with a support mechanism that provides them with remedial education and confidence building support to help them succeed. Evidence has demonstrated that CAMFED's Learner Guides' model has had positive impacts on girls' retention and learning outcomes in lower secondary school. More precisely, findings demonstrate a doubling in the rate of learning for girls in Tanzania, with the impact especially high for mathematics where learning levels were nearly five times the rate of girls in comparison schools.⁹⁹ In Zimbabwe, supported girls were three times less likely to drop out of school and self-

⁹⁵ Improvements in intra-school allocations are also supported by the School Leadership Program (Component 4)

⁹⁶ Gender parity index is 1.01.

⁹⁷ In the MLSS learning assessments conducted with Standard 4 students, girls achieve average scores twenty points below boys on a standardized knowledge scale, equivalent to several months' less learning (MLSS baseline, 2016. Initial analysis suggests continued gender disparities at midline (2018/19)) These disparities persist in upper primary: by Standard 6, girls achieve scores ten percentage points lower in SACMEQ Maths and seven percentage points lower in reading (SACMEQ IV, 2013. <http://www.sacmeq.org/?q=sacmeq-members/malawi/sacmeq-indicators>) and by Standard 8, only 72 percent girls pass PSLCE versus 82 percent of boys.

⁹⁸ Ministry of Science, Education and Technology (MoEST). 2019. *Malawi Education Statistics 2017/18*.

⁹⁹ Ben Alcott, Pauline Rose and Ricardo Sabates (2017) Targeted multidimensional approaches to overcome inequalities in secondary education – case study of CAMFED in Tanzania available: <http://report.educationcommission.org/wp-content/uploads/2016/11/Targeted-Multidimensional-Approaches-.pdf>.



belief (strongly associated with performance in schooling) improved such that nearly 95 percent of targeted girls felt more positive about their future. Evident, therefore, is the potential for the Learner Guides' model to positively impact on girls' retention, learning and perceptions of abilities in Malawi. Indeed, in Malawi, Learner Guides are already operating in 675 primary schools in five districts, implemented by CAMFED with support from the Strengthening Malawi's Education System (SMES) project supported by FCDO, with a focus on upper primary and transition to secondary.¹⁰⁰

35. The project will support the development, piloting and scaling-up of an adapted Learner Guides intervention. Learner Guides will (a) create or support girls' clubs to provide safe spaces for female students to share and discuss concerns and provide mutual support; (b) advocate where required for female learners with teacher and school leadership; (c) call attention to and address bullying, harmful traditional practices, GBV and SEA, and inappropriate treatment of girls, both by fellow students and by teachers; (d) provide guidance and support to female learners; (e) deliver skills and wellbeing lessons; and (f) assist school governing structures (Parent-Teacher Associations, School Management Committees and Mother Groups) in harmonizing and implementing the PSIG strategies to provide support to female learners.¹⁰¹ Participating public primary schools will identify promising local female secondary school (or tertiary) graduates for training and appointment. Learner Guides will provide these interventions for approximately 2-3 hours per week over the course of the school year, for two years. For the project's final two years, new Learner Guides will be identified and trained using the same process.

36. Given that females are affected most during climate disasters, due to the fact that most are housewives with little or no income and shoulder the biggest burden of looking after families among other things, they are particularly vulnerable to the negative impacts of climate change, for example, famine, starvation, disease, etc. As such, integrating climate change adaptive and mitigative measures into Component 3 which seeks to support girls' learning, is crucial. Modules on climate change awareness, adaptation and mitigation measures will also be incorporated into the Learner Guide program. Learner Guides will work with school staff members appointed as 'climate change (eco) champions' within their schools,¹⁰² and together, will work with learners in groups to (i) raise their and other students' and staff members' awareness of climate change; (ii) motivate them to take steps to combat it; and (iii) encourage them to form 'eco-clubs' with a focus on climate change mitigation and sustainability (such as planting trees to preserve the greenery and recycling, food waste and energy-efficiency school campaigns¹⁰³), and/or engage in other activities which would contribute to making their schools more eco-friendly. With support from Guides and other staff members, students will also be encouraged to carry out social responsibility activities in their neighborhood communities to increase climate change awareness. This may include the procurement of TA to support the design and incorporation of climate change mitigation¹⁰⁴ and adaptation¹⁰⁵ content into the program curricula.

37. *Improved distribution of female teachers.* Although the teacher population is around 45 percent

¹⁰⁰ CAMFED is also engaging learner's guides in around 500 additional schools, predominantly secondary schools, in 12 additional districts.

¹⁰¹ This might include (i) raising awareness and sensitizing community leaders and members as to the importance of girls' education; (ii) supporting community leaders in developing and enforcing by-laws that encourage girls to attend and stay in school and stop harmful cultural practices, such as early marriage and pregnancy; (iii) identifying males in communities to act as 'champions' for girls' education; and (iv) other implementable forms of support at the community level that will be enacted to support girls' education.

¹⁰² Through Component 4's School Leadership Program.

¹⁰³ Resource which highlights some activities to teach sustainability in schools: <https://www.plt.org/educator-tips/8-sustainability-activities-and-ideas-for-the-classroom/>.

¹⁰⁴ Such as causes and impacts of climate change and activities that reduce, capture, or sequester greenhouse gas emissions.

¹⁰⁵ Such as local impacts of climate change, flood response, water conservation, etc.



female¹⁰⁶, 41 percent of female teachers are clustered in the one-fifth of schools closest to trading centers.¹⁰⁷ As a result, the typical school has only one female teacher for every 97 female students, versus one male teacher for every 51 male students¹⁰⁸. In remote schools, the ratio rises to one female teacher for every 162 female students. Twelve percent of schools do not have a single female teacher. Combined with the fact that female teachers are typically allocated to lower grades, the result is that female students in upper primary face severe shortages of role models, which may contribute to the high rates of dropout.¹⁰⁹ Building on evidence that has demonstrated that female teachers can be effective in increasing girls' learning outcomes and are crucial for their retention, particularly in settings where there exists only a few female teachers, the project will support the development and operationalization of district action plans for the rationalization of distribution of female teachers.

- a. In Year 1¹¹⁰, MoE will develop, in consultation with DEOs, an action plan on improvement of distribution of female teachers, identifying recommended strategies to be employed by districts to address challenges and achieve safe and sustainable placement of female teachers in more remote schools. This action plan is expected to provide guidance to districts on the addressal of common barriers to the placement of female teachers in remote schools, including issues of housing and transport; compensation and promotion; safety; and policies on spousal and medical exceptions. Each district will then develop its own costed district-level action plan including targets for increase of the share of schools in which the female PqTR is within an acceptable range.¹¹¹ The acceptable range is 61:90 unless otherwise recorded in the PIM. Activities conducted under the Action Plans are expected to include, but not be limited to: construction of dedicated housing for female teachers; improvements in availability of electricity and clean water at schools and potentially, incentive payments for female teachers in remote postings.
- b. In Years 2-4, the component will provide finance to districts to support the implementation of district-level action plans.

38. *Climate considerations.* Component 3 includes a number of climate change adaptive and mitigative measures. Through its Learner Guide intervention, learners will be guided to learn more about climate changes, and encouraged and supported in engaging in activities within their schools to make them more eco-friendly, as well as in awareness campaigns in their communities, to raise awareness. District-level action plans for improved distribution of female teachers will contribute to a decrease in overall travel demand by supporting housing to enable female teachers to live closer to rural schools, which will in turn reduce the demand for private motor vehicle use. They will also support female teachers to use cleaner transport options such as cycling and mass public transport to get to and from schools, where deemed feasible and safe. Importantly, where districts opt to construct housing for female teachers, or any other construction supported by district-level action plans, these will be subject to similar arrangements regarding the requirements and supervision for climate adaptation and sensitivity, as those for the low-cost construction under Component 2.

39. *Common zonal testing and gender-disaggregated feedback.* Under MESIP, zone-level testing in all subjects, prepared at zone level according to standardized guidelines, has been introduced in selected districts

¹⁰⁶ EMIS 2017/18.

¹⁰⁷ EMIS 2017/18.

¹⁰⁸ MLSS baseline.

¹⁰⁹ Beaman, L. Duflo, E., Pande, R. and Topalova, P. 2012. "Female leadership raises aspirations and educational attainment for girls: A policy experiment in India." *Science* 335.6068 (2012): 582-586.

¹¹⁰ The Government can potentially achieve the PBC right after project effectiveness if the required steps are completed prior to Project Effectiveness.

¹¹¹ "Female PqTR" denotes the ratio of female students enrolled at a school to female qualified teachers employed at the school.



in lower primary to provide more detailed and standardized information on learning and to inform promotion decisions. The MoE is now preparing to scale up this approach to all districts and has approved updated guidelines for the preparation and administration of tests at zone level.¹¹² This is an important step forward for primary education in Malawi as until now, comparable information on learning for all enrolled students has been available only from the Primary School Leaving Certificate of Education (PSLCE) conducted at the end of Standard 8, preventing robust comparison of student learning trajectories between schools and limiting the information available to parents and communities. The component will support the scaling-up of common zonal testing to all 34 districts.¹¹³ Under the guidelines for the new tests, results are to be disseminated to school communities; building on another MESIP innovation, provision of report cards on key school indicators, the component will support this through the provision of report cards, showing grade- and gender-disaggregated results from tests, to schools, raising awareness of student learning levels and gender disparities at the school level. Support to common zonal testing and feedback, and to district-level action plans for improved distribution of female teachers, will be subject to a PBC (PBC 5) rewarding the share of schools which participate in CZT and receive report cards in the agreed format. For more details, see Annex 3.

40. This PBC forms part of the GPE Variable Part of the MERP Project. This strategy can be considered transformational as it is likely to support substantial medium-term progress in girls' learning outcomes in the medium term (see below). This strategy is aligned with the GPE dimensions of *learning* and *equity*. Evidence from qualitative research suggests that low awareness of gender disparities in learning are a key challenge in their addressal (see Annex 3). By increasing awareness at school management and community level of learning outcomes in lower primary, disaggregated by gender, the scaling-up of common zonal testing and provision of report cards, with gender-disaggregated learning outcomes, is expected to catalyze improved support to girls' learning through a range of investments and in-school behaviors, leading to improved learning outcomes.¹¹⁴ In addition, the placement of more female teachers in remote schools will reduce the share of schools in which there are no or very few female teachers (), providing further support to girls' learning outcomes. The strategy supports Strategic Objective 1 of NESIP for primary education, *Improved equitable, inclusive access and participation in primary education*. In addition, the strategy supports Strategic Objective 1 of NESIP for Inclusive Education and Gender, *Improve access and equity to quality education through the implementation of Inclusive Education, gender integrated SHNHA and other crosscutting issues in education service delivery*.

Component 4. School Leadership Program (US\$11.00 million, of which US\$1.20 million equivalent IDA, US\$9.80 million GPE, and US\$0.00 million from Government; of which US\$0.00 subject to PBCs)

41. *Rationale*. Evidence from a wide range of countries suggests that strong school leadership is an important determinant of high quality teaching and learning.¹¹⁵ Both quantitative and qualitative evidence suggests that programs of training for school leaders can lead to significant changes in in-school practices and cultures, and ultimately in learning outcomes.¹¹⁶

42. Under MESIP, a pilot implementation of the SLP, conducted by an independent consultancy

¹¹² MoE, 2020. "Framework For The Development And Administration Of Standardised Tests."

¹¹³ Under NESIP the Government intends to introduce common zonal testing in all of Standards 3-8; in line with MERP's focus on lower primary, the component will focus its support on ensuring the scaling-up of testing for Standards 3-4.

¹¹⁴ These in-school behaviors are also supported by the improved PSIG, which provides finance for the implementation of the mainstreamed MESIP SIG strategies to reduce girls' dropout (Component 1); and the School Leadership Program, which includes guidance to school leaders on how to create cultures inclusive of girls and to support low-performing learners (Component 4)

¹¹⁵ McKinsey, 2010; Hallinger and Heck, 1998; Witziers et al, 2003; Marzano et al., 2004; Leithwood and Sun 2012; Branch et al., 2012; Bloom et al., 2015; Leithwood et al., 2004; Day et al., 2009; Day & Sammons, 2013.

¹¹⁶ Tavares, 2015; Fryer, 2017; Bush & Oduro, 2006; Jaypragas, 2016; Singh, 2009; Hutton, 2013; and Bush, 2011.



consortium, achieved significant improvements in key aspects of school leadership including records keeping and formal methods of teacher appraisal. An additional experimental intervention, conducted in partnership between MoE and Oxford University, provided additional support to the development of positive school cultures. The SLP is currently being updated, and the Malawi Institute of Education (MIE) is currently being capacitated to take forward delivery, with support from LGAP.

43. Supervision by meso-level officials has positive impacts on the quality of school leadership and resulting learning outcomes.¹¹⁷ In addition, PEAs are expected to play a key role in supervising the use of MERP SIG provided under Component 2. PEAs were included in the SLP under MESIP and it is anticipated to maintain their inclusion under the MERP Project, either participating alongside other participants or in a dedicated training.

44. *Supported activities.* This component will support the national delivery of an updated and revised School Leadership Program (SLP) supporting headteachers, deputy headteachers, PEAs, selected female section heads, and inspectors to (1) create a positive and inclusive culture towards vulnerable children including girls, over-age students, and those with special needs; (2) support improved morale and performance of teachers, including strengthening their capacity to teach large classes; (3) supervise the construction of low-cost classrooms to ensure compliance with climate change mitigation and adaptation measures,¹¹⁸ as outlined in the Construction Manual; (4) Improve the efficiency and equity of school resource utilization and (5) maintain and utilize academic records to support low-performing students.

45. The training curriculum for headteachers, deputy headteachers and PEAs will include sensitization on climate change adaptation and mitigation, such as accounting for schools' risk of flooding into construction activities as well as energy conservation techniques. This will be important for ensuring the consistent transfer of knowledge on climate-related topics to girls and boys within their schools. Indeed, they will act as climate change (eco) champions within their schools, and also be able to facilitate teachers' and students' engagement with climate activities within their schools, to build capacity and raise awareness to make them more eco-friendly. Further, they will be trained to prepare and carry out evacuation protocols at the onset of climate change-induced emergencies, such as flash floods, etc. Moreover, they will also be trained to supervise the construction of low-cost classrooms to ensure compliance with climate change mitigation and adaptation measures, as outlined in the Construction Manual.

46. The training will be delivered by a consortium of trainers from both MIE and the School of Education at the University of Malawi which provided the training under MESIP; building on a similar planned collaboration between MIE and Teacher Training Colleges (TTCs) for the secondary Equity with Quality and Learning at Secondary (EQUALS) project (P164223). Within three months of effectiveness, the SLP will be further updated to harmonize with the material developed under LGAP; strengthen the content in response to evaluation data from the pilot; to incorporate the additional material on school cultures; and to add further new material, relating to supporting teachers to achieve learning in large classes; informal means of rewarding teacher performance and the development of school cultures which meet the needs of girls, overage students, low-performing students, and those with special needs; as well as guidance on eligibility and use of MERP SIG as provided under Component 2. Beginning in 2021/22, the revised SLP will be scaled up to existing headteachers, deputy headteachers, and PEAs who did not undergo the original SLP under MESIP. Priority will be given to female school leaders, recently appointed deputy headteachers, and recently

¹¹⁸ The training curriculum will include sensitization on climate change adaptation and mitigation, such as accounting for schools' risk of flooding into construction activities as well as energy conservation techniques.



appointed headteachers.

47. *Inclusion of selected female teachers.* Building on the support provided to the identification and capacitation of future female school leaders under Component 3, the revised SLP will include selected female teachers in junior leadership positions, such as section heads, with a particular emphasis on schools where neither the headteacher nor deputy headteacher is female. Training female teachers to take on leadership positions is crucial as evidence from Malawi indicates that the presence of a female in a leadership position at a school was associated with a large increase in test scores—particularly for female students and that schools where girls overperform are more likely to have a female in a leadership position. Specifically, 60 percent of schools with overperforming girls had a female deputy headteacher, versus just 25 percent of schools with underperforming girls.

Component 5. Project Coordination and Capacity Building (US\$6.00 million, of which US\$4.00 million equivalent IDA, US\$2.00 million GPE, and US\$0.00 million from Government; of which US\$1.00 million subject to PBCs)

48. This component will finance the management of the project, including reporting. The component will support the recruitment of personnel for the PFT, consisting of a project manager, specialists in FM, procurement, M&E, gender, and environmental and social safeguards, as well as assistants in FM and procurement.

49. *Capacity building.* The component will support selected capacity building activities to develop the capacity of MoE and other implementing entities. The capacity building activities will be completed in accordance with capacity assessments completed prior to Effectiveness and defined in the Project Implementation Manual. Key activities under the capacity building allocation of the project will include skills training for MoE Directorates in (i) cross-sectoral collaboration; (ii) data management; (iii) evidence-based implementation; (iv) resource mapping; (v) expenditure tracking; and (vi) climate change awareness, adaptation and mitigation measures, early warning, climate risk management and in disaster preparedness and quick recovery, with a focus on flooding and droughts, given Malawi's specific vulnerability context.¹¹⁹ See Annex 1 and Annex 5 for more details.

50. *M&E.* The complexity and breadth of MERP Project activities, and decentralized project management involving a number of agencies and all of Malawi's districts, necessitates an innovative approach to M&E. In addition to supporting direct M&E by the PFT, the component will also support the development of a digitized, flexible supervision platform. This will enable monitoring by a range of stakeholders at national and district levels of the implementation of project activities, including adherence to standardized designs, targeting frameworks, and climate measures; provide transparent information to the public on key project investments and outcomes; and support verification of PBC achievement.

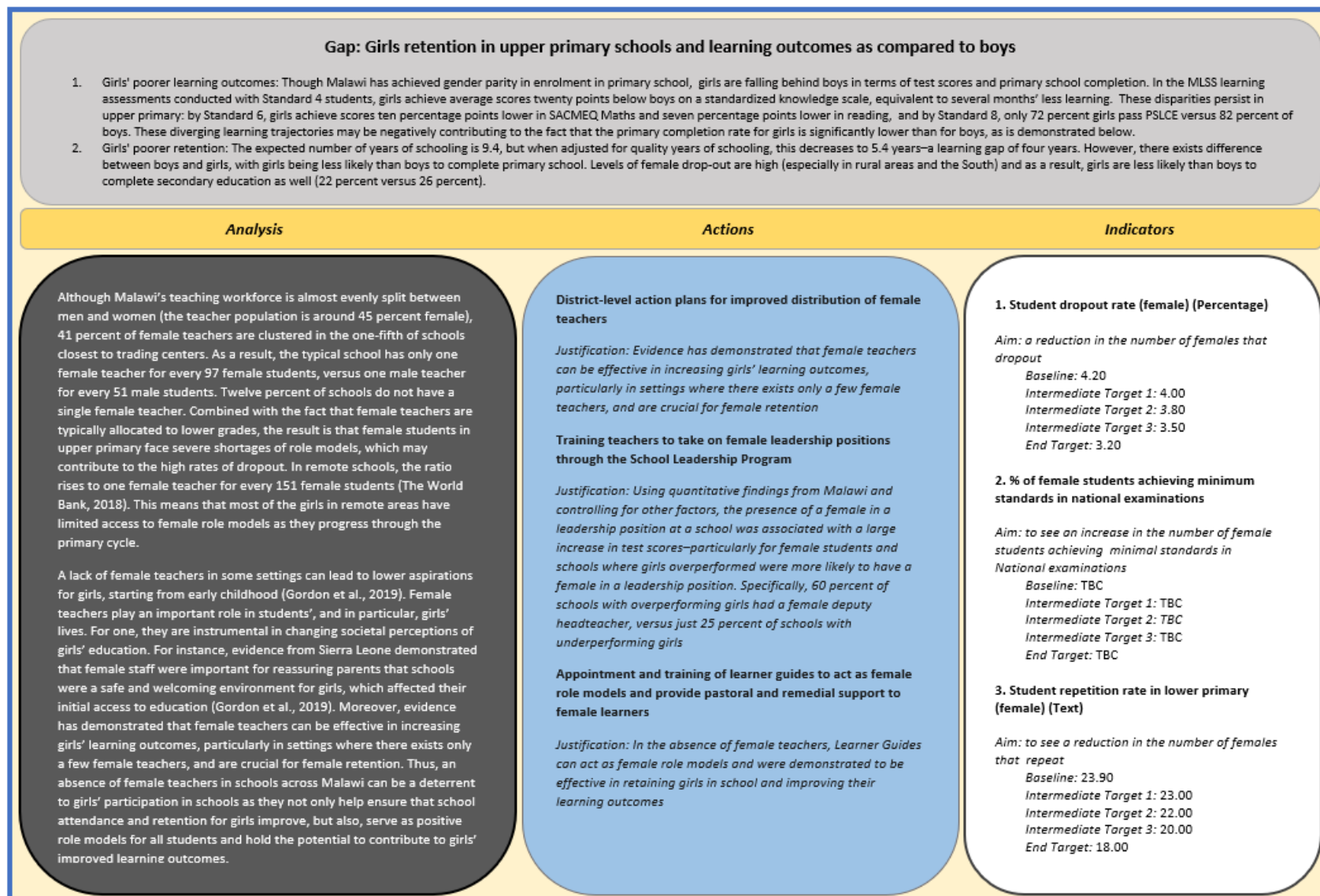
51. The digitized M&E framework forms part of the Variable Part of the MERP Project and is financed in part by a foundational PBC (PBC 6) rewarding the establishment of an institutional and policy framework for project monitoring and the establishment and use of the digital system. See Annex 3 for details.



Component 6. Contingent Emergency Response (US\$0).

51. In addition to the above-described components, a CERC is included in the project which can be triggered if required during project implementation, primarily intended to enable the Government to take steps to prevent or manage a resurgence of COVID-19 in schools but also eligible for use for any other Eligible Crisis or Emergency as defined in the IDA Financing Agreement.

Figure 2.1. Results Chain for improving girls' retention and learning outcomes in Malawi





ANNEX 3: Performance-Based Conditions

1. *Timeline of PBCs.* The project activities will take place over four years, from Effectiveness expected in December 2021 / January 2022 to December 2025. For 2021/22, the period of PBC achievement is from Project Effectiveness to December 31, 2022; for 2023, 2024, and 2025, the period of PBC achievement is the calendar year.
2. *Rationale for use of PBCs.* There is a high rate of responsiveness to results-based financing in Malawi as demonstrated by DLIs under MESIP and SDP.

PBCs 1, 2 and 3. Timely receipt of School Improvement Grants

1. *Rationale:* PSIG is subject to severe delays in disbursement. These delays stem from bottlenecks in disbursement of PSIG from districts to schools. Under the current flow of funds, per-school allocations of PSIG are calculated by districts and finance is then released to district level from Treasury according to the calculations, to be disbursed to schools by districts. This multi-level disbursement is associated with large delays in payment: although it is intended to be released early in the school year, in September-November, the average school does not receive its allocation until January-March, more than one-third through the school year. These delays have severely negative impacts on the capacity of schools to utilize PSIG in support of their Primary School Improvement Plans. Around five percent of schools in any given year do not receive PSIG at all, representing a shortfall in budgeting. This PBC therefore incentivizes improvement in the timely delivery of PSIG to schools, and supports an expanded PSIG allocation and a revised formula with a larger needs-based component.

2. The flow of funds for PSIG is as follows: Treasury releases finance to Local Councils for PSIG. The Local Government Finance Committee (LGFC) guides and supervises Local Councils in the release of finance to schools. In order to achieve on-time delivery to schools, there is a need for both the release of funds from Treasury to Local Councils, and their delivery to schools, to be completed in a timely manner.

PBC 1. On or before December 31, 2022, the Recipient has ensured Timely Delivery of Grants, and allocated Adequate Funds for PSIG in the Education Budget, in accordance with the revised PSIG Formula.

3. *Use of PBC finance:* Upon achievement, the PBC will release finance to reimburse the Recipient for expenditures on mainstream PSIG, to support the revised formula and increased allocations (US\$2.5 million).

4. *Conditions:* The PBC is achieved when the Government issues a circular to all stakeholders updating the PSIG formula to the revised formula as recorded in the PIM; reforms funds flow arrangement to ensure timely delivery to schools; and includes updated PSIG allocations in the Education budget.

5. *Finance:* PBC 1: US\$2.5 million (of which US\$2.5 million from IDA).

6. *Timing:* To be achieved before or on December 31, 2022. Disbursement can be made after the achievement period to allow time for verification.

7. *Measurement/data source:* PFT to share approved Framework and documentation of required agreements.

8. *Verification:* IVE to confirm adequacy of framework and required agreements.

PBC 2. The Recipient has, in accordance with the revised PSIG Formula, released Adequate Funds for PSIG to Local



Councils prior to the start of the School Year

9. *Use of PBC finance:* Upon achievement, the PBC will release finance to reimburse the Recipient for expenditures on mainstream PSIG, to support additional enrollment- and needs-based support to schools facing severe disadvantages (US\$5 million). Schools which meet the need criteria, and which have demonstrated a capacity to fully utilize their existing PSIG allocations, will be eligible for additional grants from the additional finance released following achievement of the PBC. The exact formula for the allocation of top-up PSIG from PBC finance has been agreed as part of the revision of the PSIG formula and will be recorded in the PIM.

10. *Conditions:* In each project year, the PBC rewards the timely and accurate release of finance for PSIG from treasury to Local Councils prior to the beginning of the school year. The finance released must be as required to provide PSIG to all schools in accordance with the revised PSIG formula as recorded in the PIM. This is a scalable indicator: the finance released each year will be pro-rated according to the share of the required finance which is released to the correct Local Councils by the specified time.

11. *Finance:* US\$5 million (of which US\$5 million from GPE).

12. *Timing:* The PBC is eligible for achievement in 2021/22, 2023, 2024, and 2025. Disbursement can be made after the achievement period to allow time for verification.

13. *Measurement/data source:* Receipt of finance and PSIG allocation calculation reported by Local Councils.

14. *Verification:* Verified by IVE. PSIG allocation verified on sample basis using EMIS data. Receipt of finance verified using Local Council accounts data.

PBC 3. Percentage of Public Primary Schools receiving PSIG in the first sixty (60) days of the School Year in accordance with the revised PSIG Formula.

15. *Use of PBC finance:* Upon achievement, the PBC will release finance to reimburse the Recipient for expenditures on construction of low-cost classrooms (US\$4 million) and implementation of district-level action plans for improved distribution of female teachers (US\$1 million).

16. *Conditions:* In each project year, the PBC rewards the timely and accurate payment of PSIG to schools, in accordance with the formula and within the first 60 days of the school year. Verification will be conducted through comparison of per-school allocations with (a) the formula and EMIS data, to validate correctness of allocations; (b) school bank statements, to validate correctness and timeliness of payment. This is a scalable indicator: the finance released each year will be pro-rated according to the share of the target percentage of schools which receive PSIG on time and according to the formula.

17. *Finance:* US\$5 million (of which US\$5 million from GPE).

18. *Timing:* The PBC is eligible for achievement in 2021/22, 2023, 2024, and 2025. Disbursement can be made after the achievement period to allow time for verification.

19. *Measurement/data source:* Measured through Annual School Census (ASC).

20. *Verification:* Achievement reported by EMIS team. Verified by IVE using IFMIS data and sample schools.



PBCs 4-5. Improved share of schools with acceptable staffing in Standards 1-2.

21. *Rationale:* Misallocations of teachers – between schools and, within schools, between grades – represent the single largest misallocation of resources in the Malawi education sector. Teacher salaries account for around 70 percent of public primary expenditure, but an estimated 7 percent per year is used inefficiently to finance comparatively excessive staffing in certain schools with PqTRs well below 60, predominantly in towns and trading centers. Headteachers in these schools report that excess teachers reduce overall levels of discipline and school functioning, while headteachers in chronically understaffed schools in the same zone – typically in remote schools further from trading centers – face severe constraints. Recent reforms supported by MESIP have improved the allocation of newly deployed teachers to schools, as described above; however, a large share of schools still face PqTRs above 100. Improved allocations, while necessary, may be insufficient to address the disparities in PqTRs in the medium term and bring PqTRs at overstaffed schools to a reasonable level.

22. Since 2010, MoE has provided an allowance intended for teachers in remote schools to provide compensation for hardships associated with postings in these areas. However, this allowance has been poorly targeted owing to weaknesses in administrative data on teacher placements, with the result that around 80 percent of teachers are now receiving the allowance. The value of the allowance has simultaneously declined to less than one-eighth the average teachers' salary, minimizing any incentive effect. Since 2017, as a result of a partnership between the World Bank and MoE, the quality of administrative data on teacher placements has significantly improved and plans have been developed for a revised Hardship Schools Support scheme, employing a data-driven and precise definition of school remoteness grounded in factors which are highly predictive of school-level PqTRs. However, the scheme has remained at the planning stage owing to challenges of finance and flow of funds. PBC 3 provides results-based support to the introduction of the revised scheme.

23. In addition, even with action to improve allocations of teachers to schools, there is a need to address poor allocations of teachers within schools to grades. High PqTRs in lower primary are exacerbated by under-allocation of teachers to these grades. In order to achieve reduction in class sizes, and complementary to the support provided to addressal of classroom shortages in these grades by Sub-component 2a, it is necessary to increase the equity of school-level teacher allocations. Therefore, PBC 4 provides incentives for increases in the share of schools with PqTRs in Standards 1-2 within the acceptable range, rewarding the successful implementation of the scheme; continued improvement in allocation of teachers to schools; and improvement in allocation of teachers within schools to lower grades.

PBC 4. On or before December 31, 2022, the Recipient has: (i) established the Hardship Schools Support Scheme and (ii) updated the Primary Teacher Management Strategy

24. *Use of PBC finance:* Upon achievement, the PBC will release finance to reimburse the Recipient for costs relating to the introduction of the Hardship Schools Support Scheme and updating of Primary Teacher Management Strategy (US\$0.2 million), and on expenditures on Hardship Schools Support (US\$2.3 million).

25. *Conditions:* The PBC will be achieved when the Recipient has:

- a. Introduced a revised Hardship Schools Support scheme to teachers working in the most remote schools (defined as 'Category A' as defined in the Primary Teacher Management Strategy and not exceeding one-third of schools).
- b. Updated the Teacher Management Strategy to provide unified and streamlined guidance to district officials on the allocation of teachers to schools, update policies on teacher transfers, promotion and discipline, and provide clear guidance to schools on allocation of teachers between grades; and develop a costed implementation plan for the Strategy, with a fully fleshed out results framework and a theory of change that supports achievement of Year



1-4 targets. It is anticipated that the implementation plan will include dissemination and training activities at district and sub-district levels, as well as alignment with the School Leadership Program.

26. *Finance:* US\$2.5 million (of which US\$2.5 million from IDA).

27. *Timing:* To be achieved on or before December 31, 2022. Disbursement can be made after the achievement period to allow time for verification.

28. *Measurement/data source:* PFT to share approved updated Strategy and documentation relating to Hardship Schools Support scheme, including its inclusion in Budget.

29. *Verification:* IVE to confirm adequacy of approved documents.

PBC 5. Percentage of Public Primary Schools within the Acceptable Range of Pupil-Qualified Teacher Ratios in standards 1-2

30. *Use of PBC finance:* Upon achievement, the PBC will release finance to reimburse the Recipient for expenditures on the Hardship Schools Support Scheme (US\$7.5 million) and on construction of low-cost classrooms (US\$1.5 million).

31. *Conditions:* In each project year, the PBC rewards increases in the share of schools whose PqTR in Standards 1-2 is in an acceptable range. PqTR in Standards 1-2 is defined as the ratio of the total students enrolled in these grades to the number of teachers primarily teaching these grades. The acceptable range is 61-90 unless otherwise recorded in the PIM. Finance will be released for schools moving 'up' into the acceptable range as well as 'down' (e.g. reduction in staffing at overstuffed schools, through transfers or non-replacement of retiring teachers, as well as improvement in staffing at understaffed schools).

32. This is a scalable indicator: the finance released each year will be pro-rated according to the share achieved of the target increase in the percentage of schools with PqTRs in the acceptable range.

33. *Finance:* US\$9 million (of which US\$9 million from GPE).

34. *Timing:* The PBC is eligible for achievement in 2021/22, 2023, 2024, and 2025. Disbursement can be made after the achievement period to allow time for verification.

35. *Measurement/data source:* Measured through Annual School Census (ASC).

36. *Verification:* Achievement reported by EMIS team. Verified by IVE using EMIS data and sample schools.

PBC 6. Percentage of Public Primary Schools participating in the Common Zonal Testing and receiving grade and gender disaggregated feedback report cards

37. *Rationale:* Malawi has largely achieved gender parity in primary school intake: the gross intake ratio for girls is slightly higher than that for boys, 124 percent versus 122 percent in 2017/18, according to the Education Management Information System (EMIS), and girls repeat and drop out at similar rates to boys in lower grades. However, girls achieve lower learning outcomes at all stages of primary school. In the MLSS learning assessments, conducted with Standard 4 students, girls achieve average scores twenty points below boys on a standardized knowledge scale, equivalent to several months' less learning. These disparities persist in upper primary: by Standard



6, girls achieve scores ten percentage points lower in SACMEQ Maths and seven percentage. These disparities persist in upper primary: by Standard 6, girls achieve scores ten percentage points lower in SACMEQ Maths and seven percentage points lower in reading , and by Standard 8, only 72 percent girls pass the PSLCE versus 82 percent of boys. Concerted efforts to support girls in upper primary have successfully reduced the gap in completion rates in recent years , but further progress requires attention to divergent learning in lower primary.

38. Evidence from qualitative research suggests that low awareness of gender disparities in learning are a key challenge in their addressal. Employing data on Standard 4 learning outcomes, the World Bank identified schools where girls under- and over-performed expectations in relation to boys, controlling for a wide range of school and student characteristics, and found that schools where girls under-performed were typically those where headteachers were unaware of gender disparities in learning.¹²⁰ Under MESIP, zone-level testing has been introduced in selected districts in lower primary to provide more detailed and standardized information on learning and to inform promotion decisions. The MoE is now preparing to scale up this approach to all districts. Building on another MESIP innovation, provision of report cards on key school indicators, the component will support the scaling-up of common zonal testing to all 34 districts and the provision of report cards, showing grade- and gender-disaggregated results from tests, to schools.

39. *Use of PBC finance:* Upon achievement, the PBC will release finance to reimburse the Recipient for expenditures on conduct of common zonal testing and feedback (US\$4.55 million); for financing of the district-level action plans for female teachers (US\$1.00 million); for construction of sanitation blocks (US\$5.00 million) and low-cost classrooms (US\$0.30 million) under Component 2; or for the Hardship Schools Support supported by Component 2 (US\$0.15 million).

40. *Conditions:* The PBC is achieved each year according to the percentage of schools which participate in common zonal testing in key subjects in grades 1-4, and which receive and display a report card showing results of testing, disaggregated by grade and gender, within four months of the completion of testing. This is a scalable indicator: the finance released each year will be pro-rated according to the share of the target percentage of schools which participate in testing and receive report cards.

41. *Finance:* US\$11 million (of which US\$11 million from GPE).

42. *Timing:* The PBC is eligible for achievement in 2021/22, 2023, 2024, and 2025. Disbursement can be made after the achievement period to allow time for verification.

43. *Measurement/data source:* Results collated and achievement calculated by PFT.

44. *Verification:* Achievement verified by IVE through sample-based review of CZT records and verification of display of report cards at schools.

PBC 7. On or before December 31, 2022, the Recipient has developed and approved a Monitoring and Evaluation Framework

45. *Rationale:* Monitoring of project activities in Malawi has conventionally been completed using a centralized approach, led from the PFT. This has often led to significant delays, gaps, or issues with collected data. The complexity and breadth of MERP Project activities, and decentralized project management involving a number of agencies and

¹²⁰ Asim, S. and Casley Gera, R. 2021 (Forthcoming). "Deep data dive into Malawi's education system (Longitudinal School Survey)." Washington, DC: World Bank.



all of Malawi's districts, necessitates an innovative approach to M&E. A digitized platform will be developed to support decentralized monitoring of project activities by all relevant stakeholders, including adherence to standardized designs and targeting frameworks, and provide transparent information to the public on key project investments and outcomes; and support verification of PBC achievement. The successful implementation of this approach will require a detailed and well-supported framework for project M&E.

46. *Use of PBC finance:* Upon achievement, the PBC will release finance to reimburse the Recipient for expenditures on the development of the M&E framework and the establishment of the digitized M&E platform (US\$1 million).

47. *Conditions:* The PBC is achieved when the Government completes and approves an institutional and policy framework for the M&E system, including standardized activity designs, targeting, and procedures, and stipulating all relevant stakeholders and their levels of viewing and editing access, as well as standards for access to information for the public; acceptable to the Association.

48. *Finance:* US\$1 million (of which US\$1 million from IDA).

49. *Timing:* To be achieved on or before December 31, 2022. Disbursement can be made after the achievement period to allow time for verification.

50. *Measurement/data source:* PFT to share approved framework.

51. *Verification:* IVE to verify approval and adequacy of framework.

Verification

52. All PBCs will be subject to third-party verification as described above. The Terms of Reference for the IVE will be subject to approval by the LEG. The LEG will also be represented in the committee for selection of the IVE, along with the relevant MoE representatives. In addition, the methodology of the sampling, data collection, and analysis used for verification, including strategies for treatment of missing values and outliers, will be subject to review by the Grant Agent and approval by the LEG. The IVE will be engaged within 90 days of the Effective Date and each year will submit its report within 30 days of the completion of verification.



ANNEX 4: Economic and Financing Analysis

1. This section summarizes the results of the economic and financial analysis carried out to identify the current challenges of the primary education sector in Malawi and to underline the potential economic gains to the society that could be sought through the Project.

Country Economic Context and Labor Market Outcomes

2. Education remains a top spending priority for the Government. In 2019/20, it absorbed between 25 percent and 18.5 percent of the total budget, depending on whether Appropriation in Aid is included or not. The second largest share is absorbed by Public Debt Charges, at 14.1 percent, increasing from the 12.7 percent share held in the revised 2018/19 budget. Malawi spends more on education than most low-income countries. Education spending as share of GDP marginally increased from 7.0 percent in 2018/19 to 7.4 percent in 2019/20. Whilst the Sub-Saharan African (SSA) average spending on education as a percentage of GDP is approximately 5 percent, Malawi allocated an average of 6 percent.¹²¹

3. Despite the high level of public financing in education, Malawi still stands far from the SDG4 of universal quality primary and secondary education completion because of the high number of dropouts within the primary cycle and low learning achievements. The results of the student assessment conducted as part of the Malawi Longitudinal Schools Survey (MLSS), implemented by the World Bank in partnership with the Ministry of Education (MoE), suggest that many students are struggling to complete even basic tasks in Mathematics and English with almost one-fifth of Standard 4 students (19 percent) achieved a score of zero on Standard 1 Mathematics items; for English, the figure was 16 percent. Even in Chichewa, the main local language, only 22 percent of tested students could comprehend a short passage, suggesting a high degree of learning poverty. This suggests that there is not only a large proportion of school-age children out of school but even when in school, many students are not learning.

COVID-19 Context

4. While the first COVID-19 case was confirmed on April 2, 2020, Malawi had been declared in a state of disaster on March 20. All schools were closed on March 23 and they have remained closed since then, impacting almost six million students. A planned nationwide lockdown was challenged in courts and was ultimately not implemented. Although the economic impacts of the crisis are still unfolding and subject to a healthy degree of uncertainty, GDP growth estimates for 2020 have already been revised down from 4.8 percent to 2 percent. The adverse effects on livelihoods, particularly on the informal economy, have been projected to be severe¹²² and poverty is forecasted to increase by up to 4.9 percentage points in urban areas and 2.2 percentage points in rural areas¹²³.

5. According to the results of the High-Frequency Phone Survey on COVID-19 conducted by the National Statistical Office (NSO), with support from the World Bank, prior to all schools being shut down on March 23, more than 94 percent of households with children between six and 18 years of age had at least one child attending school. Across urban and rural areas, and across wealth quintiles, school closures have caused a drastic reduction in access to learning and education. Even in the wealthiest quintile only 25 percent of households were participating in any

¹²¹ UNICEF (2020). *2019/20 Education Budget Brief 'Investing in Quality Education: Breaking the Intergenerational Cycle of Poverty in Malawi'*.

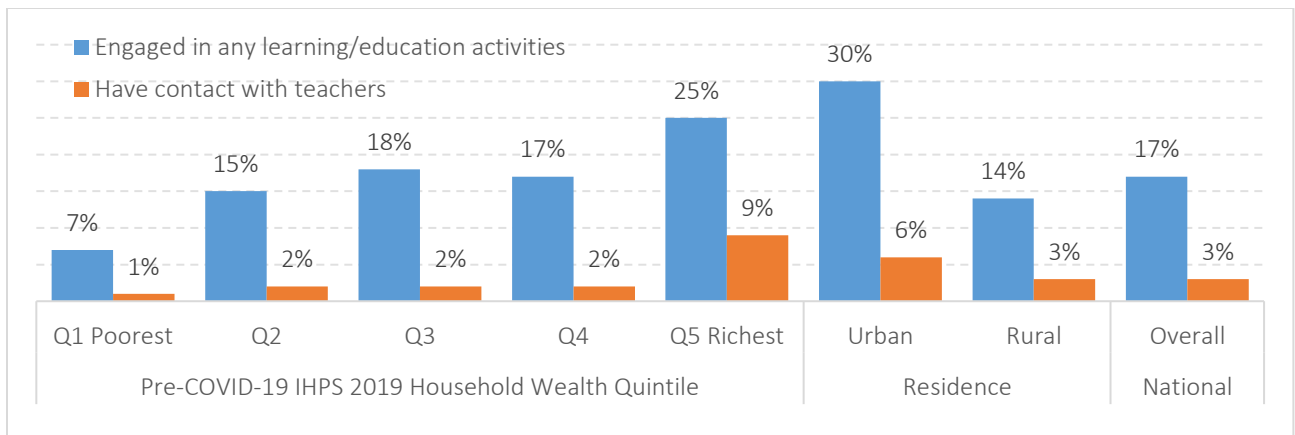
¹²² The deceleration of growth to only 2 percent assumes that Malawi will not experience a widespread outbreak and the pandemic will be partially contained in the second half of 2020. With community level spread, the downside risk is much higher. Source: Malawi Economic Monitor (2020).

¹²³ Source: An ongoing Policy Brief on socioeconomic impact of COVID-19 entitle "Beyond the Health Crisis: Covid-19's Impact on Jobs and Incomes in Malawi".



type of learning activity. The comparable estimate was 7 percent in households in the bottom 20 percent of the pre-COVID-19 wealth quintile. The numbers are even lower for students having contact with their teachers. Only 6 percent of households with school age children in urban areas and 3 percent in rural areas had any contact with their teachers. Among these students, 27 percent communicated with their teachers through SMS, 14 percent by telephone, 33 percent via WhatsApp, 18 percent through online apps, and 8 percent on Facebook messenger. For the 17 percent of households with children between six and 18 with children engaged in educational activities, among students residing in rural areas the most common activity was listening to educational radio programs (35 percent) while in urban areas having sessions or meetings with a tutor was the highest reported (19 percent).

Figure 4.1: Share of households with children 6-18 attending any learning/education activities or having contact with teachers post closure



Source: High-Frequency Phone Survey on COVID-19, National Statistical Office (NSO)

6. Following the COVID-19-driven school closure to prevent the spread of the virus, to ensure the continuity of learning for Malawi students, the government decided the reopening of schools in phases. The Government decided the reopening for classes sitting national examinations starting September 7, 2020. Following this first phase, all lower grades reopened on October 12, 2020. To control class size for social distancing, some schools are double shifting and lower primary classes are rotating over the week with upper primary back to schedule. The government is raising public awareness on the crisis and disseminating information on preventive measures. The approved national multi-sectoral preparedness and response plan guides the COVID-19 responses across different sectors, including MoE, and local governments.

7. According to the results of a simulation exercise¹²⁴, the school closure may result in a learning loss of up to one learning-adjusted year of schooling and increased dropouts, particularly among girls and children from poor families. In addition, the pause in school feeding programs could lead to higher rates of malnutrition among children. The negative impacts will be higher for children from disadvantaged and vulnerable backgrounds exacerbating the issue of economic inequality and the intergenerational transmission of poverty.

Economic Rationale for Public Investment in Upgrading the Quality of Primary Education in Malawi

8. The rationale for public sector financing of primary education is well established. Investments under this project would support system improvements to schools with low quality provision and strengthen efficiency and

¹²⁴ World Bank tool. Azevedo J.P. et al. (2020) "Country tool for simulating the potential impacts of COVID-19 school closures on schooling and learning outcomes, Version 4.3". World Bank, Washington DC.



equity at the primary level overall, contributing to improved learning outcomes at the school level. The pressing needs and challenges for both improved efficiency and equity which the proposed project aims to address warrant public sector support consistent with Malawi's commitment to providing universal primary education of reasonable quality to all children.

9. Investment in primary education in Malawi is justified by the high repetition ranging from 30 percent in Standard 1 to 20 percent in Standard 8, low student retention with only two-thirds of students entering Standard 1 survive to Standard 5, and weak learning levels among enrolled students.

The Project's Development Impact

10. The Project is expected to contribute positively to Malawi's education system and national economic development. It aims to improve learning in the lower grades and primary sub-sector efficiency overall. To that end, it is expected that the proposed interventions will affect the probability of a child completing the lower primary education and transitioning to upper primary school. This, in turn, will yield gains in labor earnings measured over the course of a standard working life. The key project's economic impact is, therefore, estimated as the incremental benefit accruing to a representative child as the result of effects induced by the program's interventions.

11. More specifically, construction of additional classrooms under the Project is aimed at improvements in the class size, student-teacher ratios, and better learning environment. Performance-based school improvement grants will incentivize schools to make better use of existing resources to achieve improved learning and efficiency goals through reduced repetition rates, better retention of students. Gains in internal efficiency will lower the cost to government for providing primary education in the lower grades: as less students fail and repeat grades, government spends fewer resources. Improvements in teacher's behavior towards girls and over-age children will result in reduced dropouts in the course of the primary education cycle.

Methodology of Economic Analysis

12. The economic feasibility of the MERP Project was examined using cost-benefit analysis (CBA) and rate of return calculations based on several assumptions and over various scenarios.

Expected Economic Benefits

13. The analysis is restricted to the quantifiable economic impact and benefits -- the impact of completion probabilities in lower primary education, i.e. direct private returns to schooling, measured using labor earnings over the course of the standard working life (External Efficiency Gains). The project is expected to invest in all public primary schools in Malawi, with benefits for around five million students¹²⁵ including 2.6 million girls¹²⁶.

14. The proposed project is likely to yield positive results on the education quality in the medium-run as it: (i) targets an area of intervention, primary education, that is critical for long-term school performance, as measured by standardized assessment; (ii) supports and complements the Government's reforms in this area; and (iii) provides instrumental additional funding to support both cost-effective and well-targeted primary education programs.

¹²⁵ 5,063,917 public primary students as of 2017/18 (*MoE Education Statistics 2017/18*).

¹²⁶ 2,559,560 female public primary students as of 2017/18 (*MoE Education Statistics 2017/18*).



Box 4.1: Effect of school closure during the COVID-19 pandemic on education outcomes: simulation model assumptions, parameters, and results

The analysis examines the impacts of school closures on the stock of learning adjusted years of schooling (LAYS) and its two components – expected years of schooling (EYRS) and harmonized learning outcomes (HLO). It translates this impact into dollar terms. The HCI 2017 database is used as the baseline for these calculations. In addition to simulating the direct effects of school closures, we simulate the income effects by combining data on the projected GDP per capita change provided by WEO (World Economic Outlook, IMF) with the GMD (collection of globally harmonized household survey data, WBG) to estimate how much dropout is likely to occur as a result of COVID-19.

Model assumptions

	Optimistic	Intermediate	Pessimistic
School closure length			
Length of school closures (months)	8	10	12
Share of the school year affected by closures	80%	100%	120%
Government supply of distance learning			
for Poorest Quintile	0%		
for Quintile 2	5%		
for Quintile 3	10%		
for Quintile 4	15%		
for Richest Quintile	20%		
Overall (Simple average)	10%		

Results: Effect of school closure on LAYS and future income of graduates

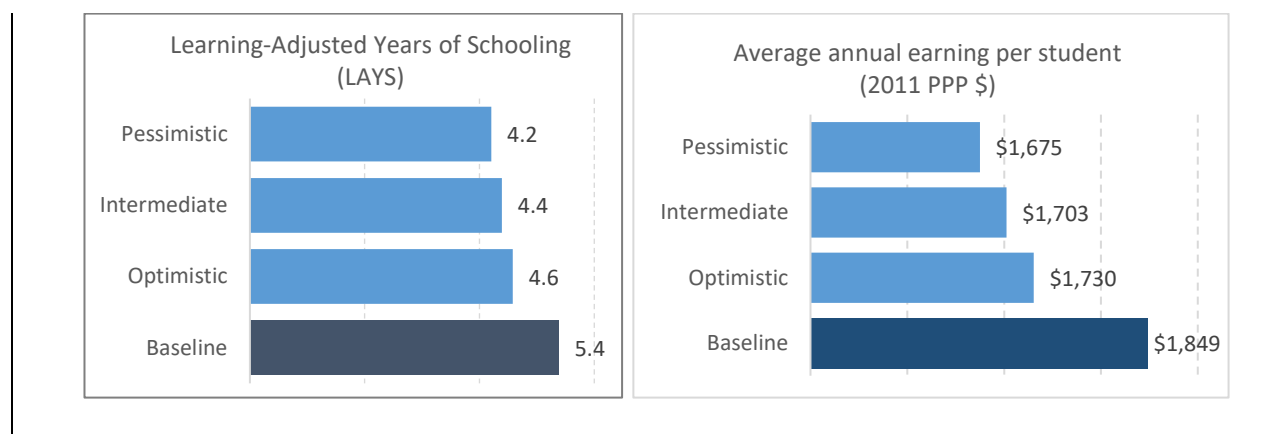
	Baseline	Optimistic	Intermediate	Pessimistic
Expected Years of Schooling (EYRS)	9.4	8.5	8.3	8.1
Harmonized Test Scores (HLO)	359	335	329	323
Learning-Adjusted Years of Schooling (LAYS)	5.4	4.6	4.4	4.2
Average annual earning per student (2011 PPP \$)*	\$1,849	\$1,730	\$1,703	\$1,675
PV of lifetime earnings for all students (\$ trillions)**	0.068 T	0.064 T	0.063 T	0.062 T

Notes

(*) Mean monthly earnings of employees in 2011 PPP \$ - Country - specific where available otherwise average for country's income class. Assumes returns to education of 8 percent.

(**) Present value calculations have the additional following assumptions: Years of working life = 40 years; Discount rate = 8%; The total enrollment number is adjusted with adult survival rate from Human Capital Index, 2018 database; It takes 10 years for all the currently enrolled student cohorts to enter the labor market; and average human capital utilization as per Pennings (2019)

Detail of Absolute Values and Changes	Post-COVID-19 in the Intermediate Scenario				
	Baseline	Post-Covid	change	% change	contrib.
Expected Years of Schooling (EYRS)	9.4	8.3	-1.0	-11.0%	57%
Harmonized Test Scores (HLO)	359	329	-30	-8.3%	43%
Learning-Adjusted Years of Schooling (LAYS)	5.4	4.4	-1.0	-18.4%	
Average annual earning loss per student (2011 PPP \$)*	\$1,849	\$1,703	-\$146	-7.9%	
PV of lifetime earnings for all students (\$ trillions)**	0.021 T	0.019 T	-0.002 T	-7.9%	



Cost-Benefit Analysis

15. The project will support the country in strengthening learning environments in lower primary education, which is the key to improve learning outcomes. Private returns to education are high in SSA, where one additional year of education represents on average a 12.4 percent increase in expected income, higher than the global average of 9.7 percent. These returns also increase with education level. For higher education the regional average is 21 percent, while the returns to primary and secondary education are 14.4 and 10.6 percent, respectively.

16. Costs are equivalent to the total cost of the project, which will disburse US\$150 million over a period of five years.

17. Current cost-benefit analysis is built on the results of the simulation of the effect of school closure during the COVID-19 pandemic on learning outcomes and expected years of schooling. Between 2016 and 2018, test scores in Chichewa in the Malawi Longitudinal Schools Survey increase by 116.2 standardized points or by 0.47 standard deviation per year (Table 4.1). This increase in learning scores is equivalent to 47 HLO points increase per year.

Table 4.1: Change in student test scores between 2016 and 2018 assessments in Malawi Longitudinal Schools Survey

Subject	Year of assessment	# of obs.	mean	std. dev.	as % of std. dev.
English	2016	4,717	427.7	103.1	-
	2018	4,717	572.3	-	-
	Change in scores: 2016-2018	-	144.6	-	140%
Math	2016	4,717	428.8	115.4	-
	2018	4,717	571.2	-	-
	Change in scores: 2016-2018	-	142.5	-	123%
Chichewa	2016	4,717	441.9	123.0	-
	2018	4,717	558.1	-	-
	Change in scores: 2016-2018	-	116.2	-	94%

18. The analysis assumes that, as the result of the project interventions, expected years of schooling would increase by 1 year under 'optimistic' scenario, by 0.5 year under 'intermediate' scenario, and by 0.1 years under 'pessimistic' scenario. Harmonized test scores are expected to increase by 45 points under 'optimistic' scenario, by 30 points under 'intermediate' scenario, and by 15 points under 'pessimistic' scenario. Results of the simulation of the MERP Project impact on learning-adjusted years of schooling are presented in Table 4.2.

Table 4.2: Effects on Learning-Adjusted Years of Schooling (LAYS)

		Baseline	MERP Project Simulation Scenario		
			Optimistic	Intermediate	Pessimistic
COVID-19 Simulation Scenario	Optimistic	4.6	5.8	5.3	4.9
	Intermediate	4.4	5.6	5.1	4.7
	Pessimistic	4.2	5.4	4.9	4.5
Assumptions:					
Change in Expected Years of Schooling			1.0	0.5	0.1
Change in Harmonized Test Scores			45.0	30.0	15.0

19. In Malawi, primary education lasts eight years, from ages 6 to 13. It was assumed that students would join the labor market the year after graduating and work for 40 years. We take into account unemployment rate for labor force with basic education reported by the International Labor Organization. The discount rate used to calculate the present value of costs and benefits is 8 percent. The economic analysis confirms the feasibility of the Project, with NPV ranging from US\$1,273 million to US\$287 million, and IRR around 24 percent. Table 4.3 below provides the economic evaluation under the nine different scenarios considered. It is important to emphasize however that they do not exhaust all the possibilities under the uncertainty of the current COVID-19 pandemic.

Table 4.3: Project NPV per scenario, million US\$

		MERP Project Simulation Scenario		
		Optimistic	Intermediate	Pessimistic
COVID-19 Simulation Scenario	Optimistic	1,273	809	310
	Intermediate	1,224	780	298
	Pessimistic	1,176	751	287

Table 4.4 Impact of the MERP Project on years of schooling and test scores under various scenarios of simulating the effects of COVID-19 school closure

Pessimistic	Baseline	Post-Project (Scenarios)		
		Optimistic	Intermediate	Pessimistic
Expected Years of Schooling (EYRS)	8.1	9.1	8.6	8.1
Change in EYRS	-	1.0	0.5	0.0
Harmonized Test Scores (HLO)	323	353	339	324
Change in HLO	-	30.0	15.0	0.0
Learning-Adjusted Years of Schooling (LAYS)	4.2	5.2	4.7	4.2
Average annual earning per student (2011 PPP \$)*	\$1,675	\$1,803	\$1,739	\$1,677
PV of lifetime earnings for all students (\$ trillions)**	0.014 T	0.015 T	0.014 T	0.014 T
Intermediate	Baseline	Post-Project (Scenarios)		
		Optimistic	Intermediate	Pessimistic
Expected Years of Schooling (EYRS)	8.1	9.1	8.6	8.1
Change in EYRS	-	1.0	0.5	0.0
Harmonized Test Scores (HLO)	323	353	339	324
Change in HLO	-	30.0	15.0	0.0
Learning-Adjusted Years of Schooling (LAYS)	4.2	5.2	4.7	4.2
Average annual earning per student (2011 PPP \$)*	\$1,675	\$1,803	\$1,739	\$1,677
PV of lifetime earnings for all students (\$ trillions)**	0.014 T	0.015 T	0.014 T	0.014 T
Optimistic	Baseline	Post-Project (Scenarios)		
		Optimistic	Intermediate	Pessimistic
Expected Years of Schooling (EYRS)	8.5	9.5	9.0	8.5
Change in EYRS	-	1.0	0.5	0.0
Harmonized Test Scores (HLO)	335	365	351	336
Change in HLO	-	30.0	15.0	0.0
Learning-Adjusted Years of Schooling (LAYS)	4.6	5.6	5.1	4.6
Average annual earning per student (2011 PPP \$)*	\$1,730	\$1,868	\$1,800	\$1,732
PV of lifetime earnings for all students (\$ trillions)**	0.014 T	0.015 T	0.015 T	0.014 T

Table 4.5: Parameters to translate the LAYS change in US\$ terms

Years for currently enrolled cohorts to enter the labor market	10
Years of working life	40
Adult Survival Rate from HCI 2018 database	0.73
Discount rate	8.0%
Returns to education	8.0%
Labor Force Participation	41
Number of project beneficiaries (EMIS 2017/18)	5,000,000



ANNEX 5: Climate Co-Benefits

Context

- 1. Malawi is highly vulnerable to climate change, and the risks of climate change are increasing.**¹²⁷ Exogenous, climate-induced shocks are a significant source of vulnerability, exacerbating macroeconomic instability, and making it harder for Malawi to break the cycle of vulnerability. According to data from the 2011 Climate Risk and Adaptation Country Profile, Malawi is particularly prone to adverse climate hazards, including dry spells, seasonal droughts, intense rainfall, riverine floods, and flash floods. Indeed, over the past two decades, flood and drought events have increased in frequency, intensity, and magnitude, with negative consequences for education, food, water security, water quality, energy, and the sustainable livelihoods of rural communities. Two significant climate-related changes are predicted to occur over the next several decades that will have substantial economic and social implications for Malawi. First, the mean annual temperature is projected to increase by 1.1 to 3.0°C by the 2060s and by 1.5 to 5.0°C by the 2090s. All projections indicate that the frequency of days and nights that are considered ‘hot’ in all seasons will increase substantially, which will decrease the number of days and nights considered ‘cold’ under the current climate. This has implications for agriculture and livestock, affecting livelihoods and increasing risks of malnutrition and heat strokes. Second, rainfall patterns are likely to become more variable, and water flows will change. Projected increases and decreases in seasonal rainfall, total runoff, and the proportion of rainfall in heavy events will have profound future implications for flooding and drought risk.
- 2. Droughts and floods constitute significant obstacles for the economy, agriculture, and food security in Malawi.**¹²⁸ Floods and droughts are the leading cause of chronic food security, which is endemic in many parts. In January 2015,¹²⁹ the country experienced its worst floods in 50 years, followed by a drought in 2016, together resulting in annual estimated losses of US\$500 million across all sectors. Models estimate that floods may cause an average GDP loss of almost 1 percent every year, while during periods of drought, economic losses are found to be much higher. For example, during a 1-in-25-year drought (the drought that struck Malawi in 1991/92), the GDP contracted by as much as 10.4 percent. Drought destroys on average 4.6 percent of the maize production each year in Malawi (based on today’s adoption of different varieties).
- 3. Floods** cause annual losses of about 12 percent of maize production in the south, where about one-third of Malawi’s maize is grown. People living near riverbanks are the most vulnerable to floods, which result in untimely deaths, large disease outbreaks, and the destruction of crops and property. Malawi is also susceptible to flash floods, which in January 2007, destroyed livestock, produce, and over 1,000 homes. *Droughts* have increased poverty by 1.3 percentage points, but this rises to almost 17 percentage points during a 1-in-25-year drought (roughly equal to an additional 2.1 million people falling below the poverty line). Children, female-headed households, and the elderly tend to suffer the most from droughts through malnutrition and consequential high susceptibility to diseases. Livestock and wild animals are also adversely affected by drought. Urban households and those engaged in off-farm activities will also continue to suffer from droughts due to higher food prices and declining non-farm wages. The water table also recedes during droughts, affecting boreholes and wells, which are significant potable water sources in rural areas.
- 4. Droughts and floods also weaken the education system in Malawi, with the negative impact being magnified for women and girls.** Flash floods in January 2007 affected more than 22,000 households, resulting in the destruction of livestock, crops, and over 1,000 homes—some belonging to teachers.¹³⁰ At least ten primary

¹²⁷ This section is based on <https://climateknowledgeportal.worldbank.org/country/malawi/vulnerability>.

¹²⁸ Human Development Report 2007. National Adaptation Strategy to Climate Change Impacts, a case study of Malawi.

¹²⁹ <https://www.bbc.com/news/world-africa-30854140>.

¹³⁰ https://www.unicef.org/emergencies/malawi_38123.html.



schools in Nsanje and Chikwawa Districts were closed or destroyed, affecting thousands of pupils and resulting in them being out of school for over a week. Floods in March 2019 also resulted in the loss of teaching and learning materials and the utilization of schools as shelters.¹³¹ Citizens taking refuge in school blocks disrupted teachers' abilities to teach, and hence, children's learning. Indeed, flash floods have disrupted education in the country on several occasions, most recently in January and February 2020.¹³² Further, *droughts* have been observed to increase poverty by 1.3 percentage points, with heightened negative impacts for children, female-headed households, and the elderly. Specifically, children (especially females) become susceptible to interrupted education on account of lower finances, in some instances, due to the need for them to work to contribute to their households. In contrast, female-headed households and the elderly become more susceptible to malnutrition and, consequentially, diseases.¹³³ Droughts have reduced river-flow rates and the complete drying up of rivers, which means more time is spent collecting water, an activity that disenfranchises females more than males in Malawi.¹³⁴ Given that they often depend more on natural resources for their livelihoods, receive less education, and are more impoverished, women and girls are more exposed and vulnerable to climate change.

5. **The Government of Malawi has taken steps to shift from disaster risk management (DRM) to climate-risk reduction and disaster preparedness.** For one, the Government has developed a National Resilience Strategy, the overarching strategy for resilience activities in Malawi. It has also developed the Climate Change Investment Strategy to guide financing and investment in all activities related to climate change in different sectors. Further, Malawi's National Contingency Plan outlines the Government's response to emergency flood and drought situations to prevent and help reduce any potential negative impacts. Moreover, it has enacted a National Environment Management Act (EMA) to provide the protection and management of the environment, focused on the conservation and sustainable utilization of natural resources.

6. Despite this, there is limited institutional capacity to identify and respond to disruptions from climate and geophysical hazards in Malawi's social development sector. For one, limited financial capacity at the national level poses one barrier to implementing adaptation activities. Additional factors which hinder efforts to build resilience, include (i) extreme poverty and low levels of education amongst the most vulnerable groups, causing difficulties for the transfer of new technologies and meaningful long-term planning; (ii) poor infrastructure, especially poor roads and bridges, leaving many rural areas isolated and consequently unable to receive farm inputs (e.g. fertilizer and seeds) and access markets; (iii) limited credit opportunities for rural communities, to facilitate access to farm inputs; (iv) widespread food insecurity at the regional level, preventing acquisition of food from neighboring countries and exacerbating existing low levels of adaptive capacity; (v) prevalence of HIV/AIDS orphans, who drain family energy, cash, and food supplies and reduce productivity rates of those suffering from the disease; (vi) substandard health conditions of resource-poor rural communities, directly related high rates of malnutrition, especially amongst the children and the elderly, and curtailed opportunities for sick individuals to work; and (vii) shortfalls in the ability of personnel to accurately analyze the threats and impacts of climate change in order to inform adaptation interventions. These, combined with a lack of emergency response systems in place to bring in food and clean water in extreme weather events, increase the risk of climate and geophysical hazards.

7. The climate actions incorporated for each Component are identified in the following paragraphs. In addition to consultations, several inputs were utilized to incorporate climate Co-Benefits into the project's design. These inputs include the following World Bank guidance: (i) "Reference Guide on Adaptation Co-Benefits"; (ii) "Guidance: Illustrative Climate Change Actions for Education Projects"; (iii) "Education Climate Co-Benefits Case Studies," (iv)

¹³¹ <https://times.mw/schools-bear-floods-burden/>.

¹³² <http://floodlist.com/africa/malawi-floods-lilongwe-january-2020>.

¹³³ <https://www.brookings.edu/research/3-platforms-for-girls-education-in-climate-strategies/>.

¹³⁴ <https://www.unicef.org/press-releases/unicef-collecting-water-often-colossal-waste-time-women-and-girls>.



“Guidance Tool for HNP Staff: Menu of climate-smart interventions for HNP operations”; as well as (v) the 2019 *Joint Report on Multilateral Development Banks’ Climate Finance*¹³⁵; and (vi) Brookings’ “Three Platforms For Girls’ Education In Climate Strategies.”¹³⁶

Component 1. Expanding and Reforming Primary School Improvement Grants

8. Under the MERP Project, PSIG activities will be expanded to support schools’ development of emergency response plans, explicitly focused on droughts and flooding, to ensure that schools have a plan in place to respond to climate hazards. These plans will be displayed at the school level along with Primary School Improvement Plans, visible to parents, teachers, and students.

9. Beyond providing support to schools to develop emergency response plans, any construction, reparation, rehabilitation, and maintenance of schools’ infrastructure—including latrines and changing rooms—through the expanded and reformed PSIG under the MERP Project, will be subject to similar arrangements regarding the requirements and supervision for climate adaptation and sensitivity, like those for the low-cost construction under Component 2, described in more detail below.

Component 2. Improved Learning Environments in Lower Primary to Support Learning Recovery After COVID-19

Sub-component 2.1: Low-cost construction

10. *Low-cost classrooms.* To ensure adequate safety and quality of construction while maintaining low costs, classroom construction under this component will adopt the new standardized design for low-cost classrooms (see Sectoral and Institutional Context), constructed by communities with supervision from EIMU and district-level Clerks of Works (see Annex 1). The LEG will endorse the standardized design before Effectiveness. Construction will also abide by Malawi’s Safer Schools Construction Guidelines and the Construction Manual to be developed prior to Effectiveness.¹³⁷ The Safer School Construction Guidelines and accompanying Roadmap aim to increase the resilience of school infrastructure to disasters and climate risks by assessing the risks to existing and future infrastructure and monitoring the application of construction norms on rehabilitation or construction of school works. The guidelines establish the standards and requirements for materials, techniques, and procedures to construct safer schools. Following these guidelines will ensure multi-hazard resilient design and construction of public education infrastructure and outline a way forward for a secure location, selection of materials, and construction techniques for safer schools. Further, these guidelines will strengthen the country’s capacity by training school officials, community members, district-level officials, contractors, engineers, and others involved in/responsible for the construction and construction supervision, to ensure compliance with the technical norms outlined through the climate-smart guidelines.

11. *Sanitation blocks.* The standardized sanitation block includes two latrines, at least one of which will be set aside for use by girls, and a change room for girls’ menstrual health, equipped with dedicated sanitary disposal bins and handwashing facilities. The provision of latrines is significant for enhancing climate resilience by contributing to improved hygiene and sanitation and reducing the outbreak of water-borne diseases such as *Campylobacter*, commonly found in Malawian children, and associated malnutrition risks contributing to improved survival rates.

¹³⁵ <https://www.afdb.org/en/documents/2019-joint-report-multilateral-development-banks-climate-finance>

¹³⁶ <https://www.brookings.edu/wp-content/uploads/2017/09/platforms-for-girls-education-in-climate-strategies.pdf>

¹³⁷ The Construction Manual will be developed under this project and prepared by the MoE and will highlight the climate change mitigation and adaptation measures to be utilized in this project’s construction activities, with specific details on climate-smart measures and materials.



12. *Supervision of construction.* The following climate change adaptation and mitigation measures will be incorporated into the school construction operational manual developed under the project, and which will promote the use of climate-smart construction solutions, including the use of construction that ensures resilience and the optimization of natural ventilation and lighting:

- a. Community members and all other parties responsible for school construction, maintenance, and rehabilitation will be provided TA in climate issues and appropriate response measures.
- b. **School location.** Creating healthy, safe schools that support high-quality education and promote sustainable and healthy communities requires attention to school location and implications of such locations for transportation options. The project will decrease overall travel demand by distributing teachers closer to rural schools, reducing the need for private motor vehicle use. It will also support safe routes to schools that can support alternative modes of transportation so that that fuel consumption can be reduced. More precisely, to encourage teachers to use cleaner transport options such as cycling and mass public transport to get to and from schools, in some instances, the project will fund such modes of transportation for female teachers where deemed applicable and appropriate (feasible and safe), through district-level action plans.
- c. **School design.** The buildings will be located and oriented on existing school sites to mitigate climate hazard risks associated with flooding, high temperatures, and gales. The design of raised foundations will be considered for schools in flood-prone areas as they require protection from flash floods, soil erosion, and water flowing downstream. Further considerations will be given to minimize solar heat and prevailing wind direction. Specifically, designs will allow for natural ventilation and air circulation in buildings by using appropriate size window apertures to minimize the impact of high temperatures and ensure optimized natural lighting. Utilizing environment-friendly features to optimize natural lighting is particularly important, given that most schools are not on electricity at all. For schools with access to electricity, this will minimize the need for electric lighting. Where applicable and technically and financially feasible, energy efficiency measures will be utilized for lighting and other school activities, for instance, good energy-saving bulbs. Further, considering that Malawi is part of the Great Rift Valley—which makes it prone to earthquakes—and as such, designs will also take that into account as applicable. Overall, the design of schools will improve the quality of students’ learning environments, potentially increasing the number of students in schools and the number of their learning hours. Moreover, they will be equipped with ramps to support children with physical disabilities and enhance their learning.
- d. **Eco-friendly and reduced school construction material.** Consistent with the Government of Malawi’s ‘Use of sustainable Construction Materials regulations, 2018’, construction will use sustainable and environmentally friendly construction materials. No trees will be cut, and, to further reduce the project’s carbon footprint, the use of burn bricks will be prohibited for learning shelter construction—despite being a cost-saving mechanism. The construction of school structures will use low carbon and climate-resilient materials (for walls, roofing, and foundations), ensuring durability and adequate functionality given the climate risks associated with Malawi. Non-toxic building materials will be used for construction, and chemical exposures such as lead, mercury, polychlorinated biphenyls, and asbestos from building materials will be prohibited. Building materials will also be obtained, to the greatest extent possible, from sustainable sources to avoid negative impacts on natural resources and the environment, for instance, due to the lengthy transportation of materials. Due to the small scale of the project’s construction, the project will also utilize ‘less’ building materials.
- e. **National Environment Management Act (EMA), 2016.** The current EMA requires that environmental and climate considerations be taken into account and that precautionary measures be taken to prevent or mitigate risks identified in all projects. Adaptation and mitigation actions in projects are encouraged.



Further, it requires that ongoing projects be subject to environmental audits or monitoring per the EMA. As such, this project will abide by the EMA's guidelines during construction.

- f. **Waste management.** Separating, reducing, reusing, recycling, composting, and any other relevant means will be considered for managing school waste, to find ways to get rid of school waste with the least adverse effects on the environment, with a particular focus on maximizing the reduction in greenhouse emissions which can result from waste. Recycling and using organic waste for composting options will be carefully reviewed, and the best option for the schools will be developed.

Component 3. Supporting Girls' Learning

13. *Learner Guides.* Evidence indicates that there is a direct relationship between women's empowerment and climate change.¹³⁸¹³⁹ Given that females are affected most during climate disasters, because many are housewives with little or no income and shoulder the most considerable burden of looking after families, they are particularly vulnerable to the negative impacts of climate change, such as famine, starvation, disease, etc. Indeed, evidence shows that natural disasters lower women's life expectancy more than men, and in some cases, women and girls make up as much as 90 percent of those killed in weather-related disasters.¹⁴⁰ As such, integrating climate change adaptive and mitigative measures into Component 3—which seeks to support girls' learning—is crucial. Modules on climate change awareness, adaptation, and mitigation measures will be incorporated into the Learner Guide program. This may include the procurement of TA to support the design and incorporation of climate change mitigation¹⁴¹ and adaptation¹⁴² content into the program curricula.

14. Learner Guides will work with school staff members appointed as 'climate change (eco) champions' within their schools,¹⁴³ and together, will work with learners in groups to (i) raise students' and staff members' awareness of climate change; (ii) motivate them to take steps to combat it; and (iii) encourage the formation of 'eco-clubs' with a focus on climate change mitigation and sustainability (such as planting trees¹⁴⁴ to preserve the greenery and recycling and food waste and energy-efficiency school campaigns¹⁴⁵), and engage in other activities which would contribute to making their schools more eco-friendly. With support from Learner Guides and other staff members, students will also be encouraged to carry out social responsibility activities in their neighborhood communities to increase climate change awareness.

15. *Improved distribution of female teachers:* District-level action plans to improve the distribution of female teachers will contribute to a decrease in overall travel demand through the distribution of teachers closer to rural schools, which will, in turn, reduce the demand for private motor vehicles use. It will also support safe routes to schools that can support alternative modes of transportation so that that fuel consumption can be reduced. More precisely, to encourage teachers to use cleaner transport options such as cycling and mass public transport to get to and from schools, in some instances, the project will fund such modes of transportation for female teachers

¹³⁸ Habtezion, S. with Eggerts, E., Huyer, S., Strohmeier, H. and Wanjiru, L. 2012. "Overview of linkages between gender and climate change." Available at: <https://www.undp.org/content/dam/undp/library/gender/Gender%20and%20Environment/PB1-AP-Overview-Gender-and-climate-change.pdf>. [1.4.21]

¹³⁹ <https://pubmed.ncbi.nlm.nih.gov/23555739/>.

¹⁴⁰ Habtezion, S. with Eggerts, E., Huyer, S., Strohmeier, H. and Wanjiru, L. 2012. "Overview of linkages between gender and climate change." Available at: <https://www.undp.org/content/dam/undp/library/gender/Gender%20and%20Environment/PB1-AP-Overview-Gender-and-climate-change.pdf>. [1.4.21]

¹⁴¹ <https://www.brookings.edresearch/3-platforms-for-girls-education-in-climate-strategies/>.

¹⁴² Such as causes and impacts of climate change and activities that reduce, capture, or sequester greenhouse gas emissions.

¹⁴³ Such as local impacts of climate change, flood response, water conservation, etc.

¹⁴⁴ Through Component 4's School Leadership Program.

¹⁴⁵ Especially around new construction emerging from this project and in areas with less trees, as a mitigation measure (for example, to absorb carbon dioxide).



where deemed applicable and appropriate (feasible and safe), through district-level action plans. Importantly, where districts opt to construct housing for female teachers or any other construction supported by district-level action plans, these will be subject to similar arrangements regarding the requirements and supervision for climate adaptation and mitigation, as those for the low-cost construction under Component 2, as described above.

Component 4. School Leadership Program

16. The training curriculum for headteachers, deputy headteachers, and PEAs will include sensitization on climate change adaptation and mitigation, such as accounting for schools' risk of flooding into construction activities and energy conservation techniques. This will be important for ensuring the consistent transfer of knowledge on climate-related topics to girls and boys within their schools. They will act as climate change (eco) champions and facilitate teachers' and students' engagement with climate activities within their schools to build capacity and raise awareness to make them more eco-friendly. For instance, by forming/contributing to (eco) clubs and other school initiatives/activities to build capacity and raise awareness of, for example, food waste, energy efficiency, recycling, and other climate mitigative measures. In schools with Learner Guides, climate change (eco) champions will lend support and provide opportunities for engagement for learners. Further, they will be trained to prepare and carry out evacuation protocols at the onset of climate change-induced emergencies, such as flash floods, etc. They will also be trained to supervise the construction of low-cost classrooms to ensure compliance with climate change mitigation and adaptation measures, as outlined in the Construction Manual.

Component 5. Project Coordination and Capacity Building

17. MoE Directorates and PSIP Desk Officers will receive training on climate change adaptation and mitigation. Environmental Safeguards specialists will be responsible for the planning and delivery of such training, which will include modules on climate change awareness, adaptation and mitigation measures, early warning, climate risk management, and disaster preparedness and quick recovery, with a focus on flooding and droughts, given Malawi's specific vulnerability context. It will support capacity building that enables MoE Directorates and PSIP Desk Officers to serve as decision-makers and effective agents for community preparedness for flooding and other extreme events. Specifically, it will train them to prepare and carry out evacuation protocols at the onset of climate change-induced emergencies, such as flash floods and so on, and to train headteachers and deputy headteachers in their districts to do the same. This can improve their standing in their schools, districts, and the public sphere as leaders and reduce disproportionately high mortality rates among women in such disasters.

Table 5.1. Climate Actions Incorporated into Project Design, by Component

Component	Climate Actions Incorporated
Component 1 (IDA: US\$5 million)	<p>Adaptation. Schools’ development of emergency response plans where they do not yet exist, focused specifically on responding to flooding and droughts, disasters to which Malawi is specifically prone.</p>
Component 2 (IDA: US\$77.5 million)	<p>Mitigation. Construction will abide by the Construction Manual developed under this project, by the MoE. The Construction Manual will highlight the climate change mitigative measures to be utilized in construction activities in this project, with specific details on climate-smart measures and materials. Construction will integrate design layouts to ensure natural light, ventilation, seating, display, storage, energy efficiency measures. Consistent with the Government of Malawi’s ‘Use of sustainable Construction Materials regulations, 2018’, construction will use sustainable and environmentally friendly features and construction materials. No trees will be cut, and, to further reduce the project’s carbon footprint, the use of burn bricks will be prohibited for learning shelter construction—despite being a cost saving mechanism. The construction of school structures will use low carbon and climate resilient materials (for walls, roofing, and foundations) which will ensure durability and adequate functionality given the climate risks associated with Malawi. Non-toxic building materials will be used for construction and chemical exposures such as lead, mercury, polychlorinated biphenyls, and asbestos from building materials will be prohibited. Building materials will also be obtained, to the greatest extent possible, from sustainable sources to avoid negative impacts on natural resources and the environment, for instance, due to the lengthy transportation of materials. Due to the small scale of the project’s construction, the project will also utilize ‘less’ building materials.</p> <p>Adaptation. The placement, design and construction of low-cost classrooms, Sanitation blocks and regular maintenance of the education system infrastructure will take account of climate-related risks and include feasible measures to support climate change adaptation. Moreover, the project will incorporate climate-resilient design measures in the construction of school facilities such as structural strengthening. The project will adopt the standardized classroom guidelines on building schools and which comply with the Government’s ‘Use of sustainable Construction Materials regulations, 2018’ and will adopt the Safer School Construction Guidelines. Further, it will follow the guidelines of the Environment Management Act (EMA).</p>
Component 3 (IDA: US\$5.8 million)	<p>Mitigation. Similar to the construction in Component 2, the construction of housing for female teachers (or any other construction supported by district-level action plans) will abide by the Construction Manual developed under this project and utilize climate-smart measures and materials to reduce emissions. Construction will integrate design layouts to ensure natural light, ventilation, seating, display, storage, energy efficiency measures and environmentally friendly features and construction materials. This component will also contribute to a decrease in overall travel demand through the distribution of teachers closer to rural schools, which will in turn reduce the demand for private motor vehicle use. Moreover, where feasible and safe, teachers will also be encouraged to use cleaner transport options such as cycling and mass public transport to get to schools, indicating a modal shift, as well, to more environmentally friendly modes of transportation. Climate mitigating activities will also be encouraged under the program, such as the planting of trees and recycling.</p> <p>Adaptation. The project will support the integration of climate change awareness and response in the Learner Guide program to help raise students’ and communities’ awareness of climate change. The program will increase students’ awareness of climate change and the risks it poses, motivate them to want to combat it and encourage them to conduct social responsibility activities in their schools and neighborhood communities. Learners in Learner Guide groups will work with a TA and ‘climate change (eco) champions’ within their schools (through Component 4’s SLP) to (i) raise their and other students’ and staff members’ awareness of climate change; (ii) motivate them to take steps to combat it; and (iii) form ‘eco-clubs’ with a focus on climate change mitigation and sustainability, as well as other activities to make their schools more eco-friendly.</p>
Component 4 (IDA: US\$1.2 million)	<p>Mitigation. Headteachers, deputy headteachers and PEAs will be trained on climate mitigation, such as energy conservation techniques. Moreover, they will act as climate change (eco) champions within their schools, and also be able to facilitate teachers’ and students’ engagement with climate activities¹⁴⁶ within their schools, to build capacity and raise awareness to make them more eco-friendly.</p> <p>Adaptation Headteachers, deputy headteachers and PEAs will be trained on climate change adaptation, such as accounting for schools’ risk of flooding into construction activities as well as energy conservation techniques. Further, they will be trained to prepare and carry out evacuation protocols at the onset of climate change-induced emergencies, such as flash floods, etc. Moreover, they will also be trained to supervise the construction of low-cost classrooms to ensure compliance with climate change mitigation and adaptation measures, as outlined in the Construction Manual.</p>
Component 5 (IDA: US\$4 million)	<p>Adaptation. Given that the 2007, 2015 and 2020 floods affected education in Malawi, the project will train MoE Directorates and PSIP Desk Officers by providing them with information to enhance their knowledge about climate change and mitigation measures. In particular, it will support capacity building that enables them to serve as decision-makers and effective agents for community preparedness for flooding and other extreme events. Specifically, it will train them to prepare and carry out evacuation protocols at the onset of climate change-induced emergencies, such as flash floods, and so on, and to train headteachers and deputy headteachers in their districts to do the same.</p>

¹⁴⁶ <https://pubmed.ncbi.nlm.nih.gov/23555739/>.

ANNEX 6: Recent and Ongoing Development Partners' Support in Basic Education

DP	Program
FCDO	<p>Strengthening Malawi's Education System £37.5 million (2018- 2023) includes the following :</p> <ol style="list-style-type: none"> 1. Teaching numeracy and remedial education - Maths Program targeting standards 1 to 4 to benefit over 3.2 million students and over 40,000 teachers. 2. System strengthening so the public sector can deliver education efficiently by providing Technical Assistance to rural district councils through the Local Government Accountability and Performance Project (LGAP- co-funded with USAID 2018-2021), so they can oversee primary schools and teachers well, as well as supporting other elements of decentralization (PFM, Human Resource Management). 3. Creating a more equitable education system. Delivered through CAMFED, targeting 675 primary schools across 5 districts, to support more girls to stay in upper primary, achieve good learning outcomes and transition to secondary school.
USAID	<ol style="list-style-type: none"> 1. National Reading Programme (NRP) targeting standards 1-8 The program began in 2016 as a Government of Malawi initiative supported by USAID. USAID has a suite of activities currently underway and in design to support this program, which is comprised of several projects/activities. 2. Malawi Early Grade Reading Improvement (MERIT) targeting grades 1-4 (2016 to 2021) Reading in classrooms for improved student performance; Assessment of student performance both formative and summative through EGRA to inform continued learning; Central and District level policy and implementation support ; Curriculum and supplementary reader development and distribution; Teacher and administrator training; engaging communities in improving reading. 3. LGAP- co funded with DFID (2016- 2021) School level accountability; Teachers council of Malawi ; Inspection; Policy and legislative; Teaching staff appraisal system; Leadership and management . 4. Assess the learners (YESA) Improving data usage for decision-making; Engaging communities in reading improvement; Training and provision of materials in continuous assessment and remediation. 5. Reading for all Malawi (REFAM) Developing materials to support learning in reading by all learners, with targeted adaptations for students with disabilities; Supporting the Ministry to implement policy to support learners with disabilities ; Engaging community to support learners with disabilities. 6. National Reading Program Implementation and Expansion (NRPIE) To support the MIE and Ministry of education in the development of teacher and student teaching and learning materials in English and Chichewa for standards 5-8, to complement and continue the materials developed under the NRP to date for STDs 1-4 ; To set performance learning descriptors for STDs 1-4 and benchmarks for STDs 1-4 against existing Early Grade Reading Assessment tools for Malawi.
German Development Cooperation under the German Federal Ministry of Economic Cooperation and	<ol style="list-style-type: none"> 1. Education Sector Joint Fund (2018-2023- Germany has so far contributed 12,5 million EUR through KfW) Aimed at mobilizing resources for the sector and efficient resource utilization. The fund currently has Norway , UNICEF and Germany (KfW). KfW focused on financing of education infrastructure . Has included support for cyclone Idai reconstruction measures in affected public primary schools. Also supports MoE with relevant technical support related to construction depending on identified delivery capacity gaps . 2. Infrastructure support to TTCs and TPSs through KfW (2015- 2021 25 million EUR) Targeting 60 teaching practice primary schools. Investment includes constructing new classrooms and student teacher hostels, administration blocks, teachers houses and WASH facilities – boreholes , toilets; rehabilitation of existing facilities and furniture procurement. Construction model is not the low(est) cost model rather while ensuring cost efficiency, prioritizes quality and durability and user friendliness. Rehabilitation at 3 selected TTCs - Blantyre , Lilongwe and Bembeke focused on rehabilitation of water supply systems and sanitation.



DP	Program
Development implements through GIZ and KFW	<ol style="list-style-type: none"> 3. Unlocking talent e-learning KFW (2019- 2023 13 million EUR) To improve literacy and numeracy skills of early grade primary school learners through the provision of digital education technology- software loaded tablets implemented through VSO in partnership with One Billion. 4. Nutrition and access to primary education co-funded with EU (2020- 2021 German contribution 11,2 million EUR) Tackling issues of malnutrition and its effect on learning. Home grown nutrition school meals in targeted 180 schools (including construction of kitchen, store-rooms and toilet blocks). 5. Basic Education (2018 – 2022, 9,2 million EUR) Aimed at improving quality of preservice teacher training targeting 8 public TTCs and private TTCs . And gender and inclusive education are integrated at all levels in TTCs and in targeted teaching practice schools.
Royal Norwegian Embassy	<p>Current programs ending in 2021 include:</p> <ol style="list-style-type: none"> 1. The MESIP Extended through the ESJF platform funding school infrastructure in targeted districts about 40-50 million Nok every year . RNE is looking at supporting low-cost classrooms construction through this funding . MESIP Extended builds on MESIP GPE. Due to some implementation challenges faced, RNE is not planning to continue with such an arrangement. But funding will be channeled to the ESJF through some other arrangements. 2. Joint UN, program for girls education (JPGE) at around 60-80 million Nok every year in targeted districts with policy work at national level. This includes school meals, going forward it will strengthen its effort towards achieving inclusive education. 3. Unlocking talent through the ESJF as well as separately to VSO to improve literacy and numeracy skills of early grade primary school learners through the provision of digital education technology- software loaded tablets. 4. A national program on comprehensive sexuality education through UNESCO (10 million Nok per year). 5. Through Save the Children implementing inclusive education with interventions including- resource centres , teaching and learning materials as well as supporting inclusive education technical working group leadership. 6. Vocational skills in agriculture through the GIZ, 10 million Nok per year.
UNICEF	<p>Current programming (2019-2023) USD 75M (includes approximately US\$13 million from RNE)</p> <ol style="list-style-type: none"> 1. Schools for Malawi to enhance schooling experience by removing key barriers. Using the ESJF platform, this component has pulled together various of UNICEF donor funding, consolidating the funding towards addressing the key barriers affecting learning through WASH facilities; Procurement of desks for classrooms including those constructed by other stakeholders and government i.e. MESIP classrooms, Norway , USAID among others – 60,000 desks provided so far; Secondary school bursaries to enable continuity of learning – 11,000 bursaries provided so far. 2. Teachers for Malawi focused on improving teacher conduct, retention , recruitment efficiency and quality. UNICEF is collaboration with GIZ addressing issues of teacher education and teaching practice; Teachers Union of Malawi advocating for better teaching conditions. 3. Learners for Malawi focused on learning assessment at school and national level to inform education implementation. UNICEF is supporting Web based EMIS development ; Continuous assessment in collaboration with USAID ; Strengthening of national learning assessment by government. 4. Action for adolescents In collaboration with WFP and UNFPA supporting integrated services in all schools in targeted 3 districts. This tackles issues of gender and girls education. 5. Data- Strengthening use of data to ensure data informed programming.

ANNEX 7: Targeting Framework

Component	Activity/sub-activity	Target population	Total participants/ direct beneficiaries	Students benefiting	Of which female
Component 1. Expanding and Reforming Primary School Improvement Grants	Expanded needs- and enrollment-based component	All public primary schools	6,100 schools	5,000,000	2,500,000
	Additional expansion to enrollment- and needs-based component	All public primary schools	6,100 schools	5,000,000	2,500,000
Component 2. Improved learning environments in lower primary to support learning recovery after COVID-19	Low-cost classrooms	Public primary schools with PCR above 90 in lower primary	2,820 schools	2,312,400	1,271,820
	Auxiliary teachers	Public primary schools with PqTR above 90 in lower primary	2,820 schools	2,312,400	1,271,820
	Hardship Schools Support	Teachers in the most remote (Category A) schools	24,800 teachers	1,300,000	715,000
Component 3. Supporting Girls' Learning	Learner Guides	Schools without a female teacher (669 schools); schools with a female teacher but without a female headteacher, deputy headteacher, or section head (1199 schools); schools with more than 150 female students to a female teacher (1425). Total excluding overlaps: 2,605 schools.	2,605 schools	2,127,025	1,174,117
	District action plans for improved distribution of female teachers	Female teachers posted in remote (Category A and B) schools; female teachers considering/available for transfer to Category A and B schools	5,000 teachers	2,526,541	1,389,597
	Scale-up of common zonal testing	All public primary schools	6,100 schools	5,000,000	2,500,000



Component	Activity/sub-activity	Target population	Total participants/ direct beneficiaries	Students benefiting	Of which female
Component 4. School Leadership Program	School Leadership Program	Headteachers and deputy headteachers of all public primary schools, except those already trained under MESIP and MESIP-Extended (1200 schools) or LGAP (1000 schools); total 3,900 schools. Total 7800 participants. Primary Education Advisers not trained under MESIP, MESIP-Extended, or LGAP. 400 participants. Female section heads of schools without a female headteacher or deputy headteacher. 2000 participants.	10,200 participants.	3,526,000	1,790,800
Component 5. Project Coordination and Capacity Building	Project Facilitation Team	N/A	N/A	5,000,000	2,500,000
	Capacity building	Selected policymaking and technical officials in DBE, DPP, DTED, MIE, and District Councils	Approximately 500	5,000,000	2,500,000

ANNEX 8: Timed Implementation Plan (Indicative)

Component	Activity/ sub-activity	2021	2022				2023				2024				2025			
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Component 1. Expanding and Reforming Primary School Improvement Grants	Expanded needs- and enrollment-based component																	
	Additional expansion to enrollment- and needs-based component																	
Component 2. Improved learning environments in lower primary to support learning recovery after COVID-19	Low-cost classrooms																	
	Auxiliary teachers																	
	Hardship Schools Support																	
Component 3. Supporting Girls' Learning	<i>Review of teacher training materials</i>																	
	<i>Observation of teacher training</i>																	
	<i>Cluster- and school-based feedback</i>																	
	<i>Classroom observations (using TEACH tool)</i>																	
	Learner Guides																	
	<i>Selection and training</i>																	



Component	Activity/ sub-activity	2021	2022				2023				2024				2025			
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	<i>Operation, monitoring and support</i>																	
	District action plans for improved distribution of female teachers																	
	Scale-up of common zonal testing																	
Component 4.	School Leadership Program																	
School Leadership Program	<i>Main training</i>																	
School Leadership Program	<i>Refresher training</i>																	
Component 5.	Project Facilitation Team																	
Project Coordination and Capacity Building	Capacity building																	
N.A.	Verification of PBCs																	

ANNEX 9: Expenditure Framework

Component	Activity	Item	Unit	Unit cost	Total		Financing (US\$ million)							
					Number	Cost (US\$ million)	IDA fixed total	IDA variable/PBCs	GPE fixed	GPE variable/PBCs	GPE Multiplier fixed	GPE Multiplier variable/PBCs	Government	
Component 1. Expanding and Reforming Primary School Improvement Grants	Revised PSIG with expanded needs- and enrollment-based component	Grant	School-year	1,429	23,800	34.01	2.50	2.50	5.00	-	-	-	24.01	
	Additional expansion to needs-based component	Grant	School-year	500	10,900	5.00	-	-	-	4.00	-	1.00	-	
Component 2. Improved learning environments in lower primary to support learning recovery after COVID-19	Low-cost classrooms	Classroom	Grant	7,000	10,900	70.00	55.70	-	3.00	5.80	5.50	-	6.30	
	Auxiliary teachers	Teacher	Grant	1,143	14,000	16.00	16.00	-	-	-	-	-	-	
	Sanitation blocks	Latrine/change room block	Grant	5,000	1,000	5.00	-	-	-	5.00	-	-	-	
	Construction supervision	Support to PEAs and Clerks of Works for supervision of project activities	Year	1,000,000	4	4.00	2.00	-	-	-	-	-	-	2.00
		Capacity building of PSIP Desk officers	Year	300,000	1	0.30	0.30	-	-	-	-	-	-	-
		Third-party oversight of construction supervision	Year	250,000	4	1.00	1.00	-	-	-	-	-	-	-
	Hardship Schools Support	Existing rural allowance	Teacher/year	150	128,000	19.20	-	-	-	-	-	-	-	19.20
Introduction		Total	200,000	1	0.20	-	0.20	-	-	-	-	-	-	
Payments		Teacher/year	300	63,000	18.90	-	2.30	-	6.65	-	1.00	8.95		



Component	Activity	Item	Unit	Unit cost	Total		Financing (US\$ million)							
					Number	Cost (US\$ million)	IDA fixed total	IDA variable/PBCs	GPE fixed	GPE variable/PBCs	GPE Multiplier fixed	GPE Multiplier variable/PBCs	Government	
Component 3. Supporting Girls' Learning	Learner Guides	Training of core trainers	Core trainer/year	390	272	0.11	0.11	-	-	-	-	-	-	-
		Core trainer stipend	Core Trainer/year	360	272	0.10	0.02	-	0.07	-	-	-	-	-
		Core trainers transportation	Core trainer/year	180	136	0.02	0.02	-	-	-	-	-	-	-
		Materials printing	Book	2.8	416,800	1.17	-	-	1.17	-	-	-	-	-
		Training to PEAs to conduct monitoring	PEA	195	136	0.03	0.03	-	-	-	-	-	-	-
		Systems/Tool Development	National	4,000	4	0.02	0.02	-	-	-	-	-	-	-
		Co-supervision (initial phase)	District/year	3,000	68	0.20	0.20	-	-	-	-	-	-	-
		Co-supervision (phase-out)	District/year	2,000	68	0.14	0.14	-	-	-	-	-	-	-
		Learner Guides' selection, initial training, training materials + ongoing review	Guide	450	5,210	2.34	2.29	-	-	-	-	-	-	0.06
		Learner Guide incentives	Guide	150	5,210	0.78	0.78	-	-	-	-	-	-	-
		Learner Guides' mobile phone	Guide	135	5,210	0.70	0.70	-	-	-	-	-	-	-
		Learner Guides mobile data costs	Per guide/year	132	10,420	1.38	1.38	-	-	-	-	-	-	-
		Technical Assistance	Person	30,000	4	0.06	0.06	-	-	-	-	-	-	-
	District action plans for improved distribution of female teachers	Grant	District/years	16,667	120	2.00	-	-	-	2.00	-	-	-	
	Scale-up of common zonal testing	Testing	District/years	22,153	136	3.01	0.01	-	-	2.00	-	1.00	0.00	
Feedback		District/years	11,077	136	1.51	-	-	-	1.55	-	-	(0.04)		



Component	Activity	Item	Unit	Unit cost	Total		Financing (US\$ million)						
					Number	Cost (US\$ million)	IDA fixed total	IDA variable/PBCs	GPE fixed	GPE variable/PBCs	GPE Multiplier fixed	GPE Multiplier variable/PBCs	Government
Component 4. School Leadership Programme	School Leadership Programme	Main training	Person trained	710	10,200	7.24	1.24	-	6.00	-	-	-	-
		Refresher training	Person trained	360	10,200	3.67	-	-	3.67	-	-	-	-
		Printing	Year	21,500	4	0.09	-	-	0.09	-	-	-	-
Component 5. Project Coordination and Capacity Building	Project Facilitation Team	Project Manager	Person/year	50,000	4	0.20	-	-	0.20	-	-	-	-
		Deputy Project Manager	Person/year	40,000	4	0.16	-	-	0.16	-	-	-	-
		Procurement Officer General	Person/year	40,000	4	0.16	-	-	0.16	-	-	-	-
		Financial Management Specialist/Accountant	Person/year	40,000	4	0.16	-	-	0.16	-	-	-	-
		Monitoring and Evaluation Expert	Person/year	40,000	4	0.16	-	-	0.16	-	-	-	-
		Environmental Safeguards Expert	Person/year	40,000	4	0.16	-	-	0.16	-	-	-	-
		Social Safeguards Expert	Person/year	40,000	4	0.16	-	-	0.16	-	-	-	-
		Gender Specialist	Person/year	40,000	4	0.16	-	-	0.16	-	-	-	-
		Office space rental	Year	70,000	4	0.28	-	-	0.28	-	-	-	-
		Desktop and Laptop computers	Item	5,000	15	0.08	-	-	0.08	-	-	-	-
		Printers (LaserJet and Inkjet)	Item	5,000	5	0.03	-	-	0.03	-	-	-	-
		ICT Equipment	Total	100,000	1	0.10	-	-	0.10	-	-	-	-
		Vehicles	Unit	100,000	2	0.20	-	-	0.20	-	-	-	-
	Monitoring and evaluation	Year	100,000	4	0.40	0.40	-	-	-	-	-	-	
	Capacity Building	Capacity building at DBE	Total	600,000	1	0.60	0.60	-	-	-	-	-	-
Capacity building at DPP		Total	500,000	1	0.50	0.50	-	-	-	-	-	-	



Component	Activity	Item	Unit	Unit cost	Total		Financing (US\$ million)							
					Number	Cost (US\$ million)	IDA fixed total	IDA variable/ PBCs	GPE fixed	GPE variable/ PBCs	GPE Multiplier fixed	GPE Multiplier variable/ PBCs	Government	
		Capacity building at DTED	Total	300,000	1	0.30	0.30	-	-	-	-	-	-	-
		Other	Total	200,000	1	0.20	0.20	-	-	-	-	-	-	-
	Digital M&E Platform	Development of M&E frameworks	Total	200,000	1	0.20	-	0.20	-	-	-	-	-	-
		Development of M&E Platform	Total	200,000	1	0.20	-	0.20	-	-	-	-	-	-
		Dissemination and Training	Total	300,000	1	0.30	-	0.30	-	-	-	-	-	-
		Server and equipment	Total	300,000	1	0.30	-	0.30	-	-	-	-	-	-
		Cloud services	Year	50,000	4	0.20	0.20	-	-	-	-	-	-	-
		Operating costs	Year	200,000	4	0.80	0.80	-	-	-	-	-	-	-
TOTAL						210.5	87.47	6.00	21.00	27.00	5.50	3.00	60.47	



ANNEX 10: Map of Malawi

