




Review Meeting Memo to CEO

March 30, 2021

| Grant Information | |
|---|--|
| Grant Type: | Education Sector Program Implementation Grant |
| Amount: | US\$ 7.5 million |
| Country: | Lesotho |
| <p>The Review Meeting (RM) was held on February 24, 2021 and was led by: Kirsten Majgaard (Quality Assurance, Team Lead), Sven Baeten (Grant Operations, Team Lead), Fazle Rabbani (Country Engagement and Policy, Regional Manager); and attended by Alice Yang (Country Lead), Anthony Bentil (Risk and Compliance Team), David Balwanz (Quality Assurance), Meredith McCormac (Education Specialist), Christin McConnell (Thematic Lead), and Lida Homa (Note taker).</p> <p>The RM managers agreed, based on successful completion of the Secretariat’s quality assurance review and assessed against the requirements and standards for accessing the Maximum Country Allocation (MCA) for an ESPIG, to recommend to the CEO for approval of an allocation of US\$7.5 million for Lesotho with the World Bank as Grant Agent.</p> <p>The full recommendation is set out on the next page.</p> <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;"> <p>Kirsten Majgaard</p>  <p>Quality Assurance, Team Lead</p> </div> <div style="text-align: center;"> <p>Sven Baeten</p>  <p>Grant Operations, Team Lead</p> </div> </div> <div style="text-align: center; margin-top: 20px;"> <p>Fazle Rabbani</p>  <p>Country Engagement and Policy Regional Manager</p> </div> | |

RECOMMENDED DECISION

Grant: Education Sector Program Implementation Grant

Country: Lesotho

CEO/2021/04-XX– Allocation for an Education Sector Program Implementation Grant: The CEO, in her delegated authority from the Board of Directors:

1. Notes that the ESPIG request has been assessed based on the relevant QAR processes for funding model requirements and program standards. The request is in compliance with the requirements and standards for accessing the maximum country allocations for an ESPIG, as described in the application and assessed in the Secretariat quality assurance review phase III report.
2. Approves an allocation from GPE trust funds for an ESPIG, as described in the application submitted and summarized in Table 1, subject to:
 - a. Availability of funds.
 - b. Board decision BOD/2012/11-04 on commitment of trust funds for ESPIGs in annual installments.
 - c. Review Meeting’s recommendation for funding set out in Table 2.
3. Requests the Secretariat to:
 - a. Include in its notification of grant approval to Lesotho the requests for observations and report-backs as recommended by the Review Meeting and set out in Table 2.
 - b. Include an update on the issues listed as “report backs” in the Grant Performance Report in accordance with the specified timeline.

Approved:



Alice P. Albright
Chief Executive Officer
Global Partnership for Education

Date: April 13, 2021

Table 1: Application Summary and Allocation Recommendations (in US \$):

| Country: Lesotho | | |
|-------------------------|--|----------------------|
| a. | ESPIG Maximum Country Allocation | 7,500,000 |
| b. | Allocation Requested (100%) | 7,500,000 |
| c. | Fixed Part | 7,500,000 |
| d. | Allocation Recommended | 7,500,000 |
| e. | Grant Agent | World Bank |
| f. | Agency Fee % - Amount | 1.75% or 131,250 |
| g. | Grant Agent's Implementation Support Costs | 400,000 ¹ |
| h. | Period | 3 years 2 months |
| i. | Expected Start Date | July 1, 2021 |
| j. | Funding Source | GPE Fund |

Table 2 – Review Meeting Observations, Report-Backs, and Conditions

| Country: Lesotho | |
|-------------------------|--|
| Observations | <p>The government and grant agent are encouraged to closely monitor the implementation of the online teacher training sub-component given the challenges encountered with teacher training in the past.</p> <p>It is encouraged that the final evaluation of the project assesses whether pilot interventions in component 1.1 have led to improvements in existing CGP and OVC-B programs. If possible, monitor students benefitting from the programs including disaggregated data on beneficiaries with disabilities.</p> |
| Report Back | <p>The government and grant agent are requested to report to the Local Education Group on the new ECCD curriculum rollout and the expansion strategy for the ECCD sub-sector that is being developed under BESP. The plan and progress on mainstreaming the new ECCD curriculum, including developing the capacity of the ECCD department within the Ministry of Education should be discussed within the LEG and monitored through the Joint Sector Review (JSR). The GPE Secretariat expects to see documented discussion and progress in the next JSR report.</p> |
| Condition | None |

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|-----------------------------|---------------|
| GPC Comments Section | None received |
|-----------------------------|---------------|

¹ This amount is to be funded from the grant and is not in addition to the grant amount

QUALITY ASSURANCE REVIEW – PHASE 3 (SECRETARIAT DELEGATED AUTHORITY)

FEBRUARY, 2021

LESOTHO

EDUCATION SECTOR PROGRAM IMPLEMENTATION GRANT

Proposed GPE Grant Amount: US\$7.5 million

Fixed Part: US\$7.5 million, of which US\$0.4 million for Grant Agent's Implementation Support Costs;

Variable Part: n/a

Implementation period: 3 years 2 months

Projected implementation start date: 7/1/2021

Grant Agent: World Bank

1 BACKGROUND AND EDUCATION SECTOR OVERVIEW

1.1. COUNTRY BACKGROUND

Lesotho is a small, landlocked, lower-middle-income country surrounded by South Africa. The country's population is youthful with 76 percent of its 2.1 million people below the age of 36². The Human Capital Index (HCI) for Lesotho is very low (0.37), ranking 148 out of 157 countries³. This means that a child will only be 37 percent as productive as a child who had access to complete education and full health.

Lesotho is a small open economy, with modest growth, limited economic diversification, and limited resilience to negative shocks. Despite per-capita income of roughly US\$1,120, more than half the population lives below the poverty line. Alleviation from poverty has significantly improved for the urban populations in the past two decades but in the rural areas, it remains unchanged. There is a strong geographic pattern to poverty incidence as more than half of the population lives in remote and difficult to access mountainous areas⁴. Moreover, HIV & AIDS continues to pose a big challenge with high prevalence rates of 23.6 percent among adults aged 15–49⁵.

² United Nations Population Division. World Population Prospects: 2019 Revision

³ World Bank. (2020). *Concept Note Additional Financing for Lesotho Basic Education Improvement Project* (p.3).

⁴ Kingdom of Lesotho. (2016). *Education Sector Plan 2016-2026* (p. 15).

⁵ Kingdom of Lesotho. (2020). *Education Sector Analysis* (p. vii) ,

| | Country Name |
|---|--|
| Population | 2,125,268 (2019, World Bank) |
| Human Development Index Ranking | 165 out of 189 countries (2019, UNDP) |
| Learning-adjusted Years of School | 6.3 years ⁶ |
| GDP | US\$ 2.376 billion (2019, World Bank) |
| GDP per capita | US\$ 1118.1 (2019, World Bank) |
| World Bank Income Classification Level | Lower-Middle-Income Country (2020, World Bank) |

1.2. EDUCATION SECTOR OVERVIEW⁷

Education in Lesotho is organized in four key stages: one to three years of Early Childhood Care and Development (ECCD) seven years of primary, three years of lower and two years of upper secondary, and tertiary education. An informal education track that offers the equivalent of a primary and secondary level of education exists to address the educational needs of youth and adults who are unable to go through the formal education system. Free primary education policy was introduced in Lesotho in 2000, which was then reinforced to Free and Compulsory Primary Education by law in 2010 for children from 6 to 12 years of age. The Ministry of Education and Training (MoET) fully supports one year of pre-primary and has full control on the reception classes attached to primary schools which cater for only five-year olds. Coverage by 5-year old reception classes is limited; most enrolled preschool-aged children are in center-based preschools for 3 to 5 year olds, formerly called ECCD Centers. These are privately developed and run by communities, NGOs, and churches and are characterized by high fees. They are only partly supported by MoET through school feeding and some short-term training of caregivers with very limited MoET supervision.

Lesotho is currently implementing its Education Sector Plan (ESP, 2016–2026), which focuses on improving poor retention rates at primary and secondary levels, low student learning outcomes/achievements, school governance and the negative impact of HIV/AIDS on the education system. With funding from GPE, a new education sector analysis (ESA) was completed in 2020. Based on the new data from the ESA, the ESP is being updated and a multi-year action plan covering 2021/22–2023/24 has been developed.

⁶ World Bank. (2020). <https://www.worldbank.org/en/publication/human-capital> Sex disaggregation data is not available.

⁷ All data presented in this section come from Lesotho's *Education Sector Analysis (2020)* unless otherwise stated.

Education and health are more closely related in Lesotho than in other countries in the region. Approximately 33 percent of the children in the country are stunted in comparison to 30 percent⁸ on average for lower-middle-income countries. About one in four adults are infected with HIV/AIDS in Lesotho, making it the second most infected population in the world. This has an impact on the teaching force in Lesotho, of which almost a quarter is infected and in treatment. On top of this, the COVID-19 pandemic has forced school closures since March 2020, negatively impacting learning of all students in the country. In October 2020, only secondary schools implemented a phased reopening; however, schools were closed again in December 2020 due to increasing COVID-19 cases. GPE provided a US\$3.47 million COVID-19 grant to Lesotho in June 2020 with UNICEF as the grant agent.

1.2.1. Equity

The gross enrolment rate (GER) in primary dropped 4 percentage points between 2015 and 2018 but has remained above the 100 percent mark. The net enrolment rate (NER) for primary was 91 percent in 2016⁹. Although GER in lower secondary increased by 12 percentage points in the same period to reach 72 percent, there remains a huge drop from the GER established in primary – a clear indication that considerable number of primary school completers do not make it to lower secondary. In upper secondary, the GER has remained stable through the years at 35 percent, – again, only a fraction of lower secondary education completers making it to upper secondary.

While the enrolments exhibit gender parity at ECCD and primary levels, there is remarkable disparity at the secondary level. In 2018, for every 100 boys in secondary schools there were 130 girls. This is only a slight improvement from 100 boys to 134 girls in 2015. This gender disparity against boys is may be attributed to traditional herding activities of the boys (herd boys). A similar pattern is found in participation of children with disabilities. There were more girls with special needs enrolled in secondary compared to boys at parity of 1.50 in 2018. Learners with special needs account for 5 percent and 8 percent of students in primary and secondary respectively.

Less than one third of the eligible population in Lesotho is enrolled in ECCD for ages 3 to 5 (31 percent GER, 2018). The number of ECCD facilities and enrollment have remained stagnant over the last four years, indicating the slow expansion of early childhood education in the country. The majority of ECCD facilities are in rural locations which is consistent with the distribution of population in the country. However, 67 percent of the ECCD enrolment is in urban areas¹⁰. This

⁸ World Bank. (2019). <https://data.worldbank.org/indicator/SH.STA.STNT.ZS>

⁹ World Bank. (2021). <https://data.worldbank.org/indicator/SE.PRM.TENR?locations=LS>

¹⁰ Kingdom of Lesotho. (2018). *Multiple Indicator Cluster Survey* (p. 137).

phenomenon has been observed in countries with low uptake of ECCD where significant enrolments are normally found in the capital cities and urban locations. Similarly, for primary and secondary education, topography creates the largest discrepancies in access and completion especially in the mountainous regions.

1.2.2. Learning outcomes

The quality of learning in Lesotho is low and inconsistent with the level of resources that the country together with households invest in education. The 2018 Multiple Indicator Cluster Survey (MICS) results found that less than half (45.4 percent) of children between the ages of 7 and 14 had foundational reading skills, two in three children from the richest families compared to only 28.5 percent from the poorest households. In terms of numeracy, only 15 percent of children in the same age category had basic numeracy competencies, 22.8 percent of children from the richest families compared to 7.4 percent of children from the poorest households. In both reading and numeracy, girls outperformed boys. At the ECCD level, the 2018 MICS found that 75 percent of children aged 2 to 5 were developmentally on track but only 15 percent of the children were developmentally on track in numeracy (counting) and literacy (language development), with stark disparities across rural and urban location, access to ECCD and socioeconomic status. Student learning outcomes are also low at the secondary level, particularly in mathematics and science.

A look at teacher competencies illustrates the weakness in the quality of education in the country. Results from the 2016 Examination Council of Lesotho baseline assessment on primary school teachers showed that only 51.4 percent of teachers demonstrated the desired competencies in literacy and 31 percent demonstrated competency in numeracy. Junior secondary teachers' correct-score rates averaged 49.5 in mathematics, 41.7 in biology, 66.3 in chemistry and 52.3 in physics.

1.2.3. Efficiency:

Access to school in Lesotho is almost universal with good retention in primary for girls but not boys. Secondary education is characterized by high loss of students in both genders from the system. Poor boys from rural locations remain the most vulnerable. The intake rate in the last grade of primary shows that 90 percent of girls access Class 7 compared to 66 percent of boys, this being a proxy indicator for primary completion shows that more boys drop out of primary school compared to girls. In lower secondary, 3 in 4 girls access Form 1 compared to half of the boys and at the end of lower secondary 6 in 10 girls complete compared to 1 in 3 boys. The disparity narrows in upper secondary, where the retention rate of boys is more stable than that of girls', but this comes late in the system when significant number of students have already

been lost. While the results identify boys to be more vulnerable than girls when it comes to staying and completing school, girls are also vulnerable to dropping out of the system in higher grades. About 11 percent of girls who drop out of secondary education in Lesotho do so as a result of pregnancy.

Although available teachers are adequate to have reasonable pupil-teacher ratios (PTRs) in Lesotho, ineffective deployment has led to an uneven distribution of teachers. By taking the total number of learners/students divided by the number of teachers, the country has national PTRs of 17, 33 and 25 for ECCD, primary and secondary respectively. This means Lesotho is aligned to the global best practice in teacher supply (PTR of 1:40) which has been widely acknowledged as the right size to promote learning especially at the elementary level of education. However due to unequal teacher deployment, some schools have very high PTRs while others have extremely low PTRs. The effective PTRs¹¹ are 16, 63 and 79 in ECCD, primary and secondary schools respectively. In Lesotho, there is a weak correlation between the number of learners and the number of teachers deployed to their schools. The implication of this is that learners are not subjected to similar learning conditions.

Temporary teachers account for 10 percent and 15 percent of teachers in primary and secondary schools respectively, and this share has been dropping over the years. Temporary teachers are generally underqualified because they are not professionally trained to be teachers.

1.2.4. Monitoring of Sector Performance:

In Lesotho, the education sector is coordinated by the Local Education Group (LEG) consisting of ministry officials, development partners, national and international CSOs as well as teachers' organizations. The sector planning and monitoring process is generally participatory, with effective and functioning dialogue structures. Sector policy, including the current ESP were developed through wide consultations. The LEG is participatory and meets regularly. It is chaired by the government and cochaired by UNICEF. Joint Sector Reviews (JSRs) do not take place regularly in the country. The first and last one was organized in 2018 with technical support from the GPE Secretariat. In addition, there are substantial gaps on the effectiveness of the JSRs due to a lack of data available to cover and monitor the full spectrum of the education sector. In addition, the JSR would have benefited from being more participatory and concluding with actionable recommendations.

¹¹ Effective PTR takes into account the teachers who are in contact with learners. The ratio is taken at school level. This is aggregated at any desirable level – the result is more reflective of situation at school level.

2 ESPIG DESCRIPTION

2.1 PAST ESPIG PERFORMANCE

Lesotho became a member of GPE in 2005 and has accessed three Education Sector Program Implementation Grants (ESPIGs) totaling around US\$33.5 million. The World Bank has served as the grant agent for all these grants. Lesotho has also received a US\$3.5 million GPE grant for COVID-19 response activities in June 2020 with UNICEF as GA.

Three ESPIGs since becoming a GPE member in 2005:

| Years | Grant Amount (US\$) | Grant Agent | Modality |
|-----------|---------------------|-------------|----------|
| 2017-2021 | 2,300,000 | World Bank | Project |
| 2010-2015 | 19,593,431 | World Bank | Project |
| 2006-2010 | 11,671,512 | World Bank | Project |

Lesotho is also part of GPE's initiative on early childhood education: BELDS (Better Early Learning and Development at Scale) which provides support to integrating early childhood education systematically into the national education sector planning and policy implementation cycles as a key strategy to strengthen ECE in order to ensure children enter schools ready to learn and succeed in primary education and beyond.

The project development objective (PDO) of the US\$2.3M Lesotho Basic Education Improvement Project (LBEIP) is to improve basic education service delivery and student retention in targeted schools through:

- (i) improving the teaching and learning environment in targeted primary schools and associated preprimary and junior secondary schools
- (ii) strengthening school accountability for student learning and retention in targeted schools via provision of school grants for school improvement plans and training of head teachers
- (iii) strengthening institutional capacity and commissioning a review of the ECCD curriculum, a review of the curriculum and assessment policy for primary and secondary, and a survey on primary education service delivery.

LBEIP became effective on July 20, 2017 and experienced major delays in implementation due to weak procurement capacity at the ministry, prolonged teacher strikes in the country in 2018 and 2019, and more recently COVID-19 related implementation delays. Overall, the project suffered from weak project management, poor accountability for achieving results, and communication challenges among the various departments of the MoET. Since the launch of

the LBEIP, there have been six Ministers in the MoET, which may have affected continuity in the management and oversight of the project and weakened the accountability process. By June 2020, only 27 percent of the total grant was disbursed, and the project was due to close on August 31, 2020. The project was restructured on August 27, 2020 to accommodate the following changes: (i) focus on interventions that are directly delivered at school level and can reach students, (ii) reallocate finances to the COVID-19 pandemic response in schools, (iii) extend the closing date by 12 months to August 31, 2021, and (iv) amend the results framework. Since the restructuring of the project, one virtual mission took place from September 28 to October 7, 2020 and rated the overall implementation progress as Moderately Satisfactory. Utilization as of February 2021 was at 61 percent. The utilization is expected to reach 90 percent by the end of March 2021, once the procurement of the protection kits for schools is complete. The World Bank continues to hold regular meetings chaired by the Principal Secretary for Basic Education of the MoET to closely monitor the progress of action items from the approved work plans and Aide Memoire of the project. The grant is expected to be fully implemented by August 31, 2021.

Several lessons learned from previous ESPIGs have been incorporated into the design of BESP. First, a key lesson that has emerged from LBEIP is that interventions aimed at improving learning environments are not adequate to address the high dropout rate at the secondary level, as they do not address critical demand-side constraints to school attendance such as the direct and indirect cost of schooling, pregnancy among adolescent girls and a lack of interest in education. The BESP design addresses these critical constraints through financial support to students from poor households and expansion of youth clubs and life-skills related interventions. Second, building on ongoing operations including those supported by other development partners is found to be essential to build synergy and leverage existing resources. To that end, BESP will scale up successful pilots in teacher training and youth club intervention from LBEIP and other projects. In addition, under LBEIP, the outdated ECCD curriculum is being revised and BESP aims to support the piloting and evaluation of the revised curriculum. Third, BESP considers lessons learned from capacity gaps and weak oversight of project activities (in part due to high turnover of MoET management and some staff issues within the Grant Agent). Some of the key steps identified in this regard include hiring additional personnel and consultants in key technical areas to strengthen the central team that will coordinate project implementation and holding monthly progress review meetings between grant agent and MOET headed by the Permanent Secretary. In addition, several of the activities under the proposed project will be implemented by third party service providers that will be delivering services directly to beneficiaries in schools while at the same time building the capacity of the MoET in specific technical areas. Moreover, the grant agent has reinforced its supervision capacity, resulting in a slightly higher than usual but well-justified supervision fee. Finally, all abovementioned lessons relate to the key principles that have guided the project preparation,

namely: simplicity in design, need-based targeting, building on existing initiatives, and use of alternative implementation arrangements.

2.2 ESPIG DESCRIPTION

The development objective of the Basic Education Strengthening Project (BESP) is to improve student retention and teaching quality in junior secondary schools in targeted regions of Lesotho and support the roll out of a new curriculum to strengthen ECCD service delivery. The proposed indicators to measure progress are:

- (i) Reduction in dropout rate in junior secondary level (Grade 8–Grade 9) in targeted regions (disaggregated by gender)
- (ii) Increased competencies level of math and science teachers who completed the online training
- (iii) Improvement in a child's readiness to start primary education for children attending ECCD centers and reception classes selected for roll-out support under the project.

Component 1 (US\$5 million) will focus on improving the transition to, and retention of, students in junior secondary education in targeted regions in Lesotho where poverty rates are high and student retention is low, as well as support improvements in mathematics and science instruction in schools located in these regions. There are three sub-components for this component:

- 1.1 Improving the efficiency of cash transfer schemes for students from poor households (US\$2.5 million) with 3700 students (50 percent girls) benefiting from bonus payment
- 1.2 Scaling up implementation of youth clubs for girls and boys (US\$0.5 million) with 2000 students (50 percent girls) joining support groups
- 1.3 Strengthening online training models in Mathematics and Science for junior secondary school teachers (US\$2.0 million) with 500 teachers trained and 8000 students (58 percent girls) benefiting from improved teacher competency

Component 2 (US\$1.4 million) provides system strengthening support to the ECCD sub-sector in key areas that are critical to improving children's access to quality of early childhood education. There are two sub-components for this component:

- 2.1 Structured support to roll out the new curriculum in 300 reception classes and ECCD centers (US\$1.1 million)
- 2.2 Mapping of 3000 ECCD service providers and developing a comprehensive, costed expansion strategy for the ECCD sector (US\$0.3 million)

Component 3 (US\$0.7 million) provides project management, capacity building and technical assistance support to enhance the MoET’s capacity to implement the project.

The proposed grant financing modality is the same as the previously financed project, though reinforced based on the lessons learned during the previous program as indicated in section 2.1. Namely, additional personnel and consultants in key technical areas will be hired to strengthen the central team, frequent implementation meetings will be held by the Permanent Secretary, and third party service providers will be contracted to deliver services directly to beneficiaries in schools while at the same time build the capacity of the MoET.

Stand alone project is deemed the most appropriate modality through consultations with the MoET and the Local Education Group. BEP utilizes a Project Facilitation Unit (PFU) which has been in place for existing projects (LBEIP and World Bank supported LEQEP for the MoET and Social Assistance Project for the MoSD). Project finances will be reflected in the national budget once it is approved by the Public Sector Investment Committee (PSIC) and will be channeled from the World Bank account to a project account at the Central Bank of Lesotho. Financial accounting is not directly on the government’s accounting systems used for the national budget. However, program finances will be included in the government’s Annual Financial Statement. All procurement under the project will be conducted according to the World Bank’s procurement directives. Auditing will be conducted by the Office of the Auditor General of Lesotho.

2.3 VARIABLE PART DESCRIPTION

This ESPIG is exempt from requiring a Variable Part.

Table A: ESPIG Components and Costs

| | GPE Financing US\$ | % of total |
|----------------------|--------------------|-------------|
| Total MCA | 7,500,000 | |
| A Component 1 | 5,000,000 | 66.7 |
| Sub-Component 1.1 | 2,500,000 | 33.3 |
| Sub-Component 1.2 | 500,000 | 6.7 |
| Sub-Component 1.3 | 2,000,000 | 26.7 |
| B Component 2 | 1,400,000 | 18.7 |
| Sub-Component 2.1 | 1,100,000 | 14.7 |
| Sub-Component 2.2 | 300,000 | 4.0 |
| C Component 3 | 700,000 | 9.3 |

| | | |
|--|------------------|------------|
| Grant Agent's Implementation Support Costs* | 400,000 | 5.3 |
| GRAND TOTAL (with Grant Agent's Implementation Support Costs) | 7,500,000 | 100 |
| Agency Fees (1.75%) ** | 131,250 | 1.75 |

* Include Grant Agent's direct costs, such as Program Management, Administrative and other direct implementation costs.

** Agency Fee is not included in the MCA and is calculated as percentage rate (agreed with each GA) from the Total Fixed Part and Total Variable Part.

3 RECOMMENDED DECISION

The Secretariat considers that Lesotho meets the three GPE funding model requirements. The proposed program is found to be relevant in the country context and well aligned to the country's sector plan. It responds to key challenges identified in the ESA and ESP including, low student transition to / retention in lower secondary school, poor learning outcomes, and limited access to and low quality of pre-primary education.

Annex 1: Assessment of the funding model requirements

| Requirement | Observations | Requirement Met (Yes/No) |
|--|--|--------------------------|
| <p>Requirement 1: A credible, endorsed Education Sector Plan (ESP), or alternatively, a Transitional Education Plan (TEP)</p> | <p>Lesotho’s Education Sector Strategic Plan (ESSP 2016–26) was appraised and endorsed in 2016 prior to the country applying for its current ESPIG (LBEIP). Overall, ESSP 2016–26 is holistic in scope and covers all sub-sectors including TVET, ECCD and non-formal education. The ESP was accompanied by a costed 3-year implementation plan running from 2017 to 2020.</p> <p>In line with the applicable funding model, the government has decided to apply based on the current ESP 2016–26 accompanied by an updated multi-year implementation plan. Assessment of Requirement 1 in the context of an existing ESP includes confirmation that the ESP is still “valid” and “under implementation.”¹²</p> <p>The <i>validity</i> of the ESSP 2016–26 (which extends more than five years beyond the time of application) is confirmed by the completion of a mid-term review in the form of a recently completed ESA (2020) as well as the 2018 JSR – both of which include assessments of ESSP implementation progress. These same documents confirm that the ESSP is “under implementation.” Notably, the “ESP update 2021–23” and accompanying implementation plan, while not yet been finalized, confirm regular sector monitoring, and report on progress against ESSP 2016 targets and priorities. The ESP update will with financial support through the ongoing Education Sector Plan Development Grant (ESPDG) with the World Bank as the grant agent. As part of the ESPIG application package, the government shared Lesotho’s Education Sector Three Year Plan (2021–2023) in draft form.</p> | <p>Yes</p> |
| <p>Requirement 2: Evidence of commitment to ESP or TEP and its financing.</p> | <p>This is Lesotho’s second ESPIG application under the current GPE funding model. As such, this assessment considers (i) whether commitments linked to the prior ESPIG were met, and (ii) provides an assessment of domestic financing commitments linked to the current ESPIG.</p> | <p>Yes</p> |

¹² OPERATIONAL FRAMEWORK FOR REQUIREMENTS AND INCENTIVES IN THE FUNDING MODEL OF THE GLOBAL PARTNERSHIP FOR EDUCATION (2019), Annex A, parameters for exceptions to the ESP requirement, identifies criteria to be used for assessing applications based on an existing ESP.

| | | |
|---|---|-------------------|
| | <p><u>Commitment linked to the prior ESPIG:</u> When the country applied for LBEIP in 2017, the government resource commitments were as follows: that the education sector would continue to be allocated a greater than 20% share of the government recurrent budget and that the primary sub-sector (six years) would continue to receive over a 45% share of the recurrent education budget allocation. The domestic financing matrix submitted with the application confirms that Lesotho maintained recurrent education spending (excluding debt service) at a greater than 20% share of total government recurrent spending during the period of the previous ESPIG (2017-2019). The commitment on primary recurrent share (actuals) was also met.</p> <p><u>Commitment linked to the proposed ESPIG:</u> Total education spending (excluding debt service) stood at a 17.4% budget share in 2019, with a budget of 18.4% in 2020. The future commitment is 18.9% (2021), 19.0% (2022), and 20.3% (2023). The upward trend toward 20% shows Lesotho meets the requirement. Note that prior commitment was based on recurrent spending, as it was made before GPE had changed the parameters for requirement 2 assessment. The primary education share of education recurrent expenditure is projected to increase from 45.7% to 46.1% in the next three years. These figures indicate that Lesotho now meets requirement 2.</p> | |
| <p>Requirement 3: Adequacy of Data</p> | <p>Prior to updating its current ESP, Lesotho conducted an ESA in 2020 with funding from GPE's ESPDG. Basic financial and education data are available in Lesotho. The country submits data on 7 out of 12 indicators to UIS. Under the World Bank supported Lesotho Education Quality for Equality Project (LEQEP), the EMIS is being reformed from a paper-based system to a digital platform-based system, which will improve the quality of data and analysis.</p> <p>Lesotho conducts learning assessment on a regular basis. The Curriculum and Assessment Policy of 2009 sets out a vision for education in Lesotho, where assessment and curriculum are closely integrated and mutually supportive. At Primary level, continuous assessment is done at grade 4 and grade 7. At the secondary level, Lesotho is introducing a new national assessment in form B (grade 9) to evaluate the learning of junior secondary students. Lesotho does not participate in any international assessments, but last participated in the Southern and Eastern Africa Consortium for Monitoring Educational Quality (SACMEQ) between 2014 and 2016 to measure the mathematics and reading skills at the primary level. The MoET also conducts ad hoc learning assessments that are financially supported by donors, including the Measuring Early Learning</p> | <p>Yes</p> |

| | | |
|--|--|--|
| | and Quality Outcomes (MELQO) in 2018 for ECCD and a nationally representative assessment administered in 2016 by the Examinations Council of Lesotho to measure the performance of junior secondary students in mathematics, science, English and Sesotho. | |
|--|--|--|

Annex 2: Assessment of Program

| Criteria | Sub-Criteria | Observations | Standard Met (Yes/No) |
|--------------------------|--|--|-----------------------|
| 1. Program Design | Program addresses critical evidence-based challenge(s) identified in the education sector analysis | <p>The program responds to key challenges identified in the ESA and ESP with relevant programs including, low student transition to / retention in lower secondary school, poor STEM learning outcomes, and limited access to and low quality of pre-primary education.</p> <p>To promote student transition to and retention in JSE, the program proposes refining and improving the efficiency of cash transfer schemes to students from poor households. Together the Child Grant Program (CGP) and the Orphans and Vulnerable Children-Bursary (OVC-B) program reach approximately 150,000 children in Lesotho. However, currently, both programs could be refined to more strongly incentivize JSS retention, improve targeting of beneficiaries, support beneficiary enrollment/expand enrollment catchment areas, and change rules and regulations which exclude potential beneficiaries (PD, Table 3).</p> <p>The proposed program will pilot new approaches to the two programs “to refine the CGP and OVC-B program designs and implementation mechanisms to inform a Government led scale-up.” Retention will also be bolstered scaling up youth clubs: both interventions build on prior local experience and locally generated evidence.</p> | Yes |

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| | | <p>The approach to strengthening online training of JSS teachers builds on the experience of an existing program and a small scale, positively reviewed pilot, and covers areas expected regarding pedagogy and content, continuous support for teachers, and transition of training implementation from a contracted partner to National University of Lesotho (NUL), Lesotho College of Education (LCE) and inspectors of math and science. The COVID-19 pandemic has underscored the gaps in teacher training in terms of using technology for instruction as well as created an environment, where, for the foreseeable future, some form of asynchronous online training could increasingly become the rule rather than the exception.</p> <p>Component 2 will support the roll-out of a nearly completed ECCE curriculum in approximately 300 reception classrooms and ECCD centers located in poor, rural communities. The approach is staged (in two phases), covers key inputs for rollout (teacher training, materials provision, child development assessment / learning environment assessment) and provides for interim and final evaluation, alongside a much needed mapping exercise (to fill knowledge gaps of service providers) and commitment to develop a costed ECCD expansion plan.</p> | |
| | <p>Program has a logical and evidence-based results chain between interventions, outputs and outcomes</p> | <p>BESP follows a coherent program logic with program components embedded within a broader results chain linking activities, outputs, and outcomes, and desired impact on the larger education system. Importantly, the program provides for the generation and use of evaluation and evidence to inform future planning.</p> <p>However, to achieve the intended results, close monitoring of the online teacher training program will be required to ensure that the online approach is utilized as planned.</p> | <p>Yes</p> |

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| | <p>GPE’s strategic goals and objectives are adequately reflected</p> | <p>The BESP is aligned with GPE’s strategic goals, to improve learning (through STEM teacher training; ECCE curriculum roll-out); address inequities in access / retention (through refinement of cash grant programs targeting poor households and vulnerable populations and targeting ECCE roll-out in poor areas first) and promote efficiency gains in the cash grant program and in reducing dropout.</p> <p>BESP is designed with a gender lens, noting social and contextual forces influencing boys’ and girls’ participation in LSE, including cash grant efforts to address the lower participation of boys, but also the need for safe spaces and support for reinforcing girls’ participation (including youth clubs which provide information on reproductive health, menstrual hygiene, and gender-based violence). The ECCE Phase II assessment will include consideration of the relevance of the curriculum to children with disabilities; the targeting mechanism of the OVC-B is proposed to be revised under the program to support the eligibility for the grant to include children with disabilities.</p> <p>Criteria for identifying beneficiaries are clearly laid out in Annex 2 of the PD, including related to beneficiaries of cash grant schemes (constituencies with high poverty and high dropout), youth clubs (same), teacher training activities (teachers in high poverty/ high dropout constituencies), and ECCE curriculum roll out (focus on reception classes and ECCD centers in poor communities and rural areas).</p> | <p>Yes</p> |
| | <p>Private Sector Engagement Strategy</p> | <p>The program will likely provide direct support to some community-based and run ECCD centers in poor and rural areas, as a part of piloting the new curriculum. Under PSES, these could be considered not</p> | <p>Yes</p> |

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| | | <p>for profit, non-state service providers. This support may include provision of materials and teacher training.</p> <p>The National ECCD Policy identifies the MoE regulatory approach to different types of ECCD centers, noting the central role of the MoE in oversight, establishment and registration of all ECCD service providers, inclusive of curriculum guidance, support to training of ECCD facilitators (including in community-run centers) and articulating a decentralized supervision structure. In the context of this project, the project will map all ECCD centers against poverty map of the country and select centers for project support in the high poverty areas. In that process some community run centers may be selected. Prior to receiving any project support, community-based centers will have to register and get accreditation from the Ministry. Notably, the project approach supports the strengthening of the links between government and community run centers, through activities of registration, accreditation, and provision of materials / teachers support (which will enable centers to follow the updated curriculum). In addition to mapping ECCD centers, the program will develop a costed and comprehensive expansion strategy for ECCD in Lesotho, which may also include steps for strengthening the existing regulatory framework.</p> <p>The program will not provide direct support to for profit providers of core education service.¹³</p> | |
| <p>2. Program Budget</p> | <p>Program cost is justified</p> | <p>a. Yes. A detailed budget is provided which outlines the costs of each component, sub-component, and activity. The budget also outlines GA supervision costs of \$400,000. Although the amount exceeds the range of supervision costs acceptable for 3 years of non-fragile</p> | <p>Yes</p> |

¹³ N.b., While the ESPIG application notes that private providers may be supported through the program, follow up with the GA confirmed that only community-based ECCD centers would be potentially supported through the program.

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| | | <p>project implementation plus 6 months each for project start after GPE approval and completion report, the GA provided additional justification on requiring staff support from both social protection and education teams to work with the main implementing entities (MoET and MoSD) for this project.</p> <p>b. Yes. Annual breakdown and timeline for disbursements are provided.</p> <p>c. Yes. Program document indicates estimated unit costs and quantities for major activities including teacher training, procurement of laptops, and TLMS. Overall, estimated unit costs are considered reasonable.</p> <p>d. Yes. Budget is consistent with program design.</p> <p>e. Yes. There is no indication of unallocated funds or contingency funds.</p> <p>f. Yes. Project is fully funded by GPE.</p> | |
| | Calculations are correct and within approved allocation ceilings | g. Yes. Calculations are correct and within approved allocation ceilings. | Yes |
| 3. M&E | M&E framework comprised of a strategy and methods to ensure accountability for achievements | <p>The M&E framework is comprised of a strategy and methods to track accountability for achievements, tracking the program theory of change. The PD outlines M&E arrangements, which by nature of the project are distributed across MoEST and MoSD and some independent contractors. Roles and responsibilities will be clarified in the Project Operations Manual. BESEP expands on the indicators proposed by the ESP. The program will produce two progress reports annually, annual audits and a mid-term review. The program makes important investments in assessment and evaluation: financing an evaluation of the CGP/OVC-B pilots (supported through MoSD), the teacher training pilot (supported</p> | Yes |

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| | | <p>through NJCTL), the school readiness assessment, and the Phase I ECCD curriculum roll-out.</p> <p>One potential gap in the program and M&E approach is that it is unclear whether the program intends to 'track' whether any changes are made to the CGP/OVC-B program, based on lessons learned from the pilots. This seems important since the purpose of the pilots is to reshape and reform the broader government program. It may not be feasible to include this expected result in the RF, but this should clearly be a key item in the final evaluation of the program: did pilot lessons learned improve / strengthen existing government CGP/OVC-B programs.</p> <p>Observation: The final evaluation of the project should assess whether pilot interventions in component 1.1 led to improvements in existing CGP and OVC-B programs.</p> | |
| | <p>Results Framework is robust and covers all interventions</p> | <p>The results framework is appropriate, covers the most important outputs and outcomes, and allows for measuring progress along the program's theory of change. Proposed indicators are SMART; have baselines, targets, and units of measurement; are gender-disaggregated, where applicable (except for teachers trained); with frequency of data collection, data source, and responsibility for data collection is provided (and to be further clarified in the POM).</p> | |
| <p>4. Implementation Arrangements and Readiness</p> | <p>Implementation arrangements are appropriate</p> | <p>Implementation arrangements are appropriate and clearly described – with adequate responses to implementation performance challenges in the current program. The MoET will lead the implementation of sub-components 1.2, 1.3, and components 2 and 3. Existing PFU within the MoET will be responsible for supervision, procurement, FM, M&E, environmental and social safeguards. The existing PFU within MoSD will be the implementing entity for sub-component 1.1 (pages 57-62). PAD notes that World Bank will help to</p> | <p>Yes</p> |

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| | | <p>coordinate the implementation of this sub-component (page 36). A Coordination Committee, comprised by technical and operational staff from the MoET, MoSD, MoF, and MCST, will also be formed to provide guidance for project implementation and for review of progress reports (see p. 52).</p> <p>As noted in sections on “Risk” and “Sustainability” institutional capacity presents a substantial risk to implementation (see PAD, pp. 39–40). Specifically, these risks include weak project management, weak accountability, and inadequate technical capacity. To respond to this concern the program will hire new staff, as relevant, set up a PFU at MoSD (for component 1.1 implementation), articulate a revised project management approach with a monthly project meeting chaired by the Deputy PS to track implementation and react to emerging challenges. Some budget is also provided to “identify capacity gaps and conduct capacity building and technical assistance.” Moreover, external firms and experts will be contracted to deliver training targeted at technical ministry personnel.</p> <p>Yes. Flow of funds are adequately described. Each PFU (at MoET and MoSD) will open a segregated designated account at the Central Bank of Lesotho to receive GPE funds. Advance disbursement will be the primary modality and reimbursement, and direct payment are also available for this project. The IFRs will be used as the basis of further disbursement for the project funds.</p> <p>FM will be managed through the corresponding PFU under MoET and MoSD. PAD notes that all procurement under the project would be conducted through the WB’s Procurement procedures. Auditing will be conducted by the Office of the Auditor General of Lesotho.</p> | |
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| | | <p>Yes. The role of the WB in providing support to financial management and procurement is well described.</p> | |
| | <p>Program is ready to be implemented</p> | <p>Program is ready to be implemented. The implementation timeline is included in Annex 3 of the PAD. The detailed implementations steps will be elaborated further in the Project Operation Manual, which is currently being drafted and will be completed by negotiations of the project. Since funds will be disbursed primarily through via advanced disbursement method (see p. 35), they should be available upon program start date. The project will benefit from the use of existing systems and experience of the PFUs under MoET and MoSD on managing projects such as LEQEP and LBEIP.</p> | <p>Yes</p> |
| <p>5. Risk(s) Identification and Mitigation Measures</p> | <p>Program includes appropriate risks matrix</p> | <p>Program includes appropriate assessment of risks with adequate mitigation provided. The BESP identifies social (p. 37), environmental (pp. 37-38), political/governance (p. 39), economic (p. 39), and institutional capacity (pp. 39-40) risks. It also proposes mitigation strategies per risk area. Project's financial management has an overall risk-rating of moderate and it is noted that FM arrangements satisfy the Bank's minimum requirements. Risks and mitigation measures related to procurement are described including the need to provide training and closer implementation support to the current MoET procurement officer. Risk rating for environmental and social is moderate.</p> <p>Institutional capacity also presents a substantial risk to implementation (see pp. 39-40). Specifically, these risks include weak project management, weak accountability, and inadequate technical capacity. To address these risks, the BESP proposes to organize monthly coordination meetings to streamline bottlenecks and develop action plans. Moreover, external firms and experts will be contracted to deliver training targeted at technical ministry personnel.</p> | <p>Yes</p> |

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| | <p>If any SEAH risks are identified, appropriate mitigation measures are included</p> | <p>A risk matrix dedicated to GBV/SEAH risks with adequate recommended measures is found in Annex 7. Based on the Bank's GBV/SEA/SH country-level risk assessment rating, the social risks of Sexual Exploitation/Harassment and GBV are rated as moderate. The project itself would not directly or indirectly cause or contribute to any of the pre-existing social issues related to gender-based violence, and in fact, would attempt to ultimately contribute to their mitigation through improving educational outcomes and school retention rates for girls and boys, and through providing support to youth clubs within schools that serve as "safe space" to empower adolescent girls and boys (p.37). Annex 7 describes risks related to inappropriate teacher behavior, exposure to GVB/SEA risks from increased attendance, and lack of GVB/SEA awareness. Mitigation measures include teacher training, focus group discussions with parents and students, training for implementers, strengthening Teacher Code of Conduct, and encouraging students to use project's SEA-Grievance and Redress Mechanism (GRM) to report any misconduct.</p> <p>Project preparation took into account contextual risks of GBV as well as importance of safe environment schools, and a GBV Action Plan has been prepared. GBV Action Plan is proportionate to the GBV risks posed directly by the project activities (which are low to minimal), as well as cognizant of the broader GBV issues in education sector in Lesotho (p.37).</p> | <p>Yes</p> |
| <p>6. Sustainability</p> | <p>Program has been designed to be sustainable</p> | <p>The program is designed to invest in capacity strengthening, including in response to recognized capacity gaps, and with a financial sustainability lens. The PD identifies technical and implementation /program management capacity gaps as 'substantial risks to the program. For technical areas, the program invests in teacher training, proposes an approach which will support uptake of the teacher</p> | <p>Yes</p> |

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| | | <p>training program by the NUL and LCE, and in some cases (e.g., youth clubs) uses outsourcing to secure needed capacity. Of the prior program, the PD notes “despite the existence of full-time staff under the PFU to support the project, there is weak project management and weak accountability for achieving results as well as and insufficient collaboration between departments in the MoET.” To respond to this concern the program will hire new staff, as relevant, set up a PFU at MoSD (for component 1.1 implementation), articulate a revised project management approach with a monthly project meeting chaired by the Deputy PS to track implementation and react to emerging challenges. Some budget is also provided to “identify capacity gaps and conduct capacity building and technical assistance”</p> <p>The program finances an expansion in the scope of MoET ECCD activities and critical data collection activities expected to establish a stronger empirical basis for planning. This work is taking place in the context of a newly established ECCE Department with limited capacity in quality assurance and sector performance monitoring.</p> <p>The component on cash transfers focuses on improving the efficiency of these interventions, while the PD notes that efforts to scale up ECCE access will require increased financing commitment of the GoL to the ECCE sub-sector, which can be considered as a part of developing the costed ECCE expansion strategy.</p> | |
| <p>7. Aid Effectiveness</p> | <p>Program is aligned with the main criteria of aid effectiveness</p> | <p>The program is aligned to the ESP, works through government M&E systems, and has been consulted through the LEG. The continued use of PFUs, and proposed FM and procurement arrangements are based on prior experience and appropriate to the context. The program includes efforts to respond to long-standing operational capacity – however, in the given context, including the pull of the South African</p> | <p>Yes</p> |

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| | | labor market and, in recent years, the high turnover of senior ministry staff, reflect a challenging organizational environment to retain talent. | |
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