

PD-ABI-470

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UNCLASSIFIED

BENIN

Program Assistance Approval Document (PAAD)

CHILDREN'S LEARNING AND EQUITY FOUNDATIONS (CLEF)

Project No. 680-0208

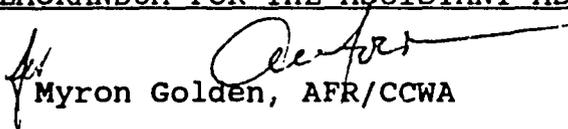
Program No. 680-0206

UNCLASSIFIED

AGENCY FOR INTERNATIONAL DEVELOPMENT

WASHINGTON, D.C. 20523

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR FOR AFRICA

FROM:  Myron Golden, AFR/CCWA

SUBJECT: Benin Children's Learning and Equity Foundations Program (680-0206) and Project (680-0208)

I. Problem: You are requested to: (a) approve a multi-year, combined project and non-project sector assistance program for the Republic of Benin titled Children's Learning and Equity Foundations Program (the "Program") for reform of the basic education sector with anticipated A.I.D. financing totalling \$57,500,000 (\$50,000,000 of non-project assistance and \$7,500,000 in project assistance); (b) authorize \$15,000,000 of non-project assistance for obligation in FY 1991; (c) authorize the full amount of project assistance totalling \$7,500,000 for technical assistance and related costs over the life of the Program, of which \$4,250,000 shall be obligated in FY 1991; and, (d) provide an ad hoc Delegation of Authority to Thomas Cornell, Acting A.I.D. Representative to Benin, to sign both the Program and Project Agreements.

II. Discussion: AFR/CCWA recommends approval of the Benin Children's Learning and Equity Foundations Program consisting of a non-project sector assistance component (680-0206) and a project assistance component (680-0208). Total A.I.D. funding for the proposed eight-year effort is \$57,500,000. Of this amount, \$50,000,000 will be provided as non-project sector assistance, to be authorized, obligated and disbursed in six tranches. Of this amount, \$15,000,000 of FY 1991 funds are recommended for authorization and obligation. These funds will provide budgetary support to enable the Government of Benin ("GOB") to undertake the extraordinary actions required to reform the basic education sector in line with its stated policy framework.

The project assistance component recommended for authorization at this time totals \$7,500,000, of which \$4,250,000 of FY 1991 funds is recommended for obligation at this time. These funds will provide necessary technical assistance and related to the GOB and A.I.D. for the implementation of the GOB's reform program in primary education.

Incremental authorizations (NPA-only) and obligations (NPA and project funds) would be incurred through FY 1996. The planned Program/Project Assistance Completion Date (PACD) is December 31, 1999.

A. Purpose. The purpose of the Program is to institute an effective, efficient and equitable primary education system that is sustainable. The Program shall provide the necessary

A. Purpose. The purpose of the Program is to institute an effective, efficient and equitable primary education system that is sustainable. The Program will provide the necessary financial and technical resources to design, implement and institutionalize basic reforms of the primary education system in Benin. The Program will accomplish its overall goal by achieving the following objectives:

1. to measurably improve in the quality of educational services at the primary level due to quantitative and qualitative improvements in key pedagogic systems and inputs, e.g., teachers, textbooks, classrooms, materials;

2. to increase equity and access to primary educational services;

3. to ensure a sustainable financial resource base for the delivery of quality education services; and,

4. to increase the capacity of Beninois to manage, plan, and institutionally sustain the primary education systems by increasing participation in that system.

B. Program Summary. In March 1991, the Republic of Benin successfully emerged from 15 years of autocratic Marxist-Leninist rule. The people, through an open National Conference, developed a new Constitution, and through free elections declared its preference for an open society, governance under the rule of law, and a market economy.

Benin is a small, poor West African country. Per capita income for its 4.3 million people is less than \$400. The failed socialist experiment of the 1970's and 1980's resulted in an education system incapable of providing basic literacy and numeracy to the population. Over 40 percent of Benin's children never enroll in school; fewer than 23 percent of girls enroll. High drop-out, repeater and failure rates plus demoralized and underqualified teachers plague the schools.

The purpose of this sector assistance Program is to establish an effective, efficient and equitable primary education system that is sustainable. The Program will support Beninois efforts to: (1) modify the primary school curriculum, (2) train and retrain teachers to deliver the curriculum; (3) develop and deliver textbooks and materials to students; (4) design and introduce educational assessment systems to ensure quality education; (5) increase enrollment rates, especially among girls; (6) increase equitable access to quality basic education services across regions; (7) increase the nominal and relative importance of budgetary resources allocated by the GOB for primary education while maintaining a 30%-35% share for education; (8) increase

financing for non-personnel items in the primary budget; (9) improve their capacity to administer and plan for quality education; and (10) increase the involvement of parents and community groups in the schools. Technical assistance will support these efforts.

As a result of the program, educational competencies of primary school pupils will increase. Average repetition and drop-out rates will fall below 15 percent and average student/teacher ratios nationwide will vary only between 40: and 50:1 as teachers are more equitably and efficiently distributed. Ninety percent (90%) of sixth grade graduates will sit for the secondary school entrance exam. Gross primary school enrollment rates will reach 78 percent and female/male participation rates will approach parity by the end of the program. Local parent/teacher associations capable of administering special programs and collecting and investing local school fees will exist for the majority of primary schools throughout the country

A policy framework for the Program, approved by the GOB and including a planned policy implementation schedule, is presented in schematic fashion in Attachment A. Within this framework, A.I.D. and the Government of Benin (GOB) will finalize the 1992 policy actions to be implemented in 1992 prior to the first disbursement of funds. The GOB will confirm these actions in its first annual Letter of Intent to be submitted prior to any disbursement of funds. The Program Agreement will also contain as Conditions Precedent the priority actions to be undertaken by the GOB during both 1991 and 1992, corresponding to the first two disbursements of funds under the Program. These actions are contained in section VI of the PAAD. The Letter of Intent will be based on the policy matrix contained in the PAAD, and will specify the priority policy reform measures to be implemented in 1991 and 1992, with more general targets for subsequent years. The A.I.D. Representative and the GOB will meet regularly to review progress on policy issues, and to update the policy framework as needed pursuant to those discussions. The PAAD describes in some detail the annual implementation procedures leading to a decision to disburse funds, including a determination of compliance with previous Program conditionality, evaluation of Program progress (the Annual Progress Review), and submission of a Letter of Intent for the following year.

C. Disbursement Mechanisms. It is anticipated that program DFA funds will be disbursed to the GOB in six tranches over the life of the Program. An illustrative disbursement schedule is contained in the PAAD. Each Program Grant Amendment authorizing additional funds must specify the conditions precedent that the GOB must meet before funds are disbursed.

Since Benin is a member of the West African Monetary Union (WAMU), all dollar deposits will be made on behalf of the Government of Benin through the West African Central Bank (BCEAO). Essentially, the dollars deposited with the BCEAO cannot be tracked beyond the initial deposit in a non-interest bearing account as they form part of the Union's foreign exchange pool pursuant to WAMU charter. The financial system and related accounting practices into which A.I.D. funds will be disbursed are tightly controlled under the rules and procedures of the BCEAO. Accordingly, the Congressional Notification for this Program contained notification of an exemption under Section 575(b)(4) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act for 1991 so that dollar disbursements do not have to be deposited in a separate account and programmed for specific uses which are agreed upon in advance by A.I.D. with the host government.

Further, there will be no local currency generations or deposits made by the GOB under this Program pursuant to the May 1991 A.I.D. Local Currency Guidance. However, the GOB will make a counterpart contribution of not less than \$5,000,000 by December 31, 1992, which will be budgeted for and expended on mutually agreed upon budget line items for primary education. An order of priority for calculating the Grantee's counterpart will be included in the Program Agreement. This order will require the GOB to ensure financing for priority reform actions first, followed by increases in budget appropriations for materials, textbooks and supplies in the primary education sector.

D. Feasibility. The combined Program/Project has been subjected to all of the standard, A.I.D.-required feasibility analyses. As a result of these analyses, the Program has been found to be economically, technically, socially, and institutionally feasible. Furthermore, assumptions and constraints to feasibility have been clearly identified, and the Program design has been modified to include actions to reduce risk. These analyses are all presented or summarized in the body of the PAAD document. All relevant analyses are attached to the PAAD.

E. Financial Plan. Detailed financial plans both for the Project and the Program are included in the PAAD/PP document. In addition, a comprehensive procurement plan with the Payment Verification Certification is contained in Annex XV. An overall program summary financial plan is provided below:

TABLE 1
Summary Program Budget
(**\$000**)

<u>Assistance Type</u>	<u>A.I.D.</u>			<u>Total</u>
	<u>FX</u>	<u>LC</u>	<u>GOB</u>	
<u>Policy-based NPA</u>	50,000	0	19,200	69,200
<u>Project Assistance</u>				
Long-Term TA	3,950	795	0	4,745
Short-Term TA	2,730	0	0	2,730
Non-Federal Audit	0	25	0	25
<u>Total</u>	<u>56,680</u>	<u>820</u>	<u>19,200</u>	<u>76,700</u>

H. ECPR Conclusions. An ECPR was held on September 13, 1991, at which it was decided to move forward with Program authorization and initial obligation for FY 1991. Discussions at the ECPR centered on the analytical basis for the Program, the concept of political sustainability, the appropriateness of obligating a full project assistance component at this time, and the proposed technical assistance strategy.

The results of the ECPR discussions and the disposition of recommendations are presented below:

1. The analytical basis for the program is broad and deep enough. It is based on two years of comprehensive sector studies completed under a UNESCO/UNDP program which are of high quality. Dr. Richard Sack, Director of the UNESCO/UNDP Project, presented the analyses and answered questions related thereto.

2. The dual emphases on sustainability and public participation in the reform of the primary education system are important to the ultimate success of this effort. When it was clear that the word "political" sustainability as used by the project team really meant public participation, the ECPR recommended that the semantics be changed. This has been done both in the authorizing and obligating documents. The ECPR Chairman also concluded that mechanisms should be put in place to (a) measure participation and satisfaction of parents in primary schools, and (b) establish an overall, quantifiably objective indicator related to parent participation. As a result, a baseline survey of parental attitudes has been incorporated into the Program design for Year Three of implementation, and an impact indicator related to increasing parental satisfaction has been included in the revised policy matrix and the PAAD narrative.

3. It was determined that the project support component would be authorized in FY 1991 as designed as a first phase effort. Mechanisms have been built into the PAAD for a review and evaluation of future needs in 1994 and the Mission understands that if it should choose to do so, the specific mix of technical advisors may vary.

4. The proposed Mission-based IOC was approved as the contracting mechanism for short-term technical assistance after Year One of the Project, during which time the IOC will be competed and awarded. For the first year, funds have been set aside for the procurement of short-term technical assistance through AID/W central contracts and grants. Insofar as it is managerially and technically efficient, long-term technical advisors will be sought through PSCs to ensure that they are institutionally separate from the provider of short-term technical expertise in order to build objectivity into procurement decisions.

5. In addition, in response to a post-ECPR concern raised by GC/AFR and the ECPR Chairman, explicit program conditionality relating to the sustainability of the primary education budget has been included in the final authorization for both of the first two disbursement tranches. Also, budget and finance conditionalities have been outlined as appropriate for each subsequent year's disbursement.

6. Finally, at the post-ECPR request of GC/AFR, the structure of the GOB's counterpart contribution has been modified so that it will be provided on a pari passu basis with A.I.D. Program funds.

III. Conditions Precedent to Disbursement.

A. In addition to the standard conditions precedent to first disbursement contained in the Program Agreement, prior to the first disbursement of non-project sector assistance funds, the GOB will submit:

1. The completed diagnoses of the six operations which comprise the organizational audit of the Ministry of Education;

2. Assurances that the Grantee has maintained expenditures for Government-financed scholarships contained in the Grantee's 1991 budget at a level equal to or less than the level budgeted for 1990;

3. Evidence that the Grantee has developed and approved, in consultation with A.I.D., procedures and content for Annual Progress Reports to be submitted to A.I.D. in furtherance of Program objectives, and also has designated the respective

agencies and/or individuals responsible for preparing such reports;

4. A Letter of Intent, submitted by the Grantee's designated representative(s) and certified by the Minister of Education and the Minister of Finance, which contains a comprehensive list of actions that the Grantee intends to take during the Grantee's 1992 fiscal year towards meeting the objectives of the Program as more fully described in the Program Policy Matrix. The Parties agree that such actions will include, but not be limited to:

a. the submission of the Grantee's completed, multi-year, primary education sector reform action plan;

b. the initiation of a primary school infrastructure needs assessment survey; and,

c. the design and installation of a comprehensive primary education expenditure tracking system; and,

5. A certified copy of the Grantee's 1992 budget, or other appropriate document as A.I.D. may agree to in writing, which demonstrates, at a minimum, that:

a. adequate resources will be made available to implement the actions under the Program for 1992, as agreed to by the Parties and contained in the Letter of Intent, above; and,

b. the total share of the Grantee's 1992 budget available for primary education is equal to or greater than the total share made available for primary education in the Grantee's 1991 budget.

B. Prior to the second disbursement under the Grant, the Grantee, shall, except as A.I.D. may otherwise agree to in writing, furnish or have furnished to A.I.D., in form and substance satisfactory to A.I.D.:

1. An Annual Progress Report which demonstrates that the Grantee has accomplished the Program actions contained in the Letter of Intent described above;

2. Evidence that:

a. the Grantee has expended the equivalent of Five Million U.S. Dollars (\$5,000,000) on priority primary education sector reform actions in 1992; and,

b. the percentage share of Grantee funds budgeted for and expended on primary education for all budget items, other than salaries and pensions, increased in 1992 relative to 1991;

3. A Letter of Intent, submitted by the Grantee's designated representative(s) and certified by the Minister of Education and the Minister of Finance, which contains a comprehensive list of actions that the Grantee intends to take during the Grantee's 1993 fiscal year towards meeting the objectives of the Program as more fully described in the Program Policy Matrix;

4. A certified copy of the Grantee's 1993 budget, or other appropriate document as A.I.D. may agree to in writing, which demonstrates, at a minimum, that:

a. adequate financing will be available for the implementation of the Program during the 1993 fiscal year;

b. the total share of the Grantee's 1993 budget to be made available for primary education is equal to or greater than the budget share made available for primary education in 1992; and,

c. the percentage share of Grantee funds budgeted in 1993 for all primary education budget items, other than salaries and pensions, will increase relative to 1992.

C. Subsequent disbursements of grant funds will be subject to the following special conditions precedent. Additional special conditions may be negotiated at the time of incremental authorizations and obligations of funds.

1. The submission of an Annual Progress Report which demonstrates that the Grantee has accomplished the Program and budgetary actions contained in each Letter of Intent submitted in support of the previous disbursement of funds; and,

2. A Letter of Intent submitted on an annual basis which provides, at a minimum:

a. a comprehensive list of primary education reform actions to take place during each subsequent fiscal year of the Grantee;

b. evidence of budgeted resources to finance those actions; and,

c. quantifiable targets towards meeting the overall Program objectives and impact indicators as stated in the Policy and Program Matrix.

IV. Special Concerns

A. Initial Environmental Examination. After consultation with the Bureau Environmental Officer during the preparation of the PAAD, a categorical exclusion was recommended and approved by

said Officer on September 25, 1991, and cleared by GC/AFR. The IEE is attached as Annex II to the PAAD.

B. Implementing Agencies. The Grantee will be the Government of Benin, acting through the Ministries of Foreign Affairs and Technical Cooperation, Finance, Plan and Education. The Program will support primary education restructuring designed and implemented by the Government of Benin, which has an approved policy framework for primary education reform in place. USAID will enter into a collaborative relationship with the Ministry of Education, the Ministry of Finance and other donors to provide the financing required for comprehensive sector restructuring. It is important to underscore the point that in this case, A.I.D. is placing its support behind an initiative already in place and underway led by the Government and people of Benin. This program accepts the Grantee's approach to, and goals for educational reform and seeks to facilitate its implementation.

C. Responsible Officers for A.I.D. The Mission in Benin has been formally approved for establishment, and initial assignments of personnel are in process. However, the individual currently acting in the position of A.I.D. Representative has not been formally assigned to that position. Secondly, because once established the Mission in Benin will be a Schedule B Mission with respect to Delegations of Authority, the A.I.D. Representative would not have authority to obligate this program, without the concurrence of the REDSO/WCA Director, even if he were assigned. Therefore, to initiate this program with FY 1991 funds, you will be required to provide an ad hoc delegation of authority to Mr. Thomas Cornell to obligate the agreements. This arrangement has been cleared with the GC/AFR Attorney currently on TDY to Benin as well as with the Director of REDSO/WCA.

D. Statutory Checklists. All checklists (statutory, country, project and non-project) are attached hereto as Annex XVI.

E. Gray Amendment. The PAAD recommends full and open competition in the choice of institutional contractors for any technical assistance which may be required under the project component. Notices in the Commerce Business Daily and instructions to offerors will contain language encouraging "participation to the maximum extent possible of small business concerns, small disadvantaged business concerns and women-owned small business concerns . . . as prime contractor and subcontractors."

F. Women in Development. The basic policy reforms to be implemented through this Program will specifically address issues related to low female enrollment at the primary school level.

Implementing Special Procurement Policy Rules Governing the Development Fund for Africa (DFA) dated April 4, 1988, as may be amended from time to time.

H. Local Costs. Local support costs for the technical advisors of approximately \$820,000 are authorized over the life of the Project.

I. Notification to Congress. The Congressional Notification was submitted to the Hill on September 13, 1991, and will expire on September 27, 1991. An exemption from the separate account requirement was contained in the CN.

J. General Financial Assessment. The Mission will be required to conduct a standard General Financial Assessment once every five years in Benin. Given the relatively little A.I.D. experience with Benin over the past ten years, the feasibility of conducting this Assessment prior to authorizing and obligating this Program was examined. It was determined to be inappropriate to conduct the Assessment in association with this Program given: (1) end of fiscal year priorities which has kept most of the Africa Bureau Controller staff unavailable to assist; (2) that the total A.I.D. program in Benin involves more entities of the GOB which would need to be included in the General Assessment than those involved in this one program; (3) that Mission staff are not yet available and in place to assist in the Assessment or act upon its recommendations; and, (4) that no funds under this program will be deposited into the Beninois financial system by A.I.D.

The project will be administered directly by A.I.D. and all payments will be through A.I.D. direct means. Under the Program, all A.I.D. dollar assistance will be deposited into the Central Bank of West Africa, a multi-national financial institution with which A.I.D. is familiar and whose financial practices and procedures conform to internationally accepted standards.

The Mission will, however, make arrangements as early in FY 1992 as possible to conduct the General Financial Assessment.

K. Document Review. After the ECPR, the PAAD was reviewed and the authorization package, including this Action Memorandum, was prepared in Benin and forwarded to AID/W for final authorization. The authorization package was reviewed and cleared by: Robin Horn, AFR/TR; Rumu Sarkar, GC/AFR; Juliette Jenkins Johnson, REDSO/WAAC; Marty Schulman, REDSO/WCA/GDO/HRDO; and, Cynthia Rozell, AFR/CCWA.

V. Recommendations. That you:

A. Approve a multi-year, combined project (680-0208) and

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V. Recommendations. That you:

A. Approve a multi-year, combined project (680-0208) and non-project sector assistance program (680-0206) for the Republic of Benin titled Children's Learning and Equity Foundations Program for the reform of the basic education sector with anticipated A.I.D. financing totalling \$57,500,000 (\$50,000,000 of non-project assistance and \$7,500,000 in project assistance) over an eight year project life;

B. Authorize \$15,000,000 of non-project assistance for obligation in FY 1991 under Program No. 680-0206;

C. Authorize the full amount of project assistance totalling \$7,500,000 for technical assistance and related costs under Project No. 680-0208; and,

D. Provide an ad hoc Delegation of Authority to Thomas Cornell, Acting A.I.D. Representative to Benin, to sign both the Program and Project Agreements, obligating \$15,000,000 and \$4,250,000, respectively, of FY 1991 DFA grant funds.

APPROVED *L. S. ...*
 DISAPPROVED _____
 DATE 9/27/91

Draft: GC/AFR:RSarkar; AFR/CCWA:CRozell

Clearance:		
AFR/DP:MBonner	<u><i>J.A.</i></u>	Date <u>9-26</u>
AFR/CONT:MRogal	<u><i>J.A.</i></u>	Date <u>9/26/91</u>
AFR/TR:RCobb	<u>R.C. / S.R.</u>	Date <u>9/26/91</u>
AFR/PD:PGuedet	<u><i>P.G.</i></u>	Date <u>9-26-91</u>
GC/AFR:ESpriggs	<u><i>E.S.</i></u>	Date <u>9-27-91</u>
FM/PAFD:RBonafon	<u><i>R.B.</i></u>	Date <u>9/26/91</u>
DAA/AFR:ELSaiers	<u><i>E.L.</i></u>	Date _____
AFR/CCWA:MGolden	<u><i>M.G.</i></u>	Date <u>9-26-91</u>
PPC/PB:RMaushammer	<u><i>R.M.</i></u>	Date <u>9-26-91</u>

Attachments: a/s

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AID 1120-1 (8-88) PAAD	DEPARTMENT OF STATE AGENCY FOR INTERNATIONAL DEVELOPMENT PROGRAM ASSISTANCE APPROVAL DOCUMENT	1. PAAD NO. 680-0206 (680-T - 602) 2. COUNTRY Benin 3. CATEGORY Non-Project Sector Assistance: Cash Transfer 4. DATE 20 September 1991	
5. TO: Edward L. Saiers (Acting) Assistant Administrator for Africa 6. FROM: Myron Golden, AFR/CCWA	6. OYB CHANGE NO. Not Applicable 8. OYB INCREASE Not Applicable 7. OYB TAKEN FROM:		
9. APPROVAL REQUESTED FOR COMMITMENT OF: \$ 15,000,000	10. APPROPRIATION - ALLOTMENT 72-111/21014 GSS1-91-31680-KG39 (181-61-680-00-53-11)		
11. TYPE FUNDING <input type="checkbox"/> LOAN <input checked="" type="checkbox"/> GRANT	12. LOCAL CURRENCY ARRANGEMENT <input type="checkbox"/> INFORMAL <input type="checkbox"/> FORMAL <input checked="" type="checkbox"/> NONE	13. ESTIMATED DELIVERY PERIOD Dec. 1991 - Dec. 1996	14. TRANSACTION ELIGIBILITY DATE Oct. 1, 1991
18. COMMODITIES FINANCED			

(NA, cash disbursement)

16. PERMITTED SOURCE U.S. only: Limited F.W.: Free World: Cash: \$15,000,000	17. ESTIMATED SOURCE Not Applicable U.S.: Industrialized Countries: Local: Other:
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18. SUMMARY DESCRIPTION

The purpose of the Benin Children's Learning and Equity Foundations (CLEF) program is to institute an effective, efficient, and equitable primary education system that is sustainable. The Program will accomplish four objectives: an improvement in the quality of the primary education system by upgrading key pedagogic systems and inputs; an increase in equity and access to quality primary education services; an improvement in the financial sustainability of the primary education system; and, the establishment of effective and efficient sectoral planning and management involving widespread public participation in primary education. Under this Program, the GOB will undertake policy reforms and other actions to accomplish these objectives in accordance with its established education policy framework.

The attached PAAD/PP justifies a \$76.7 million program consisting of \$50 million in A.I.D. cash disbursements, \$7.5 million in A.I.D. project assistance, and a \$19.2 million GOB contribution. Of this amount, this PAAD facesheet authorizes \$15 million of cash disbursements..

The \$50 million of cash disbursements will be disbursed in six annual

19. CLEARANCES AFR/DP: M Bonner <i>MB</i> 9-26 AFR/TR: R Cobb <i>RC</i> 9/26/91 AFR/PD: P Guedet <i>PG</i> 9-26-91 AFR/CCWA: M Meares <i>MM</i> 9-25-91 AFR/CONT: M Rogal <i>MR</i> 9/26/91 FM/PAFD: J Dockter <i>JD</i> 9/26/91 PPC/PB: R Maushammer <i>RM</i> 9/26/91	20. ACT ON <input checked="" type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED <i>Larry S. Saiers</i> 9/27/91 AUTHORIZED SIGNATURE DATE Assistant Administrator for Africa (Acting) TITLE
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SUMMARY PROGRAM DESCRIPTION CONTINUATION

tranches, after satisfaction of the conditions precedent contained in Section VI.B. of the PAAD. The \$15 million hereby authorized will be disbursed in two annual tranches, of \$10 million and \$5 million.

Because Benin is a member of the West African Monetary Union (WAMU) and does not manage its own foreign exchange, this Program will be exempt from the separate account requirements of Sec. 575[b][1] of the FY 1991 Foreign Assistance Appropriations Act. Congress was notified of A.I.D.'s intent to allow this exemption via the normal Congressional Notification process as permitted by Sec. 575[b][4].

The program will not generate local currency nor require a special local currency deposit.

XD-NI 28

AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT DATA SHEET

1. TRANSACTION CODE
 A = Add
 C = Change
 D = Delete
 Amendment Number _____

DOCUMENT CODE
 3

2. COUNTRY/ENTITY
 Benin

3. PROJECT NUMBER
 680-0208

4. BUREAU/OFFICE
 AFR 06

5. PROJECT TITLE (maximum 40 characters)
 Children's Learning & Equity Foundations

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)
 MM DD YY
 1 2 3 1 9 9

7. ESTIMATED DATE OF OBLIGATION
 (Under "R" below, enter 1, 2, 3, or 4)
 A. Initial FY 9 | 1 B. Quarter 4 C. Final FY 9 | 2

8. COSTS (\$000 OR EQUIVALENT \$1 =)

A. FUNDING SOURCE	FIRST FY			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	3,965	285	4,250	6,680	820	7,500
(Grant)	(3,965)	(285)	(4,250)	(6,680)	(820)	(7,500)
(Loan)	()	()	()	()	()	()
Other U.S.						
1.						
2.						
Host Country						
Other Donor(s)						
TOTALS	3,965	285	4,250	6,680	820	7,500

9. SCHEDULE OF AID FUNDING (\$000)

A. APPRO- PRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) SSA	NA	NA	NA	0	0	7,500		7,500	
(2)									
(3)									
(4)									
TOTALS									

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)
 NA

11. SECONDARY PURPOSE CODE

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)
 A. Code NA
 B. Amount

13. PROJECT PURPOSE (maximum 480 characters)

To institute an effective, efficient, and equitable primary education system that is sustainable.

14. SCHEDULED EVALUATIONS

Interim MM YY MM YY Final MM YY
 1 2 9 5 1 2 9 9

15. SOURCE/ORIGIN OF GOODS AND SERVICES
 000 941 Local Other (Specify) 935

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page FP Amendment.)

17. APPROVED BY

Signature: *Edward L. Saiers*
 Edward L. Saiers
 Title: Assistant Administrator for Africa (Acting)
 Date Signed: MM DD YY
 0 9 2 7 9 9

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION
 MM DD YY

PROJECT AUTHORIZATION

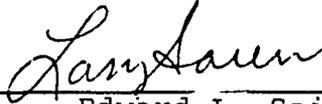
Name of Country: Republic of Benin
Name of Project: Children's Learning and Equity Foundations
Number of Project: 680-0208

1. Pursuant to the Foreign Assistance Act of 1961, as amended, and the provisions of the appropriations heading "Sub-Saharan Africa, Development Assistance" contained in the Foreign Operations, Export Financing, and Related Programs Appropriations Act of 1991, I hereby authorize the project component of the Children's Learning and Equity Foundations Program for the Republic of Benin (the "Cooperating Country") involving planned obligations of an amount not to exceed \$7,500,000 in grant funds over a two-year period from the date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to finance foreign exchange and local costs for the Project. The planned life of the Project is eight years and three months from the date of the initial obligation.

2. The project component will finance long and short-term technical assistance and associated costs to support a comprehensive primary education sector reform program whose purpose is to institute an effective, efficient, and equitable primary education system that is sustainable. It will also finance costs associated with A.I.D.'s implementation, monitoring, evaluation and audit of program activities. Specifically, the Project will fund technical and other related assistance to implement an action plan designed to restructure primary education, provide commodity and other related support, and provide audit and other technical services to help achieve the overall policy reform goals of the Program.

3. The Project Agreement, and amendments thereto, which may be negotiated and executed by the officer(s) to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority shall be subject to the following essential terms and conditions and major covenants, together with such other terms and conditions as A.I.D. may deem appropriate.

4. The nationality for the suppliers of services, including ocean transportation services, and the source or origin of commodities financed under the project component shall be as set forth in the Africa Bureau Instructions on Implementing Special Procurement Policy Rules Governing the Development Fund for Africa dated April 4, 1988, as may be amended from time to time.



Edward L. Sayers (Acting)
Assistant Administrator for the
Bureau for Africa

Dated: 9/27/91

Clearances:

AFR/DP: MBonner [Signature]
AFR/TR: RCobb [Signature] / 6-2. 9/26/91
AFR/PD: PGuedet [Signature] 9-26-91
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Drafted: GC/ENE: Rumu Sarkar [Signature] Date: 9/20/91

BENIN: CHILDREN'S LEARNING AND EQUITY FOUNDATIONS

A Program for the Transformation of Primary Education

**Program Assistance Authorization Document (PAAD)
Project Paper (PP)
Agency for International Development
Bureau for Africa**

**September 9, 1991
Washington, D.C.**

18

BENIN: CHILDREN'S LEARNING AND EQUITY FOUNDATIONS (CLEF)

Action Memorandum for the Assistant Administrator
Program Assistance Approval Document
Project Data Sheet
Project Authorization

Title Page	i
Table of Contents	ii
I. Summary and Recommendations	1
A. Recommended Action	1
B. The Grantee	1
C. Program Summary	1
II. Macroeconomic Setting	9
A. Macroeconomic Conditions and Growth Prospects	9
B. Balance of Payments	11
C. Fiscal Deficit	11
D. Exceptional Financing Requirements	14
III. The Analytical Framework	16
A. Sector Overview	16
1. Description of the Sector	16
2. Economic Rationale for Assistance	24
B. The Constraints Analysis	33
C. Program Description	43
1. The Program Goal and Purpose and Policy Framework	43
2. Detailed Program Description	44
3. Program Financial Plan	57
4. Other Donor Assistance	58
5. A.I.D. Project Support	60
D. Identification of Key Assumptions	63
E. Monitoring and Impact Assessment	65
1. Anticipated Program Impact	65
2. Strategy for Monitoring and Impact Assessment	68
IV. Final Feasibility Analyses	74
A. Economic Feasibility	74
B. Political and Institutional Analysis Summary	79
C. Technical Feasibility Summary	82
D. Social Analysis Summary	83
E. Environmental Concerns and Recommendation	85
V. Implementation Arrangements	85
A. Implementing the Policy Framework	85
1. The Government of Benin	86
2. The Role of A.I.D.	87
B. Managing the Project Support Assistance	87
C. Proposed Financial Management Arrangements	88
1. Dollar Disbursement Arrangements	88
2. Local Currency Generations	90
3. Project Financial Arrangements	90

(continued)

VI. Conditions, Covenants and Negotiating Status	90
A. Rationale and Strategy for Accelerating Program Negotiations	90
B. Conditions	91
C. Covenant	93
D. Negotiating Status	94

Attachments:

Annex I:	The Program Policy Matrix The Logical Framework
Annex II:	The Initial Environmental Examination
Annex III:	GOB Letter of Request
Annex IV:	Proposed Overall Program Strategy for OAR/Benin and Necessary Resource Levels
Annex V:	GOB Education Policy Framework' 30pps.
Annex VI:	<u>Etats Generaux de l'Education,</u> ' 173pps.
Annex VII:	<u>Primary Education Analysis,</u> ' Jarousse et Mingat.(UNDP/Unesco and CNRS-IREDU, Dijon, France) 85pps.
Annex VIII:	<u>Cost and Financing of Education,</u> ' Carnoy et Agonsanou. (UNESCO-UNDP, Cotonou, Benin) 60pps.
Annex IX:	<u>Socio-Cultural Analysis,</u> ' Akpaka et Gaba. (CBRST, Cotonou, Benin) 44pps.
Annex X:	<u>Teacher Training Study,</u> ' Berreur et Agossou. (UNESCO-UNDP, Cotonou, Benin) 21pps.
Annex XI:	<u>Synopsis of Audit of Ministry of Education,</u> (UNESCO-UNDP)
Annex XII:	<u>Educational Statistics, 1989,</u> ' Ministry of Education, GOB. 100pps.
Annex XIII:	<u>Doing Education Policy Analysis in Benin</u> (UNDP/Unesco)
Annex XIV:	<u>Program Bibliography</u>
Annex XV:	<u>Procurement Plan and Methods of Financing</u>
Annex XVI:	<u>Statutory Check List</u>

Available in French Only.

BENIN: CHILDREN'S LEARNING AND EQUITY FOUNDATIONS (CLEF)

Program Assistance Approval Document and Project Paper

I. Summary and Recommendations.

A. Recommended Action. AFR/CCWA recommends Bureau approval and initial authorization of the Children's Learning and Equity Foundations (CLEF) Program for the Government of Benin (GOB). This combined project (680-0208) and non-project (680-0206) sector assistance program contemplates life of project authorizations and obligations totalling \$57,500,000, consisting of \$50,000,000 of non-project sector assistance and \$7,500,000 of complementary project support assistance. Initial FY 1991 obligations will total \$15,000,000 of non-project sector assistance and \$4,250,000 of project assistance. The proposed non-project assistance will require incremental authorizations and obligations totaling \$35,000,000. The project assistance will be fully authorized in FY 1991 and will require incremental obligations totalling \$3,250,000. Development Fund for Africa (DFA) grants will finance both the project and non-project sector assistance activities. Incremental obligations may be incurred through FY 1996. The anticipated PACD is December 31, 1999.

B. The Grantee. The Grantee will be the Government of Benin, acting through the Ministries of Foreign Affairs and Technical Cooperation, Finance, Plan Education. The program will support primary education restructuring designed and implemented by the Government of Benin, which has an approved policy framework for primary education reform in place. USAID will enter into a collaborative relationship with the Ministry of Education, the Ministry of Finance and other donors to provide the financing required for comprehensive sector restructuring. It is important to underscore the point that, A.I.D. is placing its support behind an initiative already in place and underway led by the Government and people of Benin. This program accepts the Grantee's approach to, and goals for educational reform and seeks to facilitate its implementation.

C. Program Summary. In March 1991, the Republic of Benin successfully emerged from 15 years of autocratic Marxist-Leninist rule. The people, through an open National Conference, developed a new Constitution, and through free elections declared their preference for an open society, a government of law, and a market economy.

Benin is a small, poor West African country. Per capita income for its 4.3 million people is less than \$400. The failed socialist experiment of the 1970's and 1980's resulted in an education system incapable of providing basic literacy and numeracy to the population. Over 40 percent of Benin's children never enroll in school; less than 23 percent of girls ever

enroll. High drop-out, repeater and failure rates plus demoralized and underqualified teachers plague the schools.

The purpose of this sector assistance program is to establish an effective, efficient and equitable primary education system that is sustainable. It will provide the financial and technical resources necessary to reform the basic education system. Under the program, funds will be disbursed in six tranches. These funds will support Beninois efforts to: (1) modify the primary school curriculum, (2) train and retrain teachers to deliver the curriculum; (3) develop and deliver textbooks and materials to students; (4) design and introduce educational assessment systems to ensure quality education; (5) increase enrollment rates, especially among girls; (6) increase equitable access to quality basic education services across regions; (7) increase the nominal and relative importance of budgetary resources for primary education while maintaining a 30%-35% budget share for education; (8) increase financing for non-personnel items in the primary budget; (9) improve GOB capacity to administer and plan for quality education; and (10) increase the involvement of parents and community groups in the schools.

As a result of the program, educational competencies of primary school pupils will increase. Average repetition and drop-out rates will fall below 15 percent and average student/teacher ratios nationwide will vary only between 40 and 50:1 as teachers are more equitably and efficiently distributed. Ninety percent (90%) of sixth grade graduates will sit for the secondary school entrance exam. Gross primary school enrollment rates will reach 78 percent and female/male participation rates will approach parity by the end of the program. Local parent/teacher associations capable of administering special programs and collecting and investing local school fees will exist for the majority of primary schools throughout the country. A comprehensive Policy and Program Matrix for the CLEF program is presented in Figure 1, following.

To achieve these objectives, total program financing of \$76.7 million is sought. Of this, \$57.5 million of A.I.D. grant financing is proposed for approval; \$50 million of NPA and \$7.5 million project support assistance. The GOB contribution of \$19.2 million will finance budgetary outlays required to effect this primary education restructuring effort. This equals 25 percent of total program costs. The GOB will report on its budgetary performance on an annual basis to A.I.D. This report will be prepared for budgeted as well as actual expenditures. A summary program budget is presented in Table 1 below:

TABLE 1

Summary Program Budget
(\$000)

<u>Assistance Type</u>	<u>FX</u>	<u>A.I.D.</u>		<u>GOB</u>	<u>Total</u>
		<u>LC</u>			
<u>Policy-based NPA</u>	50,000	0		19,200	69,200
<u>Project Assistance</u>					
Long-Term TA	3,950	795		0	4,745
Short-Term TA	2,730	0		0	2,730
Non-Federal Audit	0	25		0	25
<u>Total</u>	56,680	820		19,200	76,700

22

BENIN CHILDREN'S LEARNING AND EQUITY FOUNDATIONS (CLEF) PROGRAM: POLICY AND PROGRAM MATRIX
Overall Objective: Institute an effective, efficient, and equitable primary education system that is sustainable.

Tranche 1 (Conditions)	Tranche 2 Conditions	Tranche 3 (Anticipated Conditions)	Tranche 4 (Anticipated Conditions)	Tranche 5 (Anticipated Conditions)	Tranche 6 (Anticipated Conditions)	Program Indicators	Impact Indicators (by 2002)
<p>(1) Submit an overview and a draft framework for GOB's primary education reform action plan¹ (PERAP), including each of PERAP's four supporting action plans:</p> <ul style="list-style-type: none"> effectiveness and efficiency, equity of access, sustainable financing, and institutional and popular sustainability. <p>(2) Submit FY 1992 budget indicating availability of financing to:</p> <ul style="list-style-type: none"> complete the PERAP by the end of CY 1992, complete the <i>carte scolaire</i> school mapping exercise, develop and launch a fully operational primary education expenditure tracking system by the end of CY 1992. <p>(3) Submit first annual progress review, establishing procedures, format, and context for reporting to A.I.D. on program and impact indicators.</p> <p>(4) Demonstrate how GOB met its commitment to hold 1991 scholarships at the 1990 level.</p> <p>(5) Finalize and present draft MOE organizational chart.</p> <p>(6) Demonstrate completion of Tranche One actions for each of the four program [A-D] support objectives contained in this CLEF Program and Policy Matrix.</p> <p>(7) Prepare and present a Letter of Intent (LOI) which sets GOB 1992 targets for education policy reform.</p>	<p>(1) Submit GOB's primary education reform action plan (PERAP).</p> <p>(2) Submit second annual progress review, reporting on:</p> <ul style="list-style-type: none"> achievement of annual program and impact targets; progress on all specified CLEF program and impact indicators; establishment of previously unspecified program and impact indicators and annual targets. <p>(3) Specify mechanisms² to:</p> <ul style="list-style-type: none"> define core educational competencies; define Fundamental Quality Level³ (FQL) criteria for primary schools; integrate the <i>carte scolaire</i> survey in the FQL survey; define the parameters of public participation in and attitudes towards the primary school system; assess public participation in primary school reform at all levels of society. <p>(4) Submit evidence that a transparent, expenditure tracking system is in place that reports on primary education expenditures by program and functional categories.</p> <p>(5) Initiate <i>carte scolaire</i> survey.</p> <p>(6) Demonstrate the institution of strict controls on scholarship levels for 1992.</p> <p>(7) Prepare and present a Letter of Intent (LOI) which sets GOB 1993 targets for education policy reform and demonstrates availability of adequate budgetary resources to implement 1993 reform actions.</p>	<p>(1) FQL standards defined and results of national survey of schools' FQL levels, and a specification of annual targets for the percent of students in FQL schools.</p> <p>(2) <i>Carte scolaire</i> exercise completed.</p> <p>(3) Core educational competencies, expected of 3rd and 6th grade completers, are defined and vetted publicly.</p> <p>(4) Parameters of public participation in, and attitudes towards primary schooling at all levels are defined and vetted and pilot study completed.</p> <p>(5) All monitoring systems defined and action plan for education management information system completed.</p> <p>(6) Submit third annual progress review.</p>	<p>(1) Complete full-field administration & analysis of:</p> <ul style="list-style-type: none"> national assessment for 3rd & 6th grade students (<i>the baseline competency study</i>). national survey of public participation in and attitudes towards schooling at all levels (<i>the baseline public involvement study</i>). <p>(2) Fourth annual progress review submitted, reporting on achievement of annual targets, progress on program and impact indicators, and establishment of subsequent year's targets.</p> <p>(3) This annual progress review indicates 10 percent achievement of final impact targets.</p> <p>(4) EMIS in place and operational.</p>	<p>(1) Fifth annual progress review submitted, reporting on achievement of annual targets, progress on program and impact indicators, and establishment of subsequent year's targets.</p> <p>(2) This annual progress report indicates 15 percent achievement of final impact targets.</p>	<p>(2) Sixth annual progress review submitted.</p>	<p>Educational reform and improvement continues to evolve democratically.</p> <p>Institutionalization of efficient MOE planning, operations, and financing systems.</p> <p>Implementation of all pedagogic reforms and systems identified in PERAP.</p> <p>Institutionalization of new indicator systems and routine data collection, assessment, analysis, and reporting systems for measuring educational quality and equity.</p> <p>Core competencies assessments and findings from national assessment will be integrated into the CEP.</p> <p>Clearly defined policies and practices regarding the purpose and use of end of primary cycle examinations.</p>	<p>Effectiveness:</p> <ul style="list-style-type: none"> The proportion of 3rd & 6th grade completers demonstrating mastery of core educational competencies will exceed the baseline measure. The national target of 75% for the percent of students in Fundamental Quality Level (FQL) schools is met, and regional FQL targets are met. <p>Efficiency:</p> <ul style="list-style-type: none"> Average repetition rates in grades 1-5 will drop below 15%, and below 20% in any region. Average drop-out rates in grades 1-5 will fall below 15%. Average student/teacher ratio will range between 40 and 30 to 1, with an interregional and urban/rural range of no more than 8 to 1. The proportion of 6th grade entrants using the CEP will increase to 90%. <p>Equity:</p> <ul style="list-style-type: none"> Gross primary enrollment rates will attain 78% nationally, and will continue to increase and meet targeted level in every region. Female/male participation rates will continue to approach parity, and will meet regional targets. <p>Sustainability:</p> <ul style="list-style-type: none"> Proportion of parents satisfied with primary schools and active in school reform above baseline.

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¹ An action plan is a specification of well-defined objectives and the activities, mechanisms, targets, schedules, and costs necessary to achieve them.

² Mechanisms is defined as the managerial, administrative, technical, consultative, contractual, and/or financial means to achieve one or more clearly defined objectives.

³ FQL criteria may include standards for students per textbook and per teacher, summary and type of teacher training, type of textbooks in use, degree of school supervision and parent and community participation, amount of school furniture and space, and child health and safety characteristics. FQL standards are expected to evolve such that they may eventually integrate outcome measures, such as average school scores on the achievement of core educational competencies.

BENIN CHILDREN'S LEARNING AND EQUITY FOUNDATIONS (CLEF) PROGRAM: POLICY AND PROGRAM MATRIX

Supporting Objective A: To improve educational quality and student learning by enhancing or upgrading key pedagogic systems and inputs. (Systems and materials)

Program Area	Trench 1	Trench 2	Trench 3	Trench 4	Trench 5	Trench 6	Program Indicators	Impact Indicators
A.1. Curriculum: To ensure an effective primary curriculum linked to facilitating students' achievement of specific educational competencies in core subject areas (see A.3), and to establish mechanisms that promote community-sponsored curriculum development for non-core subjects.	Submission of a draft plan to assess (with an eye to reorganization) the primary curriculum and the capacities of the institutions supporting curriculum development. Submit a list of technical assistance needs initially anticipated for CY 1992 to complete this activity, this overall action plan, as well as for each of PERAP's other four supporting action plans.	Final action plan for primary curriculum assessment submitted. Curriculum action plan identifies mechanisms to include community-sponsored curriculum development. First steps towards implementation of action plan initiated.	Core educational competencies defined.				Establishment of a national, relevant, national curriculum and syllabi for each subject and grade level. Detailed instruction & exam syllabi finalized and published	Reductions in repetition and dropout rates to targeted levels; increased student cognitive learning. Targets for textbook distribution to students each region achieved (by subject areas: mathematics, science, reading, and national languages).
A.2. Instructional reform: To ensure effective on-the-job skills enhancement programs for all teachers to improve their effectiveness in raising student attainment of core educational competencies.	Submit a draft plan to assess (with an eye to reorganization) primary teacher inservice training and the capacities of the institutions supporting inservice training.	Plan submitted for study of current teacher skills needs and mechanisms for enhancing these skills. Plan includes element for promoting greater community involvement in classroom instruction for non-core subject areas.	Inservice teacher skills program begun and initial targets attained. Plan for preservice training needs assessment submitted.	Inservice training program fully operational. Assess preservice training needs			Effective inservice and preservice teacher skills training systems functioning; Teacher certification set as a function of teacher effectiveness. Target number of teachers certified in new skills.	Targeted proportion of students enrolled in FQL schools. Reduction in student absenteeism realized. 75% of students will be enrolled in FQL schools.
A.3. Textbook distribution and development. To ensure that all students have access to textbooks and that teachers are trained in their use; develop and implement systems to ensure effective national capacity to produce textbooks	Submit a draft plan to (a) provide all primary students with access to new textbooks, and (b) monitor textbook distribution and usage.	Plan to provide all students with access to textbooks is submitted. Targets for distribution established. Monitoring & reporting system on textbook usage designed. Initial distribution and monitoring of textbook program begun.	Textbook distribution finished and evaluated. Textbook policy & strategy in place		Action plan for textbook production completed. First steps initiated.		Institutionalized mechanisms in place to plan, write, publish, print, distribute, and monitor distribution and usage of textbooks.	
A.4. School customs: To ensure that a national policy on school customs is formalized and actions initiated.		Action plan to study the contribution of school customs to student learning.	Develop policy and plans from study.				School custom policy in place.	
A.5. School quality level. To ensure that all primary students are enrolled in fundamental quality level (FQL) schools.	Submit a draft plan to define FQL standards, to measure and report on standards, and set regional FQL targets.	Action plan to assess and publicly report the FQL level of each primary school and to set targets to elevate non FQL schools to FQL.	FQL school standards defined and FQL baseline survey completed and reported on.			Followup FQL survey completed and reported on.	FQL standards established, targets achieved, community groups informed of achievements.	
A.6. Student assessment systems: To put in place systems that monitor and report publicly on students' acquisition of cognitive competencies and provide feedback on findings and recommended actions to all concerned parties.	Submit a draft plan on how to develop a national student assessment system linked to measuring core competencies.	Action plan for implementation of national student assessment system.	Assessment system in place.	Baseline sample-based assessment completed & reported.		Followup sample-based assessment completed and reported on.	A national assessment system will be in place that monitors student achievement of the core competencies. Assessment results incorporated into CEP.	

BENIN CHILDREN'S LEARNING AND EQUITY FOUNDATIONS (CLEF) PROGRAM: POLICY AND PROGRAM MATRIX
Supporting Objective B: To increase the equity of access to fundamental quality level primary education services. (Equity)

Program Area	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	Tranche 6	Program Indicators	Impact Indicators
B.1. Overall increase in access: To ensure that the primary enrollment rate meets national access goals.	Submit a plan to increase access to primary school overall.	Action plan submitted for: <ul style="list-style-type: none"> measuring the net and gross primary school enrollment rates; coordinating carte scolaire (school mapping & location planning exercises) with FQL survey (Activity A.5); identifying infrastructure needs and costs; establishing annual targets for rehabilitation, reconstruction, or new construction. 	First steps of action plan implemented. Carte scolaire exercise, coordinated with FQL survey (Activity A.5), completed. Monitoring system in place.					National primary enrollment rate will at least equal 78 percent.
B.2. Increase and rationalize student/teacher ratios: To yield increases in access through improvements in the efficiency of classroom and teacher utilization.	Submit a draft plan for increasing average primary student/teacher ratios and for decreasing disparities in these ratios across regions and across rural and urban districts.	Submit a fully elaborated action plan and initiate actions to accurately measure and achieve overall, regional, and urban/rural student/teacher and student/classroom ratio targets set out in plan.						Average student/teacher and student/classroom ratios achieves targeted coverage of 45 to 1, and later-regional & urban/rural range does not exceed 8 to 1.
B.3. Equitable enrollment rates-by region: To increase equity of access across regions.	Submit a draft plan to increase the equity of primary enrollment rates across and within regions.	Action plan submitted for reducing inter-regional disparities in enrollment rates and for raising enrollment rates in each region.	First steps of action plan implemented. Monitoring system in place.					Primary enrollment rates by region will equal or exceed targeted levels.
B.4. Equitable enrollment rates-by gender: To increase equity of access, by gender.	Submit a draft plan to increase the equity of access to primary school by gender in each region and to reduce gender disparities in each region.	Action plan for eliminating the disparity between male and female enrollment ratios, taking into account socio-cultural constraints, submitted.	First steps of action plan implemented. Mechanisms in place that allocate classes and utilize teachers more efficiently and equitably. Monitoring systems will be in place.					Primary enrollment rates by gender will equal or exceed targeted level by region and gender.
B.5. Equitable access to FQL schools-by region: To ensure that boys and girls in every region have equal access to fundamental quality level schools.	Submit a draft plan to increase the equity of access-by region and gender- to fundamental quality level (FQL) primary schools.	Action plan for ensuring the equitable distribution of FQL school enrollments, by region and gender.	First steps of action plan implemented. Monitoring system in place.					There will be an equitable distribution of enrollments to FQL schools by gender and region.

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26

BENIN CHILDREN'S LEARNING AND EQUITY FOUNDATIONS (CLEF) PROGRAM: POLICY AND PROGRAM MATRIX
Supporting Objective C: To establish a sustainable financial resource base for primary education. (Sustainable financing)

Program Area	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	Tranche 6	Program Indicators	Impact Indicators
<p>C.1. Resources for primary education reform: To ensure that the budget for primary education is sufficient to meet primary subsector reform targets, and ensure that the budgeted expenditure levels are sufficient across all program categories (educational materials, pedagogic support services, salaries, etc.) to meet specific annual targets established for each of these categories.</p>	<p>Submission of a certified copy of the 1992 budget that apporportions financing for the achievement of the actions agreed to for 1992, including the design and production of the PERAP, for the initiation of a primary school infrastructure needs assessment (cane schools), and for the design, production, and installation of a primary education expenditure tracking system by the end of CY 1992.</p> <p>The budget document will also demonstrate that the total share of the 1992 budget available for primary education is equal to or greater than the 1991 budget share made available for primary education.</p>	<p>Submit a completed analysis of educational expenditures which established primary education's total share of the GOB budget (the <i>baseline primary education budget share analysis</i>).</p> <p>Submit an initial specification of which primary education finances will be publicly provided, and which types of resources will have to be raised from parents, communities, and private or non-governmental sources.</p> <p>New budget targets established for each expenditure category in primary education are fixed for subsequent years.</p>	<p>Submit a final expenditure report for 1992 and preliminary expenditure report for 1993 demonstrating an increase from the previous year in the proportion of primary education expenditures on educational materials and pedagogic support services, compared to 1992 by the end of 1992.</p>	<p>Submit expenditure reports demonstrating increases over the previous year in the share of expenditures devoted to materials and pedagogic support services.</p>	<p>same as previous year</p>	<p>same as previous year</p>	<p>Budgetary resources in primary subsector are adequate for the acquisition of the necessary technical assistance, training, and commodities to support and sustain a fundamental quality primary education system.</p>	<p>Progress towards established expenditure targets.</p> <p>Resources are adequate to support a higher quality basic education system on a sustained basis.</p>
<p>C.2. Adequate finances for quality education at the school level: Develop the capacity in the MOE to (a) identify the cover and mobilize additional resources needed to raise all schools to a fundamental quality level (FQL) and at least maintain them at that level</p>	<p>Commitment to assess the costs of raising all schools to FQL standards, and to setting targets to achieve this objective.</p>	<p>Action plan to assess the costs of raising all primary schools to FQL standards, and mechanisms for identifying and raising resources to achieve this goal.</p>					<p>Affordability and sustainability defined and routinely monitored.</p>	<p>Annual targets for the number of students with access to a minimum quality basic education (FQL schools) are met. The percent of students with access to this standard continues to increase.</p>
<p>C.3. Mobilizing private resources. Institutionalize the capacity and mechanisms to work with private groups to develop additional non-governmental resources to achieve and sustain the primary education reform.</p>	<p>Commitment to work with private groups (churches, parent associations, teacher associations, NGOs) to assure that goals of reform can be financially and politically achieved.</p>						<p>Concurrence of public and private interest groups in support of education assure that the financial costs of primary education reform can be met and sustained.</p>	

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 27

BENIN CHILDREN'S LEARNING AND EQUITY FOUNDATIONS (CLEF) PROGRAM: POLICY AND PROGRAM MATRIX
Supporting Objective D. To establish effective and efficient sectoral planning and management involving widespread public participation in primary education. (Institutional and political sustainability)

Program Area	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	Tranche 6	Program Indicators	Impact Indicators
<p>D.1. Ministry planning: To improve the capacity of the MOE to strategically plan, formulate, and carry out operations to support reform objectives, and monitor the impact and effectiveness of these operations.</p>	<p>MOE staff will participate in seminar on initial audit findings on planning in MOE. MOE will prepare a written analytical response to initial findings of audit.</p>	<p>MOE will prepare an action plan to implement recommendations from management audit regarding planning issues. Targets for implementing these changes are established.</p>	<p>Education MIS completed.</p>	<p>EMIS system operational.</p>			<p>MOE planning unit demonstrates the capacity to:</p> <ul style="list-style-type: none"> recognize, prioritize, and define critical policy questions and systems problems or reform objectives, identify information needs, collect & analyze data use information to develop strategies and operations to address concerns or to achieve objectives, budget and secure finances to implement operations, assess impact of operations and achievement of objectives. 	
<p>D.2. Ministry operations:</p> <p>D.2(a) Efficient administration and logistics.</p> <p>D.2(b) Efficient management of personnel</p> <p>D.2(c) Efficient budgeting and financing systems and policies that adhere to the principles of accountability and transparency.</p>	<p>MOE staff will participate in seminar on initial audit findings on management of personnel and finance, and on logistics. MOE will prepare a written analytical response to initial findings of audit.</p> <p>GOB will submit a draft plan detailing the steps and proposed schedule for creating an educational expenditure tracking system by Tranche 2.</p>	<p>An education expenditure tracking system, with program categories, is operational.</p> <p>(a) GOB will specify an action plan for how it will implement management audit recommendations regarding administration, logistics, personnel management, and financial management.</p> <p>(b) GOB will specify an action plan for personnel reform, with reforms to regulate work responsibilities, schedules, and performance of primary school teachers and administrators.</p> <p>(c) GOB will submit an action plan for implementing an effective, transparent, primary education expenditure tracking system.</p>					<p>Systems and capacity in place for effective and efficient primary education administration and logistics.</p> <p>Systems in place for effective, efficient, & equitable staff: recruitment, timely compensation, allocation, utilization, motivation and retention, supervision, and performance monitoring.</p> <p>An effective financial management system is operational and effective within the ministry of education. System includes financial planning, program category budgeting and expenditure tracking, mechanisms and strategies to complement public funds with private and community funds, and capacity to provide audit reports of expenditures by category on a routine, frequent, and timely basis.</p>	
<p>D.3. Public involvement in reform. Assure continued and enhanced transparency of decisionmaking and public accountability regarding the education reform process.</p>	<p>Commitment to an open, popular reform process that ensures broad-based policy formulation and decisionmaking. Draft action plan describing how GOB will extend the <i>état général</i> de l'éducation.</p>	<ul style="list-style-type: none"> Action plan for ensuring the participation of A.P.E. groups, teacher associations, NGOs, local councils, and school directors in school reform. Annual targets and milestones for these actions will be set. Mechanisms identified to define parameters of public participation in primary schooling at all levels, along with plans for developing and administering instruments to monitor and report on participation. 	<p>Parameters of public participation in, and attitudes towards primary schooling at all levels are defined and vetted.</p>	<p>(2) Full-field administration & analysis of a survey of public participation in and attitudes towards schooling at all levels (the <i>baseline public involvement study</i>).</p>			<p>Policy setting, program reform, operating principles, and procedures for primary education will be set democratically and openly, with participation of all interested parties nationwide. The result of public participation in education policymaking and practice is a system that the public can hold accountable for educating the nation's children.</p>	<p>% of parents satisfied with schools and active in school reform is above the baseline</p>

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II. Macroeconomic Setting.

A. Macroeconomic Conditions and Growth Prospects. Benin has a population of roughly 4.6 million with per capita income of \$380 in 1989. Agriculture is the primary sector in the economy. Benin is self-sufficient in food and production of its principal agriculture export, cotton, has been increasing since 1982. Oil is another important export commodity, but proven reserves are only expected to last through 1992. Benin benefits from a considerable level of transit trade with its neighbors, particularly Nigeria. However, this makes it vulnerable to its neighbors' economic policies. Industrial production constitutes only about 8 percent of GDP.

From independence in 1960 until 1972, Benin underwent a period of frequent changes in government, which created an environment of extreme instability. In 1973, a single-party Marxist-Leninist government came to power and ruled until 1989. Under the Marxist-Leninist regime, economic policies emphasized central planning. Many foreign-owned businesses were nationalized and a large number of state-owned enterprises were created, primarily in the banking, industrial, and agricultural sectors. From 1978 to 1988 the civil service tripled in size. It currently numbers approximately 42,000, and there are an additional 8,000 people in military service.

During the 1975-1982 period, major economic and financial difficulties occurred due to unfavorable external market developments and inappropriate domestic policies. Macroeconomic policy was excessively expansionary, based on large foreign borrowing and imprudent use of local banking credit. High capital expenditures, coupled with the spillover effects of the 1977-1980 commodity boom, generated GDP growth levels averaging 5 percent annually. However, inappropriate policies quickly reversed this trend after 1982, resulting in a period of low growth with structurally weak public finances, large balance of payment deficits, and a virtually bankrupt banking system.

Adjustment efforts began in 1983, but were insufficient given the magnitude of internal and external disequilibria. The financial situation continued to decline due to the fall in world cotton prices in 1985-86 and a protracted slump in regional transit trade since 1982. Delays in meeting the government payroll occurred in 1987-88 and the banking system became unable to honor requests for cash withdrawals and transfers abroad. About 75 percent of the system's total outstanding loans were non-performing, with public enterprises accounting for two-thirds of that total. In 1987, the system collapsed and all banks closed.

A structural adjustment program supported by the IMF and World Bank began in mid-1989 to: 1) curtail the role of the public sector in the economy and increase the role of the private

sector; 2) strengthen the public sector's capacity to manage its resources; 3) improve the allocation of investible resources; 4) restore an effective banking system; and 5) remove policy and regulatory constraints on the performance of various sectors.

Despite the government's apparently strong commitment to the economic reform measures, the program encountered serious difficulties in the form of revenue shortfalls. This led to a renewed financial crisis which in turn affected the ability of the government to implement key program components. Real GDP in 1989 fell by 0.7 percent. This was largely due to the continued absence of a well-functioning banking system, the reduction in incomes of large segments of the urban population due to arrears in salary payments, and a 20 percent decline in the volume of oil production.

In view of the dire situation, the government took a major political and economic decision in December 1989 which changed the history of Benin. Recognizing that its Marxist-Leninist philosophy conflicted with the implementation of the structural adjustment program, it abandoned its philosophy. Through a unique "National Conference" process, the Beninois drafted a new constitution and held multi-party elections in February 1991. These were promptly followed by Presidential elections. Under the transitional government (1990-91), significant progress was achieved in fulfilling the specific conditions of the structural adjustment program. The new government, led by President Nicephore Soglo is convinced of the necessity of continuing the implementation of the structural adjustment program.

In 1990, real GDP grew by 2.6 percent as economic activity began to return to normal. Progress was made in improving tax administration while reducing tax rates, but customs administration failed to improve as expected. The GOB wage bill was cut with the departure of 1,590 employees, although this too was below planned departure levels. Despite these improvements, slow disbursements of external assistance resulted in Benin exceeding the ceiling of net advances from the Central Bank of West African States (BCEAO). Recovery and restoration of financial equilibrium remained fragile. With the continuation of strong external support for the adjustment program, real GDP growth could exceed 3 percent in 1991 and gradually improve to 4 percent by 1994.

In 1991, the four small private banks which replaced the bankrupt publicly-owned banks in 1989 succeeded in rebuilding the deposit base to over 60 billion CFA francs or about 11.6 percent of GDP. This continues the progress already made in 1990 and is a sign of renewed confidence in the economy and the banking sector. The GOB is currently negotiating with Credit Lyonnais to establish an operation in Benin after negotiations broke off with Banque Nationale de Paris earlier in 1991.

The GOB has made remarkable progress in divesting itself of parastatals, with 21 remaining out of the original 60 industrial or commercial enterprises existing at the end of 1986. The brewery, which had the dubious distinction of being the only money-losing brewery in Africa, is about to be privatized.

B. Balance of Payments. The current account deficit reached 25 percent of GDP during 1981-82 when the investment/GDP ratio reached 30 percent. When several large public sector projects were completed in 1983-84, capital imports declined. Together with higher export earnings arising from the start of petroleum production and higher cotton exports, a substantial improvement was achieved in the current account balance. The current account deficit/GDP ratio declined further to an average of about 9 percent of GDP during 1985-88 because of a further decline of imports and despite declining world market prices for cotton and crude oil in 1985-86. Preliminary data for 1989 show a record low current account deficit/GDP ratio of about 3-4 percent due to an extraordinarily good performance of cotton output coupled with more than a 30 percent drop in commodity imports, particularly, capital goods for investment.

Benin's balance of payments is particularly difficult to forecast because of the large volume of unrecorded transactions. Nevertheless, it is expected that the current account deficit/GDP ratio rose to the 1988 level of 9.6 percent in 1990 and will decline to 7.7 percent by the end of 1991. This decline in 1991 is predicated on higher output of foodstuffs, resulting in a 5-10 percent decrease in imports of food items and an increase in exports of food grains due to the liberalization of food crop marketing. As a result of a drastic decline in public investment in 1989, a relatively large level of concessional borrowing will be required in the medium-term to restore the 1988 investment/GDP ratio of 13 percent by 1991. However, the debt service ratio is projected to decline from 44 percent in 1988 to 20-25 percent in 1992, assuming new Paris Club rescheduling agreements through 1991 and future external borrowing on excessively concessional terms. Five-year debt service projections indicate that Benin's total public and publicly guaranteed debt outstanding will increase from US\$ 925 million in 1989 to US\$ 970 million in 1993.

C. Fiscal Deficit. Policies which expanded the public sector through increased personnel and operating expenditures raised current budget expenditures from 13 percent of GDP during 1981-84 to an average of 15 percent during 1985-88. The overall deficit has averaged about 9 percent of GDP during 1986-89. The government drew down all its deposits in the banking system to finance the deficit and became a net debtor to the banking system in 1984. As a consequence, arrears accumulated and delays in meeting the monthly payroll became frequent starting in 1987. Fiscal revenues dropped by more than 30 percent in 1989 and the overall budget deficit reached 10 percent of GDP. The overall

fiscal deficit is projected to decline from a projected 9.8 percent of GDP in 1991 to 5.2 percent of GDP by 1994 as the fiscal system undergoes reform under the structural adjustment program. Measures have been introduced to achieve programmed fiscal targets, including the rationalization of taxation and expenditure as well as the reinforcement of tax administration and revenue collection. The public finance situation is likely to remain difficult in the medium-term.

Adding to the adjustment difficulties is the GOB's arrears situation. As a result of its continuing large fiscal deficits, the GOB accumulated both domestic and external payments arrears. By the end of 1988, domestic payments arrears to suppliers and employees had reached 67 billion CFA francs (14 percent of GDP) and external payments arrears were 93 billion CFA francs (19 percent of GDP). By end-1989 domestic arrears had risen further to 75 billion CFA francs while external arrears were reduced through a Paris Club rescheduling. Internal arrears are estimated to have been reduced by nearly 8 billion CFA francs in 1990, bringing the total back to the end-1988 level of 67 billion CFA francs. The adjustment program involves a gradual reduction of domestic arrears by 5 billion CFA francs per year over about 13 to 14 years, but it calls for eliminating external payments arrears in 1991 through financing, rescheduling and debt forgiveness.

The overall deficit of the GOB is primarily the result of inadequate tax administration. Revenues as a percentage of GDP were only 9.6 percent in 1990, a modest improvement over the precipitous fall to 9.2 percent of GDP in 1989. This, however, is still quite low for francophone West African countries and inadequate to assure the financing of social infrastructure and public services necessary to the normal functioning of the economy. Actual 1990 and projected revenues for 1991-1994 are as follows (Table 2) under the structural adjustment program.

Overall expenditures for 1990 equalled 19.4 percent of GDP. This is not an undesirable level of public expenditures, but the structure of expenditures is too heavily weighted toward salaries, pensions and scholarships, with only a small percentage devoted to supplies and equipment. Actual expenditures for 1990 (estimated) and projected expenditures for 1991-1994 are given in Table 3.

TABLE 2
Government Revenues
(billions of CFA francs)

	1990	1991	1992	1993	1994
Tax Administration	18.9	21.0	24.8	29.0	33.9
Customs	15.4	19.8	22.6	26.8	30.8
Other	6.0	6.7	8.2	9.7	9.2
Subtotal	40.3	47.5	55.6	65.5	73.9
Nonfiscal Revenues	9.3	10.2	10.2	10.3	11.5
Total Revenues	49.6	57.7	65.8	75.8	85.4
Percent of GNP	9.6	10.6	11.3	12.3	13.0

TABLE 3
Government Expenditures
(billions of CFA francs)

	1990	1991	1992	1993	1994
Salaries, Pensions & Scholarships	43.5	43.9	43.1	42.5	41.9
Transfer Payments & Counterpart	12.8	13.9	14.7	16.8	19.6
Interest	15.3	19.9	19.5	20.6	21.1
Investment	26.0	27.6	29.9	31.9	33.0
Emergency Program	2.5	5.9	4.7	3.8	3.8
Total Expenditures	100.1	111.3	111.9	115.6	119.4
Percent of GDP	19.4	20.3	19.3	18.7	18.1
Fiscal Deficit as as a % of GDP	9.8	9.7	8.0	6.4	5.1

The recent precipitous drop in government revenues has resulted in revenues being insufficient to finance the so-called "primary budget" expenditures of salaries, pensions, scholarships and minimal operating expenditures. The gap in financing for 1990 for the primary budget alone was 1.2 percent of GDP. This meant that there were no revenues available to finance debt service, nor the investment budget with its emergency program to restore the country's infrastructure. The overall deficit amounted to 9.7 percent of GDP on a commitments basis and 10.2 percent of GDP on a cash basis.

The structural adjustment program provides direct assistance to improve the collection of tax revenues. Increases in the percentage of GDP collected in taxes will permit a balancing of the primary expenditure budget in 1991. In later years, a growing proportion of revenues will be available to cover a small proportion of debt servicing and the investment budget. The GOB's overall deficit is projected to decrease from 9.7 percent in 1990 to 5.2 percent in 1994 on a commitments basis. The gradual reduction of both internal and external arrears over this period will keep the deficit higher on a cash basis.

The slow process of reestablishing equilibrium in overall government finances means that external support will continue to be required to finance crucial sectoral reform programs and improve the quality and coverage of essential public services.

D. Exceptional Financing Requirements. Prior to the donors' meeting of June 17, 1991, the financing requirements of the GOB were \$709 million for 1991 and 1992. This amount included financing for external debt amortization, the reduction of external payments arrears, and an increase in official international reserves.

As can be seen in Table 4, all but \$79.2 million for 1991 and \$13.0 million for 1992 were considered to have been acquired through donor financing or attainable in the near future through debt rescheduling. The donors meeting itself resulted in additional pledges of 13 billion CFA francs (approximately \$43 million), but of this amount only 2 billion CFA francs (about \$6.6 million) were added to projected 1991 disbursements. Follow-up meetings with donors and parties not present at the meeting resulted in a modest addition of 1 billion CFA francs (about \$3.3 million) of additional exceptional financing. This leaves a significant gap in financing for 1991, which can only be met by Benin continuing to exceed its borrowing ceiling at the BCEAO. This will result in additional interest payments for Benin, but there is not sufficient concessional financing available at this time to reduce Benin's position with the BCEAO. These final adjustments to permit financing of the Second Structural Adjustment Program were included in the presentation to the IBRD board at the end of June, 1991.

Table 4
Financing Requirements of the Structural Adjustment Program
 (in millions of U.S. dollars)

<u>Requirements</u>	1991	1992	1993	1994	Total
Current account deficit, before official grants	239.7	225.0	206.8	186.7	858.4
Medium and long-term debt amortization	24.5	40.0	27.9	33.0	125.4
Reduction of external payments arrears	61.8	--	--	--	61.8
<u>Resources</u>					
Official Grants	62.2	65.9	68.8	75.9	273.0
Project Loan Disbursements	62.2	71.1	81.9	88.9	304.1
Private Capital Flows	6.0	7.3	10.9	14.9	39.1
<u>Gap Financing</u>					
Requirements for:	1991	1992	1993	1994	Total
Rescheduling/Restructuring	101.9	55.6	27.4	30.4	215.2
Fund Resources (SAF)	11.5	7.8	--	--	19.3
World Bank (SAL)	24.1	28.9	3.7	3.7	60.4
Social Program	3.3	3.3	--	--	6.7
Identified bilateral & multilateral resources	67.8	38.1	23.0	7.4	136.3
Residual Gap	79.2	13.0	55.0	47.4	194.6

The "gap filling" calculations cited above include conservative estimates of \$8 million in obligations each year for 1991 and 1992 pledged by the U.S. delegation. No projected disbursements of U.S. funds in 1991 were included.

After 1991-1992, the financing gaps are projected to continue to be around \$50 million per year in spite of continued adjustment progress. These projections assume growth rates of real GDP gradually rising from about 3 percent in 1991 to 4 percent in 1994. With population growth estimated to be 3.2 percent per year, per capita incomes will not improve significantly during this period of austerity, retrenchment of the civil service and structural adjustment.

III. The Analytical Framework

A. Sector Overview.

1. Description of the Sector.

a. Historical Context. Education policy in Benin has taken three distinct turns since independence: (1) a French elite system during post colonial period of 1960 to 1972; (2) an African Socialist reform in the Kerekou era of 1972-1989; and, (3) today's Democratic reform, begun in 1990.

For at least one decade after independence, few Beninois questioned the French elite education model. A six year primary school program was attended by less than one-third of the eligible age group, and only about 1 out of every fifteen entrants qualified for entry to secondary school. Only 1 out of every 1000 primary entrants were passed through secondary school and qualified for tertiary education in Senegal or France. This characteristically French system was designed around selecting and educating the best and the brightest, to the detriment of the majority. This system favored the children of senior civil servants and leaders of the independence movement from the urban south of the country. Despite its lack of equity, the success of this period can be measured by the reputation it gained Benin as the "Latin Quarter" of Africa.

In 1972, Lieutenant Colonel Mathieu Kerekou assumed control of the government and launched a major reform of the educational system. The major goal of the New School movement, the Ecole Nouvelle was to replace this highly competitive system which produced few graduates with one that sought to:

- i) "adapt schools to national realities and serve the country's developmental needs;
- ii) offer free, universal education, to avoid elitism and the pursuit of diplomas; and,
- iii) introduce productive, physical work into school life."

The Kerekou government undertook a massive expansion of the educational system. The number of primary schools expanded to 2,879 in 1989, and number of students in primary school increased to 482,451. The number of teachers increased to 14,500 by 1989. Secondary schools experienced a similar expansion: the number of schools increased from 4 to 153; the number of students sitting for the final secondary school examination (the Baccalaureat) rose from 1900 in 1975 to 12,000 in 1982; and the number of teachers increased almost four-fold. The percent of children in school rose from 39 percent in 1975 to 61 percent in 1985. Beginning in 1982, education consumed over one third of recurrent

expenditures and, since 1985, about 35 percent of the total national budget has been dedicated to education (see Table 5).

While the objectives of the Ecole Nouvelle may have been worthy, they were never fully realized. Overall school attendance increased at an annual average rate of 2.3 percent between 1984 and 1988, but this was significantly lower than the estimated population growth rate. Moreover, since 1985, the actual percentage of school age children attending school declined to 59 percent by 1989. While the number of students sitting for the Baccalaureat increased tremendously, the number of students passing that examination remained unchanged at about 850 each year over the entire period.

The reform failed for a number of reasons. First, planning and management failed to follow through on popular expectations. The curriculum that was supposed to reflect national values was never designed. At best, some teachers had a list of topics their instruction should cover. Likewise, poor management and planning doomed the school production component of the reform. Teachers were not trained for income generating activities, and resources were not available. Parents did not want it. Second, besides poor management, popular support for education reform waned as reality shattered expectations. Problems such as teacher shortages led to massive hiring of unqualified teachers. Parents, teachers, and students became disenchanted with the idea of school production once they began to understand that physical labor was to replace educational content. And even though finances going to education represented over one-third of the total recurrent spending, the level of resources was insufficient, and/or inefficiently spent, to buttress the reform. Third, the student assessment system continued without change from the pre-reform period where it was oriented towards selecting a few successful candidates rather than promoting the achievement of learning for the majority. As a result of these failures, the education system in Benin remained a colonial inheritance.

The third phase of educational policy in Benin is currently underway. The National Conference, the founding constitutional convention of Beninois democracy, mandated a broad debate on educational issues. This debate took the form of the Etats Généraux de l'Education (EGE), a representative meeting of about 400 people from all parts of the education sector and all walks of life that was held in September 1990. Debate was lively with frequent expressions of competing interests (teachers, university students, parents, planners, the Ministry of Finance, etc.). Results of the debates and the resolutions adopted were combined into a widely disseminated book (Annex VI). The recommendations that came out of the EGE have come to guide the education reform process. These recommendations include: (i) qualitative improvements at all levels of education; (ii) improved selection

31

mechanisms for entrance into post-primary education; and, (iii) measures for improved access, equity, efficiency, and quality for all levels of education, but especially primary.

An EGE followup committee, a Commission de Suivi, was created whose mandate includes the elaboration of viable policies strategies, and action plans. The GOB's Council of Ministers, in January 1991, approved an education sector policy framework based on the EGE (Annex V). In this policy statement, the GOB places emphasis on improving the quality of instructional services without incurring net increases in recurrent expenditures and on primary education over secondary and tertiary education.

b. The Form and Structure of Education in Benin.

Education in Benin continues to be dominated by the French model. From the first year of primary school, all instruction is in French. The system is very centralized with the educational programs, books, teacher employment and pay, and educational policy controlled by the Ministry of Education. Children of the urban south remain the chief beneficiaries of the education system, although the relatively recent arrival of the French language in the North, where a predominantly Muslim population had resisted the introduction of French into schools, has introduced a national recognition and concern over regional and socio-cultural equity. Moreover, despite the intentions of the Ministry of Education to offer free and universal education, families continue to finance a large share of primary school educational costs, paying for school fees, notebooks, and school uniforms, and contributing to school construction, procurement of pedagogic materials and equipment. Altogether, parents directly finance approximately 28 percent of the total costs of primary education, about 22 percent of secondary education costs, and none of the higher education costs.

c. Financing of Education. Since the 1970s, higher levels of education have been heavily subsidized, whereas primary education has not been. With the deterioration of the economic situation during the early 1980s, the government increased its financing of university education, and further decreased its financing of primary education. In 1986, this trend began to change. Spending on university education, particularly unit expenditures, began to decrease, whereas unit expenditures on primary students began to increase (see Tables 5 and 6). Throughout the history of post-colonial Benin, the families of primary school pupils financed far more of the total education costs than the families of secondary or university students. Likewise, donor finances have consistently favored university students over primary students. Table 5 shows the distribution of educational expenditures per student, by level of education, and by sources in 1988.

d. Profile of primary education.

(i) Enrollments. Enrollments in Benin's primary schools are approaching one-half million students. According to official statistics, this number represents 59 percent of the population of 6 to 11 year olds (see Table 7). Since many of these children are older than the age they should be for primary school, due to frequent grade repetition and perhaps late entry, this gross primary enrollment rate exceeds the net primary enrollment rate by a wide margin. Government statistics report that only 47 percent of 6-11 year olds are in primary school (Table 7).

(ii) Internal efficiency. Analysis of the parameters of educational system efficiency suggests very poor returns on the educational investment in Benin. The distribution of enrollment across grade levels in Benin is greatly skewed towards the higher grades, reflecting this low level of efficiency. If repetition and dropout rates were negligible (i.e., if all children were promoted each year to the next grade level), then 16.7 percent of enrollments would be observed at each grade level. In fact, of those enrolled in primary school in Benin in 1989, nearly 33 percent are in First Grade, whereas only 8 percent are enrolled in the final year of the cycle (Table 8). High repetition and dropout rates typify low system efficiency. What is worse, efficiency levels have been deteriorating. Repetition rose from 19 percent in 1970 to 27 percent, on average in 1986. These high repetition rates result in an extended schooling period for Beninese children, and additional spending on education. Repetition also varies greatly across grade levels. In 1989, repetition rates at each grade level ranged from 21 percent of Second Grade enrollment to 39 percent of Sixth Grade enrollment. Drop out rates in primary school are also very high. In 1989, nearly two out of three children who enter primary school drop out with less than 5 years of educational attainment on average. Dropout rates also vary across grade levels (Table 8). In 1988, the proportion of dropouts from First Grade was 18 percent, and from Sixth Grade was 27 percent.

The end result of high repetition and dropout rates is that the total number of years of educational attendance invested per graduate (cycle time) is quite high. Completing Fifth Grade should take five years, whereas in Benin in 1989 it is estimated to have required eight years of educational investment. The cycle time invested for a student to stay in school long enough to take the Certificat des Etudes Primaires (CEP) is ten years, whereas it should be six. The cycle time per successful graduate is 26 years (Table 8).

251

(iii) Indicators of Quality and Effectiveness.

Poor efficiency (i.e., high dropout and repetition rates) is often the result of poor educational quality. UNESCO/UNDP analyses find that most indicators of educational quality in Benin are poor. Teacher training programs inadequately prepare teachers for effective teaching. Most teachers have no teacher education, and a large proportion have little formal education beyond primary school. Low salaries, and a period of time when State payrolls could not be met, have undermined teacher motivation. Educational curricula are incomplete, outmoded, and poorly organized. Textbooks are scarce, as are other educational materials.

Currently available statistical data only provide proxies for the quality of inputs in the education system. Unfortunately there are no studies of textbook availability. On the other hand, data on teachers and infrastructure is readily available in the education statistics yearbook. Tabulation of this data (Table 9) shows a high proportion of "unqualified" teachers, and indicates that there was a substantial increase in unqualified teachers between 1985 and 1988. Data also suggest that very few primary schools have canteens, running water, or latrines.

Ineffective education programs also result from the fact that, as discussed earlier, the main emphasis of the education system is selection of students into university education, not maximum attainment of cognitive competencies for children at every educational level. The examination system is designed to support selection, rather than promote learning for every student.

(iv) Equity. Despite improvements in access, there are strong reasons to be concerned with the equity of educational services and outcomes in Benin. Across the regions, net enrollment rates range from a low of 30.6 percent in Borgou to a high of 62.8 percent in Oueme of the relevant 6-11 year-old age group in these regions. First Grade dropout rates are three times as high in one region, Atacora than in another, Atlantic. Gender disparities are also not uncommon. In some regions, net enrollment rates for girls are over 40 percent lower than the average. Gender disparities are also apparent in the CEP pass rate. In Borgou, for example, 42 percent of the students taking the CEP examination passed; only 11.8 percent of the girls passed. (See Table 11)

Year	Education Budget	% Budget total	Primary	% of Education Budget	Number of Primary Students
1970	2,931	30	-	-	155,200
1975	5,627	39	2,525	45	257,900
1980	10,244	32	4,231	43	379,900
1985	20,219	40	7,265	36	444,200
1989	19,060	36	9,383	49	482,400

Level	GOB	%	Parents	%	Donors	%
Primary	17,900	68	7,200	28	1000	4
Lower Secondary	38,300	71	13,200	25	2,400	4
Upper Secondary	63,900	78	15,700	19	2,400	3
Technical	198,500	71	92,600	20	23,200	8
University	320,400	83	neglig.	0	67,200	17

Year	Enrolled	Enrolled and 6-11	Population Aged 6-11	Gross enrollment rate	Net Enrollment Rate
1979	-	-	614,757	-	-
1980	-	-	632,277	-	-
1985	444,232	-	720,731	60.96	-
1988	470,277	-	794,483	59.18	-
1989	482,451	386,346	817,859	58.99	47.24

Table 8 Internal efficiency parameters, 1989						
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6
Enrollment	130,386	95,743	85,664	61,950	55,702	53,006
% of total	27	20	18	13	12	11
% of grade	100	100	100	100	100	100
Repetition	29,676	20,545	23,453	14,842	17,241	20,805
% of grade	23	21	27	24	31	39
Dropouts (1988)	23,026	8,521	10,742	7,744	5,548	14,423
% of grade (1988)	17.66	8.90	12.54	12.50	9.96	27.21
Cycle time (to complete 5th grade)	8 years					
Cycle time (to sit the CEP)	10.3 years					
Cycle time (to pass the CEP)	26 years					

Table 9 School input quality parameters (1985-1989)				
Level		1985	1988	1989
Teachers	qualified	2,362	2,558	2,772
	unqualified	10,876	11,509	11,049
Infrastructure	schools	2,667	2,840	2,879
	classrooms	12,144	13,234	13,342
	canteens	403	-	-

Level	1984	1986	1988
CEP pass rate	47.7	47.6	42.96
Total CEP passes	23,288	22,693	19,644
% enrolled who complete 6th grade and sit for the CEP	10.4	9.3	9.7

		Ata- cora	At- lanti c	Bor- gou	Mono	Oueme	Zou
net enrollment rate	total	37.2	56.0	30.6	38.3	62.8	52.0
	female	22.9	46.2	21.7	21.9	43.8	37.2
grade 1 dropout rate	total	28.2	9.4	20.4	16.7	17.5	19.5
	female	31.8	10.1	21.6	21.1	16.8	21.2
CEP pass rate	total	39.9	43.8	42.4	39.4	43.1	45.3
	female	36.1	42.1	11.8	32.8	42.1	39.0

4/3

2. The Economic Rationale for Assistance. The basic economic rationale for assistance to Benin's education sector reform is that significant changes can be made in the system which will increase the number and quality of primary school graduates, improve the skills and capabilities of all children attending school, and increase the percent of the population with skills relevant to participation in a modern economy. Furthermore, these improvements will be achieved not by increasing the share of resources devoted to education, but through efficiency gains from improving resource use within the sector.

The educational system in Benin does not provide students with the kind of education most of them require to succeed economically. It produces relatively too many university-seekers and not enough literate and numerate primary school graduates relative to the population. Furthermore, it achieves only mediocre results because resources devoted to education are used in a highly inefficient manner. The Government of Benin's strategy for reform of the education sector addresses all of these problems, placing greater emphasis on primary education, reversing the growth of enrollments in higher education, transferring a greater portion of the cost of higher education to its beneficiaries, and improving the cost-effectiveness of the school system. Measures to reduce scholarships and support at secondary and higher levels are being introduced. The GOB intends to refine these measures further in redressing the balance between primary and higher education.

While the previous section of this paper discussed the quality and content of a primary school education in Benin, this section will present information about the allocation of resources among primary, secondary and higher education. It will also discuss the inefficiency of the primary school system in producing qualified graduates.

a. Operating Costs of the Education System. "The Costs and Financing of Education in Benin" by Carnoy and Agonsanou, date August, 1990 (Annex VIII) presents estimates of expenditures by education level and discusses issues relevant to improving the cost-effectiveness of the system. Selected data from this study (Table 12), are presented here to describe the cost characteristics of the present system.

The data presented below are subject to considerable error given the large differences between different official sources with respect to actual amounts disbursed, salaries paid, and methods for allocating general expenditures among different levels. Nonetheless, Carnoy and Agonsanou develop a consistent set of estimates which shows the evolution of expenditures over time.

Table 12

Total Public Expenditures on Education by Level 1970-1989
(in millions of CFA francs)

Year	Education Budget	Primary	%	General Secondary	Tech. & Professional	Higher
1979	2,931	-	-	-	-	143
1975	5,627	2,525	45	1,369	-	644
1976	6,438	2,918	45	1,385	-	-
1977	6,899	3,107	45	1,351	-	1,200
1978	8,324	3,850	46	1,562	-	1,540
1979	9,902	4,664	47	1,638	-	-
1980	10,244	4,231	43	1,830	523	-
1981	13,534	4,870	36	2,596	-	-
1982	14,246	5,757	40	2,868	-	2,109
1983	17,470	6,923	39	3,041	-	-
1984	16,715	6,894	41	-	-	-
1985A	17,404	7,432	43	-	617	3,947
1985B	17,045	7,573	44	3,165	743	3,651
1986B	20,510	7,765	38	3,765	778	2,936
1987B	22,466	7,849	35	3,961	866	3,311
1988B	19,720	8,421	43	3,754	680	2,852
1985C	20,219	7,265	36	-	-	-
1986C	16,529	6,455	39	-	-	-
1987C	19,427	8,304	43	-	-	-
1988C	17,651	8,414	48	-	-	-
1989C	19,060	9,383	49	-	-	3,187

Source: Carnoy and Agonsanou, "Coûts et Financement de l'Éducation au Bénin," UNESCO - PNUD, August 1990.

A.I.D. conducted its own analysis of budgeted expenditures for the 1991 budget to determine if the budget reflected the stated priorities of the GOB. The budgeted operating costs of the education system for 1991 are approximately equal to 18.1 billion

45

CFA francs (\$60.3 million). This figure is an approximation because it includes estimated expenditures for the education sector from the GOB's common expenditure budgets for personnel and supplies. Specific line items from these budgets lump together expenditures for different ministries and groups of GOB employees. These common expenditures are not easily disaggregated. Nonetheless, there is sufficient precision in these budgets to permit a reasonably accurate allocation of general expenditures by ministry. These common expenditures of all civil service ministries taken together amount to about 2.8 billion CFA for personnel and 10.6 billion CFA for supplies. Of this total, approximately 1.2 billion CFA francs (\$4 million) appears to be directly attributable to paying the general operating costs of the education system. In addition to this amount, other general personnel benefits (such as medical evacuations, hospital costs and per diem payments) which are lumped together for all GOB employees are included. Since employees of the Ministry of Education (MOE) represent over half of all civilian employees, this analysis assumes that approximately half of these general benefits are received by employees of the Ministry of Education. This assumption adds .7 billion CFA (\$2.3 million) to the cost of operating the education system.

At 18.1 billion CFA (\$60.3 million), the 1991 operating budget for education accounts for over thirty-five percent of the 51.6 billion CFA (\$172 million) primary operating budget for 1991. (Note: The "primary" budget does not include debt service or the investment budget.) The overall 1991 budget for education also includes .5 billion CFA (\$1.7 million) for durable equipment, vehicles and various durable supplies plus 2.35 billion CFA (\$7.8 million) in donor-funded investment projects. The total education budget would therefore amount to 20.95 billion CFA (\$69.8 million). The MOE shows 21,969 employees in its budget out of a total of 42,000 employees in the civil service and 8,000 in military service. The preponderance of education in the budget and in the civil service is striking.

Education's operating budget of 18.1 billion CFA for 1991 is allocated by category in the 1991 budget (Table 13).

This allocation is heavily weighted toward personnel, with little remaining for supplies. Textbooks and other teaching materials are a minuscule portion of the supplies category (approximately \$60,000 in total), with most of this taken up by basic expenses such as water, electricity, telephone and various administrative expenses. However, for 1991 the GOB procured approximately \$1.5 million in textbooks through the Emergency Social Fund. This expenditure does not have the characteristic of a recurrent expense so it is not included in the MOE's 1991 operating budget.

Remuneration of Personnel	15.0	83.1%
Supplies	.4	2.3%
Scholarships	1.4	7.8%
Other	1.2	6.7%
Total	18.1	100.0%(a)
(a) Numbers and percentages do not add due to rounding		

By level of education, the 1991 budget breaks down in Table 14 is as follows (in millions of CFA francs).

	Personnel	Supplies*	Scholarships**	Other	Total
Primary	8,436	226	-	-	8,662
Secondary	2,877	92	-	5	2,974
Technical and Professional	436	28	320	-	784
Higher Education:					
Superior	277	7	-	120	404
U.N.B.	1,246	33	1,000	275	2,554
Other Institutes and Centers	229	6	97	145	477
Ministry	822	22	-	675	1,519
General Benefits for Personnel	700	-	-	-	700
TOTAL	15,023	414	1,417	1,220	18,074
Percentage of Operating Budget	83.1	2.3	7.8	6.7	99.9

*Note: With the exception of three explicit expenditure categories, supplies have been allocated in proportion to personnel expenditures for each level. This is likely to overestimate the value of supplies for lower levels and underestimate the value of supplies at higher levels.
 **USAID assumption concerning the division of scholarship support between Technical/Professional and University levels.

A more detailed, quantitative analysis of personnel expenditures by level is given in Table 15.

TABLE 15 1991 Education Budget Personnel by Level		
	Personnel (% of personnel expenditures)	Total (% of total operating budget)
Primary	58.9	55.9
Secondary	20.1	18.9
Technical and Professional	3.0	4.7
Higher Education: Superior	1.9	2.4
U.N.B.	8.7	15.2
Other Institutes and Centers	1.6	2.8
Ministry	5.7	-**
TOTAL	99.9	99.9

**Note: Ministry expenditures on personnel have been allocated directly to the relevant level where its application is narrowly defined. General overhead expenditures such as general benefits for personnel and the expenses of the Minister's cabinet, supplies and unallocated common expenditures have been allocated in proportion to personnel expenditures for each level.

The methodology used to estimate the proportion of resources allocated to each level of education for 1991 is not necessarily comparable to Carnoy and Agonsanou's since A.I.D. did not have access to their budget allocation assumptions. Nonetheless, it is likely that primary education is now receiving a higher proportion of resources than it did in the years covered by Carnoy and Agonsanou's data. However, if the cost allocation assumptions used above are not dramatically inaccurate, budgetary support for higher education, and other institutes and research centers takes 20.4 percent of the 1991 education operating budget. This is greatly in excess of the target of 8 percent

which the MOE has set for higher education's share of the budget for 1994 and 1999.

The total education sector budget has been as much as 40 percent of the national budget and never less than 27 percent of the budget since 1975 as shown in Table 16 below.

Year	Education Budget	% of National Budget	% of GDP
1975	5.63	38.9	6.2
1976	6.44	40.0	6.4
1977	6.90	35.9	6.0
1978	8.32	35.9	6.5
1979	9.71	36.8	6.2
1980	11.34	36.8	6.0
1981	12.81	35.1	5.7
1982	13.29	27.8	5.2
1983	17.12	27.6	5.6
1984	16.68	33.7	5.1
1985	16.67	33.4	4.7
1986	20.51	36.0	4.1
1987	22.46	40.0	4.5
1988	19.72	37.0	3.9

Source: Ministry of Education, Cotonou

Data for 1989 and 1990 on actual expenditures are not yet available. However, it should be pointed out that whatever may have been expended in 1989, the results of the year were nil. No students were promoted, no examinations were administered, and no degrees were awarded in 1989 as the school system was closed for the year. The budget figures for 1990/91 show that projected expenditures remain at a high proportion of the national budget

(approximately 35 percent of the primary operating budget, but only a little over 4 percent of the donor-financed investment budget) and about 3.5 percent of GDP. The trend of public sector education expenditures as a percentage of GDP is clearly downward with a particularly marked decline at the end of the 1980s. This has occurred in spite of the apparently successful effort to maintain education's share of the operating budget.

Improvements in revenue performance through the adjustment program will make it possible to increase spending on education without increasing education's already large share of the operating budget. As the projections below make clear, targeted operating expenditure levels are well within the capability of the GOB to support, provided of course that revenue performance improves as programmed and that the civil service departure program continues. They are also within the historic range of budget allocations to education as a percentage of the total operating budget.

Table 17

	<u>Total Revenues</u> (billions of CFA francs)	<u>Education Target*</u>	<u>Total Operating Budget</u>	<u>% of Operating Budget</u>
1991 (Projected)	57.8	18.1	55.9	32.4
1991 (Target)	57.8	20.5	57.8	35.5
1994	85.4	22.0	61.5	37.3
1999	104.3**	28.0	75.1**	37.3

*GOB operating budget expenditure targets: 1991, 1994 and 1999.

**USAID projections (4 percent/yr. growth 1994-99)

b. Indications of the Cost-Effectiveness of the Education System. According to the GOB's education policy framework, strategy, repeater rates, school leaver rates and primary certificate examination failure rates are all relatively high. As a result, according to the GOB, only about 360 students of each 1,000 enrollees make it to the sixth year of primary school. Among these 360 sixth year students, only 164 obtain the primary school certificate. This analysis has recalculated these figures based on the average rates for recent years and obtained similar results.

The school system fails to impart basic literacy and numeracy to about half of its entering students, and for those who get beyond

50

the fourth year, it succeeds in qualifying only a minority for the primary school certifying examination.

The high rate of dropouts and repetition results in a tremendous waste of resources. Applying the prevailing promotion, repeater, and dropout rates to a school system which registers 1000 new first year students each year results in a stable distribution of students by grade level. Simulation analyses contained in Annex VIII indicate that if the recent average promotion, repeater and school leaver rates were to continue to characterize the Beninese school system, resources for 16 student-years of schooling would be required for each student who completes sixth grade (net cycle time). Moreover, given the low rate of success on CEP examinations, the school system would have to spend 5,320 student-years each year to produce only 208 students who would pass this examination. Thus, the cost of producing one graduate who passes the CEP examination is equivalent to 25.6 student-years.

This is an abysmally low level of efficiency by any standard. It suggests that the school system is badly managed, with its resources allocated to the wrong mix of inputs (i.e., too many poorly qualified teachers, few books or supplies, deteriorating school environment). While the system is obviously inefficient, there is another explanation for the apparently high cost of producing students who pass the end of cycle examinations. These tests are also used to determine qualification to enter the next higher level of education. Since there are limitations on the numbers of students who can be absorbed in secondary and higher schools, the tests tend to become more of a selection or screening device than a measure of accomplishment or success for the level of schooling just completed. In short, the cost of passing students on to the next higher level would be much greater than the cost of failing them at the end of the primary cycle.

In the mid-1970s, prior to the tightening of budget constraints on the expansion of the education system, promotion, repeater and school leaver rates were more favorable. At that time, it took approximately 20 student-years to produce one successful primary school graduate. The ineffectiveness of the current system can be remedied. Other methods for selecting students to continue on to higher levels of education can be devised which will not be confounded with tests to measure student achievement.

c. Effects of the Reform Program. The reform program, through the improvement of teacher training, the reallocation of budget resources to increase the provision of textbooks and school supplies, and other measures, will gradually reduce the repeater and school leaver rates. Benefits from improved cost-effectiveness of the school system could begin to accrue early in the program years.

The quantitative objectives of the reform program are set in the GOB's education sector strategy statement. They establish the following targets for enrollments, costs per enrolled student, and expenditure by level of schooling. The actual figures for 1988 are given for reference.

Table 18
GOB Targets for Educational Improvement

Enrollments

Year	1988	1991	1994	1999
Primary	470,300	502,655	580,045	783,436
Secondary	85,700	83,868	89,417	116,247
Technical & Professional	3,425	3,438	3,445	4,447
Superior	8,900	6,264	5,838	8,067

Costs per Enrolled Student (CFA francs)

Year	1988	1991	1994	1999
Primary	17,905	24,700	24,600	22,700
Secondary	13,800	61,500	61,800	60,400
Technical & Professional	198,500	155,700	163,000	161,500
Superior	320,400	311,200	308,000	287,400

Total Costs (millions of CFA francs)

Primary	8,421	12,416	14,269	17,784
Secondary	3,754	5,158	5,526	7,021
Technical & Professional	680	535	562	718
Superior	2,852	1,949	1,798	2,318
Totals	15,707	20,058	22,155	27,842

Percentage of Total Public Expenditures by Level of Education

Year	1988*	Target 1991	Target 1994	Target 1999
Primary	53.6	62	64	64
Secondary	23.9	23.5	25	25
Technical & Professional	4.3	2.5	2.5	2.6
Superior	18.2	12.4	8	8.3
Total	100.0	100.4**	99.5**	99.9

*UNDP financed cost of education study.

**Note: Percentages do not add to 100 in the original document.

These targets were established in a GOB study completed prior to adoption of the 1991 budget. Achievement of the targets would redress the current imbalance between primary and higher education, as can be seen from the comparison with current operating budget levels.

52

Further analysis of budget allocations will be carried out with the GOB to establish a clear baseline for comparison. The budget analysis for this document includes expenditures for Educational Institutes and Research Centers in the Superior Education category. It also allocates ministry expenditures among levels proportional to the personnel expenditures for each level. This assumed allocation may not reflect the ministry's own system for allocating costs. The methodology which was used in allocating costs to arrive at the GOB's target expenditure levels will have to be clearly understood and incorporated in baseline measures so that progress toward these targets can be monitored.

The area of highest risk in the education reform strategy is the compression of higher education enrollments and containment of costs. Higher education personnel costs at 1.5 billion CFA (\$5.0 million) already absorb 10 percent of the 1991 personnel budget. This figure for higher education does not include personnel costs from the MOE such as the Scholarship Office which is primarily for the benefit of higher education. Scholarships currently cost 1.4 billion CFA annually (about \$4.7 million), an amount nearly equal to higher education's personnel costs. This level of support will be frozen by the GOB and a system of scholarship support according to financial need and technical merit introduced. However, even if the GOB succeeds in freezing scholarship support, it will also need to restructure University personnel and hold down its contributions to student transport (now at \$480,000) and general university operations (\$430,000). The target of 1.8 billion CFA francs (\$6.0 million) for higher education by 1994 seems unattainable. Further discussions with the GOB with respect to its quantitative targets for the reform program will be undertaken during program negotiation and implementation. Intermediate targets will be refined continuously as the reforms implemented take affect.

B. The Constraints Analysis.

1. The Etats Generaux de l'Education. 1990 was a year of political transition and transformation for the people of Benin. The National Conference successfully completed its work, a transition government was named, and Presidential campaigns were initiated. It was clear to all in Benin that democratic political institutions supported by pluralism, popular participation, and the rule of law were well on the road to becoming reality. In short, it was becoming clear that the highly participatory "Benin model" was achieving its intended democratic results. The people had become empowered and positive change was a reality. In this context, it caused little wonder when the same people decided to utilize the same highly participatory, open process to begin to address other major concerns.

5

In September 1990, an Etats Generaux de l'Education (EGE) was held. During the five day conference, participants outlined the general problems facing Benin's educational systems, made a preliminary diagnosis of the causes of those problems, reached consensus on certain basic principles which reflect Beninois values toward education and serve as a guide for the education system, and recommended short-term actions and long-term follow-up to effect a fundamental transformation of the system.

It is this Beninois assessment of the problems facing Benin's education system that serves as the basis for this program's assessment of the constraints facing primary education in Benin. It is, therefore, important to understand in some depth how the EGE conceptualized its problems.

First, the conference concluded that the Ecole Nouvelle was a failure. It resulted in a reduction of educational standards, a strong and notable drop in enrollment rates and an increase in drop out rates. Parents became disillusioned with the schools and kept their children at home. The children who did stay in school and graduated left school without the skills necessary to be absorbed into the economic life of the nation. The conference agreed that the poor state of primary education in Benin is a result of several factors that it grouped into three categories for further examination:

a. Quantitative Problems. A total of 2,879 primary schools served 482,451 students in 1989. The schools are in miserable physical condition with less than basic or no furnishings. They have been subject to little or no maintenance and many are literally deteriorating on the spot. There are practically no didactic materials present in the schools, and the few schools that have some find them to be almost totally obsolete. There is an absolute lack of qualified teachers, and the training supervision system is totally insufficient. For 14,500 teachers, there are no more than 88 inspectors. Of these, over 40 percent will retire by 1993. There are 198 teaching advisers (conseillers pedagogiques) each supervising 72 teachers.

Student enrollments have not kept pace of population growth and, as a result, enrollment rates have fallen in the past several years to approximately 59 percent of the age group. At the same time that the quality of education has fallen, the costs per student have increased. The deterioration in the economy has made it extremely difficult for parents to meet costs and fees of sending children to school, and the fiscal crisis has placed severe constraints on the government to provide the minimum equipment for schools, teaching materials, and texts and learning materials for students.

b. Quality of Education. The curriculum of the Ecole Nouvelle is inappropriate and inoperative, and has effectively been abandoned. The system which recruited teachers during the Ecole Nouvelle placed more emphasis on candidates' political credentials than teaching credentials. Most of the young revolutionary teachers tarnished the reputation and esteem previously held for teachers. Qualified teachers, many of the system's best, abandoned their careers and those that remained were totally demoralized. The Ecole Nouvelle created and placed schools helter-skelter without regard for efficiencies. Quality teaching and learning is a "happy memory" in Benin, nothing more.

2. Program Constraints Analysis. In the previous sections, the overall problems of Benin's primary education system have been discussed. In addition, the Beninese framework for restructuring the education system was presented and an economic rationale for assisting the Beninese to achieve their objectives has been examined. In this section, we will briefly present a review of the constraints which prevent the primary education system from achieving its goals now. We will examine the problems which impinge on the quality of the system, access to primary education, the financial sustainability of the primary education system, and its political and institutional durability.

a. Primary Education Quality. The quality of primary education in Benin is suffering the legacy of the Ecole Nouvelle. The curriculum is neither accepted by the students, parents and teachers nor has it ever been fully elaborated. At best, teachers have access to a list of subjects to be taught, syllabi are non-existent and texts do not teach the approved curriculum. It is not linked to what student's are expected to know or achieve at each level.

The student assessment system emphasizes entrance to the next level rather than student achievement, but it is popularly viewed as an assessment of the student. Because the CEP really determines whether a student continues, students focus on the test, not on learning. They study for the test and tend to repeat grades, especially Sixth Grade in order to have a better chance to pass the test. In the absence of an articulated curriculum, teachers also have a tendency to teach for the test. Worst of all, the low pass rate on the CEP tends to classify a the majority of Beninese students as failures by the time they complete the Sixth Grade.

Didactic materials, classroom supplies, and textbooks are practically non-existent. This is largely a result of financing constraints, but clearly inhibit both students' ability to learn and teachers ability to teach.

Various constraints inhibit the effectiveness of the teaching corps. The lack of a curriculum and teaching syllabus, and the dearth of teaching materials mentioned above are important. But other factors are equally or more important. The introduction of large numbers of untrained teachers into the primary schools during the Ecole Nouvelle period, especially those teaching in order to get a university scholarship, had two deleterious effects. It placed teachers in the primary schools who didn't want to be there, weren't trained to be there, and were simply putting in their time in order to go elsewhere. In short, it introduced unmotivated teachers into the system. Secondly, it demoralized those trained teachers dedicated to a system of excellence, i.e., those who took pride in being the teachers in the "Latin Quarter" of West Africa.

These problems are compounded by the absence of inservice training systems, ineffective preservice training institutions, and little to no supervision of teachers in their classrooms; in short, a total breakdown of the institutions and systems required to support, encourage and foster excellence in teaching.

Finally, there appears to be a correlation between the success of students in primary school and the presence of a school lunch program. Whether or not the inverse is true - that the absence of a school lunch program inhibits student success - will be subject of further examination during the Program life.

b. Access and Equity Constraints.

Quantitatively, primary education in Benin is also characterized by falling enrollment rates overall, gender disparities in enrollment and retention rates, and regional disparities in enrollment rates and student teacher ratios.

The perceived poor quality of the primary education system is a prime cause of the falling enrollment rates, and the constraints to improving quality discussed above may be foremost in a parent's decision to keep children at home or send them across the border for school. However, there are additional factors which further inhibit them from sending their children to school. First, the decline in the economy and falling incomes have caused parents to increasingly depend on their children's role in earning family income. Secondly, with the growing realization that completing school is no longer sufficient for getting a good civil service job, families are less likely to view education as an investment in future financial security.

In this environment, girls are even less likely than boys to enroll in school. There are cultural factors at play in certain areas of the country which continue to place a lower value on girls' education. The current economic environment and the conditions of the schools exacerbate that bias.

56

Regional disparities in enrollment rates reflect regional differences in educational quality in addition to different cultural influences. Better teachers, materials, and school facilities tend to be located in the South. The exodus of young adult males from the North due to the economic crisis is more likely to increase the opportunity cost of sending children to school there than in the South. The costs of sending children to school, formal and informal school fees, are a heavier burden for rural families than urban families.

c. Financial Sustainability. During the Ecole Nouvelle period the GOB increased the personnel costs of the education system, largely by hiring large numbers of teachers at the primary and secondary level, without decreasing the large scholarship and support bill of the University system. The good side of this inheritance is that the GOB has been forced to retain a relatively large portion of its budget for the education sector; the down-side is that within the primary subsector, there is very little room for the investments necessary to improve educational quality. Therefore, if the GOB is to successfully implement its policy of emphasizing primary education, it will have to deal with some major financial constraints:

(i) More financing needs to flow to the primary education subsector on a sustained basis at the same time that the overall fiscal deficit must be substantially reduced and while the GOB is undergoing an austerity program.

(ii) Within the primary education sector, relatively greater resources must be made available for financing recurrent costs and investments in materials, texts, and training.

(iii) The costs of sector reform will be high, and those extraordinary, budgetary costs must be financed in the short run.

d. Institutional and Political Sustainability. The major constraints to the political and institutional sustainability of the primary education restructuring program relate to planning and management capacities of the Ministry of Education, the local administrative capacity of primary schools, and maintaining popular support among parents for the program.

(i) The planning and management capacities of the Ministry of Education at the central level are currently under comprehensive review. While it is expected that the ongoing management audit will pinpoint additional areas requiring strengthening, at a minimum we know that the systems which gather, analyze and disseminate basic educational data are presently insufficient to perform the tasks required of them if this program is to succeed. While comprehensive data is

currently gathered and stored, it is rudimentary and does not lend itself easily to the more sophisticated analyses required to understand, for example, the effects of the reforms on students' achievement levels and the relationship between efficiency gains and student achievement.

Budgeting and expenditure processes, procedures, and reporting are not adequate. Again, the management audit will provide greater detail on this topic, but experience gained preparing the analyses for this program indicates that the current system is insufficiently transparent to fully understand the dynamics of primary education finance. A detailed expenditure tracking capability is an immediate requirement if the reform program is to meet its objectives.

Within the local communities and the primary schools themselves, the disaffection between the schools and parents is a major constraint to the ultimate success of this education reform program. While the process in place to design and implement educational reform in Benin is one of the most participatory seen in Africa, that participation will have to carry through to involvement in the day-to-day activities at the local schools if the objectives of increasing enrollment, equity, and student achievement are to be reached. This is generally regarded as a two-way street. Not only do parents need to become involved, the administrative and professional capacity of the local principal, teachers and staff needs to be respected by the community.

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Student enrollments have not kept pace of population growth and, as a result, enrollment rates have fallen in the past several years to approximately 59 percent of the age group. At the same time that the quality of education has fallen, the costs per student have increased. The deterioration in the economy has made it extremely difficult for parents to meet costs and fees of sending children to school, and the fiscal crisis has placed severe constraints on the government to provide the minimum equipment for schools, teaching materials, and texts and learning materials for students.

b. Quality of Education. The curriculum of the Ecole Nouvelle is inappropriate and inoperative, and has effectively been abandoned. The system which recruited teachers during the Ecole Nouvelle placed more emphasis on candidates' political credentials than teaching credentials. Most of the young revolutionary teachers tarnished the reputation and esteem previously held for teachers. Qualified teachers, many of the system's best, abandoned their careers and those that remained were totally demoralized. The Ecole Nouvelle created and placed schools helter-skelter without regard for efficiencies. Quality teaching and learning is a "happy memory" in Benin, nothing more.

2. Program Constraints Analysis. In the previous sections, the overall problems of Benin's primary education system have been discussed. In addition, the Beninese framework for restructuring the education system was presented and an economic rationale for assisting the Beninese to achieve their objectives has been examined. In this section, we will briefly present a review of the constraints which prevent the primary education system from achieving its goals now. We will examine the problems which impinge on the quality of the system, access to primary education, the financial sustainability of the primary education system, and its political and institutional durability.

a. Primary Education Quality. The quality of primary education in Benin is suffering the legacy of the Ecole Nouvelle. The curriculum is neither accepted by the students, parents and teachers nor has it ever been fully elaborated. At best, teachers have access to a list of subjects to be taught, syllabi are non-existent and texts do not teach the approved curriculum. It is not linked to what student's are expected to know or achieve at each level.

The student assessment system emphasizes entrance to the next level rather than student achievement, but it is popularly viewed as an assessment of the student. Because the CEP really determines whether a student continues, students focus on the test, not on learning. They study for the test and tend to repeat grades, especially Sixth Grade in order to have a better chance to pass the test. In the absence of an articulated curriculum, teachers also have a tendency to teach for the test. Worst of all, the low pass rate on the CEP tends to classify a the majority of Beninese students as failures by the time they complete the Sixth Grade.

Didactic materials, classroom supplies, and textbooks are practically non-existent. This is largely a result of financing constraints, but clearly inhibit both students' ability to learn and teachers ability to teach.

Various constraints inhibit the effectiveness of the teaching corps. The lack of a curriculum and teaching syllabus, and the dearth of teaching materials mentioned above are important. But other factors are equally or more important. The introduction of large numbers of untrained teachers into the primary schools during the Ecole Nouvelle period, especially those teaching in order to get a university scholarship, had two deleterious effects. It placed teachers in the primary schools who didn't want to be there, weren't trained to be there, and were simply putting in their time in order to go elsewhere. In short, it introduced unmotivated teachers into the system. Secondly, it demoralized those trained teachers dedicated to a system of excellence, i.e., those who took pride in being the teachers in the "Latin Quarter" of West Africa.

These problems are compounded by the absence of inservice training systems, ineffective preservice training institutions, and little to no supervision of teachers in their classrooms; in short, a total breakdown of the institutions and systems required to support, encourage and foster excellence in teaching.

Finally, there appears to be a correlation between the success of students in primary school and the presence of a school lunch program. Whether or not the inverse is true - that the absence of a school lunch program inhibits student success - will be subject of further examination during the Program life.

b. Access and Equity Constraints.

Quantitatively, primary education in Benin is also characterized by falling enrollment rates overall, gender disparities in enrollment and retention rates, and regional disparities in enrollment rates and student teacher ratios.

The perceived poor quality of the primary education system is a prime cause of the falling enrollment rates, and the constraints to improving quality discussed above may be foremost in a parent's decision to keep children at home or send them across the border for school. However, there are additional factors which further inhibit them from sending their children to school. First, the decline in the economy and falling incomes have caused parents to increasingly depend on their children's role in earning family income. Secondly, with the growing realization that completing school is no longer sufficient for getting a good civil service job, families are less likely to view education as an investment in future financial security.

In this environment, girls are even less likely than boys to enroll in school. There are cultural factors at play in certain areas of the country which continue to place a lower value on girls' education. The current economic environment and the conditions of the schools exacerbate that bias.

Regional disparities in enrollment rates reflect regional differences in educational quality in addition to different cultural influences. Better teachers, materials, and school facilities tend to be located in the South. The exodus of young adult males from the North due to the economic crisis is more likely to increase the opportunity cost of sending children to school there than in the South. The costs of sending children to school, formal and informal school fees, are a heavier burden for rural families than urban families.

c. Financial Sustainability. During the Ecole Nouvelle period the GOB increased the personnel costs of the education system, largely by hiring large numbers of teachers at the primary and secondary level, without decreasing the large scholarship and support bill of the University system. The good side of this inheritance is that the GOB has been forced to retain a relatively large portion of its budget for the education sector; the down-side is that within the primary subsector, there is very little room for the investments necessary to improve educational quality. Therefore, if the GOB is to successfully implement its policy of emphasizing primary education, it will have to deal with some major financial constraints:

(i) More financing needs to flow to the primary education subsector on a sustained basis at the same time that the overall fiscal deficit must be substantially reduced and while the GOB is undergoing an austerity program.

61

(ii) Within the primary education sector, relatively greater resources must be made available for financing recurrent costs and investments in materials, texts, and training.

(iii) The costs of sector reform will be high, and those extraordinary, budgetary costs must be financed in the short run.

d. Institutional and Political Sustainability.
The major constraints to the political and institutional sustainability of the primary education restructuring program relate to planning and management capacities of the Ministry of Education, the local administrative capacity of primary schools, and maintaining popular support among parents for the program.

(i) The planning and management capacities of the Ministry of Education at the central level are currently under comprehensive review. While it is expected that the ongoing management audit will pinpoint additional areas requiring strengthening, at a minimum we know that the systems which gather, analyze and disseminate basic educational data are presently insufficient to perform the tasks required of them if this program is to succeed. While comprehensive data is currently gathered and stored, it is rudimentary and does not lend itself easily to the more sophisticated analyses required to understand, for example, the effects of the reforms on students' achievement levels and the relationship between efficiency gains and student achievement.

Budgeting and expenditure processes, procedures, and reporting are not adequate. Again, the management audit will provide greater detail on this topic, but experience gained preparing the analyses for this program indicates that the current system is insufficiently transparent to fully understand the dynamics of primary education finance. A detailed expenditure tracking capability is an immediate requirement if the reform program is to meet its objectives.

Within the local communities and the primary schools themselves, the disaffection between the schools and parents is a major constraint to the ultimate success of this education reform program. While the process in place to design and implement educational reform in Benin is one of the most participatory seen in Africa, that participation will have to carry through to involvement in the day-to-day activities at the local schools if the objectives of increasing enrollment, equity, and student achievement are to be reached. This is generally regarded as a two-way street. Not only do parents need to become involved, the administrative and professional capacity of the local principal, teachers and staff needs to be respected by the community.

62

C. Program Description.

1. The Program Goal and Purpose. The overall goal to which this program contributes is to improve the human resource base of Benin. In order to achieve broad-based, sustainable economic growth, a nation requires an educated human resource base with a capacity to respond to changing skill needs. To facilitate this, people have a right to basic literacy and numeracy. But more importantly, a good education system should allow people to realize their own potential. As they are able to do so, the wider society, and the economy as a whole, will benefit. The overall goal, then, is to set in place a system for human resource development which allows the Beninois people to realize their full human potential.

The specific purpose of the Children's Learning and Equity Foundations (CLEF) program is to institute an effective, efficient, and equitable primary education system that is sustainable. Effectiveness pertains to educational quality. In particular, effectiveness is concerned with the development of cognitive skills and educational competencies, and is dependent on the quality, quantity, and mix of educational "inputs" (eg., teachers, texts and materials, the curriculum). Efficiency focuses on the utilization and costs of these inputs in order to achieve optimum educational outcomes at the lowest possible cost. It is concerned with student flow parameters, such as repetition rates, dropout rates, and the total years invested per cycle completer (cycle time). Efficiency is influenced by increases in quality of service delivery to the extent that quality improvements decrease the time required to achieve a desired outcome. Equity refers to the distribution of inputs and outputs to girls and boys in every region of the country. Sustainability is concerned with (a) the level of budgeted financial resources required to maintain the reforms and to guarantee continued progress in increasing access to quality educational services; and (b) the transformation of the political and institutional systems and processes necessary to assure continued progress towards effectiveness, efficiency, and equity.

The CLEF program will achieve its overall objective by establishing a set of policy and program reforms across four main component areas:

- a. systems and materials related to improving primary education effectiveness and internal efficiency;
- b. equity of access to quality educational services;
- c. sustainable financing;
- d. institutions and local involvement necessary for effective, accountable, and transparent planning and management.

2. Detailed Program Description. As discussed above, the Government of Benin has initiated a public, broad-based process to reform the educational system. The "Education Policy Framework Document," (Annex V), which was approved by the Council of Ministers in January 1991, is the official, Beninois statement of its educational reform effort. This document provides the broad outlines of a national consensus on educational reform, and identifies the parameters of that reform. The A.I.D. CLEF program is designed to complement the Beninois education reform and support the GOB education policy framework. A.I.D.'s program provides financing and technical assistance for the actions required to accomplish Beninois objectives for primary education by the year of 2002. CLEF will help the GOB bear the costs of the subsectoral adjustments and undertake the difficult institutional and political transformations necessary to achieve specific quantitative and qualitative impacts associated with the Beninois vision of the role of primary education in the economic and social development of Benin.

To achieve its overall objective of instituting an effective, efficient, equitable, and sustainable primary education system, the Government of Benin will carry out substantial reforms and activities categorized under the following four supporting objectives: (a) to enhance the key pedagogic systems and inputs related to quality; (b) to assure equity of access to quality primary education; (c) to establish a financially sustainable primary education system; and (d) to establish an institutionally and publically sustainable primary education system. The program activities categorized into these four supporting objectives are the necessary and sufficient factors to assure that by the end of year 2002, an effective, efficient, and equitable system will be established and can be monitored. The supporting objectives are the program outputs.

The pattern for identifying priority needs and activities, defining these activities, and carrying out these activities, will be the same under each supporting objectives. The first step will require the GOB to prepare a costed action plan. Because the underlying principle of the CLEF program holds the GOB responsible for designing, implementing, and achieving it's own reform objectives, GOB actions during the first year will largely focus on the production of action plans, one for each supporting objective. These four "supporting action plans" will together comprise the "Primary Education Reform Action Plan" (PERAP), which will serve as the detailed implementation guide for this comprehensive subsector reform. The GOB is expected to submit the PERAP at the end of CY 1992. During subsequent, annual CLEF progress reviews, the GOB's progress report to A.I.D. will focus on the achievement of PERAP targets and objectives. To prepare and implement this comprehensive plan, the GOB will be draw on the CLEF project-funded, short-term and long-term technical assistance.

64

These action plans will define specific objectives, the mechanisms to achieve these objectives, specific targets, the means of verifying the attainment of the targets, detailed schedules and timeframes, and the specification of the costs necessary to achieve the targets and objectives. The approved action plans will serve as the decision documents for GOB policy determinations, budget requests, and program actions. In the action plans, the GOB will identify the anticipated technical assistance requirements it foresees for each action area. Once the plans are finalized and as they are financed, the GOB will implement the actions specified, monitor them, and report on progress towards achievement. The activity descriptions that follow present three levels of activities. At the highest level is the overall Primary Education Reform Action Plan" (PERAP), described above. The PERAP is in turn composed of four "Supporting Objective Action Plans" (effectiveness and efficiency, equity, financing, and institutional and socio-political sustainability). Achieving each of these supporting objectives will required the successful completion of a set of separate, interrelated actions.

a. Activities under Supporting Objective A: To Improve Educational Quality and Student Learning by Upgrading Key Pedagogic Systems and Inputs. To improve the effectiveness and efficiency of primary education, the GOB will need to improve, reform, or develop the primary school curriculum; primary school instruction, including inservice and preservice teacher training; capacity to develop, procure, and distribute pedagogic materials; in-school canteens; a school quality assurance system; and a system for monitoring and providing feedback on student learning. A broad description of these activities follows. The specific details, steps, costs, and targets for each of these activities will be developed by the GOB and included in the "effectiveness and efficiency" action plan, prepared by the GOB and contained in the Primary Education Reform Action Plan (PERAP), submitted to A.I.D. at the end of 1992.

(i) Activity A.1. Curriculum reform. The aim of this activity is to ensure an effective and appropriate primary school curriculum designed to facilitate students' achievement of the specific educational competencies identified for each of the core subject areas. Reforming the curriculum will require an assessment of the curriculum content, structure, cross-subject integration, grade level sequencing, and the link between the curriculum and materials development (see Activity A.2 and Activity A.3, below). It is expected that, by 1996, a national primary school curriculum, developed around specific competency objectives for each subject and grade level, will be produced and disseminated.

For the 1991 progress review, the GOB will submit a draft plan to critically assess the form and content the primary curriculum and

65

the capacities of the institutions supporting curriculum development. For the 1992 progress review, detailed actions for primary curriculum reform and enhancement of the curriculum development institutions will be submitted. This plan will describe the process and mechanisms for determining the core educational competencies for the key subject areas, particularly for fourth and sixth grade levels. It will also identify mechanisms to assure community-sponsored curriculum development to supplement the key subjects. The 1992 progress review will also provide evidence that the first steps towards implementation of action plan will have been initiated.

In the ensuing years, the GOB is expected to make public a report identifying educational performance objectives for each subject area and grade level (the core competencies), conduct regional conferences in which the curricular objectives are vetted to the public and finalized, and publish an instruction and an examination syllabus for each subject area.

(ii) Activity A.2. Instructional reform.

The aim of this activity is to enhance the instructional skills of primary teachers. The skills to be enhanced address teachers' effectiveness in raising student acquisition of the core educational competencies (Activity A.1). This activity includes two components, an on-the-job skills training subactivity, to be completed within the program life; and a preservice teacher training subactivity. It is expected that, by 1996, an effective inservice teacher skills training system will be operational, a majority of teachers will be recertified under this system, and the GOB will establish and achieve annual targets in each region for certifying practicing teachers in the new program.

For the 1991 progress review, the GOB will submit to A.I.D. its initial draft of a plan to critically assess the effectiveness of the primary teacher inservice training programs operating in Benin and the capacities of the institutions supporting inservice training. Before the second progress review in 1992, the GOB will submit a detailed plan for enhancing teacher effectiveness through inservice skills training. This plan will include an element for promoting greater community involvement in classroom instruction for non-core subject areas.

Before the conclusion of the CLEF program, it is expected that the GOB will have established an improved and effective inservice training system that is linked to the curriculum reform activities described above (Activity A.1). It is also expected that, during the course of the CLEF program, the GOB will assess priority needs for preservice training improvement and will initiate the actions necessary to enhance these programs.

(iii) Activity A.3. Textbook distribution and development. This activity addresses two needs in the area of

pedagogical materials. First is the immediate and critical need to distribute textbooks quickly and equitably to students and to assure that these textbooks are used effectively. In the longer term, the GOB needs to develop and implement systems and national capacity to produce and distribute textbooks to assure a regular supply of relevant educational materials related to the curriculum and instruction objectives identified above (Activity A.1 and Activity A.2).

It is anticipated that, by 1992, new textbooks procured through the social fund¹ or other mechanisms will be distributed to students in every region of Benin and will be in use by pupils in the nation's primary schools. By 1996, the GOB is expected to have an institutionalized capacity to plan, write, publish, print, distribute, and monitor distribution and usage of new textbooks.

For the 1991 progress review, the GOB will submit a draft plan to both provide all primary students with access to textbooks and to monitor textbook usage nationwide. Before the end of 1992, the textbooks procured under the social fund or procured under other mechanisms will be distributed, and a national survey of textbook distribution and utilization will be inaugurated. For the second progress review, due in 1992, the GOB will demonstrate that the textbooks intended for distribution in 1992 will be available to students in schools in every region. By the end of the next year, it is expected that all textbooks procured for the purpose of rapid distribution will be distributed.

The second component of this activity is the development of a national capacity to produce textbooks. It is expected that within the lifetime of the CLEF program, the GOB will have planned and initiated a program to produce textbooks in Benin by Beninois, and will develop a teacher training module for textbook usage to be integrated into the preservice and inservice training programs (Activity A.2.).

(iv) Activity A.4. School canteens. Under this activity, the GOB will examine the relationship between educational achievement and the presence of school canteens, and will utilize the results from this study to improve student achievement. The outcome of this study will be a technical input into the development of an empirically-based policy regarding the use of school feeding programs, along with the identification of

¹The social fund is an on-budget fund set up under the Structural Adjustment Program. It is used by the GOB to finance special projects designed to mitigate the transitional social costs of adjustment. Textbook provision for primary school children is an example of one of these social fund projects.

61

mechanisms via the public sector, private sector, donor agencies, or NGOs to support and operate school canteens.

For the 1992 progress review, the GOB will finalize the design of a study of how and why school canteens contribute to student learning, and of the costs, finances and management burden associated with operating school canteens. It is anticipated that the GOB will use the results of this study in the design and implementation of national and regional policies for school canteens.

(v) Activity A.5. School quality level. The aim of this activity is to assure that new and existing primary education resources are distributed in complementary sets; that these complementary packages of inputs are distributed in an equitable fashion to schools across the nation; that there is standard definition of school quality and of the criteria for a "fundamental quality level" (FQL) school; that FQL schools are distributed equitably across all regions; and that boys and girls alike in every region, will have equitable access to FQL schools.

FQL standards (or criteria), which are to be established in an open and public process, may include minimal requirements for students per textbook and per teacher, types of textbooks in use, recency and type of teacher training (i.e., teachers certified in the newly enhanced training programs under Activity A.2), the degree of parent participation in school policy and decisionmaking, the amount of school furniture and space, school physical condition, and child health and safety characteristics. FQL standards are expected to evolve over time to include student outcome measures, such as the proportion of students in each school who attain core educational competencies. The participation of parents and communities in defining FQL criteria is critical to the overall effectiveness and sustainability of educational reform in Benin.

It is expected that, by 1996, FQL standards will be established, national targets for the upgrading of schools to the fundamental quality level, and the proportion of students in FQL schools will be set annually and achieved, and community groups will be informed on a regular basis of achievements in FQL enrollment rates. By 2002, at least 75 percent of all students will be enrolled in FQL schools.

For the 1991 progress review, the GOB will submit a draft plan to define FQL standards, to measure and report on the proportion of students in schools meeting these standards, and to establish and commit resources to meeting regional FQL targets. The draft plan should indicate how an FQL survey will be coordinated with the *carte scolaire* survey. For the 1992 progress review, the GOB will submit a detailed report of its strategy to assess and publicly report on the FQL level of each primary school in the

country and to set targets for elevating non-FQL schools to the FQL standard. As part of this strategy, FQL standards will be developed openly and specified initially on a trial basis. The strategy will also pilot test these FQL standards in a small sample of schools to assess the viability and practicality of the trial FQL standard. Based on the pilot test, a revised set of FQL standards will be prepared and submitted by the second progress review.

It is expected that, in subsequent years, additional pilots and refinements of the FQL standard will be undertaken and a final set of FQL school standards will be defined. This new standard will be implemented nationwide through a national FQL baseline study. In this FQL assessment, each primary school's FQL level will be assessed and publicly reported, and targets to elevate non-FQL schools to FQL will be established. The carte scolaire activity will be coordinated with the FQL survey. In addition, the GOB is expected to develop the capacity to establish and achieve annual targets for the proportion of students in FQL schools.

(vi) Activity A.6. Student assessment systems. Under this activity, the GOB will design and implement systems to measure students' acquisition of core competencies through a national, sample-based, educational assessment system, and to provide feedback to all interested parties on student learning. By 1996, it is expected that a national assessment system will be in place that periodically measures the educational performance of students in every region and district; evaluates the progress of the nation's students in achieving the core competencies in the key subject areas; identifies potential problems with core competency expectations, curricular goals, or instructional limitations; and promotes policies and interventions that foster student learning. It is also anticipated that an analysis of the baseline and followup student assessment studies will be incorporated into CEP development.

For the 1991 progress report, the GOB will submit a draft plan describing how it will develop a national student assessment system linked to measuring core competencies and to evaluating the success of the curriculum, instruction, materials, and school quality reforms. For the second program review, to be submitted in 1992, an action plan for implementing a national student assessment system will be completed and submitted. It is anticipated that, in subsequent years, an assessment system will be established, with instruments and administration booklets designed, samples identified, pilot tests administered and evaluated, and clear plans to conduct a full sample administration of the instruments to fourth and sixth grade students. This will be considered a baseline assessment of educational competencies. Before the end of the CLEF program, the results of the baseline survey and at least one additional



followup survey will be administered and analyzed, and a report of initial findings will be published and presented publicly.

b. Activities under Supporting Objective B: To Increase the Equity of Access to Fundamental Quality Level Primary Education Services. Under this activity, the GOB will design and implement the necessary actions to increase the proportion of the nation's school-aged children enrolled in primary schools and enrolled in fundamental quality level primary schools overall, as well as by region and gender. The specific details, steps, costs, and targets for each of these activities will be developed by the GOB and included in the "equity" action plan, prepared by the GOB and contained in the Primary Education Reform Action Plan (PERAP), submitted to A.I.D. at the end of 1992.

(i) Activity B.1. Overall increase in access. The aim of this activity is to assure that the gross enrollment rate meets the national access target of 78 percent by 1999, and that a well-functioning monitoring system will be in place to track and report on enrollments in every sub-prefecture.

By the 1991 progress review, the GOB will submit a plan to increase participation rates in primary school. A fully elaborated and costed plan of action for improving access will be submitted for the second progress review in 1992. This costed plan will address the following: (a) the development of a monitoring system for measuring the net and gross primary school enrollment rates; (b) the design and implementation of a school mapping, location planning, and needs assessment survey (la carte scolaire); (c) the identification of urgent infrastructure rehabilitation needs and costs; (d) the establishment of annual implementation targets for, and budget implications of, rehabilitation, reconstruction, or new construction; and (e) a program of actions to recruit rural children into primary school.

It is expected that the GOB will implement the steps and meet annual targets in subsequent years.

(ii) Activity B.2. Increase and rationalize student/teacher ratios. The purpose of this activity is to assure that, by the year 2002, average student/teacher and student/classroom ratios will range between 40 to 1 and 50 to 1 in each school, and the average inter-regional and urban/rural range does not exceed 10 to 1.

For the 1991 progress review, the GOB will submit an initial draft of its plan for increasing and rationalizing average primary student/teacher ratios and decreasing disparities in these ratios across regions and across rural and urban districts. By the second progress review, to be submitted at the end of

70

1992, the GOB will submit a fully elaborated and costed plan for systematically establishing and achieving overall, regional, and urban/rural student/teacher and student/classroom ratio targets. In subsequent years, the GOB is expected to carry out the actions identified in the plan and to meet the plan's annual targets.

(iii) Activity B.3. Equitable enrollment rates, by region. This activity will ensure that enrollment rates in primary school are equitably distributed across regions and across urban versus rural areas.

For the 1991 progress review, the GOB will complete a draft plan to increase the equity of access to primary schools across regions by promoting increases in school participation particularly in the regions and districts currently below national norms. By the second review, a detailed plan of action for eliminating the inter-regional disparity will be submitted. It is expected that, during the course of the CLEF program, the GOB will implement the action plan and will establish and achieve annual targets for reducing regional disparities in school participation rates.

(iv) Activity B.4. Equitable enrollment rates, by gender. The aim of this activity is to decrease the disparity between girls' and boys' school participation. Specifically, the activity will seek to increase girls' enrollment to rates relative to boys' such that the girl/boy enrollment ratio will approach parity overall and will increase to targeted levels in every region, and will approach parity by the year 2002.

The GOB will initially submit a draft plan for decreasing the differences between boys' and girls' enrollment rates and to set regional targets for raising girls' enrollment rates. A detailed plan of action with annual targets will be developed and submitted before the end of 1992. This plan will include details on carrying out interventions that account for socio-cultural constraints. The plan will be implemented during subsequent years.

(v) Activity B.5. Equitable access to FQL Schools, by Region. The purpose of this activity is to assure that by the year 2002, there will be an equitable distribution of enrollments in FQL schools by gender and by region.

For the 1991 progress review, the GOB will submit a draft plan to increase the equity of access by region and gender to fundamental quality level (FQL) primary schools. A fully developed action plan for assuring the equitable distribution of FQL school enrollments, by region and gender, will be submitted for the 1992 progress review. It is anticipated that in subsequent years, the

action plan will be implemented, achievement of annual targets will be monitored, and progress towards annual targets will be achieved.

c. Activities under Supporting Objective C: To establish a sustainable financial base for primary education.

These activities will focus on budgetary reforms and local financial participation to ensure that sufficient financing is available to sustain an effective, efficient, and equitable primary school system. The budgetary reforms to be effected under the program will maintain the current emphasis on education within the overall public sector budget, place relatively greater budgetary emphasis on primary education than on secondary or tertiary education, and implement greater importance within the primary school budget on those activities and investments which relate directly to improving quality and efficiency. A complementary activity will seek to mobilize private resources at the school level. A key outcome of these activities is that the overall level of public and private finances available for primary education are sufficient to provide a quality primary education to all school age children. The activities are grouped into three components. The specific details, steps, costs, and targets for each of these activities will be developed by the GOB and included in the "sustainable financing" action plan, prepared by the GOB and contained in the Primary Education Reform Action Plan (PERAP), submitted to A.I.D. at the end of 1992.

(i) Activity C.1. Resources for primary education reform. The GOB will ensure that the budget for primary education is sufficient to meet the GOB's commitment to financing the primary subsector reform targets, and to assure that the budgeted expenditure levels are sufficient across all program categories (educational materials, pedagogic support services, salaries, etc.) to meet specific annual targets identified by the GOB for action.

It is expected that by 1996, budgetary resources in the primary subsector will be adequate for the acquisition of the necessary training, materials, and other services to support and sustain a fundamental quality primary education system. Moreover, throughout the educational reform, the GOB will demonstrate its progress towards established expenditure targets. Finally, by 2002, the GOB will assure that there are sufficient budgetary resources to support a higher quality basic education system on a sustained basis.

For the 1991 progress review, the GOB will submit a 1992 budget request for primary education which demonstrates that:

(a) adequate resources will be made available to implement the actions under the CLEF program for 1992, as agreed to by the A.I.D. and the GOB, including: the

72

completion of the GOB's multi-year, costed primary education sector reform action plan (PERAP); the initiation of a primary school infrastructure needs assessment survey (la carte scolaire); and the design and installation of a comprehensive primary education expenditure tracking system, and

(b) the total share of the GOB's 1992 budget available for primary education is equal to or greater than the 1991 budget share made available for primary education.

For the 1992 progress review, the GOB will provide an initial analysis of educational expenditures which will establish the distribution of those finances across the program and function categories identified in the 1991 plan for implementing the expenditure tracking system (Activity D.2, below). The GOB will also provide evidence that it has spent the equivalent of Five Million U.S. Dollars (US\$5,000,000), the counterpart contribution for 1992, on priority primary education sector reform actions. These priority primary education sector reform actions are specified as "Tranche 2 Activities" in the CLEF "Policy and Program Matrix," and described as the activities to be completed for the 1992 progress review in these Activity descriptions. Also for this 1992 progress review, the GOB will present a summary of the costs, projected for each year, that are estimated for each of the action plans prepared under the PERAP. This summary will be included in the GOB's Primary Education Reform Action Plan (PERAP). New budget targets established for each expenditure category in primary education will also be established for subsequent years. Finally, the GOB will specify which types of finances will be publicly provided, and which types of resources will have to be raised from parents, communities, and private or non-governmental sources.

For each subsequent annual review submitted to A.I.D., the GOB will demonstrate a primary education budget share that equals or exceeds the baseline primary education budget share. In addition, the GOB will submit its final expenditure report for the previous year and its preliminary expenditure report for the following year, demonstrating an increase from the previous year in the proportion of primary education expenditures on educational materials and pedagogic support services.

(ii) Activity C.2. Adequate Finances for Quality Education at the School Level. Under this activity, the GOB will establish the capacity within the Ministry of Education to (a) identify costs and mobilize additional resources needed to raise all schools to a fundamental quality level (FQL); (b) set regional targets for achieving this, and (c) identify costs and mobilize the resources to maintain FQL schools at the FQL level.

By 1996, the concept of an affordable, quality primary education system will be operationally defined and financial sustainability

7

will be defined and routinely monitored. By 2002, annual targets for the number of students with access to a minimum quality basic education (FQL schools) will be met and the overall target of 75 percent of students will be enrolled in FQL schools.

For the 1991 progress review, the GOB will indicate a plan to undertake an assessment of the costs required to raise all schools to FQL standards and to set targets to achieve this objective. For the 1992 progress review, the GOB will submit a plan of action to appraise the costs of raising all primary schools to FQL standards. The GOB will initiate these actions during 1992.

During subsequent years, the GOB is expected to establish forward targets for the following year and achieve the previous years' FQL targets.

(iii) Activity C.3. Mobilizing private resources. Working with the district education offices, the schools, parent, community, and local groups, the Ministry of Education of Benin will assure that local school administrators and community or NGO groups have the authority and capacity to cultivate the additional non-governmental resources required to financially sustain the primary education reform and maintain a quality primary education system.

By the first progress review in 1991, the GOB will express its commitment to work with private groups (community groups, parent associations, teacher associations, other private organizations) to ensure that the goals of primary education reform can be financially achieved. For the 1992 review, the GOB will submit a completed action plan indicating what mechanisms it will use to solicit finances from the various groups brought into the process at the local level. By the 1992 progress review, the GOB will provide evidence that systems and procedures are being developed in the communities for managing, via open and transparent processes, school fees paid by community members. In subsequent years, the GOB will proceed to implement the plan of action and report on such implementation in the annual progress review reports to A.I.D.

d. Activities under Supporting Objective D: To Establish Effective and Efficient Sectoral Planning and Management, and Widespread Public Participation in Primary Education. This component, in combination with the activities designed to achieve financial sustainability, will seek to ensure that the reform of primary education in Benin will succeed and that its gains will be sustained. The specific details, steps, costs, and targets for each of these activities will be developed by the GOB and included in the "institutional sustainability" action plan, prepared by the GOB and contained in the Primary

Education Reform Action Plan (PERAP), submitted to A.I.D. at the end of 1992.

(i) Activity D.1. Ministry Planning.: The purpose of this activity is to strengthen the capacity of the Ministry of Education to strategically plan, identify needed policies, design needed interventions, formulate costed action plans, design operations to support program objectives, and monitor the impact and effectiveness of these operations. Specifically, by 1996, there will be a functioning education planning unit that has the capacity and budget capacity to:

(a) recognize, prioritize, and define critical policy questions and system problems or reform objectives;

(b) identify information needs and develop data collection/tabulation systems as necessary;

(c) analyze data and information;

(d) use analysis to revise programs and to design strategies and operations to address concerns or to achieve objectives;

(e) budget and secure finances to implement operations;

(f) track implementation and impact;
and,

(g) analyze and evaluate inputs, processes, and outcomes to draw lessons for other studies or operations.

For the 1991 progress review, the GOB host a seminar in which it will present the initial findings (diagnosis) of the functional audit of the Ministry of Education (MOE) of Benin. Senior policymakers from the MOE in Benin will take part in a series of seminars to analyze the initial findings of the audit.

For the second progress review in 1992, the GOB will respond to recommendations of the management audit with a strategy for enhancing Ministry of Education planning. During subsequent years, it is expected that the strategy will be operationalized and that the enhanced planning unit will implement an education management information system (EMIS).

(ii) Activity D.2. Ministry operations. The purpose of this activity is to create efficient and effective functions for: administration and logistics system (at central

75

and regional levels); personnel management and supervision; and budget preparation and expenditure tracking--based on policies and practices that adhere to the principles of accountability and transparency.

By 1996, systems and capacity will be in place for effective and efficient functions in the Ministry of Education for these operations areas. It is expected that the budgeting and expenditure system may include capacity for financial planning, program category budgeting and expenditure tracking, mechanisms and strategies to complement public funds with private and community funds, and capacity to provide audit reports of expenditures by category on a routine, frequent, and timely basis.

For the 1991 progress review, The GOB will submit the completed diagnostic assessments of the following Ministry of Education functions: logistics and administration (central and regional), personnel management, and budgeting and financial systems. Senior staff from the Ministry will also participate in a series of seminars on these diagnostic assessments. The GOB will also submit, by the 1991 progress review, a draft plan detailing the steps and proposed schedule for creating an educational expenditure tracking system before December 1992.

For the 1992 progress review, the GOB will furnish evidence that the expenditure tracking system is fully operational. This tracking system will be used to produce the first annual primary education expenditure report. Also, for the 1992 progress review, the GOB will respond to the management audit recommendations regarding administration, logistics, personnel management, and financial management with a strategy for enhancing these functions. During subsequent years, it is expected that the strategy will be operationalized.

(iii) Activity D.3. Public Involvement in Reform. Successful implementation of this activity will ensure continued and enhanced transparency of decisionmaking and public accountability in the GOB's primary education reform CLEF program. The implementation of parent participation and attitude surveys will assist the GOB in assuring parent involvement in school reform and in meeting parents' expectations regarding the functions and quality of primary schooling in Benin.

It is anticipated that, by 1996, policy setting, program reform, operating principles, and procedures for primary education will be set openly, with participation of all interested parties nationwide. By inviting public participation in education policymaking, the primary education system will be held publicly accountable for educating the nation's children.

For the 1991 progress review, the GOB will express its commitment to an open, democratic reform process that ensures broad-based policy formulation and decisionmaking. The GOB will also present a strategy for extending the Etats Généraux de l'Education.

For the 1992 progress review, the GOB will provide a set of specific plans of action to foster the creation and participation of parent associations, teacher unions, local councils, and school directors and managers in decision-making regarding school reform. For the 1992 progress review, the GOB will also specify the mechanisms it will employ to define parameters of public participation in primary schooling at all levels, along with plans for developing and administering instruments to monitor and report on public and parent participation and attitudes towards public primary schools.

In subsequent years, it is anticipated that the steps of this action plan will be carried out. Moreover, it is expected that the GOB will develop and test instruments to measure the parameters of public participation in schooling and to measure parents' satisfaction with public schooling. These instruments will serve as the basis for at least two full-field surveys of public participation in and attitudes towards primary schooling in Benin. The GOB will analyze these surveys and make reports of the surveys' findings public.

3. Program Financial Plan. A total of \$50 million will be approved and incrementally authorized for this non-project sector assistance component. These funds will enable the Beninois to continue restructuring the primary school system in a logical, phased fashion. A.I.D. funds will be disbursed as actual conditions for disbursement are met and reported on through Annual Progress Reviews. Conditions for subsequent years will be established by the Beninois annually through a negotiated Letter of Intent.

The anticipated disbursement schedule for non-project sector assistance is presenting Table 19 below:

	Targets Est'd	Targets Met	Amount of Disbursement (\$000)	Approx. Date of Disbursement
Tranche 1	9/91	12/91	10,000	12/91
Tranche 2	12/91	12/92	5,000	12/92
Tranche 3	12/92	19/93	10,000	12/93
Tranche 4	12/93	12/94	5,000	12/94
Tranche 5	12/94	12/95	10,000	12/95
Tranche 6	12/95	12/96	10,000	12/96

Summary	Annually	Annually	50,000	Annually
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To meet this disbursement schedule the A.I.D. Mission in Benin will plan to authorize and obligate NPA funds on an incremental basis, as follows:

Table 20 NPA Authorization and Obligation Schedule (A.I.D. Funds)			
	Authorization Date	Obligation Date	Obligation Amount (\$000)
FY 1991	9/91	9/91	15,000
FY 1992	7/92	7/92	7,000
FY 1993	12/92	1/93	8,000
FY 1994	12/94	12/94	10,000
FY 1995	12/95	12/95	10,000

To do this, the OYB for Benin will require a slight increase over its planned \$8 million level starting no later than FY 1993. Increasing it to \$10 million annually beginning in FY 1992 would allow more conservative funds flow management by the Mission.

For its part, the GOB will disburse its counterpart pari passu with A.I.D. NPA funds, as follows:

TABLE 21 GOB Counterpart Disbursement and Reporting Schedule				
Year of Expenditure	Amount (\$000)	GOB Budget Target Est'd	Preliminary Expenditure Report	Final Expenditure Report
CY 1991	-0-			
CY 1992	5,000	12/91	12/92	9/93
CY 1993	3,750	12/92	12/93	9/94
CY 1994	3,750	12/93	12/94	9/95
CY 1995	3,750	12/94	12/95	9/96
CY 1996	2,950	12/95	12/96	9/97
Total	19,200	Annually in December prior to budget year	Annually in December of budget year	Annually in September after budget year

4. Other Donor Assistance. The IBRD has historically been involved in the education sector in Benin. Its Second Education Project terminated in 1989 after seven years. Under the Project, three teacher colleges (ENIs) were constructed, equipped, and staffed. Personnel for the ENIs were trained. It also provided all the infrastructure for the domestic production and distribution of textbooks, including a print shop, a central

and regional warehouses, the initial production of 470,000 textbooks and training of print shop staff. Finally, the project financed the training, operations, and equipment for a Project Implementation Unit. Total value of the credit was SDR 12.2 million. The project suffered long implementation delays. The infrastructure built is insufficiently used; whether the total capacity built is required is questionable. The project suffered under a policy environment inimical to its goals. Little Beninois ownership of the project was noted except within the project implementation unit that was inappropriately placed in the GOB bureaucracy.

The French and the German bilateral agencies have been involved in the production, procuring, and distribution of textbooks and educational materials. It is unclear whether either will continue in this area.

The Canadian bilateral program has supported a polytechnic institute and has been working at the University. The French, also, provide personnel support to the University and at lower levels of the education system.

The IBRD is currently designing an education sector program, an umbrella effort which will reinforce the Beninois policy framework for education reform. The IBRD is seeking donor assistance for this effort and has worked very closely with A.I.D. in the development of this program. The A.I.D. program will be the only policy-based program solely focussed on primary education. It is expected that the French will seek to assist the overall education sector under the IBRD umbrella, possibly in the areas of monitoring and evaluation and student assessment. The Swiss have indicated a preference to assist in the vocational/technical area, a new emphasis area under the Beninois policy framework. As the "holder of the umbrella" program, it is expected that the IBRD will take the lead in coordinating the programs and policies of donors across education's subsectors in Benin. The IBRD program will play a very important role in assisting the Beninois to manage the donors when competing interests arise, which they are, of course, likely to do.

Finally, the role of the UNESCO-UNDP Education Analysis Project in Benin's education reform cannot be understated. It has provided the analytic expertise to the Beninois without which they would not have been able to progress so rapidly in their education reform program. The sensitivity to the milieu in addition to the outstanding quality of this series of analyses makes it stand out as a model of donor cooperation. Without the analytical base provided by this project, the initiation of a major A.I.D. assistance program in Benin would not have been possible in 1991. The fact this effort helped the Beninois move to conceptualize their problems, define their goals, and

establish their policy framework and plan of action so quickly enabled Benin to qualify for AEPRP financing.

5. A.I.D. Project Support. To facilitate the implementation of the program activities, the GOB and A.I.D. will require certain technical expertise. That expertise is outlined in this section. After careful review of the wide range of activities that will be carried out and the stumbling blocks sure to be encountered over the next eight years of program implementation, the design team concluded that this proposal constitutes a minimum technical assistance and support package that should be authorized at this time. As early as 1994, but certainly no later than 1996, A.I.D. will need to reconsider total needs for technical assistance for the program and make appropriate adjustments.

a. Long-term technical assistance. Long term technical assistance will be contracted in three areas: project coordination, educational planning, and management information systems. In the first and third areas, long-term expatriate advisors will be complemented by long-term, local hire advisors who will remain through the life of the project. In the area of educational planning, one long-term expatriate advisor will be contracted for approximately half of the program duration.

The project coordinators will work directly with the A.I.D. project manager to manage all aspects of A.I.D.'s involvement in the educational reform program. They will identify the need for short-term, highly specialized assistance to help with specific problems. They will ensure that the program and impact objectives are being met, and they will be largely responsible for all aspects of program monitoring and evaluation.

The senior educational planner will be a well-respected expert in the field of educational planning. He will work directly with the Minister of Education to advise on the overall primary education reform program. He will work with the Ministry personnel to ensure that planning and action plan targets are both achievable and important; that they are the right actions to take to achieve the desired results. This individual's performance will be crucial to the success of this effort.

The management information systems advisors will be responsible for all aspects of the design, installation, and efficient operations of a management information system for the primary education subsector. They will work directly with both the Ministry to ensure the upgrading and successful functioning of its MIS system as well as with the Mission to establish and implement its monitoring and impact assessment system. In recognition of the fact that monitoring and impact assessment will be integrated into normal program operations and the fact that this will be conducted by independent consultants

82

responsible to the Mission, no separate or special evaluations of the program have been scheduled. Progress towards and achievement of the EOPS indicators, the "impact indicators," will be established through regular monitoring and assessment systems established under the project.

The project will also finance project-related support costs for the technical advisors. These will consist of the following: four vehicles and spare parts; office equipment and property; computer equipment and supplies; and recurrent costs for the advisors, including rental of office space, as needed, gasoline and maintenance of the project vehicles, office supplies, etc. It is expected that the educational planner will be housed in the Ministry of Education.

The total cost of this project component is estimated to be \$4,745,000.

b. Short-term Technical Assistance. The ability of the project to produce and finance short-term technical expertise on relatively short notice will be crucial to the success of this effort. In undertaking this program, A.I.D. is committing itself to a process with a fixed end point and a clear definition of success. What is not as clear is the exact road that the Beninois will take to reach the program objectives. While A.I.D. and the Beninois have a joint, and mutually-appreciated understanding of the parameters of the educational reform that the Beninois are contemplating and the desired end results, neither we nor they know now exactly what every action is that will need to be done to succeed. For example, we do not know at this time what the exact, detailed textbook policy will be to achieve a desired level of cost recovery over the life of a textbook. We also do not know how much technical expertise will be required to examine the options and recommend solutions to the textbook problem. Yet, we do know that the answer to that question will be important to parents in considering whether to send their daughters and sons to school.

To succeed this program will require that specialized technical expertise across a wide range of educational issues be available on the shortest possible notice with the highest level of commitment to the program and its objectives. That technical assistance must be available in the quantities needed when they are needed. We also know that to ensure responsiveness with the least amount of bureaucracy and to ensure a technical package designed with Benin in mind, control of the contract must reside at the level of the A.I.D. system closest to the need; i.e., closest to the program in Benin.

For these reasons and after consultations throughout the Bureau, the wider AID/W audience, and with other missions where education programs are in place, we propose to proceed to design a Mission-

21

based Indefinite Quantity Contract (IQC). The contract will be competitively awarded and sub-contracting and/or consortium arrangements will be encouraged, including those that involve Grey Amendment entities.

Over the life of the program, the Mission will rely on the IQC to deliver short-term technical assistance on an as needed basis. At this time, the project will authorize a total of \$2,530,000 for this effort, with the clear understanding that this may require modification as implementation proceeds.

To complete the contract appropriately, allowing sufficient time for the development of the right mix of contractors, universities and international organizations and preparation of proposals, A.I.D. will require a full year. In the meantime, It is likely that the GOB will require some short-term technical assistance to move forward with the first year of program activities. To this end, \$200,000 of grant funds will be set aside for commitment through ongoing A.I.D./W IQC's and central projects.

c. Project Financial Plan. The overall cost of the CLEF program is estimated to be \$76,700,000, of which A.I.D. will finance \$57,500,000 (75 percent) and the GOB will finance \$19,200,000 (25 percent) over the eight year program life. Of the A.I.D. contribution, \$7,500,000 will be provided as project assistance in support of the reform program. The detailed financial plan for the project support assistance by budget element is presented below:

Table 22
Detailed Financial Plan
By Element
(\$000)

	<u>FX</u>	<u>LC</u>	<u>GOB</u>	<u>Total</u>
<u>Long-Term IA</u>				
1. Project Coordinator	1,500	0		1,500
2. Asst. Coordinator	0	160	0	160
3. Education Planner	1,250	0	0	1,250
4. MIS Advisor	1,000	0	0	1,000
5. Asst. MIS Advisor	0	160	0	160
6. Support Costs				
a. Equipment	200	50	0	250
b. Operational Costs	0	425	0	425
Sub-Total	3,950	795	0	4,745
<u>Short-Term IA</u>				
1. AID/W IQCs & Central Projects	200	0	0	200
2. Mission IQC	2,530	0	0	2,530
Sub-Total	2,730	0	0	2,730
<u>Non-Federal Audit</u>	0	25	0	25
<u>TOTAL</u>	6,680	820	0	7,500

As can be seen in the project disbursement schedule presented in Table 23 below, A.I.D. FY 1991 actions will be limited to initial obligation actions only. No disbursements will take place. In FY 1992, however, project support will begin to phase in so that by FY 1993 and 1994, full annual expenditures will take place. By FY 1996, expatriate, long-term technical assistance will begin to phase out, reducing project expenditures accordingly. The annual level of short-term technical expertise required for program implementation is also expected to reduce considerably over the FY 1997-1999 period, as most project support actions shift to monitoring cumulative program impacts, but, as stated above, this will need to be carefully evaluated in 1994-95. Non-federal audits of project funds will be conducted in FYs 1993 and 1997, as annual project support increases in the first instance, and begins to decrease in the second.

Table 23
Project Financial Plan
Disbursement Schedule by A.I.D. Fiscal Year
(\$000)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	Total
Long-Term TA										
1. Project Coordinator	-	200	200	250	250	250	250	100	-	1500
2. Ass't Coordinator	-	10	15	15	20	20	20	30	30	160
3. Education Planner	-	-	250	200	250	250	300	-	-	1250
4. MIS Advisor	-	200	200	250	350	-	-	-	-	1000
5. Ass't MIS Advisor	-	10	15	15	20	20	20	30	30	160
6. Support Cost										
a. Equipment	-	150	100	-	-	-	-	-	-	250
b. Operations	-	40	55	60	65	60	60	50	35	425
Short-Term TA										
1. AID/W IQCs & Central Proj.	-	150	50	-	-	-	-	-	-	200
2. Mission IQC	-	-	700	800	500	400	130	-	-	2530
Non-Federal Audit	-	-	10	-	-	-	15	-	-	25
Total	-	760	1595	1590	1455	1000	795	210	95	7500

D. Identification of Key Assumptions. The key assumptions underlying the CLEF program concern the following issues:

- national political sustainability;
- macroeconomic sustainability;
- expected co-financing;
- the effect of quality improvements on increased participation in schooling;

- the effect of changes in expected outcomes on social demand for education;
- the effect of physical and geographical constraints on access;
- equity of outcomes given equitable distribution of inputs.

1. One traditional assumption, which is stated in nearly every project or program, is that a reversal in political environment will not doom the program. In Benin, given the widespread popular support for democratic reform, and the institutionalization of democratic principles, it is unlikely that these global political reforms already in place will be reversed.

2. Another assumption that is frequently asserted for A.I.D. projects and programs is that the macro-economy will not experience such a profound setback that routine financing of sector operations will be significantly diminished. The macroeconomic framework discussed above suggests that these economic setbacks have already occurred in Benin and are unlikely to get worse over the short-run.

3. A third common, but critical, assumption of any development program or project whose outcomes are at least partially dependent on parallel or sectorally related non-A.I.D. financed investments is that (i) the co-financing does not fall through and (ii) the co-financed contingent projects are well designed and implemented. This assumption can be stated with a fair degree of confidence due to A.I.D.'s close collaboration with and influence on the World Bank in the design of the CLEF program the World Bank will ensure that other donor programs under its umbrella will foster the same Beninois educational policy framework that A.I.D is supporting.

4. It is necessary to make several important assumptions related to school access. One of these assumptions is that the way to achieve increased enrollment is through quality improvements. Our analysis tells us that demand for schooling particularly outside of the urban south--is low and is decreasing largely because of parents perception that schools are poor and decreasing in quality. Much of the research literature supports this statement. However, the assumption we are making is concerned with the corollary. By increasing school quality, parents will increasingly enroll their children.

5. Another factor affecting parents' decisions to enroll their children, beyond the quality question, is their perception of the long term value of schooling for their children. Factors outside the direct control of educators have a tremendous influence on these perceptions. To the degree that

86'

parents weigh the (investment) costs of sending their children to school today with the expected benefits derived from their childrens' schooling, diminished long term benefits from schooling would diminish demand. Our assumption is that parents will continue to find education particularly basic education valuable even if the primary system's emphasis on selection for secondary entrance were to be weakened, or if public sector job opportunities, which typically have gone to the beneficiaries of a formal education program, were curtailed.

6. A third assumption related to expanding access has to do with physical access to schooling. An implicit assumption of the CLEF program is that increases in access will result from improvements in the efficiency of student flow. This assumption is valid to the degree that the targets for enrollment rates can be achieved given the existing infrastructure. This will be examined during program implementation.

7. One final assumption of the CLEF program concerns the relationship between the equitable distribution of inputs and the equality of outcomes. One of the central components of the program is to improve equity. The program design assumes that by assuring that boys and girls in all regions of the country have equal access to fundamental quality schools (which suggests that textbooks, training, and evaluation tools are distributed to all students on an equitable basis), then educational outcomes, such as the number of students who master core educational competencies, will also be equitably distributed. This assumption is less valid if there are other factors affecting student learning in particular areas or for particular groups that are outside of the control of this program.

E. Monitoring and Impact Assessment.

1. Anticipated Program Impact. There are both short term and medium term impacts anticipated from this program. Short term (EOPS in 1996) impacts are expected at the time A.I.D.'s CLEF program is completed. Medium term impacts are expected 5 years after program completion, in the year 2002, once the CLEF program activities and policy reforms are fully operational.

a. Short term anticipated impacts. The CLEF program is designed to reach full effectiveness 10 years after program inauguration. Consequently, most of the short term impacts will reflect improvements in the primary education institutions and systems that in turn and several years later will yield measurable increases in student learning, internal efficiency, and the equity of educational provision.

Initial quantitative impacts will be measurable in year 6 of the CLEF program, at which time 15 percent or more of the year 10

85

quantitative impacts will be observed. The 10 year impact targets are listed below (under Medium Term Impacts).

The anticipated short term institutional improvements will include the following:

(i) An effective, transparent primary education expenditure tracking system will be operational.

(ii) Efficient and effective MOE planning, management, administration, and financing systems for primary education will be operational and institutionalized.

(iii) New indicator systems and routine data collection, assessment, analysis, and reporting systems for measuring educational quality and equity will be institutionalized in the MOE.

(iv) Standards for defining a fundamental quality level (FQL) school will be identified and defined in an open, participatory process. A baseline assessment of the number of FQL schools and student participation schools will be fielded and analyzed. The costs and strategies for bringing all schools up to FQL standards will be appraised, and the strategy will be under implementation.

(v) Core competencies in each subject area for Third and Sixth grade students will be identified and defined in an open, public, participatory process.

(vi) A national assessment system that monitors student achievement of the core competencies will have been institutionalized.

(vii) A baseline assessment of student achievement will be administered, analyzed, and results by district will be reported and widely disseminated.

(viii) New textbooks will be distributed equitably and in use by students nationwide, supported by a cadre of teachers, at least one per school, with training in their use.

(ix) An effective inservice teacher skills development program will be functioning to improve the effectiveness of the existing primary level teacher force. A targetted number of teachers will be the beneficiaries of the new skills upgrading.

(x) Mechanisms will be institutionalized to plan, write, publish, print, distribute, and monitor distribution of textbooks.

(xi) Educational reform and improvement will continue to evolve in an open, participatory, public manner.

b. Medium Term Impacts. The CLEF program is designed to facilitate a variety of improvements in primary education effectiveness, efficiency, and equity. It is anticipated that the following quantitative parameters will characterize the primary education system 10 years after the program agreement is signed (by the year 2002):

(i) Increased Effectiveness:

(a) Mean educational competencies for Third and Sixth grade completers will be no lower than the baseline.

(b) The national target of 75 percent for the percent of students in Fundamental Quality Level (FQL) schools will be realized, and regional FQL targets will be met.

(ii) Increased Efficiency:

(a) Average repetition rates in grades 1-5 will drop below 15 percent, and will not exceed 20 percent in any region.

(b) Average drop-out rates in grades 1-5 will fall below 15 percent

(c) The proportion of Sixth grade entrants sitting the CEP will increase to 90 percent from approximately 80 percent.

(d) Average student/teacher ratio will fall within the range of 40 to 1 and 50 to 1, with an average interregional and rural/urban range of no more than 10 to 1.

(iii) Increased Equity:

(a) Gross primary enrollment rates will attain 78 percent nationally, and will have increased to meet targeted levels in every region.

(b) Female/male participation rates will continue to approach parity, and will meet regional targets.

(iv) Sustainability:

(a) Proportion of parents satisfied with primary schools and active in school reform is above the baseline measure.

It is anticipated that the following program factors will also characterize the education system at that time:

81

(v) All pedagogic reforms and systems identified in "Primary Education Reform Action Plan" (finalized and published before the third year of the program) will be implemented.

(vi) Establishment of a rational, relevant, national curriculum and syllabus for each subject and grade level will be achieved. A detailed instruction and examination syllabus for each subject and year will be finalized and published.

(vii) Clearly defined policies and practices regarding the purpose and use of end of primary cycle examinations will be stated and operationalized.

2. Strategy for Monitoring and Impact Assessment.

The monitoring and impact assessment (N&IA) of the Benin Children's Learning and Equity Foundations (CLEF) program will be developed to assess program performance at three different levels.

First, the M&IA system will be designed to monitor and report on indicators of GOB's performance on the CLEF program targets. Positive outcomes on these indicators will permit disbursements of the NPA funds. The two types of indicators concern meeting specific tranche conditionalities and making measurable progress on the quantitative impact targets.

The M&IA system will also monitor the implementation of the institutional reforms to be established by the CLEF program. Second, the M&IA system will parallel the GOB education management information system (MIS) and will collect, tabulate, and report data on educational inputs and school FQL level, student flow (dropout, repetition, promotion by grade by school), equity, expenditures, and outcomes.

a. M & IA System. The M&IA system described below will provide both qualitative and quantitative information regarding the progress of the reform program that will enable the Government of Benin and A.I.D. to assess achievement of the various targets negotiated between GOB and A.I.D. and to make mid-course corrections and refinements in reform strategy, management, and targets. Moreover, the information generated by the M&IA system will be used by A.I.D. to determine whether the conditions set for disbursement of NPA funds have been satisfactorily met. Finally, while the GOB is strengthening its own monitoring capacity, the system will provide GOB with information on those constraints which continue to inhibit the achievement of program objectives. This will permit the GOB to reorient its strategies or implement new ones to address these constraints more effectively.

In keeping with the objectives of the reform and A.I.D.'s strategy, the M&IA system will avoid creating parallel information and evaluation structures. Responsibility rests primarily with the GOB to demonstrate to A.I.D. that it has met the conditionalities and has implemented the measures, established and met the targets, and produced the studies agreed. The M&IA system will rely primarily on data collected by the Government of Benin. Therefore, A.I.D.'s M&IA system will depend on collaboration with the appropriate ministry offices in data collection, data verification, interpretation, and analysis.

In addition, one of the emphases, as well as advantages of the A.I.D./GOB relationship is that it will continue to facilitate close working relationships between the finance and education ministries regarding the allocation of resources to support the reform.

With its M&IA project resources, the A.I.D. mission will contract an MIS Advisor and one assistant to work with MOE staff in identifying specific data needs, review the availability of these data from current data systems, and set up data collection mechanisms. Moreover, the project budget will cover the cost of commodities procurement, such as microcomputers, software, technical training and technical support, and paper, to assure that the necessary technical infrastructure is in place to process baseline information in time for the second Annual Progress Review. The MIA advisors will also work with the Mission to formulate scopes of work for the external evaluation teams and to coordinate their activities.

Another important function of the M&IA system will be the monitoring of program conditionalities. This will serve a dual purpose. First, it will enable A.I.D. to verify GOB support for the basic education reform program and determine progress toward meeting conditionalities. Second, it will identify and monitor significant outputs and program indicators that will contribute to the evaluation of the reform program. Tracking GOB performance on conditionalities is not a substitute for evaluation, but a verification of GOB fulfillment of performance criteria agreed to during negotiations in the year prior to tranche review and disbursement of funds. Nonetheless, much of the data collected to track GOB fulfillment of conditionalities will serve as a data source for formative and summative evaluation objectives.

There are two means of assessing GOB responsiveness to conditionalities. First, all policy, process, or programmatic conditions, such as budget allocations, institutionalization of particular organizational functions, and completion of baseline studies, will require written documentation to demonstrate that changes, actions, or processes have taken place or are in place.



Second, because specific out year actions and disbursement conditionalities cannot reasonably be established five-to-six years in advance, the detailed monitoring of performance conditions will be essential to determining performance progress that can reasonably be expected over each period. Collaboration between the MOE staff on the one hand and the USAID education officer and the MIA advisors on the other is critical to the success of the M&IA.

b. The Management Information System. In addition to monitoring program actions, A.I.D. will work with MOE to establish an accurate and comprehensive education Management Information System (MIS) which will collect information related to improvements in the effectiveness, efficiency, and equity of the basic education system. These indicators, listed in the program Impact discussion above, will include the measures of input quantity and quality, output quantity and quality, and performance. The primary data sources for these impact indicators will be the statistics compiled annually by the MIS and presented in the MOE's annual report, the format of which will be developed jointly with USAID.

The Management Information System in the MOE will collect and maintain up-to-date data on effectiveness, efficiency, and equity of the primary education system. School level data for this system will be collected by field staff and verified by inspectors and headquarters staff to assure reliability. Much of this data is already being routinely collected by the MOE, and is currently being put into a computerized data system with technical assistance from the UNDP education project. This data system contains extensive information on each school's teachers (numbers, level of qualification, experience, salary level, etc), students (by grade, age, gender, plus exam scores and repetition by grade), building (physical type and condition) and equipment (chairs, tables, books, etc). The computerization of these data will:

(i) provide annually up-dated indicators on the status of the education system, thereby enabling: (1) early detection of trends in, for example, rates of enrollment and internal efficiency by sex and geographical area; (2) quick, indicative analysis on the factors related to changes in the outputs of the system; and, (3) over time (i.e., based on time series analysis), quick access to analysis on the dynamics of the system, including the relationship between costs and the learning effectiveness of schools;

(ii) quickly provide focused attention to needs for more systematic applied research in problem areas of the system, such as: (i) what happens to girls and/or pupils in rural areas; (ii) the relationship between curricular content and

96

teacher training, on the one hand, and learning results, on the other; and,

(iii) quickly provide complex information to planners and managers on matters concerning investment needs.

This data system will need to be expanded soon to include the school- and classroom-level information that will be needed to construct the "fundamental quality school" criteria.

The MOE office responsible for managing these data will also be responsible for preparing reports based on the data. These reports should analyze and interpret the data in the context of the reform objectives and targets. Moreover, these analytic reports should be disseminated to the Parent Student Associations groups, regional and district heads, senior officials in the MOE, Ministry of Finance, and Ministry of Plan, as well as to A.I.D.

The CLEF support project (680-0208) will provide the GOB with the option of utilizing technical expertise to help design, implement, and analyze the MOE's management information system.

The A.I.D. office will also be developing its own MIS for the CLEF project. The purpose of A.I.D.'s MIS is to keep track of all of the impact indicators both at the overall objective level and at each of the supporting objective levels.

c. Impact Indicators for the Overall Objective.

There are three types of impact indicators for the overall objective that the A.I.D. mission will be responsible for tracking: effectiveness indicators, efficiency indicators, and equity indicators. The design of the program expects that the key targets for these indicators will be achieved by the year 2002, and that the trajectories for each of these indicators will be at least 15 percent. These indicators are presented above.

The only impact indicator from this list requiring additional explication is the FQL criteria indicator. To establish FQL standards (i.e., minimally acceptable school quality standards) will require close collaboration between A.I.D. and the MOE. The purpose of the FQL index is to assure that quality-related inputs are provided to all schools in complementary packages assuring that any school meeting FQL standards receives a full set of resources from whatever source GOB identifies. For example, the GOB may determine that for a school to meet FQL standards, there should be between 32 to 48 students per classroom and per teacher; that there should be enough texts for all subjects and all grade levels such that one set of books for all subjects is shared among each 4 students in each class, etc. FQL standards may also include a measure of parent participation in local school decisionmaking, and infrastructure characteristics, such as school health, safety, and physical durability. It should be

noted that while these factors have not been shown to affect learning, there is evidence that they may affect demand for education.

The FQL indicator may be measured two ways the number and proportion of schools meeting FQL standards in each locality or region; and the proportion of children in each locality or region enrolled in FQL standard schools. To measure this will require the construction of an instrument and the administration and analysis of periodic national surveys. The A.I.D. project component is prepared to provide technical assistance in these areas.

Finally, in many cases the quantitative targets for monitoring will have been previously agreed to, but there are a number of instances in which the MOE will be responsible for specifying targets and A.I.D. will then monitor the GOB's achievement of them. Consequently, impact monitoring and assessment will have to accommodate both pre-determined targets as well as targets and indicators yet to be determined. For this reason, the specific indicators for each of the four supporting objectives will have to be identified. The following appear reasonable as a preliminary identification.

(i) **Supporting Objective A (Systems and materials)**. For this objective, A.I.D. will track the following indicators: repetition and dropout rates by grade, gender, and locality; textbook provision; attendance in schools by FQL level, and student absenteeism; the number of teachers by gender, grade level, and region, receiving new teacher skills training; national assessment results for the baseline period (Program Year 4) and for one followup (Program Year 6).

(ii) **Supporting Objective B (Equity)**. On this objective, the only indicators to track are student teacher ratios and enrollment rates by gender and by region, and FQL school enrollments by region.

(iii) **Supporting Objective C (Sustainable financing)**. For this objective, the M&IA system will track primary education budgets and expenditures by program area and category and the number of schools meeting FQL standards.

(iv) **Supporting Objective D (institutional and political sustainability)**. For this objective, A.I.D. will monitor the number, classification, tenure, and assignment of managers and administrators at all levels, and teachers and support staff.

In most cases, The particular indicators to be tracked will be developed out of a collaborative relationship between USAID and the GOB, the following types of school-level measures will be

92

strongly recommended for collection and tabulation. Many are already being routinely being collected and, with the assistance of a UNDP project, are being entered into a database:

Teachers

- Student teacher ratio by grade level
- Teacher preservice qualification level
- Teacher experience and school tenure
- Teacher mother tongue
- Recency and type of inservice training
- Effectiveness of various teacher qualification levels

Instructional materials

- Number of textbooks by grade level by subject
 - syllabus upon which based
 - country of origin
 - typical age
 - physical type
- Other instructional materials

Schools

- Location
- When founded
- Number of classrooms
- Previous ownership and authority
- School quality--meeting minimal criteria on:
 - infrastructure conditions
 - maintenance conditions
 - pedagogical materials
 - non-pedagogical supplies
 - trained teachers per students
 - teacher absenteeism rates
 - student absenteeism rates
 - student achievement scores
 - quality indices

Regional/district student data characteristics, & by gender and ethnicity

- Repetition rate by grade & multiple repetition by grade level
- Attendance rates
- Mid-year dropout and cross year dropout rate
- Enrollment levels and number of repeating entrants
- Promotion rates
- Cycle completion rates
- Average years to complete cycle

Student ability and background

- Family income
- Location
- Ethnicity

Previous achievement

Costs

- Unit costs by grade level
- Unit costs by region
- Unit costs by district
- Unit costs by school
- Cycle costs
- Costs associated with school quality minima

IV. Final Feasibility Analyses.

A. Economic Feasibility. The economic feasibility analysis for the CLEF program consists of a modified cost-benefit analysis similar in structure to traditional project cost-benefit analysis. The economics of education literature views education as an investment in the future productive value of the individuals being educated. In that framework, benefits are measured as the higher marginal productivity of educated compared to less educated individuals. In a perfectly competitive market, this increased productivity is translated into higher wages that more educated individuals can demand from their employers. Each year, the more educated individuals receive a premium (net pay differential) due to their higher wages. This stream of annual earnings premia is compared to the stream of additional costs that the more educated people pay for their education (with the costs disappearing after the educational investment ends). The difference between the benefits and costs streams is used to compute the net present value of the investment or the internal rate of return of the investment. Economic models also allow the consideration of non-wage benefits associated with greater educational attainment, such as increased equity, improved social cohesion, and improved nutritional and health status.

1. Benefits and Costs Resulting from the CLEF Program.

There are no studies of the economic value of education in Benin. Moreover, given that the labor market is not believed to operate efficiently, wages are probably a poor proxy for productivity. Fortunately, there are other methods of appraising the monetary value of the benefits of an education investment such as the CLEF program. Since the program is designed to promote internal efficiency (as well as increased effectiveness and equity), a model that assesses the efficiency savings (viz, cost-savings) expected to result from the investment provides a sensible alternative to the external efficiency model described above. In this approach, the benefits of the program are based on the cost per graduate of a given educational achievement level. At the very least, a program designed to enhance internal efficiency is expected to lower the costs of educating an individual with a given achievement of knowledge and cognitive skills, to be referred to as competent graduates. Stated another way, the greater the number of competent graduates educated at a

94

given cost, the more efficient the system. To estimate the benefits of the CLEF program, this analysis will first estimate the number of competent graduates educated each year, starting in 1992, after the CLEF program goes into effect. Next, the program will compare the cost of educating this number of competent graduates each year without the program to the cost of educating this same number with the CLEF program. The difference between these two cost streams is the benefit stream associated with the CLEF program.

CLEF program costs consist of four components:

a. The direct costs associated with the one-time investment of A.I.D. project assistance finances;

b. The direct costs associated with the one-time investment of GOB project-type activities required to meet the conditions of the CLEF program.

c. The incremental recurrent costs that Benin's MOE budget will have to bear in perpetuity to assure continued financing of systematic changes called for by the CLEF program;

d. The opportunity costs of the untied, non programmed NPA funds. For the purposes of this analysis, the opportunity costs of these funds is 10 percent (the rate of interest that can be earned on CFA).

2. Estimating the Benefits Stream. The CLEF program is designed to improve system quality and equity of access to higher quality schools. It is anticipated that this will lower repetition and dropout rates at all grade levels in primary schools throughout the country, which by definition will lower the cycle time (approximately the total enrollment divided by the number of completers) and consequently the cycle cost (the product of cycle time and unit cost). Higher average student/teacher ratios will lower unit costs, which in turn will yield an even lower cycle cost per sixth grade completer (per pupil sitting the CEP examination). Finally, since one major component of the CLEF program is to improve the effectiveness of the primary education system, we can assume at the very least that, as a result of the CLEF program, the ratio of competent graduates to sixth grade entrants (the CEP sit rate) will not decrease as promotion rates increase (cycle time decreases). Consequently, as enrollments increase, and as cycle time decreases, the number of competent graduates will increase. Given that cycle costs will decrease, the total annual cost to produce this number of competent graduates is expected to be lower than the annual cost to produce the same number of competent graduates in lieu of the CLEF program.

3. Data for Estimating the Benefits Stream. Table 24 summarizes the data used to calculate the expected benefits. Row B shows the enrollment projections for 1991 through 2000. These enrollment figures are the GOB's own estimates,² based on its 1998 access targets (see CLEF program Supporting Objective C1 in the program and policy matrix: primary enrollment rates). Primary enrollments increase by about two-thirds in that time period, from approximately 504,000 students in 1991 to about 824,000 in the year 2000.

Row C reports the expected unit expenditures (GOB expenditures per student year) under the assumption of no CLEF or reform program.³ CFA francs are converted to US\$ at a 300 to 1 exchange rate. For simplicity, we are assuming that unit expenditures (i.e., the components of unit expenditures--such as teacher salaries and non-salary expenses) remain constant throughout the primary cycle for any enrolled cohort of students. Row D shows the unit costs that result from CLEF program-supported reform policies. Unit expenditures decrease over time from \$82 in 1991 to \$75 in 2000 thanks to the unit savings associated with increases in student-teacher ratios (see CLEF Supporting Objective B.2.).⁴ All additional direct expenditures on primary education, including both incremental (GOB increases budget to assure continued financing of pedagogical materials) and one-time investments (such as CLEF-mandated curriculum development, teacher training program development, and creation of a national textbook production capability), are not included in the unit expenditures, although they are considered in total CLEF program costs (rows Q and R, discussed below).

²The projections for enrollments and for other data in Table 1 were derived from a Unesco enrollment projection and educational finance simulation model.

³An analytical projection and financial simulation model, developed by UNESCO (for microcomputers) has been appropriated by Béninois technicians in the education ministry. Use of this model provides indications of the unit cost implications of policy proposals (such as increases in student teacher ratios), program and project activities (such as public financing of on textbooks or other materials). The unit expenditures reported here are derived from the application of this financial simulation model to GOB's educational reform program.

⁴An implicit assumption here is that increasing the class size from approximately 30 to 1 up to 40 to 1 will not significantly affect student learning. This assumption is supported by considerable empirical research in many countries that find not causal relationship between class size and educational achievement for classes over 9 to 15 students.

96

Rows E and F show the total primary expenditure, in millions of US\$ per year. These rows are the product of the annual enrollment projections in row B, and unit expenditure figures given in rows C and D. Rows G and H summarize the primary system efficiency as the average number of years invested to produce a pupil sitting the CEP; the CEP cycle time (derived from 1990 actuals, and 1991-2000 targeted repetition and dropout rates). Currently, the CEP cycle time is 10.3 years. Meeting the GOB's dropout and repetition targets will yield a CEP cycle time of approximately 9 years. In a system devoid of repetition and dropout, the CEP cycle time should be 6, for the 6 years of the primary cycle. Rows I and J represent the CEP cycle cost; i.e., the total cost per pupil sitting the CEP. This is calculated as the product of cycle time and unit cost. The combination of the CLEF-program generated lower cycle time (row H) and lower unit cost (row D) yields a 23 percent lower cost per CEP completer (US\$646 compared to US\$838 per completer) in the year 2000 than would be the case without the CLEF program.

Table 24

Economic Feasibility of CLEF program											
A.	YEAR:	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
B.	Annual total enrollments	502,655	528,194	553,732	580,045	620,723	661,401	702,080	742,758	783,436	824,114
C.	Unit expenditure	82.33	82.33	82.33	82.33	82.33	82.33	82.33	82.33	82.33	82.33
D.	-with CLEF program	82.33	81.50	80.68	79.85	79.02	78.19	77.36	76.53	75.70	74.87
E.	Total expenditure	\$41.4	43.5	45.6	47.8	51.1	54.5	57.8	61.2	64.5	67.9
F.	-with CLEF program	\$41.4	\$43.0	\$44.7	\$46.3	\$49.0	\$51.7	\$54.3	\$56.8	\$59.3	\$61.7
G.	CEP cycle time	10.2	10.2	10.2	10.2	10.2	10.2	10.2	10.2	10.2	10.2
H.	-with CLEF program	10.2	10.0	9.8	9.7	9.5	9.3	9.1	9.0	8.8	8.6
I.	CEP cycle cost	\$838	\$838	\$838	\$838	\$838	\$838	\$838	\$838	\$838	\$838
J.	-with CLEF program	\$838	\$815	\$793	\$771	\$750	\$728	\$707	\$687	\$666	\$646
K.	% enrolled sitting CEP	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%
L.	-with CLEF program	9.8%	10.1%	10.3%	10.6%	10.8%	11.0%	11.3%	11.5%	11.8%	12.0%
M.	Annual number sitting CEP	49,415	51,926	54,436	57,023	61,022	65,021	69,020	73,019	77,018	81,017
N.	-with CLEF program	49,415	53,199	57,106	61,218	67,007	72,993	79,175	85,553	92,127	98,897
O.	Total cost all grads (\$m)	41.39	44.55	47.83	51.27	56.12	61.13	66.31	71.65	77.16	82.83
P.	-with CLEF program	41.39	43.36	45.28	47.21	50.23	53.16	56.00	58.74	61.37	63.89
Q.	BENEFITS (CLEF savings)	0.00	1.90	2.54	4.06	5.89	7.97	10.31	12.91	15.79	18.54
R.	A.I.D. NPA (US\$m)	10.00	5.00	10.00	5.00	10.00	10.00	0.00	0.00	0.00	0.00
S.	Cumulative NPA	10.00	15.00	25.00	30.00	40.00	50.00	50.00	50.00	50.00	50.00
T.	A.I.D. Project Assistance	2.00	2.00	1.00	1.00	1.00	0.50	0.00	0.00	0.00	0.00
U.	Opportunity Cost of NPA	0.90	1.35	2.25	2.70	3.60	4.50	4.50	4.50	4.50	4.50
V.	incremental GOB budget exp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
W.	COSTS: Total for GOB & AID	2.90	3.35	3.25	3.70	4.60	4.50	4.50	4.50	4.50	4.50
X.	NET Benefits (BENEFIT-COSTS)	(2.90)	(2.16)	(0.71)	0.36	1.29	3.47	5.81	8.41	11.29	14.44
Internal Rate of Return under above conditions: 36.7%											
Internal Rate of Return under assumption of GOB budget increase of US\$ 1.5 in perpetuity: 18.5 percent											
Internal Rate of Return under assumption of GOB budget increase of US\$ 2.5 in perpetuity: 9.9 percent											

Rows K and L represent the proportion of total number of enrolled students who sit for the CEP each year. This is computed from simulated figures based on meeting decreased dropout and repetition targets. By the year 2000, due to the CLEF reform program, it is anticipated that 12 percent of enrollees will be sitting for the CEP examination, compared to only 9.2 percent

today. Given the projected increase in enrollment, reported in B, this should yield nearly 100,000 students sitting the CEP in the year 2000 if the CLEF program is successfully implemented (row N), compared to only about 80,000 if it is not (row M).

Rows O and P report the total estimated cost of educating the number of completers expected from the reform program given the two main cost scenarios: no CLEF program (row O) and a successful CLEF program (row P) with a concomitant lower cost per completer. The "without program" total cost is computed as the number of completers (row N) times the without program cost per completer (\$838 in row I). The "with program" total cost is row N times row J.

The benefit stream is calculated as the difference between these two streams, based on different per-completer costs, but the same number of expected completers, that is, the number of completers expected as a result of the CLEF program.⁵

4. Estimating the Costs Stream. The one straightforward component of the CLEF program costs is the A.I.D. project component. This is given in row R. NPA disbursements will only be evaluated in terms of their opportunity cost, but it is assumed that all of the NPA funds will be spent on primary education during the next six years, augmenting the existing GOB finances actually spent on education not necessarily augmenting budgeted levels. Row Q reports all the NPA disbursements as direct expenditures on primary education. Total A.I.D. program costs the sum of rows Q and row R, are summed in row S. Row U sums this row with row P to derive the total cost (GOB and A.I.D.) of educating all the CEP sitters likely to be educated as a result of the CLEF program. Subtracting row U (the total A.I.D. and GOB cost of educating all the "with-program" CEP sitters), from row T (the cost of educating the same number of CEP sitters, but without the CLEF program--this is a repeat of row O) yields row V (the net benefit of the CLEF program).

5. Economic results. The internal rate of return (IRR) for row V (is 10.68 percent). Under any less conservative scenario, the internal rate of return would be higher.

6. Summary. This cost-benefit analysis is based on the cost savings associated with yielding Sixth grade completers at a lower cycle cost because of a number of CLEF-program supported program and policy improvements. The computed internal rate of return exceeds the rule-of-thumb rate of return for capital investments (10 percent). The assumptions used to

⁵Using the total number of completers assuming no CLEF program as the base is also an acceptable method of estimating the benefit stream.

98

conduct the analysis were in the "extremely conservative" class. Changes of any of a variety of factors will act to raise the rate of return. To the degree more of the pupils sitting the CEP will be "competent graduates" (rather than holding to the assumption that the proportion who are competent graduates will be constant) will also raise the rate of return associated with producing competent graduates. Given the strong emphasis on educational effectiveness in this program, increased student learning is in fact a likely outcome of the CLEF program. Changing the output of the primary system to the number of students passing the CEP (or an alternative, perhaps better constructed examination), rather than sitting for the CEP exam will act strongly to raise the internal rate of return. Factors that may lower the rate of return below 10 percent would result from not meeting the CLEF program targets for dropout and repetition rates, which are themselves fairly conservative targets. Another factor that may lower the expected rate of return is if the GOB requires considerably more time to achieve the targets than projected in this analysis, where we assume that the impact of the additional attention directed at the education system will yield improvements in effectiveness and efficiency even before program activities are fully in place.

In sum, under most scenarios, this program is likely to yield a substantial rate of return. These benefits may be even further enhanced if we could somehow add to them the host of unquantifiable gains that improvements in education yield: gains such as lower fertility, improved child health and nutrition, and faster adoption of improved technologies and scientific thinking.

B. Political and Institutional Analysis Summary. The major political fact of concern to the Program is the advent of institutionalized democratic behavior. The new constellation of political institutions governing the life and development of the nation is composed of a popularly elected President and National Assembly, an independent judiciary, and a Council of Ministers that is appointed by the President and constitutes the Executive branch of government independent of the Legislative branch. Accountability of the Executive to the Legislative is becoming a fact of political life, but only practice will determine how this relationship will develop.

1. National commitment to educational reform is best demonstrated by the fact that the Conférence Nationale, the founding constitutional convention of Beninese democracy, mandated a broad debate on educational issues. This debate took the form of the Etats Généraux de l'Education (EGE). Debate was lively with frequent expressions of competing interests. The meeting was initially scheduled to last a week. However, in order to reach resolution and consensus, it was extended for three extra days to accommodate the intensity of the

deliberations. These were characterized by strong expressions of fact and opinion by teachers, university students, parents, as well as by representatives of the newly founded political parties, and the Ministries of Finance and Education and by technicians from the UNDP/Unesco education sector analysis project.⁶ The resolutions adopted were compiled into a widely disseminated book (Annex VI). On the whole, the recommendations that came out of the EGE favored: (a) qualitative improvements at all levels of education; (b) selection mechanisms for entrance into post-primary levels (especially higher education); and (c) measures for improved access, equity, efficiency and, especially, quality of primary education. An EGE follow-up commission has been created whose mandate includes the elaboration of viable policies, strategies and action plans.

2. An education sector policy framework (Annex V) was approved by the GOB (Council of Ministers) in January 1991. In this policy statement, the GOB placed emphasis on improving the quality of instructional services without incurring net increases in recurrent expenditures. Primary education is given highest priority. EGE results played an important role in the formulation of this statement. The process of drafting this statement incorporated available results from the policy studies and used the financial simulation model to estimate relationships between quality improvements, expected increases in enrollment, and recurrent costs. Representatives from the Ministries of Finance and Plan participated in the meetings leading to final approval of the policy statement.

3. Government commitment to the process of sector reform was initially manifested by its request for, and the subsequent use it has made of, the on-going UNDP/Unesco Sector Review Project. The project has produced a number of issues-oriented sector analyses studies that have been widely disseminated and been the basis of national seminars and workshops designed to attain consensus on the issues confronting the sector, as well as policy options for addressing them. These studies also form the basis for on-going policy deliberations. The GOB's subsequent development and acceptance of its educational policy framework further manifests its commitment to sector reform. The Government has also requested a comprehensive functional analysis ("audit") of the management of the education

⁶ The title of the project is "*Assistance à la Formulation d'une Politique et d'un Programme d'Investissements pour le Secteur de l'Education au Bénin*" (BEN/89/001). It was started in 1989 under the previous political regime and has continued under the present one. It is presently in the last, policy formulation phase and working actively and closely with the present government, as well as with the donor community. See Annex XIII for an overview of this project.

sector. This activity is part of a broad review of Government management structures and practices (i.e., a series of management audits in five ministries) and is well underway. Furthermore, in the context of the World Bank Second Structural Adjustment Credit, the GOB is committed to applying the recommendations from the audit, expected in December 1991, to a reorganization of the structure and procedures for sector management.

It is highly probable that efforts to reform the sector will engender varying forms of "political expression" given (a) the expected openness of political debate in general (already demonstrated by the EGE and the press), (b) the level of concern for education in particular, and (c) the propensity of political actors in a democratic context to identify "issues". The GOB strategy for dealing with this debate is to place emphasis on the development of institutional and technical capacities for generating and disseminating technically competent sector knowledge that should help to develop consensus on the major issues confronting the sector.

4. Accountability will be a new factor and practice on the educational scene for two reasons: (a) the opening-up of political life with an elected National Assembly responsible for voting budgets; and (b) the availability of large amounts of widely disseminated sector information that will provide a degree of transparency to debate on and around educational issues. Government has already promoted this through the dissemination of available studies. The reform program will strengthen the Government's capacity to produce technically competent sector information and analyses that will feed the national debate, as well as into the planning and decisionmaking processes. The quality of this information and the extent of its dissemination will be essential factors in promoting accountability in the development of education.

The National Assembly has already initiated the practice of open accountability by summoning ministers to respond to questions concerning their respective sectors. The Minister of Education has already devoted considerable time to providing testimony openly and with candor, something that is likely to intensify as the nature of the forthcoming education reforms becomes increasingly detailed and imminent.

Better sector management within education related institutions will be essential to the sustainability of the reform program. In the overall context of the structural adjustment process, the GOB has undertaken a set of management audits of key ministries (Finance, Rural Development, Health, Labor and Social Affairs, and Education, with others to follow) comprising the largest share of civil servants and consuming the largest budget share. Implemented with assistance from several donors and incorporated into the SAL-II policy conditions, these audits will provide the

101

basis for dialogue toward public administration management reforms. The audit of the MOE is expected to be completed by December 1991, along with recommendations for structural, procedural, and staffing modifications of the Ministry. Annex XI summarizes the content of the audit of the MOE. Following the audit, the GOB is expected to agree on an action plan for implementing MOE reorganization by March 1992, with full implementation of the new organizational structure and staffing plan by November 1992. Central to the audit are issues related to budget preparation, financial management and personnel management, areas that will have a direct impact on the GOB's capacity to implement this program.

Work on the audit of the MOE began in January 1991. For methodological reasons,⁷ the audit has been participatory, involving a broad spectrum of officials involved in all aspects of the education. The detailed diagnosis of the inefficiencies and ineffectiveness of the MOE has been completed and will be subject of broad discussions with GOB officials, MOE staff, and other concerned parties during September 1991. This will set the stage for well thought-out recommendations, including new procedures, staffing patterns, training, equipment, and appropriate and efficient levels of delegation of authority.

C. Technical Feasibility Summary. This section will examine the technical capacity and motivation of education sector leadership and administrative staff to: commit themselves to improving education in Benin, no matter how difficult the process; and, conduct deep analysis into the issues and problems facing the sector and identify and appraise the alternative policy options and reform activities necessary to redress the problems.

1. Government Commitment. Government commitment to improving the quality and efficiency of primary education in Benin is clearly indicated by the Béninois-generated process that inaugurated the reform process. MOE officials have maintained their commitment to the reform by empowering the EGE follow-up commission to continue to pursue the mandates of the EGE. this group is working well.

The government's commitment to assuring it will have the technical capacity to see the reform through is evidenced by the fact that GOB has initiated a comprehensive functional analysis ("audit") of personnel, administrative, and financial management of the education sector. This activity is part of a broad review of Government management structures and practices and is well underway. Furthermore, in the context of the World Bank

⁷ In order to develop broad understanding and stakeholders in the diagnosis and recommendations.

102

Second Structural Adjustment Credit, the GOB expressed a firm commitment to apply the recommendations from the audit to a reorganization of the structure and procedures of sector management.

2. Analytic capacity. The question here is whether there is a sufficient depth of analytic competence in the MOE to undertake the technical analyses and prepare the detailed action plans required over the program. There is enough evidence to answer this question in the affirmative.

One clear indication of its technical competence is that the MOE's recognizes when it is able to conduct an policy action and when it requires technical assistance. Working together MOE experts, non-government-affiliated education experts, and the technical staff brought in by the UNDP project produced a number of analytical, issues-oriented sector studies that have been widely disseminated and have served the national seminars and workshops designed to attain consensus on the issues confronting the sector, as well as to identify policy options and projects for addressing them. These studies are also the basis for the on-going policy deliberations.

Additional evidence of this technical capacity is reflected in the preparation of the government's first comprehensive assessment of education sector's key problems and its first clear reform strategy. This was accomplished with the drafting of framework for educational policy that incorporated the Government's priorities based on (a) the outcomes of the Etats généraux de l'éducation, (b) available study results, and (c) projections for enrollments, teacher needs and their recurrent cost implications. The policy framework was officially approved by the Council of Ministers in January 1991.

D. Social Analysis Summary. The analysis contained in Annex IX, the Socio-Cultural Influences on Attendance of Girls in Primary School in Benin, highlights the attitudes of parents towards the costs and benefits of primary education in general with special emphasis on attitudes towards girls' education.

There is a marked difference between the views of parents who have been to school and parents who have not been to school on the value and desirability of education in general. The simple majority of parents who never attended school believe that school attendance is not a necessity for all boys and girls. Parents whose main occupation was farming were more likely to oppose obligatory primary education for both boys and girls than other parents. The main reason they cited for not believing in compulsory education for boys was related to the opportunity cost of boys' on farm labor.

About half of the respondents believed that school was useful. It permits children to learn certain basic notions. Parents also reported that people who have attended school are offered an opportunity to better themselves in life.

Opposition to compulsory education for girls was wide-spread among parents of different occupations and a variety of reasons for this opposition was expressed.

A little more than one-third of all parents responding to the survey believed that sending a girl to school was a useless expense. "She learns nothing of use to her future role as homemaker and wife." It is widely believed among parents who oppose educating their girls that girls take on "unacceptable" social attitudes if they go to school. Almost 43 percent of all parents surveyed believe that it is more difficult for girls who have been to school to get married because they demand more of marriage.

In general, mothers tended to have more favorable attitudes towards school attendance by their daughters than did fathers. A significant number of mothers believed that going to school was a way of liberating girls. Others believed that by sending their daughters to school, they would develop skills and behaviors which would make them better homemakers and mothers. Several noted that acquisition of basic math skills as girls allowed women to enter commerce.

Between the group of parents who believe school is not important and those who believe it is, there exists a large number of parents who think that school isn't "so bad", but that school attendance carries certain risks: failure, drop-outs, migration out of rural areas, even obesity.

In sum, it is important to conclude that parents' attitudes towards education for their children are mixed. Increased pressure on the family income associated with school expenses, the increasing opportunity cost of children's labor, the decline in educational quality, all have contributed to the fact that parents' attitudes toward the value of educating their children have not varied much over the past ten years. The fact that school attendance is no longer sufficient to guarantee a civil service income also reduces the importance of an historical incentive for sending children to school, i.e. the social security of their parents in old age.

In the end, parental attitudes will greatly influence the success or failure of this program in achieving its objectives, especially those related to increasing access to and equity of educational services. During the program life, these attitudes will be monitored to measure changes in behavior that result from program interventions.

E. Environmental Concerns and Recommendation. AFR/CCWA prepared an Initial Environmental Examination which was approved by the Bureau Environmental Officer on September 25, 1991, and cleared by the Office of the General Counsel. The recommended and approved Threshold Determination is for a Categorical Exclusion. The IEE is included as Annex II.

V. Implementation Arrangements.

A. Implementing the Policy Framework. The Program Agreement will outline in detail the procedures which the Government of Benin and A.I.D. will follow to jointly determine progress in meeting program conditionality, satisfaction of disbursement conditions, and the conditionality agenda for subsequent disbursements.

The program will begin in 1991. Among the conditions precedent to a first disbursement, the GOB will present its first Letter of Intent (LOI) in which it will outline the actions it will take during 1992 to achieve the 1992 program targets. This initial LOI will describe in detail the process the GOB will establish for primary sector reform. In particular, the GOB will outline: (a) the process by which it will develop the overall Primary Education Reform Action Plan (PERAP); (b) the scope and general contents of the PERAP; (c) the process by which it will develop for preliminary testing in 1992 a transparent primary education budgeting and expenditure tracking system.

Subsequent to this initial LOI, the GOB will prepare and submit an annual Letter of Intent (LOI) which will present the Government's plans for primary education reform activities to take place over the following calendar year; i.e., the actions it intends to take and the accomplishments it expects to register. The LOI will also specify the amount of financing the GOB will budget for the sector with special attention to specific reform-related actions that require extraordinary financing (e.g., special surveys, workshops, etc.) over the subsequent budget year. At the end of the LOI period, the GOB will prepare a progress report discussing actual progress achieved; i.e., assessing how well it did against its LOI targets. Jointly, A.I.D. and the GOB will determine whether disbursement conditions have been met. Prior to any disbursement, the GOB will submit its LOI for the following period.

It is expected that disbursements under this program will occur in December of each year, corresponding to the fourth quarter of the GOB's fiscal year. The reporting process will actually commence prior to this. The Annual Progress Report will consist of a report outlining accomplishments in implementing the LOI from the previous year. It will also discuss problems that arose and the GOB's plans for addressing those problems over the next implementation period.

10

1. The Government of Benin. The restructuring of Benin's education system is underway. Initiated by the Beninois, the process has been highly participatory, involving the full range of individuals and interests affected by the education system. The Beninois identified the need for restructuring the system, sorted through the problems faced by the system through the Etats Generaux de l'Education, undertook a series of studies financed by the UNESCO-UNDP project to further elaborate problems and make tentative recommendations, and established a policy framework to guide a comprehensive sector reform program. The policy framework of the Government of Benin aims at nothing short of the transformation of the entire education sector. It is objective-driven in that it focuses more on improving the results of the education system than on inputs to the system. The sector-wide program proposes to touch all levels of the system from pre-school through university education.

The CLEF program will enable the GOB to implement that portion of its policy framework aimed at strengthening primary education. It does so in such a way as to ensure that the Beninois remain in the lead in implementing the policy framework. The process for determining progress and disbursements outlined above seeks to ensure that the GOB assume the leadership both in designing the set of actions to be accomplished each year and in evaluating its own progress in implementing those actions.

The nature and content of the annual Letter of Intent requires that different actors in the sector reform work together synergistically to be able to demonstrate progress. The Ministry of Finance becomes dependent on actions taken by the Ministry of Education if budget support is to be received in a timely manner. Likewise, the Ministry of Education is dependent on the Ministry of Finance for allocating to it sufficient budget to implement the reform actions proposed for implementation. However, the Ministry of Finance becomes an interested partner in assuring that the Ministry of Education has funds available to implement the annual reform activities. In short, mutual dependency, or interdependency, between different arms of government is recognized as crucial to program success. This is an important aspect of sustainability not normally found in donor financed operations in Benin.

Another important aspect of this synergism is the dependency of the Ministry of Education on deepening its relationship with parents in the execution of primary sector reform. Again, the Ministry of Education through the National Conference, the Etats-Generaux de l'Education and its own analysis is acutely aware of the crisis in public confidence it is facing. In fact, it was because of this crisis that the Ministry initiated the background analyses. The movement toward reform and the advances in reform planning that have taken place, however, are largely due to ever increasing public pressure on the government to improve the

education system. Under the CLEF program, the GOB will, therefore, seek to preserve and enhance the role played by the public in implementing education reform. This is another important aspect of this program which is aimed at its ultimate sustainability.

2. The Role of A.I.D. A.I.D., acting through the Office of the A.I.D. Representative in Cotonou, will play a reactive role in the implementation of this primary sector reform program. It will monitor the progress of the GOB in achieving program objectives, assess that progress and sustain a policy dialogue related to that progress. It will review the Letters of Intent and the Annual Progress Reports and negotiate with the GOB based on its submissions. To function in this manner, yet maintain objectivity, A.I.D. will require technical expertise independent of the GOB. This need will be filled by the Project Coordinator (PSC), the Assistant Project Coordinator (FSN/PSC) and, eventually, a Human Resources Development Officer (HRDO/USDH) who will assume all A.I.D. responsibilities for program implementation.

The monitoring of program progress, LOI implementation and conditionalities serves two purposes. It will enable A.I.D. to verify continued GOB support for basic education reform and determine when it is appropriate to disburse funds under the program. Second, it will enable A.I.D. to identify and monitor the achievement of significant outputs as well as progress toward out year impact indicators. Tracking GOB performance in meeting conditionalities is not a substitute for evaluation, but rather a verification of GOB fulfillment of performance criteria agreed upon for funds' disbursement. Nonetheless, much of the data collected to track GOB fulfillment of conditionalities will serve as a data source for formative and summative evaluations.

Another crucial function to be performed by A.I.D. in support of the GOB reform program is the delivery of short term technical expertise as determined necessary by the GOB. A.I.D.'s capacity to perform this role is basic to the flexibility designed into the implementation of this program. Over the life of the reform effort, both A.I.D. and the GOB recognize that short-term assistance of a problem-solving nature will be necessary to complete MOE capacity to overcome unforeseen barriers to educational reform. This design takes this need into consideration. A.I.D. will respond to the GOB's needs for such short-term technical assistance in the primary education sector so as to ensure to the maximum extent practical quick delivery of required technical expertise. A.I.D. will, in this way, respond to needs identified by the GOB.

B. Managing the Project Support Assistance. The Office of the A.I.D. Representative to be opened in Cotonou will be responsible for all aspects of project management within its

167

delegated implementation authorities. The Mission will be staffed with five U.S. Direct Hire officers and the Mission's overall country strategy will concentrate in the primary education sector. While the Mission in Benin will be a small one, this Program will be its only major activity. A relatively small, on-going rural water project will be the other A.I.D.-financed activity beyond FY 1991. However, caution and restraint will have to be exercised over the program life to ensure that the Mission remains focussed on this one major activity. Annex IV to this PAAD contains the Mission's start-up plan and details the Mission's proposed organizational structure and expenses.

The Mission will contract the necessary long and short term expertise it requires to implement the program. As outlined in the Procurement Plan in Annex XV, it is expected that the five long term technical advisors will be contracted on a personal service basis. The Mission will ensure maximum competition in the selection of individuals for these positions.

Short term technical assistance will be procured via work orders under a Mission-based Indefinite Quantity Contract (IQC). The IQC will be awarded via full and open competition. Maximum competition will be encouraged in order to receive the best possible proposals. It is expected that the successful bidder will be a consortium or firm with a number of subcontractors able to meet the wide range of demands conceivable under this multi-year effort. Work on the scope of work for the IQC will begin shortly after project obligation, and it is expected that the contract can be in place by the end of FY 1992. The duration of the IQC will be five years, through 1997. The duration of any one task order will be 120 days. The Mission, in close conjunction and coordination with the REDSO/WCA contracting officer will be responsible for the design and implementation of this IQC. REDSO/WCA has substantial experience implementing field IQCs so this approach is within the management capacity of the major Parties.

C. Proposed Financial Management Arrangements.

1. Dollar Disbursement Arrangements. A.I.D. financing for the CLEF Program totals \$57,500,000, of which \$50,000,000 will be disbursed as nonproject sector assistance. This assistance will be provided in tranches as specific policy and institutional reform conditions are met. Assistance will be provided on a cash disbursement basis.

a. Cash Disbursement and Commodity Import Program (CIP) Considerations. Prior to recommending a cash disbursement modality, the alternative of CIP funding was explored. The cash disbursement mechanism was selected for the following reasons:

(i) Since there is ready access to foreign exchange in Benin through the West African Central Bank (BCEAO), the added cost of CIP management is not warranted.

(ii) The fact that disbursements will be made to the Central Bank of a Monetary Union governed by strict charter and well supervised by the French Treasury gives a high degree of confidence in the accounting control systems which will govern the use of the funds and lessens the likelihood that disbursements would be inappropriately used.

(iii) CIPs are slower disbursing programs. Benin has a demonstrated need for assistance in order to close its 1991 deficit.

b. Section 575(b)(1) Exemption. Section 575(b)(1) of the 1991 Foreign Operations, Export Financing, and Related Programs Appropriations Act requires that US assistance dollars provided as nonproject sector assistance be deposited into a separate account and that the uses of those dollars be specified and agreed upon with the grantee government. Section 575(b)(4) of the same Act allows for an exemption from this requirement for nonproject sector assistance through the Congressional notification process. Such an exemption is being requested for this program based upon the following:

(i) Benin is a member of the West African Monetary Union (WAMU) and by charter cannot hold foreign exchange in its own name. Under WAMU rules, dollars received by a member country automatically become part of the WAMU foreign exchange pool and, thereby, become available on demand for settlement of dollar claims of any WAMU member. In sum, the policies and procedures of the WAMU make it impossible to track dollars beyond their initial deposit with the WAMU Central Bank (BCEAO).

(ii) The CFA is a freely convertible currency backed fully by the French Treasury. Its value is fixed to the French Franc and, therefore, fluctuates with the Franc. The Government of Benin cannot intervene in the price of the CFA. CFA are converted to other currencies through the BCEAO. The allocation of those currencies is subject only to the rules and procedures of the BCEAO. The Government of Benin cannot intervene in the allocation procedures of the BCEAO.

c. Effecting the Dollar Disbursements. Upon satisfaction of the Conditions Precedent to Disbursement for each tranche of nonproject sector assistance funds, the Mission will receive from the GOB a Financing Request executed in accordance with A.I.D. Handbook 4. That Financing Request will identify the bank, the account number, and the holder of the account into which A.I.D. funds will be disbursed. It is expected that the holder of the account will be the Central Bank of the West

109

African States (BCEAO) and the bank account will be held in the Federal Reserve Bank of New York.

A.I.D. has carefully examined the proposed disbursement arrangements with the Ministry of Finance, the BCEAO, and the Federal Reserve Bank of New York, and is convinced that they are both administratively and financially sound and appropriate given the objectives of the disbursements and the limitations imposed by Benin's membership in the West African Monetary Union. Given the proposed disbursement arrangements through the Federal Reserve Bank, interest will not be earned on the funds for the short period of time they are held. While it is not within the cash management responsibility of A.I.D. to account for the proceeds of the dollar disbursements given the exemption to Sec. 575(b)(1) separate account legislation, A.I.D. has explored the issue of how funds will be ultimately received by the GOB as part of its design responsibility and finds the arrangements to be satisfactory.

2. Local Currency Generations. In accordance with the decision to exempt this program from the separate account requirement for the dollar disbursement, no uses for the A.I.D. non-project sector assistance dollars will be specified. As such, and in accordance with May 1991 Agency local currency guidance, no identifiable generation of local currency will take place.

3. Project Financial Arrangements. As shown on the Project Procurement Plan, Annex XV, all project inputs will be financed via A.I.D. direct disbursement. The REDSO/WCA financial analyst has reviewed this plan and provided the Methods of Financing Certification indicating concurrence in these arrangements. The Africa Bureau Controller will review this certification as part of his clearance on the PAAD/PP authorization. The Mission will have its own Controller in order to facilitate disbursements under the project.

VI. Negotiating Status.

A. Rationale and Strategy for Accelerating Program Negotiations. The program proposed herein has been developed and negotiated on an accelerated schedule. The justification for this is two-fold relating to the extraordinary strides the people of Benin have accomplished over the past two years to effect serious economic adjustment and comprehensive political reform. The combined result has been the opening of Benin; the opening of the political process to popular participation and the opening of the economy to market forces. Nowhere else in Africa has this transformation been so profound and so comprehensive within such a short period of time.

A.I.D.'s strategy in Benin is to reinforce this successful Beninois brand of open society. Since the Beninois people themselves have established a link between the future of democratic systems, the education of the citizenry and the need to reform the education system, it was logical for A.I.D. to respond to Benin's request for assistance to this important sector. Combine this with the fact that the Beninois had advanced the process of education reform, already had in place an approved, objective-based policy framework, and were seeking financing for their established priorities made A.I.D.'s own commitment to basic education in Africa a natural match with Benin's priorities. The fact that a comprehensive series of high quality sector analyses had been recently completed allowed A.I.D. to move quickly to final program design and negotiation.

Finally, in recognition of the fact that the Beninois had advanced the process of educational reform with little donor assistance and that throughout the country the Beninois demonstrated a high commitment to objectives of the reform, A.I.D./Africa decided to grant additional funding under the FY 1991 African Economic Policy Reform Program (AEPRP) to Benin. As a result, this program will provide a major portion of the extraordinary financing required for the primary education sector reform. This financing will also be provided under the overall umbrella of the Second Structural Adjustment Program (PAS II), and, therefore, draws A.I.D. into the community of donors assisting Benin under the Special Program for Africa (SPA).

B. Conditions. In addition to the standard conditions precedent to first disbursement contained in the Program Agreement, prior to the first disbursement of non-project sector assistance funds, the GOB will:

1. The completed diagnoses of the six operations which comprise the organizational audit of the Ministry of Education;
 2. Assurances that the Grantee has maintained expenditures for Government-financed scholarships contained in the Grantee's 1991 budget at a level equal to or less than the level budgeted for 1990;
 3. Evidence that the Grantee has developed and approved, in consultation with A.I.D., procedures and content for Annual Progress Reports to be submitted to A.I.D. in furtherance of Program objectives, and also has designated the respective agencies and/or individuals responsible for preparing such reports;
 4. A Letter of Intent, submitted by the Grantee's designated representative(s) and certified by the Minister of Education and the Minister of Finance, which contains a
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comprehensive list of actions that the Grantee intends to take during the Grantee's 1992 fiscal year towards meeting the objectives of the Program as more fully described in the Program Policy Matrix. The Parties agree that such actions will include, but not be limited to:

(i) the submission of the Grantee's completed, multi-year, primary education sector reform action plan;

(ii) the initiation of a primary school infrastructure needs assessment survey; and,

(iii) the design and installation of a comprehensive primary education expenditure tracking system;

5. A certified copy of the Grantee's 1992 budget, or other appropriate document as A.I.D. may agree to in writing, which demonstrates, at a minimum, that:

(i) adequate resources will be made available to implement the actions under the Program for 1992, as agreed to by the Parties and contained in the Letter of Intent, above; and,

(ii) the total share of the Grantee's 1992 budget available for primary education is equal to or greater than the total share made available for primary education in the Grantee's 1991 budget.

6. Prior to the second disbursement under the Grant, the Grantee, shall, except as A.I.D. may otherwise agree to in writing, furnish or have furnished to A.I.D., in form and substance satisfactory to A.I.D.:

(a) An Annual Progress Report which demonstrates that the Grantee has accomplished the Program actions contained in the Letter of Intent described above.

(b) Evidence that:

(i) the Grantee has expended the equivalent of Five Million U.S. Dollars (\$5,000,000) on priority primary education sector reform actions in 1992; and,

(ii) the percentage share of Grantee funds budgeted for and expended on primary education for all budget items, other than salaries and pensions, increased in 1992 relative to 1991.

(c) A Letter of Intent, submitted by the Grantee's designated representative(s) and certified by the Minister of Education and the Minister of Finance, which contains a comprehensive list of actions that the Grantee intends to take

during the Grantee's 1993 fiscal year towards meeting the objectives of the Program as more fully described in the Program Policy Matrix.

(d) A certified copy of the Grantee's 1993 budget, or other appropriate document as A.I.D. may agree to in writing, which demonstrates, at a minimum, that:

(i) adequate financing will be available for the implementation of the Program during the 1993 fiscal year;

(ii) the total share of the Grantee's 1993 budget to be made available for primary education is equal to or greater than the budget share made available for primary education in 1992; and,

(iii) the percentage share of Grantee funds budgeted in 1993 for all primary education budget items, other than salaries and pensions, will increase relative to 1992.

7. Subsequent disbursement of grant funds will be subject to the following special conditions precedent. Additional special conditions may be negotiated at the time of incremental authorizations and obligations of funds:

a. The submission of an Annual Progress Report which demonstrates that the Grantee has accomplished the program and budgetary actions contained in each Letter of Intent submitted in support of the previous disbursement of funds.

b. A Letter of Intent submitted on an annual basis which provides, at a minimum:

(i) a comprehensive list of primary education reform actions to take place during each subsequent fiscal year of the Grantee;

(ii) evidence of budgeted resources to finance those actions; and,

(iii) quantifiable targets towards meeting the overall Program objectives and impact indicators as stated in the Policy and Program Matrix.

C. Covenant. The Program Agreement will contain a standard covenant on program evaluation. The Mission may propose implementation-related covenants during final negotiations. In addition, the effect that the GOB shall not reverse, or take any actions to undermine or impede any actions previously taken in satisfaction of program conditionality.

113

D. Negotiating Status. Preliminary negotiations and parameters for this reform program have been discussed with Beninois officials in the Ministry of Cooperation and Foreign Affairs, the Ministry of Plan, the Ministry of Finance, the Ministry of Education, and the Office of the President. It is clear to all Parties that the program seeks to support Benin's own stated objectives in the primary education sector. As long as that link is maintained, there has appeared to be little difference of opinion regarding actions to be financed under the program. Final negotiations are underway, and are expected to be finished by September 27, 1991.