

Nepal School Sector Development Program
Joint Review Meeting - Aide Memoire
November 23 -26, 2020

I. JRM Background and proceedings

1. The School Sector Development Plan (SSDP) is a long-term strategic plan of the Government of Nepal which is being implemented from FY 2016/17 to FY 2020/21¹. The plan was approved in 2016 and aims to increase participation of all children in quality school education by focusing on strategic interventions and new reform initiatives to improve equitable access to, and the quality, efficiency, governance, management and resilience of the education system.

2. The SSDP is implemented through a Sector Wide Approach (SWAp), supported by nine Joint Financing Partners (JFPs)², who have committed funding support through a Joint Financing Arrangement (JFA). In addition to this, the SSDP is supported through other Development Partners, including Non-JFPs, I/NGOs, who are members of the Local Education Development Partner Group (LEDPG). As outlined in the JFA, the Ministry of Education Science and Technology (MOEST) and the JFPs jointly conduct two review meetings annually: a Budget Review Meeting (BRM) and a Joint Review Meeting (JRM). The MOEST and the JFPs held the fifth JRM of the SSDP from 23rd – 26th November 2020 to review implementation progress of the SSDP against the objectives stated in paragraph 3 of this Aide Memoire. The JFP representatives that participated in the JRM are collectively referred to as the ‘Mission’ and the Government of Nepal representatives and JFP representatives that participated in the JRM as the ‘Meeting’ throughout this Aide Memoire. As is customary, and in the interest of upholding good practices of effective coordination, the key agencies and stakeholder representatives who support the implementation of the SSDP outside the JFA framework also participated in the review process and the general sessions relating to reviewing overall progress and discussing key issues.

3. This Aide Memoire summarizes the findings on the status of the progress towards achieving the SSDP’s objectives and progress against the indicators in the program results framework (PRF) and the disbursement linked indicators (DLIs), as well as agreements reached to expedite implementation. In addition, this Aide Memoire provides a summary of the work supported by the SSDP joint thematic working groups and inputs from the virtual stakeholder consultations with the school level stakeholders (head teachers, teachers, school management committees (SMCs) and students), local government (LG) representatives and representatives from education development coordination units (EDCUs), education training centers (ETCs), teacher unions and parent teacher associations (PTAs). These consultations were conducted online as an alternative to the joint field visits and a list of participants is included as **Annex 3**. The specific objectives of the review were as follows:

- I. Review the progress and achievements of SSDP against the program results framework for FY 2019/20.

¹ The original time scale of the SSDP was from FY 2016/17 – 2022/23. However, in the mid-term review it was decided that the SSDP would complete two years early (2020/21). This decision was taken due to the changing context (i.e. federalisation and the government’s updated education policy).

² JFPs are Asian Development Bank, European Union, Finland, Global Partnership for Education, JICA, Norway, UNICEF, USAID and the World Bank.

- II. Review achievement and verification of the DLIs where progress meets the requirements as defined by the DLI protocol and/or those set out by the concerned DLI partner(s).
 - III. Identify which results in the DLIs are affected by COVID-19 and are unlikely to be achieved within the SSDP period; and work towards mutually agreeable solutions, and identify the status of school functioning under various local governments.
 - IV. Share the current update on the COVID-19 response and the mobilization of development support for learning and building consensus on the way forward.
 - V. Review the timeline and progress of the Education Sector Plan 2030.
 - VI. Review progress on the fiduciary management action plan including agreeing on time bound actions for resolving audit issues.
4. The Terms of Reference (ToR) and agenda of the 2020 JRM are attached as **Annex 1**. The list of participants is provided in **Annex 2**.
5. The key issues and agreed actions were discussed at the wrap-up meeting chaired by Mr. Gopi Nath Mainali, Secretary, MoEST on 26 November 2020. As practiced in the past, this Aide Memoire and all the related presentations will be publicly disclosed on the MoEST website.

II. Review findings

A. Progress Status on Key Performance Indicators

6. During FY 2019/20, 10.78% of the national budget was allocated to education, with actual expenditure on the education sector amounting to 15.5%³ of total expenditure by the end of the fiscal year. The federal budget allocation alone does not represent an increase from the previous fiscal year when taking inflation correction into account⁴ but excludes resources allocated to education from equalization grants and the own resources of provincial and local governments. When including these allocations at provincial and local level, the percentage is estimated to increase to over 12%. Even with these increases, the SSDP remains underfunded and below the national and international targets⁵. The agenda to meet Nepal's constitutional commitments, transition to a federal structure, and increase access to quality education calls for significant increases in the education budget. The situation requires prompt strengthening of the new system, and intense mitigation efforts, which needs further investment. In FY 2019/20, 67% of the education budget was allocated for implementing the SSDP. The federal government transferred 96.72% of the SSDP budget to local governments as conditional grants. Provincial governments received 0.29% and the MoEST 8.13% of the SSDP budget in FY 2019/20. The conditional grants received by local governments included the new budget line 'Continuation of student learning during COVID 19'; but only 56.82% of it was spent by the end of the FY. The low expenditure on some budget lines was a consequence of the disruption of activities due to the COVID-19 pandemic. Local governments spent 86.54% of their SSDP allocations.

7. As of FY 2019/20, 726 of the 753 local governments were able to report their expenditure progress using the Sub National Treasury Regulation Application (SUTRA) system; but the consolidation by the Financial General Comptroller's Office (FCGO) of the data reported by local governments and schools remains a challenge. Training is ongoing to improve local governments' reporting capacities. Additionally, the new schools' accounting software (the Schools Accounting System) has been developed, and testing and implementation has started. These activities have been delayed at the local government and school levels due to the COVID-19 pandemic.

8. The progress against the SSDP's key performance indicators (KPIs) are presented in Table 1. There has been progress on almost all KPIs and in many of them progress has accelerated from Year 3 although in several areas is still lagging behind the targets for FY 2019/20. Most of the KPIs are unlikely to be fully achieved at the end of the SSDP on 15 July 2021. The impact of the COVID-19 pandemic even risks that in some areas progress obtained in previous years will be reverted in 2020/21, increasing the unfinished agenda at the end of the SSDP. As such, the JRM agreed for actions to be identified and included in the FY 2020/21 annual strategic implementation plan/AWPB annual work plan and budget (ASIP/AWPB) by 15 January 2021 to accelerate the achievement of the KPIs that are lagging behind. The Centre for Education and Human Resource Development (CEHRD) will submit a revised draft of the Status Report along with safeguard documents and the program action plan to development partners by 15 December 2020 and the final 2019/20 Flash Reports by January 2021.

³ Economic and Public finance analysis and projection of the Nepal education sector, final report, 15 Oct 2020, table 19, page 26.

⁴ SSDP Mid-Term Review 2019, Table 37, page 107

⁵ The Education 2030 Framework for Action proposed two benchmarks as 'crucial reference points': allocate at least 4% to 6% of GDP to education, and/or allocate at least 15% to 20% of public expenditure to education

Table 1: SSDP key performance indicators, targets and achievements

Sub sector/thematic area indicators		Baseline 2015/16	Progress 2016/17 Year 1	Progress 2017/18 Year 2	Target 2018/19 Year 3	Progress 2018/19 Year 3	Target 2019/20 Year 4	Progress 2019/20 Year 4
1. Early childhood education development/pre-primary education (ECED/PPE)								
1.1	GER in ECED/PPE	81.0a	82.9	84.1	86.0	84.7	87.7	86.4
1.2	% of ECED/PPE teachers with required qualification	93.7 a	93.8	94.2	95.5	94.5	96.4	95.7
1.3	% of ECED/PPE teachers with one- month training	0	N.A.	4.7	30	10.4	18	19.1
1.4	% of grade 1 new entrants with ECED/PPE experience	62.4 a	64.7	66.3	68.5	66.9	70.8	68.7
2. Basic education (grades 1-8)								
2.1	GIR in grade 1	136.7 ^a	133.5	128.6	130.5	123.9	123.6	121.9
2.2	NIR in grade 1	93.9 ^a	95.2	95.9	95.0	96.3	96.8	96.8
2.3	GER in basic (grades 1-5)	135.4 ^a	134	132.3	130.5	125	118.6	119.3
2.4	NER in basic (grades 1-5)	96.6 ^a	96.9	97.2	97.5	96.6	97.9	97.1
2.5	GER in basic (grades 1-8)	120.1 ^a	122	120.2	115	109.3	109.3	110.4
2.6	NER in basic (grades 1-8)	89.4 ^a	91.0	92.3	94.0	92.7	95.5	93.8
2.7	Gender parity index (GPI) in NER basic (grades 1-8)	1.0 ^a	1.0	1.0	1.0	0.98	1.0	0.98
2.8	Survival rate to grade 8	76.6	75.9	77.4	86.0	77.9	88.2	79.3
2.9	Completion rate for basic (grade 8)	69.6 ^a	68.4	70.7	78.5	71.3	81.7	72.7
2.10	% of OOSC in basic education (age 5-12)	10.6 ^a	9.0	8.7	7.5	7.3	6.6	6.2
2.11.1	Students' reading proficiency (%) in grade 3	12.8g			14.1		14.6	8.1/8.9 g/b[1]
2.12.1	Students' learning achievement scores (%) in grade 5	Maths: 48.0 ^b	49 ^b	49 ^b	52	49 ^b		500 ⁻
2.12.2		English: 47.0 ^b	47 ^b	47 ^b	53	47 ^b		500 ⁻
2.12.3		Nepali: 46.0 ^b	46 ^b	46 ^b	54	46 ^b		m
2.13.1	Students' learning	Maths: 35.0 ^c	35.0 ^c	35.0 ^c	48	35.0 ^c	53.5	500 ⁻

Sub sector/thematic area indicators		Baseline 2015/16	Progress 2016/17 Year 1	Progress 2017/18 Year 2	Target 2018/19 Year 3	Progress 2018/19 Year 3	Target 2019/20 Year 4	Progress 2019/20 Year 4
2.13.2	achievement scores (%) in grade 8 (based on National Assessment for Student Achievements, NASA)	Nepali: 48.0 ^c	48.0 ^c	48.0 ^c	52	48.0 ^c	60.0	500-
2.13.3		Science: 41.0 ^c	41.0 ^c	41.0 ^c	49	41.0 ^c	52.5	500-
3. Secondary education								
3.1	GER in grades 9-12	56.7 ^a	56.9	60.6	72.0	66.2	78.4	71.4
3.2	NER in grades 9-12	37.7 ^a	38.9	43.9	45.0	46.4	49.3	47.6
3.3	Survival rate to grade 10	37.9 ^a	45.2	57.1	50.0	58.5	59.0	60.3
3.4	Survival rate to grade 12	11.5	N/A	17.2	18.0	22.2	25.0	24.0
3.5	GPI in NER in grades 9-12	0.99 ^a	0.98	0.99	1.0	1.07	1.02	1.01
3.6	Number of model schools	0	0	196	600	222	422	422
3.7	Number of students enrolled in technical subjects in grades 9-12	9,750 ^a	15,445	23,415+	72,540	29,269	73,445	77,083
4. Non-formal education and lifelong learning								
4.1	Literacy rate 6 years+	78.0 ^d	78.0 ^d	78.0 ^d	85.0	78.0 ^d		
4.2	Literacy rate 15-24 years	88.6 ^e	88.6 ^e	88.6 ^e	92.0	88.6 ^e		
4.3	Literacy 15+ years	57.0 ^f	57.0 ^f	57.0 ^f	70.0	57.0 ^f		
5. Teacher management and professional development								
5.1	% of female teachers in basic level	38.8	40.7	41.2	42.0	43.1	43.5	43.7
6. Sector finance								
6.1	Education sector budget as % of national budget	12.04%	11.09%	9.91%	15%	10.69%	13.0%	10.78%

a: DOE (2016); b: ERO (2016); c: (2016); d: NPC (2016); e: NPC (2014); f: CBS (2012); g: RTI (2014)

+ agriculture and science-10,700; English -12,645; music education 70.

++ agriculture and science- 13,375; English - 15,806; music education 88 Source: Status Report 2019/20; Consolidated Flash Report 2019/20.

B. Progress Status on Key SSDP Objectives

I Basic Education, including ECED/PPE

9. Progress was noted against SSDP's key performance indicators and Program Results Framework Year 4 (FY 2019/20) targets for basic education (prior to the COVID-19 related closures in 2020). In early childhood education and development and pre-primary education (ECED/PPE), the Gross enrolment rate has reduced (86.4 percent vs the target of 87.7) and the net enrolment rate (67.2 percent vs the target of 64.1) exceeded its target indicating that the quality and efficiency continues to increase. Furthermore, self-learning materials for pre-primary-aged children were developed and distributed to facilitate the continuation of education amidst the COVID-19 related school closures. In Grades 1 to 5, there was good progress on reducing gross enrolment and accelerating net enrolment, compensating for the underachievement in the previous year. The limited progress on the basic education survival rate (79.3% vs the targeted 88.2%) and completion rate (72.7% vs the targeted 81.7%) indicates a need for substantial acceleration towards achieving these targets.

10 In terms of equity, gender parity at the basic level was maintained and the reduction of the percentage of out of school children (6.2% vs the targeted 6.6%) would have enabled the achievement of the Year 5 target of 5%. However, this is now at risk due to the extensive disruptions to school education in academic year (AY) 2020/21 because of the COVID-19 pandemic. Furthermore, the decline of the share of enrolment of students from vulnerable groups – in particular students with disabilities, despite the noted efforts made in past years to ensure equity in access to education, signals the importance of looking at the effectiveness of interventions to reduce disparities in access, participation and learning for these groups. These disparities might have increased due to the pandemic and would require urgent action to prevent permanent dropping out. This includes introducing mechanisms to ensure that vulnerable students can continue to access support schemes, such as scholarships and midday meals, while being engaged in alternative education during school closures and receiving re-enrolment support.

11. Finally, the Meeting noted that learning outcomes are lagging behind in basic education, with the preliminary analysis of Grade 3 reading proficiency for Year 4 signaling that interventions to unlock student's learning in basic education need to be strengthened and intensified. Moreover, many students are expected to return to school after at least six months without school learning due to unequal access to alternative learning resources during the extended school closure. Note that contingency measures have made self-learning materials available, created learning circles and developed assessment tools to monitor student learning during the closure. The readiness of schools to reopen should also be seen against the percentage of them that meet the priority minimum enabling conditions (PMECs). The 2019/20 Flash data reports that 63.6% of all public schools providing basic level education met only three out of five of the PMECs, although 13.4% of schools met all five PMECs, which greatly exceeds the Year 4 target of 6.1% achieving this. Despite this achievement, further investment is required in upgrading school conditions, especially water, sanitation and hygiene facilities, to allow the safe return of students to schools as directed by the approved school reopening school framework.

ii. **Secondary Education**

12. There has been reasonable progress on secondary education (Grades 9–12) in FY 2019/20 in relation to the 2015/16 SSDP baseline indicators. The net enrolment rate (NER) in Grades 9–12 was 47.2% against the targeted 49.3%. The cohort survival rate to Grade 10 increased to 60.3% against the targeted 59%. The percentage of students enrolled in technical schools increased to 5.5% against the targeted 4%. And 12,725 secondary level students received pro-poor scholarships in FY 2018/19. The main Secondary Education Examination (SEE) could not be held in FY 2019/20 due to COVID-19 and internal evaluations were instead used to assess students' performance. The effects of the pandemic risk reversing the many achievements made to date. It is important to ensure that children

continue to learn during the school closures through the remote learning platforms offered by the government. Continuous monitoring to ensure access and assessing the progress made by students is important to ensure that students remain engaged in learning. The safe reopening of schools needs targeted campaigns to ensure the health and safety of students, especially of girls from vulnerable social groups. In this context, it will be important to ensure the timely release of pro-poor scholarships to students.

iii. Literacy and Life-Long Learning

13. The Meeting noted the issue of reporting against the literacy and life-long learning indicators and to ensure links with Central Bureau of Statistics (CBS) data for targets monitored outside the Education Management Information System (EMIS). This is needed to ensure an overview of the progress against the SSDP's endline targets and that a baseline is in place for the next education sector plan.

iv. Teacher Professional Development and Management

14. Regarding teacher management, the number of qualified ECED teachers has increased from 94.5% to 95.7% of these teachers and the proportion of basic level female teachers increased from 43.1% in FY 2018/19 to 43.7% in FY 2019/20. Furthermore, the early learning development standards were incorporated in the pre-primary teacher training package. Notable progress was also made on the proportion of female teachers in secondary education – increasing to 20% from the baseline of 15%.

15. On teacher redeployment, EMIS data shows that 430 local governments had no teachers in their candidate pools that required redeployment. The other 323 local governments had 12,699 primary teachers in their 'pools' who were to be redeployed within and among local governments. A total of 10,586 primary teachers (83.3%) have been redeployed within the same local governments leaving 2,249 primary teachers/positions in 105 local governments remaining to be redeployed to other local governments and districts.

16. On teacher professional development, certification training has been provided to 6,485 basic and 5,328 other level teachers. In addition, science, mathematics and English training has been provided to 2,084 basic and 2,729 secondary teachers. The revised Year 4 target of (19.1%) against the revised target of providing 18% of ECED teachers with a one-month certification training was met (19.1% achievement).

v. Governance and Management

17. Changes to the governance and management indicators were finalized after the 2019 Mid-Term review to align to the changed context. The percentage of students receiving textbooks within the first two weeks of the academic year was only 90.1% in FY 2019/20 against the Year 4 target of 95%. The percentage of audit observations was 6.44% against the Year 4 target of 5.1%. Further details on ineligible expenditure are presented in the fiduciary management paragraph below. The implementation of school performance grants in Year 5 (FY 2020/21) has been delayed due to the COVID school closures. A total of 144 local governments incorporated activities and budgets for the implementation and supervision of SSDP DLIs in their approved AWPBs in FY 2019/20. All 144 also made their AWPBs public on their websites.

vi. Disaster Risk Reduction and School Safety

18 The FY 2019/20 budgets transferred to provincial governments for disaster management (NPR 10 million per province) and to local governments for the construction and retrofitting of classrooms (NPR 8.5 billion) has been reallocated to reducing the impact of the COVID pandemic. Consequently, school construction and retrofitting are underfunded and the Year 5 target for this will not be achieved.

19 The dissemination of the Comprehensive School Safety (CCS) Minimum Package is ongoing with the support of I/NGOs and CBOs and the CSS Master Plan and Implementation Guidelines will be updated to fully align with the federal and COVID-19 context. The review of the School Disaster Management (SDM) guidelines, which includes the management of the COVID response, needs to be completed and disseminated.

vii. Monitoring, Evaluation and Reporting

20. The MOEST coordinates, facilitates and monitors both program results and finances for the SSDP. The collected information is used to update the indicators in SSDP's Program Results Framework. The EMIS is the main database of school, student, teacher, classroom and school infrastructure statistics. The EMIS has recently started collecting information on examination achievements and the languages of teachers and students. The addition of language information will be useful in deploying and redeploying teachers to match the languages used by students. The addition of examination achievement information enables local governments to publish results on time and efficiently manage the records of graduated students.

21. The JRM noted that: i) the two rounds of independent EMIS data verification indicated no significant discrepancies in the data, ii) although the EMIS allows local governments to access and validate the information provided to the EMIS by schools, not all local governments validate this information, and iii) there is only limited use of the EMIS provincial, local government and school level education profiles for budgeting, monitoring and reporting on education indicators. To address the gaps, it is planned to train education officials on education planning, budgeting monitoring and reporting. The JRM also acknowledged the need for:

- MoEST to further closely work with local and provincial governments and the Ministry of Federal Affairs and General Administration (MoFAGA) to process education sector progress statistics and also for promoting their use in DLI progress reports; and
- improved coordination and communication between Federal government, local governments and provincial governments to create a mechanism for monitoring and reporting SSDP physical progress.

viii. Examination, Assessment and Accreditation

22. Efforts are underway to standardize public examinations for Grades 8, 10, 11 and 12. The National Examinations Board (NEB) has prepared a framework for Grade 8 standardized tests across local governments. Test item writing training has been conducted for exam writers and test item writing, review and moderation activities are ongoing for the standardised Grade 8 tests. Likewise, federal, provincial and local level test item writing experts have been trained for the standardization of Grade 10 examinations and 30 sets of tests in English, maths and science developed and pre-tested. Forthcoming activities are test item analysis, item decisions, test item banking, the assembling of multiple tests and testing to determine characteristics.

23. For the standardization of the Grade 11 and 12 examinations, NEB has completed the initial training of test writers in selected subject the writing of items and their questions has begun. In terms of large-scale assessment of student learning, the Education Review Office's (ERO) National Assessment of Reading and Numeracy (NARN) and the Grade 10 National Assessment of Student Achievement (NASA) were completed in FY 2019/20. Both the reports have been prepared and the findings of the research will be reflected in the Flash reports once finalized accordingly. The capacity building is also ongoing.

ix. **Institutional Capacity Development**

24. The Meeting noted that in FY 2019/20 orientation and dissemination activities were conducted for local government heads and responsible officers on the production of annual programs and budgets. However, there has been no progress on the training of local government education officers in the past year on planning, budgeting, public financial management (PFM) and procurement management as planned in the FY 2019/20 ASIP/AWPB. The Meeting also noted the progress made on deputing education officers to local governments, with 630 local governments (83.7% of them) having at least one full-time education officer, and underscored the need to recruit such officers in the remaining local governments and train them on planning, budgeting, monitoring, reporting and related areas of service delivery. The Meeting emphasized the facilitative role of the federal level MoEST in strengthening the capacity of provincial and local governments as well as the need to strengthen communication and coordination among all levels and agencies.

C. Progress on the achievement of status of global covenants and disbursement linked indicators and proposed revisions

25. The Mission noted that of the three global covenants, two have been achieved. First, there are no outstanding trimester financial monitoring reports (FMRs). Second, the audited financial report for FY 2018/19 has been shared with the JFPs. The assessment conducted by the World Bank indicated that the audited financial report is acceptable to JFPs. The unaudited financial statements for FY 2019/20 will be shared by December 31, 2020 and the audited financial report for FY 2019/20 will be submitted to JFPs by April 15, 2021, which is within the stipulated timeline. Finally, the SSDP budget heads have been changed to align with the federal structure. In FY 2020/21, NRs 171.71 billion of the national budget has been allocated for the education sector, which constitutes 11.64 percent of the national budget. Despite the decrease in the national budget, the education budget has increased. This represents a 4.85 percent increase compared to the last FY. However, the inflation rate as documented in the budget speech for FY 2020/21 is 6.5 percent. Therefore, this is not an increase in real terms when only considering federal conditional grants for education. Thus, it requires further consideration of PG and LG contribution from emulation, and their resource. Hence, the MOEST is to include a budget allocated to school education by the local and provincial governments from their equalization grants, complementary grants and special grants when calculating the increase in percentage of the education budget against the national budget by January 30th 2021. Based on this, the compliance with the related global covenant can be confirmed. Regarding the completion of the remaining DLIs, the MoEST will send a request letter to the respective JFPs for roll-over of DLIs and restructuring of DLIs to address COVID-19 impact by November 30th, based on which timelines and protocols can be bilateral reviewed and agreed. MoF will take necessary action after the MoEST proposes restructuring of DLIs to address COVID-19 impact.

DLI 1 – Reading proficiencies and habits strengthened in early grades.

26. **Year 3 – DLI 1.3: National Early Grade Reading Program.** The full minimum package of the National Early Grade Reading Program (NEGRP) was implemented in 16 districts and partly in the other 4 districts in AY 2019/20, with the remaining components being implemented in 2020/21 in two of these districts. CEHRD will conduct virtual meetings with local government education officers and EDCUs in these two districts to get information on the roll out of the minimum package in their schools. The DLI achievement report, documenting evidence of the implementation of all the components of the minimum package in 20 districts will be shared with the JFPs that support this DLI by 31 December 2020.

27. **Year 4 and Year 5 – DLIs 1.4 and 1.5a: National Early Grade Reading Program.** The target for SSDP Years 4 and 5 is the implementation of the NEGRP minimum package in at least 80% of community schools in 30 districts in Year 4 and 38 districts in Year 5. In Year 4, teacher training was conducted in some districts and budgets provided to all schools for procuring teaching and learning materials. For Year 5 budget has been provisioned for local governments on a per-capita student basis for ensuring equitable access to teaching and learning materials in schools enrolling large numbers of students. There may be challenges to achieving the result due to closure of schools for a significant number of months to stop the spread of the Coronavirus. To identify alternative ways of progressing towards the targets, CEHRD will document the challenges and bottlenecks to rolling out the minimum package in targeted districts for sharing with MoEST and the JFPs by 15 January 2021.

28. **Year 5 – DLI 1.5b: Increase of 2.2 percentage points over baseline of 3rd graders reading grade level text with fluency and comprehension.** A nationally representative NARN survey was fielded in March 2020. The draft report was shared during JRM and the full report is being finalized. The NARN result's preliminary findings indicated the need to document comparison with the baseline results with respect to sampling, methodology and survey implementation

DLI 2 – Increased teaching-learning processes through National Curriculum Framework (NCF) revision and access to activity-based Mathematics, Science and English language materials.

29. **Year 3 and Year 5 – DLI 2.2 and 2.4b: Math, Science and English activity-based kits.** The government has approved the activity-based kits (that include project-based learning tools and guidelines), and e-resources (such as audio-visual materials, learning software, educational videos) for Grades 6–8 math, science, and English language, and allocated grants in FY 2019/20 to 3,000 schools for procuring, installing, and using them in schools. However, the progress on this activity is yet to be reported. The kits have been uploaded on to the Curriculum Development Centre's (CDC) digital library and the new learning portal developed by CEHRD in the context of the pandemic, and are being used nationwide. Further, augmentation of materials in the portal is being undertaken. However, the usage of the materials by the schools and the students are not clear. The government will confirm the implementation status against the DLI and report progress including any necessary adjustment needed to align the DLI with COVID-19 pandemic initiatives related to alternative education particularly through online learning by 15 December 2020.

30. **Year 4 and Year 5 – DLI 2.3 and 2.4a: Revision of curriculum for Grades 9 -12 and Implementation of the revised curriculum in grade 9.** Seventy-nine subject curricula for Grades 11–12 have been approved for implementation and a Content Adjustment Framework for Grades 1–10 finalized and made public. A task team has been formed to revise and update the curriculum of Grades 9 and 10 and 30 subject curricula for Grades 9 and 10 are being revised. It has prepared draft

curricula, which will be discussed in subject committees and finalized by December 2020. The revised Grade 9 curriculum will be piloted in the new academic session – from April 2021.

DLI 3 – Improved Teacher Management, availability and accountability, including improved deployment of trained subject teachers for Mathematics, Science and English in basic and secondary schools.

31. **Year 2 and Year 4 – DLIs 3.2 and 3.4b: Teacher time-spent-teaching (TST).** The independent verification of a TST monitoring system in 15% of all public schools (Year 2 target) should be completed by December 2020. An achievement report of 200 local governments that have implemented TST has been submitted to the WB against the target of having the monitoring system operational in 400 local governments (Year 4 target) documenting partial achievement of this target. CEHRD has made the monitoring and reporting of the implementation of TST by local governments mandatory by including the TST provision in the SSDP Program Implementation Manual (PIM). Data The collection is ongoing in the remaining local governments, and a full achievement report will be submitted by March 2021.

32. **Year 3, Year 4 and Year 5 – DLIs 3.3a, 3.4a and 3.5a: Subject teachers.** The achievement report on the placement of science, maths and English teachers in 1,162 basic and 537 secondary schools has been confirmed through independent verification. In relation to the Year 4 and 5 DLIs, MoEST has selected 2,063 basic and 1,020 secondary schools for placing science, maths and English teachers and budget for 2,732 teachers was released to 713 local governments in FY 2019/20 for schools to supplement science, math and English teachers. These teachers can teach either secondary or basic or both levels. The selected schools exclude model schools. The achievement of this will be reported by February 2021. The ongoing teacher redeployment is expected to contribute to the placement of these teachers.

33. **Year 3 and Year 5 – DLIs 3.3b and 3.5b: Subject-wise teacher training.** CEHRD records show that 5,140 teachers have been trained on science, math and English (SME) during the SSDP period. CEHRD is verifying how many have completed the initial 15 day or the full 30 day training packages. In FY 2020/21, the government planned to train 4,000 basic and 4,500 secondary SME teachers through regular face-to-face mode, and 700 basic and 700 secondary teachers online making 9,900 trained SME teachers. However, because of the effects of COVID 19, both training programs will be delivered according to the new online teacher professional development (TPD) training guidelines. The Provincial Education Training Centres (PETCs) are continuously running the initial 15-day trainings; but challenges are anticipated for completing the full 30 packages in 2020/21.

34. **Year 3 and Year 5 – DLIs 3.3c and 3.5c: Teacher redeployment.** The report to confirm the achievement claimed against these DLIs is yet to be submitted by MoEST, but will be submitted by December 2020. Of the 12,699 teachers from 323 local governments to be redeployed across local governments, 10,586 basic teachers (83.3%) have been redeployed within their local governments. Note that no teachers are to be redeployed in the other 430 local governments.

DLI 4 – Assessment and examination system reforms undertaken to improve teaching learning.

35. **Year 4 – DLI 4.3b: Grade 8 standardization Framework:** In order to initiate preparatory works leading to Grade 8 test standardization, NEB has prepared a framework for Grade 8 standardized tests that has been approved by MOEST. The JFPs have reviewed the framework, which has been verified as achieved and MoEST has been requested to submit the application for disbursement. The feedback and comments made by the JFPs based on the review of the Grade 8

framework have been shared to NEB and the technical experts who are supporting the NEB. The test item writing review and moderation is ongoing and the aim is to prepare a repository of 3,000 test items for Grade 8 science, math and English by December 2020 to show that progress is on track for achieving the Year 5 target.

36. **Year 5 – DLI 4.4a: Analysis of standardized grade 10 examination results.** The analysis of the Grade 10 standardized examination will be shared by the Education Review Office (ERO) before the end of May 2021. This DLI may need adjusting considering the impacts of COVID 19. The Grade 10 NASA report is almost finalized and is expected to be shared May 2021. Following this, MoEST/ERO will prepare a plan of action informed by the recommendations with adequate budget for the next fiscal year (FY 2021/22).

37. **Year 5 – DLI 4.4b: Standardization of Grade 10 examinations.** The progress in achieving the DLI is noted, with the NEB planning to conduct standardized examination in Mathematics, Science and English subjects. The NEB has prepared 30 sets of tests for SME and pretested. The test item data has been transferred to the OMR and from OMR to an Excel file. Data transfer work has also been completed. Item analysis along with generating and analysis of Item Characteristics Curve (ICC), assembling multiple sets of tests, testing of final test and reporting of final test are major tasks to be completed before standardized test for grade 10 is implemented. These tasks require expert technical input and field testing which will be challenging in the current COVID situation. Adaptation will be required if grade 10 standardized test cannot be implemented in 2021, as the curriculum for grade 10 is planned to be updated in 2023.

Year 5 – DLI 4.4c: Repository of sample standardized test items for mathematics, science and English subjects for Grade 8. The national exam board (NEB) is receiving technical support to complete the repository of sample tests for Grade 8. The Mission noted that the DLI is likely to be achieved within 2021.

DLI 5 – Model Schools piloted with comprehensive quality inputs and innovative teaching and learning.

38. **Year 3 – DLI 5.3a: Implementation of Model School Master Plan.** Till now, the government has submitted Master Plans for 200 schools, and disbursement of US\$ 11 million has already been made against these targets. The selected schools have been receiving annual grants of NRs 15 million from the MOEST through the LGs since FY 2017/18 for the implementation of planned activities in the Master Plans on educational improvement, physical infrastructure and governance aspects

39. **Year 3 and Year 4 – DLIs 5.3b and 5.4: Selected schools provided with science and ICT labs, libraries, e-resources and mathematics, science and English language kits.** The MoEST has developed a comprehensive reporting format to collect progress from selected schools on the status of implementation of planned activities under this DLI. Due to the COVID-19 lockdown, the selected schools were virtually oriented in September 2020 on the use of the format for progress reporting, and an online reporting platform was created for submitting progress reports. Until November 2020, more than 190 schools have submitted completed formats, based on which CEHRD is preparing the progress report on this DLI. The progress report will be shared by 15 December 2020, after which independent verification will be initiated.

40. **Year 5 – DLI 5.5: Selected schools upgraded to Model Schools.** Fifty selected schools are offering science stream/subjects in Grades 11–12, showing progress against this DLI's target. The official reporting for this DLI is expected in the latter half of 2021.

DLI 6 – Reduction in disparities in access, participation and learning outcomes

41. **Year 3 – DLI 6.3: Reduction of 30% of out of school children (OOSC) in the 15 most disadvantaged districts.** The DLI achievement report has been submitted by MoEST. The independent verification is ongoing and expected to be completed by January 2021.

42. **Year 4 – DLIs 6.4: Overall reduction of OOSC by respective 250,000 children** DLI 6.4 is reported as achieved but the achievement report and verification are pending. The achievement report for DLI 6.4 is expected to be submitted by December 31, 2020.

DLI 7 – Increased access and participation in secondary education

43. **Year 2 and Year 3 – DLIs 7.2(i) and 7.3: Pro-poor targeted scholarship (PPTS) in grades 9, 10, 11 and 12 and pro-science scholarship in grades 11 and 12 in 25 districts and additional 50 districts, respectively.** Both DLIs have been achieved and verified. The PPTS and PSS schemes have been implemented nationwide across all 77 districts. The achievement report shows that 6,898 students from Grades 9 (from first quintile), 4,882 non-science students from Grade 11 and 12 (from first quintile), and 945 science students from Grade 11 and 12 (from bottom three quintiles) received scholarships. Applications for these scholarships were received from 310,936 Grade 8, 10 and 11 students from 11,680 community (public) schools out of the total 11,702 community schools (99%).

44. **Year 4 and Year 5 – DLIs 7.4 and 7.5a: The GER in secondary education (grades 9–12)** As reported in the AY 2019/20 Flash reports, the GER in secondary education (grades 9–12) for girls and boys reached 71.4 (72.1 for girls and 70.6 for boys), thus surpassing the targets for both years 4 and 5 respectively. The addendum to the Budget Review Meeting (May 2020) confirmed the achievement and The ADB disbursed funds for both years accordingly.

DLI 8 – Provision of adequate Disaster Risk Reduction (DRR) resilient safe school facilities at all levels.

45. **Year 3, 4 and 5: DLI 8.3a, DLI 8.4a and DLI 8.5: Annual 120 school blocks constructed or retrofitted in non-earthquake affected district.** The independent verification of the 120 school blocks retrofitted in year three is pending and details of the additional 120 school blocks to have been constructed or retrofitted have not been produced due to the constraints caused by the COVID-19 context, causing significant delays in the achievement of this DLI. For the 120 school blocks to be constructed or retrofitted in year five, the budget has been allocated but is yet to be released to.

46. **Year 3: DLI 8.3.b: Delays in finalization the review of School guidelines for DRR standards for school's construction, retrofitting and SDM.** Further coordination effort is required for reviewing the CSS plan, guideline, CSS minimum package and other school safety documents as per the requirement considering the current scenario of covid 19 pandemic. It is expected that the guidelines will be delivered by February 2021.

47. **Year 4 – DLI 8.4b: Establishment of public database with reconstruction and retrofitting of schools.** Several rounds of technical meetings have been held between CEHRD and the CLPIU on linking the CLPIU dataset on reconstruction and retrofitting into the EMIS although the hosting of this data on a private server is causing complications.

DLI 9 – Improved governance and strengthened fiduciary management.

48. **Year 2 and Year 5– DLIs 9.2d and 9.5c: Performance-based grants to schools.** CEHRD has submitted the Year 2 achievement report that lists the 3,010 community schools who received performance grants in FY 2017/18 and FY 2018/19. Independent verification is ongoing and should be completed by January 2021. This DLI's wording and verification protocol were restructured for Year 5 to align with the changed implementation status. The provision of performance grants and guidelines were included in the SSDP Program Implementation Manual (PIM) for 2020/21 and the budget for these grants have already been allocated in the 2020/21 AWPB. However, due to the COVID-19 pandemic, schools are closed and hence the performance grants are yet to be implemented in this year.

49. **Year 3 – DLI 9.3c: Program support facility.** The ASIP/AWPB for FY 2018/19 listed activities related to strengthening the capacity of the of the Program Support Facility. NPR 731 million was allocated (\$6.24 million). Verification of this DLI is pending.

50. **Year 3 and Year 4 – DLI 9.3d and DLI 9.4d: LGs have integrated SSDP activities integrated in their AWPB.** The Year 3 and 4 DLIs have been achieved and independently verified. CEHRD submitted a single achievement report for both DLIs as the achievement of DLI 9.3d (Year 3) was rolled over to Year 4. The achievement report listed 144 local governments who had incorporated activities and budgets for the implementation and supervision of SSDP DLIs in their approved AWPBs in FY 2019/20. All 144 local governments have made their AWPBs public on their websites.

51. **Year 3 and Year 4 – DLI 9.3e and DLI 9.4e: LGs have made data on conditional grants released to individual schools' public on user-friendly websites (or accessible spaces).** A list of local governments who have made data on conditional grants released to individual schools has been collected. The list comprises 201 LGs for year 3 and 290 LGs for year 4. The data also presents information on the various practices implemented by the LGs for making the data public on accessible spaces. The achievement report for these two DLIs will be submitted by December 2020.

52. **Year 4 and Year 5 – DLI 9.4a and 9.5d: Procurement training to schools.** The school procurement manual has been revised in line with the revised Public Procurement Act and Regulations and is ready for using to train schools. This training was affected in the fourth trimester of FY 2019/20 due to the effects of the COVID-19 pandemic. However, the Mission noted that the government is yet to prepare a training plan for 4,000 schools (combining Year 4 and 5) in light of COVID-19 although the budget for this has been allocated under annual strategic implementation plan for FY 2020/21. It has been agreed that online training is an option to fast track its implementation and achieve this target by March 2021.

53. **Year 4 – DLI 9.4c: Block grants to unaided schools.** This DLI has been partially achieved and a partial achievement report that lists the 262 schools who have received the block grants in FY 2019/20 has been submitted accordingly to the WB. The selection of the remaining 238 schools is underway. A full achievement report will be submitted by the 2021 budget review meeting.

54. **Year 5 – DLI 9.5a: Reduction in audit observation.** The ratio of ineligible expenses to SSDP total expenses was 5.13% in FY 2016/17, 7.42% in FY 2017/18 and 6.44% in FY 2018/19. The ratio of ineligible expenditure on building and other construction work at schools to the total ineligible expenses was 99% in FY 2016/17, 79% in FY 2017/18 and 94% in FY 2018/19. Further (First 3 years of SSDP) is 99%, 79% and 94% respectively; Effective mitigation measures are required for resolving audit issues otherwise it will be very difficult to achieve the DLI target by the end of SSDP.

55. **Year 3, Year 4 and Year 5 – DLI 9.3a, DLI 9.4b and DLI 9.5b: Submission of unaudited financial statement based on expenditure from the LGs on SSDP conditional grants.** Unaudited financial statements based on the actual expenditure of SSDP conditional grants have been submitted by at least 60% of local governments for Year 3 has been achieved (DLI 9.3a). The third trimester financial monitoring report (FMR) for FY 2019/20 has been submitted to the JFPs. The World Bank is currently reviewing the document and the Mission noted that a financial statement has been prepared detailing the expenditure of 529 local governments (70% of them). Upon completion of the World Bank's review, DLI 9.4b is likely to be verified as achieved by the JFPs.

56. **Year 4 and Year 5 – DLI 9.4f and DLI 9.5f: Designated education officer appointed in the sanctioned position(s) in LGs.** The completion report on the appointment of designated education officers of level 6 and above in 564 local governments has been submitted and verified by the independent verification agency (IVA). The appointment of further designated education officers in 67 local governments has already been completed (bringing the total to 631) and MoEST has submitted the report on this. IVA verification is underway and is expected to be submitted by 15 December 2020.

DLI 10 – Enhanced reliability and transparency of EMIS data, including school level data.

57. **Year 5 – DLI 10.5: School profile cards.** The web based EMIS is operational and schools have been provided with usernames and passwords to enter their data directly. The EMIS allows schools and local governments to generate and download school profile cards. However, these status reports do not include data on how many local governments and schools have generated and used such profile cards. The Mission therefore underscored the need for MoEST and CEHRD to encourage and guide schools and local governments on how EMIS data can be used to generate education such profiles that can be used in social audits to improve the performance of schools. This is necessary given that the achievement report of this DLI needs to be completed by 28 February 2021.

E. Progress against Program Action Plan, Safeguards and Fiduciary Management

58. **Progress against the Program Action Plan.** The comments have been provided to draft the Program Action Plan (PAP) and it has been agreed that the updated and consolidated PAP is submitted to the JFPs along with the revised status report.

59. **Progress against the Social and Environmental Safeguards.** The Mission noted that significant progress has been made on environmental and social safeguards under SSDP. The 2019 mid-term review mission suggested that CEHRD should update the existing Environment Management Framework (EMF) and prepare and approve a Social Management Framework (SMF). The Mission observed that these two major tasks have been completed and both frameworks have been uploaded onto CEHRD's website. The executive summaries of both frameworks has been translated into Nepali and shared with stakeholders to promote understanding of them, mainly by local governments and schools. CEHRD has also developed a safeguard resource book in Nepali that outlines the procedures for implementing environment and social safeguard measures in schools. CEHRD has also developed environment and social screening checklists and has made it mandatory for schools to fill them in prior to carrying out any kind of construction works to identify possible environment and social impacts. This has been institutionalized by including these checklists in the FY 2020/21PIM. For FY 2019/20 and FY 2020/21, safeguard provisions are reflected in the master plans for the 200 model schools. A clause has also been added in bidding documents so that bidders must provide mitigation measures and the costs of any possible environmental and social impacts that could arise from construction activities at school level. Orientation training has been provided to 223

relevant authorities from the federal, provincial, and local levels including schools to develop a common understanding of these instruments.

60. It is noted that CEHRD has formally requested all schools to appoint a focal person who will ensure the compliance with safeguard measures at school level. Very few schools have reported that the focal person for safeguard measures has been appointed. As this is important to implement SMF and EMF at school level, for which CEHRD is to follow up with the schools so that all schools appoint their focal points. The final social and environment document incorporating consolidated feedback was agreed to be submitted by 31 December 2020.

61. In terms of **fiduciary management**, the Mission was informed that total budget execution for SSDP period was 92.3% in FY 2016/17, 84.9% in FY 2017/18, 97.9% in FY 2018/19 and 87.1% in FY 2019/20. It was also informed that the cumulative expenditure of SSDP had been 125% under the recurrent heads (NPR 328.20 billion vs NPR 263.11 billion) and 84% under the capital heads (NPR 17.63 billion vs 20.86 billion) to the end of FY 2018/19. The Mission was also informed that US\$ 179.25 million had been received from the various development partners into the Foreign Currency Account (FCA) or transferred to the national treasury. The related bank statements will be appended to the final unaudited project accounts for FY 2019/20 to verify the amounts received from individual development partners.

62. The **annual budget** for FY 2020/21 is allocated NRs. 10,058.3 million (Recurrent NRs. 10,056.4 and Capital NRs. 1.9). The review team was informed about the annual unaudited interim financial report (AIUFR) for FY 2019/20 that CEHRD is coordinating with the Financial Comptroller General Office (FCGO) for the expenditure of 726 LGs that have implemented SuTRA and with the remaining 27 Local Governments (LGs), who have not implemented SuTRA. The AIUFR shall be prepared by December 15, 2020 after the collection of all the financial statements.

63. The issue of settling **ineligible expenditure** has been discussed in several meetings. The JFPs and MoEST discussed this issue at a meeting held on 21 August 2020. The Mission suggested the need to hold a high-level meeting involving the Office of the Auditor-General (OAG), MoEST and development partners to discuss the issue. Accordingly, a meeting chaired by the MoEST Secretary attended by the Deputy Auditor General (OAG) was held on 27 August 2020 where the Chair instructed staff to submit an implementable action plan within a week and that the issue of ineligible expenditure from the School Sector Reform Plan period (2009–2015) be sorted out within a month. But there is yet to be tangible progress on this. Citing the difficult situation of the COVID-19 pandemic, the new extended settlement timeline to sort out ineligible SSRP expenses is 15 April 2021.

64. In regard to progress on settling the ineligible expenditure, MoEST informed the JRM that limited progress had been made on collecting work completion certificates for ineligible expenditure with the effects of the COVID-19 pandemic causing further constraints in this regard. CEHRD said that the difficulty of mobilising the technical teams hired to collect the certificates in the field was the main reason for the delayed progress. The Meeting agreed on the mobilization of a dedicated technical team to verify the issues on a case to case basis related to work completion certificates issued on a case by case basis to assure the settlement will be accomplished by 15 April 2021. In parallel, MoEST will work with the Office of the Auditor General for the audit certification of work completion reports to be included in the SSDP Audited Project Account for FY 2019/20, which is due by 15 April 2021. MoEST will send a formal letter to the JFPs with details of settled expenses and information on the unsettled amount for the SSRP period by 15 April 2021. Based on this letter, the JFPs will send a formal request for a refund of the unsettled amount based on each JFP's pro-rata share by 30 April

2021. MoEST shall adjust the unsettled amount to the individual JFPs by 31 May 2021 as per the provisions mentioned in Financial Procedure and Fiscal Accountability Act, 2076 B.S.

65. MoEST presented its updated **Fiduciary Management Action Plan (FMAP)** comprising the six sections on planning and budgeting, budget execution, procurement, accounting and financial reporting, internal audit and control, and external oversight and audit. Some planned activities are contingent upon the formulation of a Grant Management Committee (GMC), although the discussion in the JRM did not conclude on how and when the committee would materialize including its status in relation to local governments. It was observed that several of the activities are listed generally without specific timelines or assigned responsible persons or agencies.

66. However, some of the activities in the revised FMAP were reported as completed while most of the activities were presented as under process linked to various policy level decisions and the COVID-19 pandemic situation. It was been discussed and agreed that the implementation of the FMAP needs to be followed up rigorously to strengthen internal controls at all levels, to streamline the reporting mechanism and to develop capacity. The review team recognized that there are several cross-cutting issues where MoEST may not have sole responsibility or control; hence regular close collaboration with other relevant authorities like the Ministry of Finance (MoF), Ministry of Federal Affairs and General Administration (MoFAGA), FCGO and local government agencies is critical for enhancing the financial management system as a whole.

67. The review mission advises that the MOEST coordinates with LGs for developing a simple checklist of areas for the school auditor to disclose the minimum status of school financial transactions to bring uniformity and enhance the quality of the school audit. Further, the review mission suggested that MOEST coordinates with MOFAGA and the LGs to develop Internal Control Guidelines for each LG to streamline control over financial transactions, and to activate audit committees for each LG as stipulated under the Financial Procedures and Fiscal Responsibility Act, 2019.

F. COVID-19 Response and Update on the Emergency Action Plan

68. The Mission appreciated the updates provided by MoEST on the measures and plans put in place by the government to respond to the effects of the COVID-19 pandemic. The Meeting took note of the development of the Nepal education sector COVID-19 Contingency Plan that included projections of caseloads and costed activities, as well as the transition from this contingency plan to a longer term COVID-19 emergency action plan for the school education sector. The development of the Alternative Learning Facilitation Guidelines and the Closed User Group Service Implementation Guidelines were noted as worthy efforts to mitigate the disruption to children's learning from the closure of schools since the start of AY 2020/21. The recent approval of the school reopening framework was hailed as a milestone to facilitate local governments to start the process of reopening schools, although there is an urgent need to confirm the mechanism to monitor the adherence of disinfection and safety protocols. The Meeting also recognized the coordination and collaboration efforts across the tiers of government and with teacher professional organizations and civil society actors for the COVID-19 response, such as through the establishment of provincial education clusters, the consultations and the extra funding from MoEST to provincial and local governments to accelerate the provision of alternative learning. The establishment of the alternative learning assessment mechanism linked to EMIS is an important step by CEHRD to monitor how far local governments are reopening or plan to reopen their schools and the provision of alternative learning modalities including features to monitor the effectiveness of these modalities. This is important to track children's loss of learning and inform need-based strategies to address this.

69. Despite these efforts, the COVID-19 pandemic has had and is having a devastating impact on children's lives and wellbeing, including a significant loss of learning, and is disproportionately affecting students from the most vulnerable groups. Moreover, substantial investments will need to be made to ensure that schools used as quarantine centres are properly disinfected to meet standards on safe class-sizes, water, sanitation and hygiene facilities to ensure the safe return of students to school and to enable the staggered resumption of education across regions and among different social groups. In this regard, MoEST agreed to share an up-to-date overview of the funding gap in the COVID-19 response, taking into account the additional support already confirmed by several joint financing partners. MoEST agreed to share the PIM for the Global Partnership for Education (GPE) COVID 19 Grant for approval by the SSDP steering committee by 30 November with the World Bank on finalizing the plan for the use of the accelerated COVID-19 education sector program implementation grant (ESPIG) by the GPE. Given that only 4 months of the current academic year (AY 2020/21) remains, there is an urgent need to plan how the April 2021 transition to the new academic year will be managed, with policies concerning student around promotion and the huge demand there will be for catch-up classes and re-enrolment support for marginalized children.

70. Finally, it was recognized that the COVID-19 context may be present for a longer time, with schools reopening and later re-closing, as has happened in some countries. This shows the need to establish strong links between formal and alternative education that allows learning to continue as students return to schools or have to resume learning from home. This also emphasizes the need for a monitoring system that tracks children's status to help prevent the most vulnerable ones from dropping out during these transitions and to track their learning. A presentation on this is attached at **Annex 4**.

G. Update on the Education Sector Analysis and Education Sector Plan

71. The **2020 Nepal education sector analysis** (ESA) is being undertaken under the leadership of MoEST with support from five development partners⁶ and an education sector program development grant (ESPDG) from GPE. The sector analysis will inform the development of the new education sector plan that is to succeed the SSDP in 2021. The Meeting appreciated the sharing of the major issues and implications in terms of (i) equity and inclusion, (ii) quality, relevance and learning outcomes, (iii) efficiency and the social impact of education, (iv) institutional capacity, (v) governance, management and costing, and (vi) risks and vulnerabilities identified by the education sector analysis. It was agreed that a full sharing of the analysis will take place before 18 December with support from the external experts who were mobilized for the nine studies commissioned to inform the analysis. The presentation on the education sector analysis is attached as **Annex 5**.

72. The Mission also noted the presentation made by MoEST on the **process and timelines of the new Nepal education sector plan**. The commitment and work done by the respective committees and task groups under the leadership of MoEST was recognized; but the need to accelerate this process and map the bilateral requirements and timelines was flagged by the joint financing partners. It was agreed that MoEST will initiate the process to formally initiate the request for support for the production of the new plan with joint financing partners and that a detailed timeline for the development of the plan is developed and shared by 4 December 2020. It was also agreed to develop a detailed costed action plan for the first year of the new ESP (FY 2021/22) that also includes strategies and actions to address the lagging progress against the final SSDP KPI targets in addition to those that

⁶ European Union, Norway, UNICEF, USAID and the World Food Program

are to be included in the FY 2020/21 ASIP/AWPB by 15 January 2021 at the latest. The presentation on the education sector plan process and timelines is attached as **Annex 6**.

H. Civil society and stakeholder engagement in the SWAp

73. The Meeting was informed by presentations by the Association of INGOs in Nepal (AIN) and the National Campaign for Education in Nepal (NCE-N – a network of 409 civil society organisations [CSOs]) and by engaging CSO and stakeholder representatives in the discussions following the updates and progress presented by the government. The presentations reiterated the vast ground level presence of INGOs with 40 organizations supporting education in more than 500 of the 753 local governments collectively covering nearly half of Nepal’s more than 35,000 public schools, and of NCE-N member organisations in supporting nationwide advocacy for learning continuity and more than 30 local governments to develop education sector plans and policies. Furthermore, the support provided through the CSO networks in the Nepal Local Education Group to the response to the COVID-19 pandemic through the Nepal Education Cluster (covering 270 local governments) was recognized. This has included the provision of alternative learning resources (online, offline and printed), advocacy, monitoring, research, community mobilization, creating policy forums, as well as running awareness programs. The presentations by AIN and NCE-N are attached as **Annex 7**.

74. A number of stakeholder consultations were held virtually prior to the main JRM, between 6 and 9 November 2020. These were held in lieu of JRM field visits, which could not take place due to the COVID crisis. The consultations informed the JRM about the ground realities and situation on how student learning was continuing, the challenges that students were facing and strategies and policy priorities to address the emerging situation. The consultations were held with four groups of stakeholders comprising students, students with disabilities, head teachers, teachers, parents, and representatives from associations of SMCs, PTAs, teachers, local governments, EDCUs, education training centres and provincial governments. Key deliberations from these consultations were as follows.

75. The consultations articulated the challenges, best practices, challenges and ways forward to address the impacts of COVID 19. Issues raised included the motivation of teachers to teach, the implementation of policies and programs, coordination between the levels of government and between different stakeholders, building the capacity of teachers, the continuity of learning, the use of technology, equitable access, reporting and monitoring and school safety.

76. The stakeholders gave examples of how teaching and learning has continued through the alternative modalities of online, local community, home-based, face to face and contact classes and through radio, sibling support, project work and home-based tasks. Digital learning, printed packs, tole (community) education and partial school opening were reported to be more successful than radio and TV-based classes. The main focus was said to have been on reaching out to students while assessments of the quality and learning achievement had yet to be carried out.

77. The main challenges were said to be related to communication during the crisis, monitoring and evaluation from the centre and at the local level, overcoming learning losses, achievement and opportunity gaps and capacity gaps. The stakeholders recognized the varying contexts of different schools and for different students in the same schools, and hence suggested that a highly contextualized approach be adopted to support local governments and schools, rather than a blanket approach. The plans for provision of free internet connections via sim cards by telecom companies was welcomed as a positive initiative to reduce the digital divide; although many students do not have

devices to use this provision. It was also noted that some teachers' political allegiances interfere with their motivation and ability to fulfil their duties to students.

Expected disbursement in fiscal year 2020-22

78. The overall projected disbursements by the JFPs for the remaining SSDP implementation period (FY 2020/21 and FY 2021/22) are presented in Table 2 based on the confirmed achievements against the global covenants and DLIs. The disbursement of these amounts depends on the achievement of DLIs with the specified amount shown in Table 3.

Expected Disbursement from JFPs for SSDP in 2020-22

JFP	Amount FY 2020/21	Amount 2021/22	FY	Remarks
ADB	USD18	USD18		Equivalent to SDR
EU	38,655,100 EUR	5,000,000 EUR		Fixed tranche and C-19
Finland	5,565,000 EUR	3,149,000 EUR		Fixed tranche and C-19 response
GPE	USD 17.8 mio.	USD 6.158 mio.		
JICA	JPY 300 mio (US\$ 2.9 mio)	TBC		
Norway	NOK:63 815 000			Disbursement will be done in 2021
UNICEF	USD 500,000	USD 500,000		
World Bank	USD 66 mio.	USD 58 mio.		
USAID	US \$ 2.5 million	US \$ 3 Million		

Expected Disbursement for DLIs in FY 2020-2222

JFP	DLI title	Expected disbursement FY 2020/21	Expected disbursement FY 2021/22
ADB	DLI 2.4b, 3.4a, 3.5a, 3.3b, 3.5b, 4.3b,4.4b, 4.4c, 5.3b, 5.4, 5.5, 9.4a 9.5d, 9.5a, 9.4f and 9.5f, 10.5	\$18 mio	\$18 mio
EU			
Finland	DLI 6.4	\$1.25 mio euro	
GPE	DLI 1.7,1.8,1.9,1.10,1.11,2.6,2.7, 7.1, 7.2,7.3	\$17.8 mio.	\$6.158 mio.
WB	DLI 1.5,1.6,1.12, 2.2,2.3,2.4,2.5, 3.2, 3.3, 5.2, 5.3, 5.4, 6.2, 6.3, 6.4, 6.5, 7.4	\$66 mio	\$58 mio.
USAID	DLI 1.3, 1.4, 1.5a	US \$ 2.5 mio	US \$ 3 mio

D. Remarks by the Secretary and Heads of Agencies

79. On 25 November 25 2020, the heads of agencies and missions of the Joint Financing Partners met with MoEST Secretary, Mr Gopi Nath Mainali and Joint Secretary of the Ministry of Finance Mr Shree Krishna Nepal. In the meeting the heads of agencies and missions and the Secretary and Joint Secretary appreciated the continued close cooperation between MoEST and the development partners within the framework of SSDP.

80. The impacts of COVID 19 on the education sector were reiterated specifically concerning learning losses and the need to develop mitigation measures. All the dignitaries appreciated the progress made during the crisis while all the JFPs reiterated their continued cooperation to the education sector that Nepal needs to meet its long-term goals of prosperity and to continue and build the close coordination with local governments. The Meeting also noted the joint Government of Nepal–JFP commitment to support the new education sector plan.

E. Key Issues

81. **Federal Education Act:** During the pre-JRM stakeholders' consultations and JRM, the substantial delays in the endorsement of the Federal Education Act and the challenges it has posed for the local governments to play their roles in implementing the SSDP targets and activities. It is critical for the effective implementation of the sectoral plan and for the LGs to carry out their roles and functions smoothly and effectively.

82. **Audit Observation:** The delay in the settlement of the audit arrears of the SSRP and also on the audit observations of the SSDP and closure of SSRP. Audit observation (of SSDP and SSRP) the 5% will not be met unless revision is made in school construction

83. **Teacher Professional Development and Support Mechanism:** Effective Teachers Professional Development Plan still continues to be an area to be improved.

84. **Monitoring, Evaluation and Reporting:** Monitoring and reporting of the program initiatives from the local level and from the center continues to be a challenge, especially in the current COVID situation. The JRM recognized the need for MoEST to further closely work with local and provincial governments and the Ministry of Federal Affairs and General Administration (MoFAGA) to process education sector progress statistics and also for promoting their use in DLI progress reports; and planning.

85. **COVID-19 Effects:** The COVID-pandemic has overwhelmed education systems worldwide with a significant loss of learning. In Nepal, millions of children have experienced a significant loss of learning during the 7-month school closure, with large numbers of these children being at risk of not returning to appropriate levels, or returning at all, without targeted support. Pro-active planning for the remaining 4 months of this school year and transition to the next is essential to address these critical issues to avoid reversing the impressive gains made in the past decade. In this regard, the utilization of the GPE COVID -19 Grant by finalizing the Project Implementation Manual is crucial to ensure that children can benefit from this support.

86. **Funding and Resources Allocations:** The SSDP remains underfunded and below the national and international targets. The agenda to meet Nepal's constitutional commitments, transition to a federal structure, and increase access to quality education calls for significant increases in the education budget. Additionally, the COVID-19 crisis threatens progress in the education sector unless resources are allocated to address the impacts of the pandemic.

86. **Mitigation Measures:** Progress in the achievement of the objectives, KPIs and DLIs in the remaining program period of the SSDP is a key issue. The COVID context is likely to further challenge this to realize the vision at the initiation of the SSDP, or to revitalize aspects where progress has been lagging in previous years. As such, the development of mitigating measures is needed but will be challenging to implement given the impact of the current COVID-19 pandemic on the achievement of the outstanding DLIs.

87. **Smooth Transition to the next sectoral plan:** A smooth transition to the next sectoral plan is crucial to sustain the achievements made so far. Addressing of the Covid-19 impact, restructuring and rolling over the DLIs requires joint discussion at earliest phase.

F. Conclusion and follow up actions

88. Based on the sessions and deliberations, the joint review team has agreed on the actions in Table 4. The Meeting agreed that in the spirit of mutual responsibility, accountability and ownership (embedded in the sector wide approach modality) the implementation of the agreed actions will be supported through the joint SSDP thematic working groups and through continued dialogue and collaboration between the JFPs and the Government of Nepal.

Table 5: Agreed Actions:

SN	Action	Deadline	Responsibility
1	Request letter for roll-over of DLIs and restructuring of DLIs to address COVID-19 impact	December 15 th 2020	MOF/ MOEST
2	Update the ESP development timeline and action plan and share with the JFPs for input on their bilateral requirements	before December 4, 2020	MoEST
3	Prepare matrix of timelines and actions for the remaining Year 3, Year 4 and Year 5 DLIs	December 15, 2020	MOEST, CEHRD
4	Approval of PIM for GPE COVID 19 Grant by SSDP steering committee	December 15, 2020	
5	Facilitate an in-depth sharing of the findings of the Education Sector Analysis	before December 18, 2020	MoEST
6.	Submit revised/final draft of Status Report along with safeguard documents and program action plan to DPs Flash Reports.	December 15, 2020 January 31, 2021	CEHRD

7	Submit unaudited Financial Statements of FY 2019/2020 based on expenditure from LGs on conditional grants Submission of Audited financial statement for FY 2019/20	December 31, 2020 April 15 2021	MOEST/CEHRD
8	Prepare strategies and actions to be included in the FY 2020/21 ASIP/AWPB to accelerate achievement of KPIs that are lagging behind (to be included in transition SSDP-ESP or in the ESP Y1)	January 15, 2021	MOEST, CEHRD
9	Update the education budget as percentage of the national budget including the budget allocated at provincial and local level to confirm compliance with the global covenant	January 30, 2021	MOEST, CEHRD
10	Independent verification of DLIs for Year 3 and 4 by the IVA to be completed before the end of academic year 2020/21	April 1, 2021	MOEST, CEHRD, IVA
11	Settlement of SSRP ineligible expenditure including refunds of unsettled funds to JFPs and closure of SSRP	May 31 2021	CEHRD
12	Settlement of SSDP ineligible expenditures up to FY 2018/19	April 15, 2021	MOEST,CEHRD
13	DLI 1.3: Submission of the achievement report for the 20 districts where NEGRP has been implemented	December 31, 2020	MOEST, CEHRD
14	DLI 1.4 & DLI 1.5: Identify bottlenecks and challenges for the rolling out of the minimum package in target districts and share with MOEST and JFPs.	January 15 st , 2021	CEHRD
15	DLI 1.4 and 1.5a: 1.4 NEGRP minimum package is rolled out in 29 districts (all LGs) reaching at least 80 percent community schools 1.5a NEGR program minimum package is rolled out in 38 districts (all LGs) reaching at least 80 percent of community schools.	April 2021	CEHRD
16	DLI 1.5b : Submission of final report on 3rd graders reading grade level text with fluency and comprehension.	15 February 2021	
17	DLI 2.2a and 2.2 b: Assess the implementation of the e-resources with linkage to online learning portal and report	15 December 2020	MOEST/CEHRD

	progress including any necessary adjustment needed to align the DLI with COVID-19 pandemic initiatives related to alternative education particularly through online learning		
18	DLI 2.3: Revision of curriculum for Grades 9-12 approved	February 2021	
19	DLI 3.3c and DLI 3.5c : Submission of achievement report on 3.3c Number of teachers to be redeployed reduced by 25% of the baseline and 3.5c Number of teachers to be redeployed reduced by 60% of the baseline	December 2020	CEHRD
20	DLI 3.2: Submit verification report for TST enhancing monitoring system operational in 15% of all Community Schools DLI 3.4b : Submission of full achievement report for TST enhancing monitoring system operational in 400 LGs	December 31, 2020 April 30, 2021	CEHRD
21	DLI 3.5a: Submission of Achievement Report (2,000 basic and 1000 secondary schools have full complement of Mathematics, Science and English subject teachers) Submission of IVA report	28 February 2021 30 April 2021	MOEST and CEHRD IVA
	DLI 4.4a: Sharing of the analysis report of the grade 10 examination results	May 2021	ERO
22	DLI 5.3b: Submission of a progress report on implementation of Master Plan of 200 schools selected i in relation with science and ICT labs, libraries, e-resources and mathematics, science and English language kits Submission of IVA report	15 December 2020 30 April 2021	MOEST, CEHRD IVA
23	DLI 6.3: Submit verification report on reduction in OOSC in the 15 most disadvantaged districts	January 2021	CEHRD
24	DLI 6.4: Submission of achievement report for 6.4 250,000 cumulative number of OOSC brought to schools	December 31, 2020	CEHRD

	or Learning Centers (LCs) and Submission of verification report for 6.4 250,000 cumulative number of OOSC brought to schools or Learning Centers (LCs)	March 31, 2020	
25	DLI 7.3: Disburse PPTS and PSS scholarship amount to beneficiary students for FY 2019/20	January 15, 2021	CEHRD, SFAFDB
26	DLI 8: Share achievement report on the 120 school blocks retrofitted and constructed in non-earthquake affected districts in FY 2019/20	February 1, 2021	MOEST
27	DLI 8.3b: Updated guidelines and review of School guidelines for DRR Standards for school construction, retrofitting and SDM	February 15, 2021	
28	DLI 8.4.b: Public Database of school blocks retrofitted and constructed	January 31, 2021	
29	DLI 8.4.b: IVA report of operational and managed Public Database by MoE/CEHRD/EMIS	March 31, 2021	
30	DLI 8.5: Follow up on transfer of budget to LGs for school construction and retrofitting	December 31, 2020	
31	DLI 9.2a: School level expenditure reporting operational in operational in 400 LGs.	December 31, 2020	CEHRD
32	DLI 9.2d: Submit verification report for Year 2 performance-based grant	January 15, 2021	CEHRD
32	DLI9.4b: Confirmation of achievement of at least 70% of LGs reporting expenditures in unaudited financial statement of FY 2019/20	15 December 2020	JFPs
33	DLI 9.4a and 9.5d: Completion of training on procurement to 4000 schools by using online modality	31 March 2021	CEHRD
34	DLI 9.4c: Submit verification report for partial achievement for 262 schools received block grants Submission of full achievement report for 500 eligible unaided schools received Block grant	January 30, 2021 April 15, 2021	CEHRD

35	DLI 9.4f and 9.5f: Submission of IVA report <i>designated education officers of level 6</i> (for both FY 2019/20 and FY 2020/21)	5 December 2020	CEHRD
36	DLI 9.5e: Submit achievement report on 100 additional LGs (Year 5) have made data on conditional grants released to individual schools, consistent with the Grant Management Guideline, public on user-friendly websites (or accessible spaces). DLI 9.3e and 9.4e, 9.5e Submit verification report on 400 LGs who have made data on conditional grants released to individual schools, consistent with the Grant Management Guideline, public on user-friendly websites (or accessible spaces).	January 30, 2021 February 28, 2021	CEHRD
	DLI 10.5: Submission of the DLI achievement report on school profile and usage in social audit for 90% of schools	February 2021	CEHRD

Core Annexes:

- Annex 1: 2020 JRM TOR
- Annex 2: List of participants of the JRM
- Annex 3: List of participants of the stakeholder consultations
- Annex 4: Presentation on covid response
- Annex 5: Presentation on Education Sector Analysis
- Annex 6: Presentation on Education Sector Plan Timeline
- Annex 7: Presentation by AIN/NCE
- Annex 8: Status of Program Results Framework
- Annex 9: DLI matrix

Supplementary Annexes:

Presentations Day One

Presentations Day Two

Abbreviations

- ADB Asian Development Bank
- ASIP annual strategic implementation plan
- AIUFR annual unaudited interim financial report

AWPB	annual work plan and budget
BS	Bikram Sambat (Nepali era)
CBO	community-based organisation
CCS	Comprehensive School Safety
CEHRD	Centre for Education and Human Resource Development
CLPIU	Central Level Project Implementation Unit's
COVID	Coronavirus 2019
CSO	civil society organisation
DLI	disbursement linked indicator
DRR	disaster risk reduction
ECED	early childhood education and development
EMF	Environment Management Framework
EMIS	Education Management Information System
ERO	Education Review Office
ESA	education sector analysis
ESP	education sector plan
EU	European Union
FCGO	Financial General Comptroller's Office
FMAP	Fiduciary Management Action Plan
FY	fiscal year
GER	gross enrolment ratio
GIR	gross intake ratio
GPE	Global Partnership for Education
IVA	independent verification agency
JFA	Joint Financing Arrangement
JFP	joint financing partner
JRM	joint review meeting
KPI	key performance indicators
LEDPG	Local Education Development Partner Group
MoEST	Ministry of Education, Science and Technology
MoF	Ministry of Finance
NARN	National Assessment of Reading and Numeracy
NASA	National Assessment for Student Achievements
NCE-N	National Campaign for Education in Nepal
NEB	National Examination Board
NEGRP	National Early Grade Reading Program
NER	net enrolment rate
NIR	net intake ratio
OAG	Office of the Auditor-General

OOSC	out of school children
PMEC	priority minimum enabling conditions
PPE	pre-primary education
PPTS	Pro-poor targeted scholarship
PSS	pro-science scholarship
SEE	Secondary Education Examination
SME	science, maths and/or English
SMF	Social Management Framework
SSDP	School Sector Development Plan
SSRP	School Sector Reform Plan (2009–2015)
SuTRA	Sub National Treasury Regulation Application
SWAp	sector wide approach
TST	teacher time-spent-teaching