

PROJECT INFORMATION DOCUMENT (PID) CONCEPT STAGE

Report No.: PIDC997

Project Name	India: Elementary Education III (P144447)
Region	SOUTH ASIA
Country	India
Sector(s)	Primary education (100%)
Theme(s)	Education for all (100%)
Lending Instrument	Investment Project Financing
Project ID	P144447
Borrower(s)	Republic of India
Implementing Agency	Ministry of Human Resource Development
Environmental Category	B-Partial Assessment
Date PID Prepared/ Updated	30-Aug-2013
Date PID Approved/ Disclosed	30-Aug-2013
Estimated Date of Appraisal Completion	
Estimated Date of Board Approval	16-Jan-2014
Concept Review Decision	Track II - The review did authorize the preparation to continue

I. Introduction and Context

Country Context

India is uniquely placed to help reduce global poverty and boost prosperity. India's per capita income of US\$1,410 (2011) remains low, and its development challenges are deep and complex despite significant achievements made over the past decades. Between 2005 and 2012, India's share of global GDP increased from 1.8 to 2.6 %, and 85 million people were lifted out of poverty.

Progress on human development has been remarkable; life expectancy more than doubled from 31 years in 1947 to 65 years in 2012 and adult literacy more than quadrupled, from 18 percent in 1951 to 74% in 2011. India has already achieved the first Millennium Development Goal (MDG 1) by halving the proportion of people living on less than US\$1.25 a day: rural poverty has decreased by 14 percentage points.

In spite of these positive developments, many challenges persist. About 50% of India's population lives in low income and special category states where poverty rates are close to 40 percent. Inequalities vis-à-vis disadvantaged groups such as the so-called scheduled castes, scheduled tribes,

and women persist. The ratio of girls to boys has decreased steadily over the last 50 years—a trend associated with the “missing women” phenomenon; ironically, this ratio is particularly low in some of the more advanced states. Health outcomes compare poorly with those of countries at similar levels of development. At 65.4 years, total life expectancy is more than five years lower than the world average. Malnutrition rates remain high: 40 percent of the world’s malnourished children live in India. Maternal and infant mortality rates and fertility rates also remain high compared with those of other growing economies in Asia. Primary education has been largely universalized, but progress on the quality of education has been more limited. At 4.4 years, educational attainment is low, and India still accounts for one-third of all illiterate people worldwide. At the secondary level, enrollment rates for grades 9–12 are just 40 percent.

Sectoral and Institutional Context

World Bank association with SSA: Sarva Shiksha Abhiyan (SSA) is India's flagship program for improving equitable access to quality elementary (grades 1-8) education and has been under implementation for just over a decade. The objective of the program has been to enhance access and enrollment to elementary education (grades 1-8), while helping students achieve basic learning levels. This Indian government-led Centrally Sponsored Scheme (CSS) was supported by the Bank, DFID and the EU through a SWAp approach. Since 2004, IDA has contributed close to US\$1.85 billion to the program in two phases (SSA I – 2004-2007 (US\$500 mill.) and SSA II – 2008-2012 (US\$1.35 billion), while DFID and the EU together contributed US\$546 million to SSA I and US \$375 million to SSA-II. However, this support from the development partners (DPs) has constituted only about 10 percent of program costs, with the bulk of the funding coming from the Central and State Governments. The ICR rating for SSA II was MS for both the PDO and the Overall Implementation Progress.

India passed its Right of Children to Free and Compulsory Education (RTE) Act, 2009, which became effective from April 2010, representing a legislation that envisaged under Article 21-A (Eighty Sixth Amendment Act of the Indian Constitution, 2002) making the provision of free and compulsory education of all children in the age group of 6-14 years one of the Fundamental Rights. SSA has been designated as the implementation vehicle for RTE. Now, as SSA is transiting towards RTE, it grapples with the persisting residual challenge of improving attendance, retention, and enhancing the quality of education with sharp focus on learning outcomes especially for the disadvantaged groups. Special efforts are required to enhance social accountability, institutional reform and governance for improved service delivery. One of the mandates of RTE is that all private schools will provide admission to 25% of children from disadvantaged backgrounds and their school fees will be subsidized by the government. This is a unique form of public private partnership envisaged under SSA and the project funds will be supporting this intervention.

The Gains and Challenges:

SSA interventions have resulted in impressive gains, especially in access and equity. A decade ago, 25% of the world’s out-of-school children were in India -- this number has now fallen to below 8%, with over 20 million out-of-school children being brought into school, most in low-income states, and enrolment at the elementary level reaching 200 million. The Net Enrolment Ratio (NER) at the primary level improved significantly from 82.0% to 99.8% during this period – reaching the MDG target. Gender parity has been achieved and the enrolment shares of scheduled tribes and scheduled castes have increased relative to their share in the population. Transition rate from primary (grades 1- 5) to upper primary level (grades 6-8) improved from 75.0% in 2002-03 to 86.6% in 2011-12.

Retention rates in elementary education improved from 32.0% to 54.8% (in states with grades 1 to 8) and from 45.5% to 80.6% (in states with grades 1 to 7) over the same time period (District Information System on Education, NUEPA, 2002-03, 2005-06 and 2011-12), showing that children are both more likely to stay in school and move to higher levels of education. These improvements can also be seen as somewhat crude and proxy measures for improved quality, in the absence of more direct measures. Relevant national and international expertise was used to improve the quality of the National Assessment Surveys (NAS). These have established more reliable baseline information on learning levels and are helping develop key insights into nature of learning happening in the country.

Despite many gains during the Eleventh Plan period (2007-12), education in India faces several challenges. They include:

Low learning levels. - Learning outcomes for children in Indian schools are low and the learning trajectories for children who remain in school are almost flat (Planning Commission, GOI- 12th Five Year Plan). In 2012, 53.2% of all children in Class 5 could not read a Class 2 level text. Given the importance of numeracy and literacy to learning in general, the NCERT-NAS Class V survey finds that reading comprehension and Mathematics may be of particular concern. Tamil Nadu and Himachal Pradesh, which are among the better performing states in India's socio-economic index, participated in the 2009 PISA+, an international learning achievement survey organized by OECD for 15 year olds. In reading, Mathematics and Science, these two states were ranked last, or nearly last, out of the 74 countries/regions participating in PISA (OECD's Program for International Student Assessment) 2009 or PISA 2009+. Reasons underlying these low levels include inadequate emphasis on ensuring that all children master basic reading and numeracy skills by class 2 and skills of critical thinking, expression and problem solving by class 5, weak teacher accountability, lack of disaggregated strategies to address issues of improving retention and learning outcomes at upper primary stages, especially in math and science teaching, as well as limited capacity of parents and communities to monitor what is happening at the school level. Development of standards with indicators for assessment of schools and teachers linked to development of training programs for teachers, educational managers and community bodies has to be woven into the program design. This will strengthen accountability for results.

Dropout and attendance rates. There is a steep dropout rate after the elementary level. At 62 per cent the net enrolment rate (NER) at upper primary level (grades VI-VIII) is also a cause for serious concern. It is evident that although a larger number of children are entering the education system, many of them are not progressing through the system. Disadvantaged groups are worse off, with the dropout rates for Scheduled Castes (SCs) and Scheduled Tribes (STs) higher than the national average. Of particular concern is that some of the most educationally backward states, such as Bihar, Jharkhand, Madhya Pradesh and Uttar Pradesh have the lowest student attendance rates (less than 60%). This clearly suggests the challenge of school retention of children especially from vulnerable communities reflecting that classroom processes are not engaging enough. Children from these disadvantaged sections also tend to have less home based support since they are usually first generation learners. This necessitates a deeper engagement of the system with the specific academic and remedial needs of such children to ensure that they come to school and stay.

Children with Special Needs. There are over 3.2 million children with special needs identified by GOI, however many consider this is a serious underestimate. Out of these, around 2.7 million are enrolled in schools. Under RTE, addressing the needs of children with special needs (CWSN) is a

state obligation/mandate. There are inter-state and even intra-state differences in the measurement, implementation and the understanding of what constitutes inclusive education. Scholastic and co-scholastic parity with other children is not yet a priority concern nor have full efforts been undertaken to ensure optimal realization of the potential in each individual child. This is linked to the issue of seamless transition of the CWSN children to secondary education subsequently.

India needs to seriously shift gears from inputs/access to outcomes/learning. This is a very challenging agenda, where research evidence suggests targeted interventions are needed. These include: basic learning outcomes need to be specified, measured and reported by the government so that the ambitious goals of RTE of access to all children to quality education is achieved. It is also important as RTE specifies, that parents are informed of children's progress. Large scale corrective action is needed to build basic foundations in children's ability to read, understand and do basic arithmetic with measurable indicators of the child's learning. Teachers have to be trained and helped to deal with the reality of understanding the child's learning levels and undertake teaching processes that suit these needs in schools. Teacher standards of performance need to be developed and monitored and school assessments through social audit built into the program design.

Relationship to CAS

The India Country Partnership Strategy (2013-17) has three overarching goals of achieving rapid economic growth, accelerated poverty reduction and increased shared prosperity. The goals have been carefully aligned with Government's 12th Five-Year Plan goal of "faster, sustainable, and more inclusive growth", building on a partnership spanning six decades.

SSA III will address the CPS goal of accelerated poverty reduction and inclusion for improving access and quality of education to all children especially from the marginalized and disadvantaged sections. As almost 65% of funding under SSA –III is expected to be targeted on low income educationally backward states, this will also address the CPS investment principles of increased engagement in low income states. More focused attention on increased social accountability, improved governance, institutional support for efficient program interventions and improving effectiveness of program expenditure will support the service delivery platform of the India CPS strategy.

II. Proposed Development Objective(s)

Proposed Development Objective(s) (From PCN)

The proposed PDO of SSA III is to provide universal access to quality education to all children 6-14 years of age, especially those from disadvantaged sections, and to improve retention and learning outcomes.

Key Results (From PCN)

Key Performance Indicators:

- a. Learning levels adequately and regularly monitored
- b. Improvement in learning levels in early grade reading and science and maths at the upper primary level
- c. Transition rate from primary to upper primary education increases from x to y %
- d. Student attendance rates improved from x to y %.

These indicators will be disaggregated by gender and SC/ST.

III. Preliminary Description

Concept Description

The Government of India had passed the Right to Free and Compulsory Education Act, 2009 (RTE), which became effective in April 2010. The SSA program has been designated as the official vehicle to implement RTE and SSA norms and the Framework for Implementation has been revised in 2011 to fully align with the RTE provisions. The federal government through the Ministry of Human Resources Development (MHRD) is operationalizing this through this nation-wide Centrally Sponsored Scheme (CSS). The World Bank has been requested by the MHRD for a third phase of support to the program covering the period from 2014-2018.

Program Components

The Bank financing will have two components:

- Financing for SSA program (US \$390 million)
- Technical Assistance (TA) (US \$10 million) component to support program implementation through identified institutions. This will include support to:
 - o NCERT(the national body mandated for activities around quality improvement): Strengthening of National Achievement Surveys (NAS) and strategies for children with special needs (CWSN)
 - o National University of Planning and Administration (NUEPA): School leadership for teacher standards and developing standards for school performance.

The component financing the SSA program will have a sharp focus on quality and learning outcomes that inform and determine issues around access, equity and retention.

The program will support the following:

Quality and Learning Outcomes: Quality improvement with inherent accountability measures will be provided special attention and will inform the SSA program in all its dimensions including access and equity. The following areas will receive special attention:

- Learning indicators for students: Years of schooling and grades completed continue to remain an unreliable guide to what children learn and know. SSAIII will support development of concrete indicators of students learning class wise at each level of schooling. This would increase the focus on accountability for assessing learning outcomes and children's performance. The national institution, NCERT, will prepare the framework for learning indicators and this will be incorporated appropriately in the results framework. The states will use this framework for implementation.
- Strengthening early grade reading and numeracy: A priority area for SSA III will be to improve student learning in elementary schools with a thrust on math and language in the early grades (grades 1 and 2). This will ensure that the basic concepts of numbers and operations in math are well understood in early grades, and the learning gap decreases as the children transition to higher grades.
- Strengthening Mathematics and Science Learning at Upper Primary Level: As students' progress through the levels of primary schooling, the subject knowledge of teachers and the availability and quality of the support materials they deploy become even more critical especially in Mathematics and Science. In Phase 3 of SSA, the teaching of mathematics and science at upper primary level will be one of the major priorities.
- School Leadership: How schools are governed is also recognized to impact on quality. SSA

III will provide a major thrust on school management competence of school headmasters and educational administrators. The national institution NUEPA (mandated to provide support on educational management and administration) will be supported through its National Centre for School Leadership to develop a school leadership program and states will be supported in implementing these programs.

- **Standards for School Performance:** School monitoring and assessment will receive priority attention. NUEPA will take the lead at the central level in this supported with international experience. In addition NUEPA will strengthen the capacity of national and state level institutions in India to undertake related research, development and monitoring in school performance enhancement.
- **Teacher Performance/accountability:** Teacher performance can be judged by a range of measures – competence, effort and student outcomes. These in turn can be variously measured. Standards for teacher performance that are simple, understandable and monitorable will be developed to help in the first place the teachers themselves to identify their own performance requirements and be able to modify the same. As of now, no systematic effort has been made to develop teacher standards in India. Developing these will also serve a useful benchmark for educational practitioners and the community to be able to understand what is expected out of the teachers. The NCERT will be designated to undertake this task. With RTE prescribing a student: teacher ratio of 30:1, there are about 1.1 million teacher vacancies that need to be filled in over the next few years. All states are now beginning to conduct Teacher Eligibility Tests (TET) for the teacher hiring process. Identification of teacher performance standards will strengthen the process for hiring of teachers with clear competencies identified and more transparency introduced. Teacher performance identification will be linked to intensive assessment of teacher training, both in-service and pre-service, to ensure that these reflect appropriately in school performance. The strategy will be to equip teachers with relevant, up-to-date knowledge and approaches to teaching, and career progression structure. States like Bihar are exploring performance-related pay/rewards that is likely to foster greater accountability and teacher effort and this will be scaled up nationally if successful.

Children with Special Needs: While RTE Act and SSA have been instrumental to a large extent in changing public attitudes/perceptions about the abilities of children with disabilities there are inter-state and even intra-state differences in the implementation. While SSA, thus far, has been able to enroll a large number of Children With Special Needs in regular schools, they gradually start dropping out and hence do not complete the elementary education cycle. This is more so in the case of children with developmental disabilities. The program will support efforts towards retention of CWSN through capacity building of in-service teachers, with a special focus on curricular adaptations, classroom transaction and evaluation practices for children with developmental disabilities (for e.g. those with Cerebral Palsy, Autism, Multiple Disabilities and Intellectual Disabilities).

Monitoring and evaluation: Further capacity building is required to improve and enhance the National Achievement Surveys to enrich and inform them with international best practices in assessment. The process of strengthening all dimensions of the National Achievement Surveys will be undertaken. Efforts for cross referencing this data with independent surveys, especially at the state levels will be undertaken. Further, monitoring and evaluation systems will be strengthened to ensure that relevant, information is available to policy makers in a timely manner. Rigorous evaluations of specific interventions will be built into the program to assess impact, and facilitate scaling up of the more successful interventions and to also inform mid-course corrections.

The analysis of trends in age specific attendance rates (NSS uses the term “school attendance” for enrolment rates rather than the daily attendance rates) using NSS shows that school attendance rate is still much lower for ST and Muslim children even though the rate of increase in school attendance rate increased for all social groups during SSA period. Between 2004-05 and 2009-10, the rate of increase in attendance rate was the slowest for Muslim children. The project will ensure that data bases like DISE/ Unified-DISE will include children in Madrassas and to enable a more precise estimate of in-school Muslim children. Residual challenges of addressing equity issues will factor in accurate estimates of out of school children. Independent surveys for assessing out of school children will be undertaken with States cross validating and reconciling the data.

Improved Planning Management and Social Accountability: There is a need to strengthen the effectiveness and efficiency of schools to make them more accountable for learning outcomes through strong monitoring mechanisms. Some key initiatives under SSA III will include:

- **Strengthening of QMT as a Quality and Management Tool:** Quality Monitoring Tools (QMTs) already exist to provide regular monitoring of each school covering school management as well as quality monitoring. NCERT will strengthen the QMTs providing them with capacities to collate and generate information from the state for feeding into planning at national and state levels.
- **School Autonomy and Empowerment of School Management Committees (SMCs):** Evidence shows that where the community at the grass roots was given an opportunity to be involved in school operation and was legally empowered to perform certain management functions, the system has performed better. The program will work with states to build capacity and empower the SMCs for school monitoring, teacher performance and attendance reporting through gradually providing them statutory powers.
- **Special Focus Districts:** Educationally backward districts are allocated about 65% of SSA funds. Such districts/states merit special treatment and will be provided with additional support and more intense monitoring under SSA III. Low income states (and within them the special focus districts identified by GOI) are generally the large spending states and will be provided special attention for addressing concerns of out of school children, enhancing transition (especially for children from special focus groups and migrant children) and for quality improvement efforts.
- **Appraisal and Supervision:** SSA is massive in its overall reach and scaling up of this program has many challenges for programme management, particularly for its appraisal and supervision machinery. The mission based approach –with a participatory, grass roots planning (informed by data gathering and analysis), a rigorous appraisal and supervision of the programme needs to become integral to the program at the national, state and district levels. Realistic decentralized planning and appraisal moving from input oriented towards output driven efforts will be strengthened.

Performance-based budgeting: The project will strengthen budget processes to link them to medium and long term strategic educational planning. Financial planning at the state level will be undertaken with focus on identified outcomes and MHRD fund releases will become increasingly tied to state specific indicators, agreed on annually between the state and central government as part of the Annual Work Planning and Budgeting (AWPB) exercise.

IV. Safeguard Policies that might apply

Safeguard Policies Triggered by the Project	Yes	No	TBD
Environmental Assessment OP/BP 4.01	x		

Natural Habitats OP/BP 4.04		x	
Forests OP/BP 4.36		x	
Pest Management OP 4.09		x	
Physical Cultural Resources OP/BP 4.11	x		
Indigenous Peoples OP/BP 4.10	x		
Involuntary Resettlement OP/BP 4.12		x	
Safety of Dams OP/BP 4.37		x	
Projects on International Waterways OP/BP 7.50		x	
Projects in Disputed Areas OP/BP 7.60		x	

V. Financing (in USD Million)

Total Project Cost:	5854.65	Total Bank Financing:	400.00
Total Cofinancing:		Financing Gap:	1747.89
Financing Source			Amount
BORROWER/RECIPIENT			3636.36
International Development Association (IDA)			400.00
EC European Commission			70.40
Total			4106.76

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