

PD-ABP-294
94457

PAAD Amendment No. 1

for the Benin

Children's Learning and Equity Foundations

(CLEF/680-0206 and 680-0208)

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

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

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I. Problem

The Government of Benin (GOB) has requested an amendment to the Benin Children's Learning and Equity Foundations (CLEF) program in order to increase the level of resources for general budget support to the GOB while it restructures the primary education system. The Program aims to establish an effective, efficient and equitable primary education system. The proposed PAAD Amendment will authorize five million dollars from the Development Fund for Africa appropriation and a half million dollars of Economic Support Funds (ESF) in incremental funding to the Program (\$5,500,000). Included in the PAAD Amendment is the proposed third tranche conditionality for the primary education sector. The conditionality has been further refined from that included in the original Program Agreement as a result of further analysis and discussions with the GOB.

II. Summary and Recommendations

A. Recommended Action. OAR/BENIN recommends the amendment of the Program Assistance Approval Document (PAAD) for the Children's Learning and Equity Foundations (CLEF) Program of the Government of Benin (GOB). The Acting Assistant Administrator for Africa approved the subject PAAD on September 27, 1991, and authorized a \$15,000,000 non-project assistance (NPA) grant to the Government of Benin. Within the total projected funding level of \$50.0 million, this amendment of \$5.5 million, will bring the total amount of Life-of-Project funding to \$20.5 million.

B. Program Update. Since the commencement of the CLEF effort in December 1991, the Government has initiated a wide series of actions to execute the reform program and meet overall program objectives. Aside from planning activities for the reform endeavor, the GOB has also implemented short term actions resulting in immediate improvements in the primary education system.

By March 31, 1992, the GOB had met all conditions precedent required for the first tranche of funding under the Program. However, disbursement was delayed pending the approval of the GOB budget by the National Assembly which was ultimately ratified in June 1992.

On July 23, 1992, the first disbursement of the Children's Learning and Equity Foundations Program Grant was made by USAID to the Government of Benin for US\$10,000,000. Through this disbursement, USAID acknowledged Benin's firm commitment to undertaking a reform of its primary education system. It also symbolized USAID's support to the process of

democratization.

There is every indication that the second disbursement will occur in a timely manner and that the Ministry of Education (Ministère de l'Education Nationale -- MEN) will be able to mobilize all resources necessary to effectively execute its reform program.

In addition to the conditions precedent to first disbursement, the GOB satisfied five other conditions: (1) the submission of the results of the organizational audit of the Ministry of Education; (2) the reduction of allocations for scholarships; (3) the submission procedures for and content of Annual Progress reports; (4) the submission of a Letter of Intent for 1992 activities; and (5) the assurance of adequate budgetary allocations for program activities and for primary education.

The principal endeavor during the start-up phase of the CLEF program was the preparation of the Primary Education Reform Action Plan (PERAP). The PERAP is an integral part of the GOB's overall education sector reform program. The MEN is also preparing action plans to improve the other sub-sectors of the education system. As indicated in the Letter of Intent, the GOB aims to finalize the PERAP by October 1992 and intends to officially launch the education reform program before the start of the 1992/1993 school year. The MEN will commence the education reform effort in three priority areas: (i) development of a management information system (MIS), including the implementation of a school map, (ii) initiation of institutional reform; and (iii) provision of teacher support.

The Government has already implemented a number of measures that should have an immediate impact on the quality of primary education in Benin. Most importantly, the GOB has adopted a new education budget which represents a significant departure from previous education sector financing practices. The increase in the primary education budget has been completely allocated to non-salary expenditures, reversing the observed trend of under-financing operating and pedagogical expenses. In addition, the budget introduces a new nomenclature which increases the transparency of GOB allocations to the sector by defining a more precise categorization of expenditures.

The next step in the reform process will be critical. Planning the reform program has required the mobilization of and frank dialogue between different actors within the education sector. However, education sector operations have remained the same, for all intents and purposes. The GOB will signal its firm commitment to the reform process when it makes decisions which fundamentally change the way the Ministry conducts business. Meeting the four conditions precedent to the second disbursement will constitute a turning point in the reform process. For example, the Government will be required to provide proof that resources have been made available for key reform actions. In addition, the Government will be expected

to initiate the reorganization of the Ministry of Education.

The Government's further definition of its primary education reform program warrants a refinement of the conditions precedent for the third disbursement. In addition, GOB experience with meeting the conditions precedent to date has demonstrated that more precision is necessary in order for the conditions to represent verifiable benchmarks to progress towards program objectives. Subsequently, the conditions precedent for the third disbursement included in this Amendment more clearly reflect the project phases of program implementation and the Program's overall objectives.

TABLE 1

Summary Program Budget
(\$000)

<u>USAID</u> <u>Assistance Type</u>	<u>FX</u>	<u>LC</u>	<u>GOB</u>	<u>Total</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>

	Targets Est'd	Targets Met	Amount of Disbursement (\$000)	Approx. Date of Disbursement
Tranche 1	9/91	3/92	10,000	7/92
Tranche 2	12/91	12/92	5,500	12/92
Tranche 3	12/92	12/93	10,000	12/93
Tranche 4	12/93	12/94	9,500	12/94
Tranche 5	12/94	12/95	10,000	12/95
Tranche 6	12/95	12/96	5,000	12/96
Summary	Annually	Annually	50,000	Annually

III. Program Assistance Description

A. Progress to Date. Since the commencement of the CLEF effort in December 1991, the Government has initiated a wide series of actions to execute the reform program and meet overall program objectives. Aside from planning activities for the reform endeavor, the GOB has also implemented short term actions resulting in immediate improvements in the primary education system. There is every indication that second disbursement will occur in a timely manner (December 1992) and that the Ministry of Education (Ministère de l'Éducation Nationale -- MEN) will be able to mobilize all resources necessary to effectively execute its reform program.

1. Meeting first tranche conditionality. In line with the Program Agreement, the GOB satisfied all conditions precedent by March 31, 1992. Actual disbursement could only follow official approval of the Government budget by the National Assembly. On July 23, 1992, the first disbursement of the Children's Learning and Equity Foundations Program Grant was made by USAID/Benin to the Government of Benin for US\$10,000,000. Through this disbursement, USAID/Benin acknowledged Benin's firm commitment to undertaking major reforms in its primary education system. It also symbolized USAID/Benin's support to the process of democratization. In addition to the conditions precedent to first disbursement, the GOB satisfied five other conditions listed below:

(a) Organizational audit of the Ministry of Education. The GOB submitted final reports on the organizational audit of the Ministry of Education. These documents present a diagnosis of the MEN institutional functions and structure. The reports also propose specific recommendations as the basis for the MEN's overall action plan for institutional reform.

(b) Allocations for scholarships. The GOB submitted documentation which demonstrates that it has reduced subsidies for scholarships. In 1990, the budget for scholarships equaled CFA Francs (CFAF) 1,439,759,000 and, in 1991, expenditures totalled CFAF 1,380,000,000. These figures confirm the Government's commitment to controlling spending for higher education, particularly costs not directly related to instruction.

(c) Procedures for and content of Annual Progress reports. Annual progress reports will consist of three parts: (a) a review of the progress made in meeting primary education reform objectives; (b) an evaluation of the impact of the reform program; and (c) a financial statement for the execution of the program. The Programming and Coordinating Unit (Cellule de Programmation et Coordination/CPC) of the Ministry of Education under the

director of the cabinet will be responsible for preparing the annual progress report. The Annual Review will involve all relevant government agencies, community groups such as the parents association and teacher unions, as well as USAID.

(d) The Letter of Intent. The GOB submitted to USAID/Benin a Letter of Intent (LOI) which reiterates the Government's support for CLEF Program objectives, describes the GOB's strategy for managing its efforts to develop required plans and programs, and provides the assurance that all necessary financial resources will be available for the upcoming year. The LOI states that the Government's strategy is to elaborate detailed, costed action plans before the end of October 1992. These plans will describe all activities to be undertaken over the next five years to meet the objectives identified in the original Program Agreement. The Strategic Management Unit (Cellule de Management Stratégique -- CMS), under the auspices of the Cabinet Director and composed of a number of high level staff, will be responsible for overseeing the development of the action plans. Final plans will be submitted to an interministerial steering committee and USAID/Benin for approval. As mentioned above, the CPC will be responsible for program monitoring. Finally, the LOI quantifies the resources necessary for the development of the action plans and indicates the GOB's commitment to allocate the resources required to complete and implement the action plans.

(e) Budgetary allocations for program activities and primary education. On March 31, 1992, the GOB presented USAID its 1992 budget submission. In this budget proposal the GOB allocated a total of CFAF 8,826,000,000 to primary education in 1992. This represents an increase of CFAF 340,874,000 (\$1.37 million) over the amount budgeted for this subsector in 1991. Of this amount, the proposal earmarks CFAF 100,000,000 to Program actions for 1992. According to the Letter of Intent, the Government will require CFAF 33,664,500 to develop the primary education reform action plans. The LOI also indicates that additional resources will be necessary to execute actions or which costs have not yet been estimated (such as the school map action plan). The remaining CFAF 65,000,000 is considered sufficient to undertake these other activities.

The 1992 budget submission represents the first time that a duly elected National Assembly in Benin had the opportunity to debate and freely decide how the country's resources should be allocated. The debates which ensued were intense and lengthy and the budget was finally ratified on June 26, 1992. There was some pressure to accept the Executive Spending Bill presented to the National Assembly as sufficient to meet the conditions precedent to CLEF disbursement. It was USAID's position, however, that without prior legislative approval, accepting the budgetary proposal would be interpreted as a repudiation of an essential element of Benin's democratic reform: the National Assembly's newly mandated budgetary

powers. The delay in ratification, however, did hold up disbursement. The National Assembly did not change allocations for education from those proposed in the budget submission. Consequently, the ratified budget met the relevant conditions.

2. Developing the Primary Education Reform Action Plan. The principal activity during the start-up phase of the CLEF program was the elaboration of the Primary Education Reform Action Plan (PERAP). The PERAP is an integral part of the GOB's overall education sector reform program. The MEN is also preparing action plans to improve different sub-sectors of the education system. As indicated in the Letter of Intent, the GOB aims to finalize the PERAP by October 1992. By the beginning of June 1992, the Ministry of Education produced draft action plans for the education reform program and distributed them for comment to interested donors, including, the World Bank, the French Cooperation, the United National Development Programme/UNDP and USAID. The MEN intends to finalize the action plan on the basis of the feedback provided.

To prepare the draft form of the education reform action plans, the MEN mobilized over 100 senior staff to develop the drafts. Action plans to be included in the PERAP addressed the following areas:

- .Curriculum development
- .Increasing access
- .Teacher training & support services
- .Practical education
- .Pedagogical materials
- .School survey
- .Fundamental Quality schools
- .Community participation
- .Evaluation and Assessment
- .Private education
- .Institutional reform

The CLEF project provided the MEN with eight (8) technical experts to assist in the development of the PERAP. Two education planners, an expert in management information systems (MIS), and specialists in curriculum development, teacher training, student assessment, private education and community participation worked closely with MEN staff to develop the action plans. In addition, the UNESCO project provided support to prepare the institutional reform action plan on the basis of the audit recommendations. The French Cooperation also assisted the preparation of draft action plans, particularly in the areas of school mapping, teacher training and higher education.

The draft action plans represent a satisfactory "first cut". The major steps to attain the different goals set out by the Government have been identified. However, except for the institutional reform action plan which is near completion, all

the action plans require thorough revision to be finalized. Most of the plans leave out the key steps in training and institutional reinforcement necessary to carry out the identified activities. In addition, different action plans propose contradictory or redundant activities. Finally, the overall costs of the different interventions have yet to be determined.

An analysis of implementation capacity needed for the execution of the action plans must be undertaken. An evaluation of the institutional and technical strengths and weaknesses of those entities and individuals responsible for execution of the action plans will lead to a more realistic phasing of activities. According to the technical experts, most draft action plans do not reflect a strong institutional capacity to successful implementation of the action plans.

Although the MEN has attempted to coordinate activities between action plans, much more attention needs to be focused on this issue. For instance, there was little or no contact between the institutional reform action plan group and those who developed the other action plans. Consequently, there are contradictions between the proposals for institutional changes. There is still much redundancy between the different action plans which address sectoral issues.

Little or no attempt had been made to determine the costs of the planned activities. During the initial working sessions, it quickly became apparent that the Beninese lacked the capacity to make even summary estimates of costs.

The GOB has virtually finalized the institutional reform action plan. This reform has three major dimensions: (1) a reorganization and redefinition of the structure of the MEN; (2) a reinforcement of the MEN's financial management capacity; and (3) a strengthening of personnel management. Implementation calendars have been determined and the technical support needed to carry out planned actions has been identified and quantified. In order to complete the institutional reform action plan, the GOB must appraise the overall cost of reinforcing the logistical capacity of the Ministry and of providing training to key administrators. Final estimation of these aspects of the institutional reform will depend in part on the completion of the sectoral action plans.

To finalize all action plans, the GOB will focus on the various shortcomings described above. Another team of experts provided through the CLEF project will assist MEN staff in this effort. The Government intends to use the final action plans to prepare for the upcoming Donors' Roundtable on Education, scheduled for December 1992 in Cotonou, and co-chaired by France and the United States.

3. Launching the reform program. The Government intends to officially launch the education reform program

before the start of the 1992 school year. Although all action plans may not be finalized in time, the overall structure of the reform program has been defined and most start up activities have been identified. The MEN will commence the education reform effort in three priority areas: (i) development of a management information system, including the implementation of a school map; (ii) initiation of institutional reform; and (iii) provision of teacher support.

During the first quarter of the 1992/1993 school year, the MEN plans to carry out a school survey which will provide the MEN with detailed information on rehabilitation needs, pedagogical inputs, community financing, and other school based information critical to all planning efforts. The school survey questionnaire will be pre-tested at the beginning of the school year. The MEN will also establish the database systems necessary to house, process, and disseminate the information collected through the school survey.

Before the beginning of the new school year, the GOB plans to put in place the basic parameters of the new administrative structure of the Ministry of National Education. The MEN will adopt the appropriate legal texts and name the heads of new services and divisions. The reorganization of the MEN will lead to a greater decentralization of responsibility and a streamlining of the administrative structure (the number of administrative staff of the Ministry will be reduced from approximately 1,900 to 1,200). In addition, the MEN will elaborate and adopt new procedures for the monitoring and control of expenditures in September of 1992.

Finally, the MEN will reinforce the logistical capacity of the Regional Directorates to provide teachers support services by providing them with communications equipment and transport. The MEN is planning to provide all inspectors with motorcycles to facilitate their support of teachers.

4. Preliminary actions to improve the education system. The majority of the GOB's efforts to date have focused on preparing the education reform program. The Government has also implemented a number of measures that should have an immediate impact on the quality of primary education in Benin.

The most important action to date has been the adoption of the new education budget. This budget represents a significant departure from previous education sector financing practices. The increase in the primary education budget has been completely allocated to non-salary expenditures, reversing the observed trend of under-financing operating and pedagogical expenses. In addition, the budget introduces a new nomenclature which increases the transparency of GOB allocations to the sector by defining a more precise categorization of expenditures. The new nomenclature enables the GOB to allocate non-salary resources by education level and region, thus permitting the GOB to more effectively

address equity considerations. Finally, the new budget more clearly identifies education expenses not directly allocated to the MEN. This year, the MEN will have more control over the use of these resources and next year these allocations will be included in the Ministry of Education's budget.

The GOB has also made significant progress in the decentralization of the education sector budget. The six Regional Directorates are currently preparing their 1993 budget proposal on the basis of the new nomenclature. This represents the first time that the Regional Directorates have had the opportunity to program expenditures according to their perceived needs. In addition, the Regional Directors have been able to assume more responsibility in determining staff allocation's in the annual consultative conference to prepare for the new school year. Finally, Regional Directors have been working together on determining the contents of kits that will be distributed to teachers at the beginning of the school year.

5. Progress on meeting second tranche conditions.

Planning the reform program has required the mobilization of and frank dialogue between different actors within the education sector. However, most education sector operations have remained unchanged, for all intents in purposes. The GOB will signal its firm commitment to the reform process when it makes decisions which fundamentally change the way the Ministry conducts business. Meeting the conditions precedent to the second disbursement will constitute a turning point in the reform process as they will represent the initiation of the reform process.

(a) **Condition No. 1.** The GOB must submit an Annual Report which demonstrates that the commitments made in the Letter of Intent for the first disbursement have been respected. The key commitment made in the Letter of Intent was the finalization of the PERAP. To satisfy this condition, the Interministerial Committee of the MEN must approve the PERAP, which the GOB must then officially submit to USAID. Second, the GOB must implement the initial activities proposed in the PERAP to demonstrate that the action plans will indeed guide the reform process. Almost all the action plans present activities to be executed during the last quarter of 1992. Key actions that will signal the GOB's commitment include: (i) adoption of legal texts which reorganize the MEN; (ii) initiation of the school survey and design of the Management Information System; (iii) initial improvements in the budget preparation and execution process; and (iv) the establishment of the management, monitoring and evaluation responsibilities for the implementation of the PERAP.

(b) **Condition No. 2.** The GOB must provide evidence that US\$5 million have been expended on priority reform actions and that the share of GOB resources expended on primary education, other than for salaries and pensions, increased in 1992 relative to 1991. To meet this condition

the GOB must provide evidence that the procurement plan listing planned expenditures to satisfy the US\$5 million requirement has been respected. To demonstrate that non-salary expenditures for primary education have increased, the GOB must indicate which budgetary lines of the new nomenclature are to be considered for this expenditure category and submit a budgetary execution report.

(c) **Condition No. 3.** The Government must submit a new Letter of Intent presenting the activities it proposes to implement during 1993. This LOI must be based on the PERAP and will list: (i) the activities to be implemented; (ii) their calendar; (iii) financing needs; and (iv) source of financing.

(d) **Condition No. 4.** The GOB must provide a certified copy of the 1993 National Budget which demonstrates that: (i) adequate financing will be available to implement its reform program; (ii) the share of funds budgeted for primary education is equal to or greater than that budgeted for 1992; and (iii) the percentage share of funds budgeted for primary education non-salary expenditures increased relative to 1992. Adequate financing will be verified against the financing requirements proposed in the PERAP and the Letter of Intent. USAID/Benin and the GOB will agree beforehand as to which budgetary lines will be included in calculations for this condition.

6. Donor Coordination. Government efforts to develop a reform program for education have generated increasing interest among different donors. In December 1992, the Government intends to hold a Donor Round Table on the education sector. This Round Table will be chaired by the United States and France as chief donors in the sector. The GOB will present the finalized action plans to all donors at that time to solicit financial support for different aspects of the proposed sectoral program.

The World Bank has just completed a pre-appraisal in June 1992 for a education sector adjustment operation. A credit of US\$25 million will be extended to the GOB to support the implementation of the MEN institutional reform. The program will be appraised and the credit negotiated before the end of 1992.

The French Cooperation has agreed to send Benin five technical assistants to support MEN efforts to implement their reform program. An education planner, a school inspector, a teacher training expert, a financial specialist and a personnel management specialist will make up the French team, scheduled to arrive during Fall 1992.

The United Nations Education, Science and Cultural Organization (UNESCO)/United Nations Development Programme (UNDP) project has continued to provide support to the MEN for the development of its reform program. On the basis of the

recommendations of the audit, the project assisted the MEN in preparing the institutional reform action plan. In addition, the sector analysis and expertise generated by the project over the last three years were important resources for preparation of other parts of the PERAP. During the final phase of the UNESCO/UNDP project, technical assistance will be provided to initiate the institutional reform action plan. UNDP will conduct an evaluation of the UNESCO/UNDP project in November after which they will plan to prepare a follow-on project. Resources have been made available to provide the MEN with technical assistance in the interim.

7. AID Project Support. The major instruments of the CLEF project are being currently established. The selection process has been initiated for the technical assistance team (an education planner, an Management Information Systems specialist, an assistant coordinator, and an assistant MIS specialist). The selection process has also commenced for the establishment of a mission based IQC. All technical assistance should be in place during the last quarter of 1992. The CLEF project plans to set up an office within the Ministry of Education in order to provide support directly to the Direction of Primary Education. The education planner and the MIS specialist are expected to work out of this office.

B. Updated Constraints Analysis.

1. Institutional constraints to program goals. The original PAAD was drafted before the audit of the Ministry of Education had been completed, and thus did not include a full analysis of the sector's institutional weaknesses. The organizational shortcomings of the MEN represent key constraints to the achievement of program goals. The audit, undertaken to identify these weaknesses, examined six different operations: strategic management, pedagogy, budgetary and financial management, administration and logistics at a central level, administration and logistics at the school level, and personnel management. A discussion of the audit results is presented below.

(a) Strategic management. The Ministry of National Education is in a perpetual mode of crisis management. Over-centralization of the decision making process leaves little time for high level staff to develop or implement long term strategies. This fundamental problem has been exacerbated by the budgetary squeeze the Ministry has faced over the last few years. In addition, decision making is not based on sufficient information. Information systems are poorly developed and information is neither disseminated to key actors nor used effectively. In sum, strategic management does not occur within the MEN.

(b) Pedagogy. The weak institutional capacity of the MEN to provide support and materials to teachers has

contributed to the low quality of primary school instruction. A network of Instructional Counselors (Conseillers Pédagogiques) and inspectors exists throughout the country under the auspices of the Regional Directorates. A number of institutional shortcomings has rendered this structure virtually ineffective. Roles and responsibilities of the actors of the support network are poorly defined and understood by teachers. Instructional Counselors, who could provide important support services to teachers, do not represent a veritable separate staff. These advisors all double as teachers and school directors and receive neither special compensation (except for a travel stipend), nor specific training. In addition, without sufficient resources, inspectors and counselors cannot visit teachers on a regular basis. The lack of supervision ensures that some schools receive no inspection or support at all.

The Ministry has been unable to provide teachers and students with the suitable tools for learning. Schools receive no pedagogical materials from the MEN. Teachers must depend on contributions from parents for everything from chalk to textbooks or provide these inputs themselves. Even the capacity to provide criteria for the development of materials is weak or nonexistent. No Ministerial entity is responsible for developing or implementing a sector textbook policy. Consequently, textbooks used in the classroom are unsuitable, expensive, inequitably distributed and used incorrectly by teachers. Also, no structure is responsible for primary education curriculum development. As a consequence, the teachers use an antiquated, ill adapted syllabus to organize their courses.

Evaluation is key to improving education quality. The Ministry's evaluation system, however, is in complete disarray. Students are evaluated only to determine whether they should be promoted. Examinations are prepared on the basis of core competence and cannot be compared from year to year. Information is thus never used to judge the effectiveness of the system. The Ministry can neither mobilize efforts nor take corrective actions with regards to its ultimate objective: student achievement.

(c) Budgetary preparation and execution. The MEN has in fact little control over the preparation or execution of its budget. Budget preparation is to a great extent the responsibility of the Ministry of Finance, and over all GOB budget resources are currently subject to a strict budget authority process. As a consequence, budgets do not reflect the pedagogical priorities of the education sector. A large part of the operating budget for the education sector is under the direct control of the Ministry of Finance. This includes expenditures for scholarships, examinations, and indemnities to personnel for special actions. Also, only a small proportion of the slim budget allocated for the MEN operating expenses is actually made available. As there is no real motivation to link budgets to objectives, the MEN

budgetary proposals have been identical from one year to the next. Finally, the Ministry of Education does not delegate budgetary authority to its different entities. As a consequence, Regional Directorates must send individuals to Cotonou to receive supplies. There is one exception to the shortcomings described above: the budgeting capacity of the Regional Directorates. Regional Directorates receive the large part of their operating budget directly from the fees charged at the school level.

(d) **Administration and logistics.** The administrative structure of the MEN is overly centralized and has numerous redundant entities with contradictory responsibilities. Chains of command are often poorly defined. The Regional Directorates are structured as mirror images of the central administration thus duplicating its confusion and shortcomings. Centralization of the decision making process means that school directors have little direct control over personnel issues. Administrative procedures are plagued with a multiplication of controls that slow execution without necessarily reducing fraud or waste. In addition, there is a complete absence of external control. Inefficiencies engendered by this poor structure are exacerbated by the dispersion of the MEN's central administration over ten different sites in two cities. Poor communication facilities have caused an atomization of the administrative structure. Lack of resources has led to a neglect of maintenance and, subsequently, to the degradation of infrastructure and scarcity of equipment.

(e) **Personnel management.** Poor personnel management has led to a dramatic mismatch between available human resources and personnel needs. Classrooms are overcrowded in some areas whereas certain schools have idle teachers. In addition, a large number of teachers are in administrative positions of dubious utility. This imbalance is a result of a number of factors. Decision making for personnel management issues is highly centralized, thus personnel actions do not take into consideration local needs. The Ministry of Public Service is responsible for many personnel related decisions that would be more effectively taken by the MEN. Furthermore, decisions are not implemented in a timely manner because of complicated procedures, and a heightened sensitivity to public opinion and political considerations resulting from Benin's recent democratization.

The weaknesses of personnel management are compounded by an inaccurate information system. Information regarding the personnel placement of the MEN is incomplete, not available to the majority of decision makers and is often out of date.

2. Constraints to program development. The development and implementation of a comprehensive reform program is a complex affair which would tax the existing capacity of any functioning bureaucracy. It is also a process which, to be effective, obliges decision makers to develop new

types of relations with different interested actors. The GOB has confronted a number of obstacles in defining and establishing these new relations and, as a consequence, in developing its education reform program. The MEN's lack of well delineated institutional responsibilities and capacity discussed above represents the first set of such obstacles. In addition to problems internal to the MEN, the GOB has had some difficulty in coordinating donor support for the reform program. Lack of experience in coordinating efforts with the private sector has also constrained the MEN in its efforts to implicate the public and other key non-governmental actors in the reform process.

(a) **Organizational capacity.** The development of a reform program requires some capacity to establish and attain operational objectives within the framework of more global goals. The MEN's lack of strategic management capacity has made it difficult to mobilize these functions. In the absence of budgetary preparation experience, not enough attention has been paid to the financial requirements of different elements of the reform. Poor circulation of information has led to duplication of effort and the development of implementation plans that are unrealistic in terms of existing capacity.

The audit has recommended that the Ministry put in place an organizational structure responsible for long-term strategic planning. Consequently, the Ministry created the Strategic Management Unit (CMS) to develop the education reform action plan. However, the CMS has up to now only functioned as an ad hoc committee. Senior Ministry staff are pulled together periodically to work on specific outputs (e.g., preparing the Letter of Intent, drafting action plans, and interfacing with the World Bank mission). As a consequence, the CMS itself has operated in a crisis management mode to meet various deadlines rather than as an entity that ensures the coherence of reform program.

Crucial to the development of the reform program is the capacity to determine and weigh the costs of different actions. Equally important, there must be assurances that resources, once programmed, will be available at the time of implementation. Without experience in budget preparation, the MEN has neglected cost assessments in the design of its action plans. As a consequence, the MEN has not been able to produce budgetary requests to the Ministry of Finance which reflect realistic estimates of resources needed to undertake planned activities. As the Ministry of Finance is itself undergoing a reform, there is much confusion over procedures for accessing those resources that were included in the 1992 budget.

As emphasized by the audit, information does not circulate at the Ministry of National Education. This has hampered the process of program development in various ways. Senior staff given the responsibility to develop action plans in different areas were not instructed on the issues and constraints to be

taken into consideration in an effective implementation scheme. Furthermore, efforts to develop action plans were poorly coordinated and thus the action plans were not synchronized. In addition, there has often been redundant efforts; different groups of staff were working on action plans that were suppose to address the same issues. Much time has been wasted in program development as a consequence of this poor information flow.

(b) **Donor coordination.** Since Benin became one of the few multi-party democracies in sub-Saharan Africa, donors have been eager to support this country's development efforts. The education sector represents a high priority for both the GOB and for most donors. UNESCO/UNDP first entered the sector to support the new GOB's attempts to diagnose, audit and plan reforms in the education sector. USAID/Benin's entrance was intended to further revise reform action plans and provide an implementation model and track record which could be used by other donors interested in funding this sector. This has been successful. Besides USAID/Benin, the World Bank, the UNDP, the French Cooperation, the Swiss, and the Canadians are currently providing or organizing support for GOB intentions in this sector. After the Donors Roundtable, many others may also express interest in aiding the reform. In the long run, external support will be extremely important to the success of the program. In this organizational phase, however, the GOB has been overwhelmed in its efforts to coordinate diverse donor efforts.

Providing assistance for the development or implementation of a reform program is dramatically different from traditional project-based assistance. There can be only one reform agenda and program. Different donors, however, have their own procedures, agendas, and timetables that may or may not be flexible enough to fit into an overall reform effort. The GOB, unwilling to risk offending any potential donor for the sector, has attempted to meet the different agencies' exigencies. This has led the MEN to mobilize efforts to meet different donor announced deadlines without taking into consideration how this may effect program execution. The MEN has delayed key decisions because of fear that the result may be frowned upon by one or another donor. The development of a school map is a case in point. USAID/Benin, the French, UNDP and the World Bank have all provided technical support and suggestions for how to undertake this operation. This avalanche of advice has paralyzed the MEN: whose school map should they implement? As part of the strategic thrust of the GOB to implement reform in the educational sector, the role of the MEN's Strategic Management Unit (Cellule de Management Stratégique -- CMS) will be strengthened in this area.

(c) **Public participation in the reform.** Government officials rarely include citizens or the private sector in the decision making process in a spontaneous manner. For Benin, a country ending seventeen years of centralized authoritarian and military rule, few civil servants even have

experience with such a relationship. The MEN has had to be constantly reminded that key non-governmental actors (private schools, parents) must be included in the reform process. Efforts to involve them have not been very successful to date. The only time that non-governmental actors have been invited to participate in program development has been to develop action plans which directly concern them (encouraging private education, improving the mobilization of resources at the school level). Even in these cases, relations between government officials and non-governmental representatives have often been antagonistic. Furthermore, these representatives were not even included in the final stages of drafting the action plans.

The non-governmental sector is nascent in Benin and is struggling to both re-establish itself as a viable alternative provider of services and to demand its place at the strategy-making table. Private schools have only been allowed to re-open two years ago. Most are simply working to recreate the conditions they had established when they were taken over by the state. In addition, only a handful of education sector related NGOs currently exist and none of these is over a year old. As for parent associations, they played a crucial role in keeping the education sector from completely collapsing during the final years of the Kérékou regime. However, their interventions have thus far been limited to school level contributions and they have yet to even envisage themselves as a cohesive lobbying group with regards to the Ministry of Education.

C. Updated Program Description. As mentioned above the PERAP will soon be finalized and submitted to an interministerial steering committee and USAID for review. It will then serve as the detailed implementation guide for the sectoral reform, identifying implementation calendars, resource needs, operational targets and monitoring and evaluation mechanisms. Finalization of the PERAP will require another round of technical assistance (Fall 1992) to evaluate the current drafts. Final versions may therefore contain significant modifications in either content or timing.

With the PERAP in draft form, the main actions and phasing have been established for most activities included under each of the four supporting objectives of the CLEF program. A number of these actions address the constraints to program development and some have been implemented. An expanded description of the Government's program as expressed in the PERAP is presented below.

1. Activities under Supporting Objective A: To Improve Educational Quality and Student Learning by Upgrading Key Pedagogic Systems and Inputs. Over the next five years, the MEN will implement an integrated program to improve instruction which includes the preparation of a competency based curriculum for all grades, the revitalization of the in-

service teacher training and support system, the development of a capacity to make available appropriate and affordable textbooks and pedagogical materials, and the establishment of a student assessment system. In addition, the MEN has prepared an action plan for bringing all schools up to Fundamental Quality Level. The Government is also developing an action plan for the preparation of a policy for school canteens.

(a) Activity A.1. Curriculum reform.

The implementation of the new competency-based curriculum is expected to take five years. The new curriculum will be introduced on an experimental basis two grades at a time. Experimentation for grades 1 and 2 will commence during the 1993/1994 school year. For 1994/1995, the curriculum for grades 1 and 2 will be generalized and the experimentation will commence for grades 3 and 4. During the 1992/1993 school year, preparatory activities will commence including the identification of competency objectives for the curriculum, training for the technical team responsible for curriculum development, and arrangements for the experimentation phase.

The MEN will place special Curriculum Development Units within INFRE for each subject area. These units will be responsible for the technical work of preparing and implementing the curriculum reform. In addition, a consultative committee with representatives from parents associations and teachers will be established to oversee the curriculum development effort.

Main concern regarding planned implementation of the curriculum development activities centers around the ambitiousness of the proposed calendar. Specifically, the current plan to simultaneously install the technical and institutional capacity for curriculum formulation within the National Institute for Training and Education Research (Institut National de Formation et de Recherche en Education - INFRE) and to develop an experimental-curriculum before the start of school year 1993/1994 is overly ambitious. A more realistic plan would allot time for capacity building activities (training, definition of procedures, logistical support, etc.) before expecting the curriculum units to produce results. The final action plan will have been modified to take these concerns into account.

(b) Activity A.2. Instruction reform.

To improve the instructional skills of primary school teachers, the MEN will implement a skills upgrading program for primary school teachers and support staff, develop an ongoing in-service training capacity, and revitalize the existing network of documentation centers.

The skills upgrading program will provide teachers with much needed general training in teaching methodology. In the first phase, implemented during the 1992/1993 school year, inspectors and "Conseillers Pédagogiques" (instructional counselors) will participate in a special training program to

prepare them to provide skill upgrading training to primary teachers. The first phase of the training will commence during the 1993/1994 school year, during which a training program for school directors will also begin.

The development of a permanent in-service training capacity is part of the MEN institutional reform. The goal is to provide the Regional Directorates and the Direction of Primary Education with the ability to track and formulate training needs. These Directorates will then be able to address INFRE, or other service providers, with requests to develop training interventions. The capacity of the Institute to provide training services will also be reinforced. The reorganization of these Directorates will take place by the beginning of 1993 and training for appropriate staff will be provided through 1994. By the end of 1994, the new in-service training capacity of the Ministry will be fully functional. The first major in-service training program is expected to be linked to the implementation of the new curriculum.

The draft teacher training action plan focuses on building the MEN's permanent capacity to provide pedagogical support services through the network of instructional counselors and inspectors. The MEN appears also to be planning an immediate training intervention, that would necessarily take place before the support network could be operational. The final plan will have to reconcile these apparently disparate objectives.

In addition, critical aspects of the policy framework within which pedagogical support services will be provided. First, the institutional relationships to be established between the DDE, the DEP, and INFRE remain undefined. Second, the future role of the instructional counselors, the redefinition of their professional status and responsibilities, and the institution of an incentive based system of indemnization needs to be better specified. Third tranche disbursement conditionality targets this second concern.

The MEN plans to reorganize the existing network of documentation centers to be more decentralized and accessible. Responsibility for the documentation centers will be transferred to the Regional Directorates during 1993. By the end of 1993, on the basis of the results of the school survey, a more rational placement of centers will be proposed, and the actual reorganization of the network will occur during 1994. The activities of documentation centers will then be diversified to better meet the needs of teachers; staff will receive training and the centers will be equipped with new materials during 1994 and 1995.

Finally, the MEN is currently elaborating a pre-service training policy to be finalized by the 1993/1994 school year.

(c) Activity A.3. Textbook distribution and development. The MEN aims to ensure that all students have

access to affordable and appropriate school books within five years. The GOB plans to develop a Textbook Publishing Unit within INFRE which will be responsible for the formation and implementation of textbook policy. This unit will be in charge of developing the specifications for textbooks and contracting for their publishing, printing, and distribution on the basis of competitive bidding. The Publishing Unit will also promote local capacity to develop and design pedagogical materials.

The MEN will establish the Textbook Publishing Unit and provide training to its staff during 1993. The calendar of activities for the preparation of specifications for new pedagogical materials and the organization of requests for proposals for the publishing, printing and distributing of these materials depends on the rate of progress in curriculum development. Starting in 1993, the Publishing Unit, in close collaboration with the Curriculum Development Units, will conduct a study of the appropriateness of existing pedagogical materials and textbooks with regards to the new proposed curriculum. This will lead to development of specifications for appropriate materials that will accompany the new curriculum as it is developed.

The MEN aims to develop a set of specific policies addressing the problem of providing textbooks and pedagogical materials to disadvantaged groups. During the 1993/1994 school year, different options will be reviewed and recommendations will be made for cost-effective means of ensuring that disadvantaged areas receive appropriate and affordable materials. As a part of this review, an evaluation of the distribution process for textbooks purchased under the World Bank Sponsored Social Fund will be conducted. The recommendations will be reviewed and a program will be initiated for the management and distribution of schoolbooks for the 1994/1995 school year. One option that will be explored considers incentives for private vendors to sell in impoverished areas.

Finalization of this action plan will require harmonization of textbook development and distribution activities and those relating to curriculum development. A fundamental aspect of textbook development and provision is the determination of an overall textbook policy. Such a policy should determine the government's commitment to subsidization, textbook ownership and use, and the mechanisms for cost recovery. Efforts to develop interventions to provide textbooks to disadvantaged groups must be integrated into this overall policy framework. Elaboration of a textbook policy is a condition for third tranche disbursement.

(d) Activity A.4. School Canteens. For the 1993/1994 school year, a pilot program will be implemented to evaluate different options for establishing canteens in primary schools. This program aims to evaluate the cost effectiveness of different approaches. The use of school canteens to promote enrollment will also be explored within

the context of general efforts to encourage attendance in rural areas (see below). On the basis of this pilot program, a school canteen policy will be established during the 1994/1995 school year.

(e) Activity A.5. School quality level.

A standing committee has been named, headed by the Director of Primary Education to oversee the Fundamental Quality Level School action plan. This action plan has four components. First, the MEN will establish an official definition of FQL schools which it will adopt before the beginning of the 1993/1994 school year. A number of activities, involving researchers, parents, and teachers are programmed to develop this definition. Second, by the 1993/1994 school year, the MEN will identify and cost out the interventions necessary to bring each school up to FQL standards. This will be determined on the basis of the school survey and the management information system (see below). Third, specific annual targets will be established to bring schools up to FQL standards within the framework of sector priorities (e.g., equality of access). These targets are expected to drive decentralized budget preparation activities. Fourth, the MEN will develop a system of monitoring and evaluation within the Primary Education Directorate during 1993 to track the implementation and impact of the FQL program. The system will provide information that will permit refinements of the FQL definitions and targets.

In order to track improvements in the MEN's capacity to plan for and deliver qualitative improvements in primary education, USAID must monitor progress in implementing the FQL framework. Conditions precedent to third tranche disbursement require an officially adopted FQL definition, an assessment of system requirements for attaining universal provision of FQL, and specific targets for the schools to be brought to FQL standards in 1994.

(f) Activity A.6. Student assessment systems.

The overall action plan for the reform of the examination system for primary education is still under study and will be finalized before the end of 1992. As a component of the proposed exam system reform, the MEN has prepared another action plan for the development of sample based assessment capacity and for the creation of a feedback system which can provide schools and teachers detailed information on their instructional strengths and weaknesses.

With the finalization of the curriculum reform action plan, the MEN will identify specific actions for the development, testing and generalization of new examinations linked to competency objectives for each grade. The MEN plans to review overall examination policy and is expected to make recommendations and prepare an action plan for their implementation before the end of 1992. The action plan will address issues such as the cost of examination, the role and content of the primary cycle completion exam and the number of

exams that children are expected to take.

By the end of the 1992/1993 school year, the MEN will conduct a sample-based achievement test for the subjects of mathematics and French in the third and sixth grade. The results of this exam will serve as a baseline assessment of the quality of primary education. This assessment should be available before the beginning of the 1993/1994 school year. An evaluation of the first test will be conducted during the summer and the testing methodology will be adjusted accordingly. Subsequent annual tests will follow. The Primary Education Directorate will be responsible for overseeing the sample based testing program.

The MEN also intends to develop the capacity to administer an annual national achievement test. Presently, all primary students take three exams every year prepared at the District level. The national test will replace one of these quarterly tests for grades 3 and 6 with a standardized exam that will be administered nationally. Software has been developed which can translate the results of these tests into individualized reports that can be distributed to teachers and school directors. The reports will indicate the strengths and weaknesses of specific teacher skills in different subject areas and could serve as powerful tools for identifying in-service teacher training needs in addition to a general feedback mechanism. INFRE will be responsible for developing this testing instrument. The MEN will administer the first exam on a pilot basis during the 1993/1994 school year. In the following year, the tests will be generalized.

2. Activities Under Supporting Objective B: To Increase the Equity of Access to Fundamental Quality Primary Education Services. The Education Sector Policy Statement of the Government of Benin affirms that access to primary education must be provided on an equal basis, regardless of region or sex. To ensure that interventions in the sector can be driven by this principal, the MEN is collecting extensive school-level data as part of the development of an education management information system. This school survey will enable the MEN to set priorities for interventions and to identify target populations for the implementation of new programs. In addition, the Ministry will implement a series of initiatives designed to encourage enrollment of targeted groups such as rural children and girls.

(a) Activity B.1. Overall increase in access. Initial calculations based on the financial simulation model show that it is possible to raise access to primary education to 78% gross enrollment rate in 1999 through a minimum expansion of the existing system. This would be achieved through a reduction in repetition (as a consequence of increased quality) and a more rational use of existing infrastructure and teachers. Operationalizing efforts to increase efficiency, while respecting the principal of equal access, will depend upon the results of the school survey. On

an annual basis, the MEN collects general school-level education statistics. Starting with the 1992/1993 school year, the MEN will ask school directors to fill out a more extensive questionnaire which will provide decision makers with additional information on the state of infrastructure, school financing, availability of pedagogical inputs, and teacher in-service training needs. The information system which will store these data is designed to inform, with any level of aggregation, all interested actors. The Education Management Information System (EMIS), which is described in greater detail in Section D.1., will constitute a powerful tool for planning interventions that address imbalances while increasing access. The results of the first school survey will be available by June 1993.

As will be discussed below, the MEN plans to decentralize many of the decisions concerning the management of the primary education system. The Regional Directorates will have more decision making responsibilities regarding school opening and closing, and school rehabilitation and renovation. The decentralization should enable the MEN to be more responsive to equity concerns.

(b) Activity B.2. Increase and rationalize student/teacher ratios. The school survey will provide the Ministry with sufficient information to develop a detailed redeployment plan for primary school teachers. With this information Benin's overall student/teacher ratio can be raised and equalized between regions. The redeployment will commence during the 1993/1994 school year. In addition, the institutional reform will decentralize many personnel management responsibilities to the Regional Directorates, who, starting with the 1993/1994 school year, will be empowered to deploy teachers within each Region in a more equitable manner.

At the start of school year 1992/1993, the MEN is undertaking an initial redeployment. This entails a first attempt at eliminating some of the surplus teachers in the southern urban centers. Essential to continued progress in attaining a more equitable distribution of teachers is the effective decentralization of personnel management and the definition of staffing pattern norms. These issues are addressed in the institutional reform action plans.

(c) Activity B.3. Equitable enrollment rates, by region. On the basis of the school survey and the operationalization of the EMIS, the MEN will be better able to target school construction efforts in zones with low enrollment rates but high demand. In addition, the MEN is planning to develop special programs to encourage the enrollment of rural children. As a first step, in 1993 the MEN will conduct a study on the factors contributing to low enrollment in rural areas. This study will provide the basis for the implementation of pilot programs in 1994. Initial observation indicates that parents do not send their children to school because they are discouraged with the results.

Thus, in implementing actions aimed at improving quality, priority will be given to regions with low enrollment rates.

(d) **Activity B.4. Equitable enrollment rates, by gender.** A UNDP/UNESCO sponsored study on girl's enrollment identified a number of reasons -- social, economic, and cultural -- for low girl's attendance in schools. On the basis of this study, the MEN is developing a phased program to promote girl's enrollment. During the 1992/1993 school year, the MEN will introduce a number of pilot initiatives. Most are geared towards offering the community a tangible benefit as a result of increased girl's enrollment, such as the reduction of school fees, construction of a well, or the provision of free pedagogical materials. On the basis of the results of these pilot programs certain interventions will be generalized the following year.

(e) **Activity B.5. Equitable access to FQL.** As mentioned above, it is the working hypothesis of the GOB that improvements in quality will draw children back to school. Consequently, FQL annual targets will be set giving priority to schools in regions with low enrollment rates. In addition, using the results of the school survey and the EMIS, schools targeted for FQL standards can be prioritized on the basis of their "distance" from FQL.

3. Activities under Supporting Objective C: To establish a sustainable financial base for primary education. The institutional reform discussed in greater detail in the following section includes a number of measures and activities intended to improve the Ministry's capacity to determine the resource requirements of its sectoral goals and ensure that adequate financing is made available. In addition, the Ministry has developed action plans to encourage the development of private education and improve the efficiency of resource mobilization at a local level.

(a) **Activity C.1. Resources for primary education reform.** The soon to be completed PERAP includes a financing plan for all program-related activities. It is expected that the financing for the program will be inscribed in the Ministry of Education budget for 1993 and subsequent years. In addition, as a condition precedent to disbursement, the Ministry of Education is required to provide proof that resources programmed for the reform effort have indeed been made available on an annual basis. The Government should submit to USAID/Cotonou its procurement plan for 1992 reform related expenses totalling 1.5 billion CFAF (US \$6 million). When these resources are made available, they will be counted as the Government's counterpart contribution to the reform effort.

Using the financial simulation model developed with the support of the UNESCO project, the Government of Benin has prepared a framework for public spending for the education sector. This framework presents both investment and recurrent

budgetary requirements by subsector. The financial requirements are calculated on the basis of the quantitative goals (enrollment rates, student-teacher ratios) and qualitative norms (spending on pedagogical materials per student, inspections per year, in-service training). As a consequence, the following recurrent budgetary requirements have been determined:

TABLE 3:

Projected National budget for education

<u>Budgetary category (recurrent)</u> in millions of CFAF	1992	1993	1994	1995
Primary	12.01	12.81	13.03	13.28
Salaries	10.77	10.25	10.31	10.38
Operating expenditures	1.24	2.57	2.72	2.89
Total Education Sector	19.01	19.98	20.16	20.34
Salaries	14.85	13.93	14.30	14.93
Operating expenditures	2.47	4.13	4.18	4.28
Transfers	1.75	1.92	1.82	1.76

As the above table demonstrates, public expenditures for education is expected to rise slightly, operating expenditures, however will (which include spending for pedagogical materials) increase significantly, particularly for primary education. However, these figures represent an initial projection of budgetary requirements for the education sector. The MEN will revise this projection on the basis of the final action plans. As a condition for the third disbursement, the GOB must provide evidence that the MEN has a budget strategy and a supporting five-year plan.

The relative contributions of the public and private sector to primary education constitute an issue that will be addressed after more information is gathered. The GOB plans to develop an Economic Account of Education to determine how much each partner (parents, private education, donors) is contributing to the sector. In addition, the MEN plans to conduct a study on parents associations. This study will provide information on how school fees are collected and managed and should help the Ministry increase the complementarity of actions financed by the community and those funded by the state.

In order to track improvements in the MEN's capacity to manage expenditures, USAID/Benin must monitor resource allocation and use in the education sector. The Ministry has already demonstrated an initial effort to improve resource management through its adoption of an improved budgetary nomenclature.

The new nomenclature introduces a more detailed categorization of financing and is disaggregated by region. Further refinements in the budget structure and in expenditure procedures are still necessary to establish auditable monitoring of resource use. Conditions precedent to third tranche disbursement require the implementation of quarterly expenditure tracking. The tracking system is expected to produce financial statements by program area. At third tranche, and for subsequent reviews, the GOB will have to produce an activity-specific accounting of resource availability, based on the expenditure tracking system, for the first three quarters of the year of the review and for the four quarters of the previous year.

(b) Activity C.2. Adequate Finances for Quality Education at the School Level. In the institutional reform, the MEN aims to reinforce the financial management capacity of the Regional Directorates, the District Offices and the schools themselves in order to decentralize the budget preparation process. Training programs at all levels have been established and will commence in 1993. The MEN goal is for budgets to be prepared on the basis of building blocks furnished by the schools through the district and regional offices. FQL criteria and targets will constitute the framework for these improvements.

Third tranche disbursement conditionality will require evidence that the 1994 MEN budgets have been prepared: (i) through this decentralized process; (ii) within the framework of education sector strategic objectives; and (iii) on the basis of specific action plans.

As mentioned above, the FQL action plan includes activities to determine the cost of the different inputs that make up an FQL school. This information will be critical to both the definition of FQL schools and for setting FQL targets. Ensuring enough resources to meet FQL targets will occur through an iterative process. The 1992 budget allocated CFAF 100 million to the Primary Education Directorate (Direction de l'Enseignement Primaire -- DEP) for pedagogical materials. This allocation was determined arbitrarily. Following discussions with the Regional Directorates, the DEP plans to use these resources to distribute a "kit" to each school at the beginning of the 1992/1993 school year containing a number of teaching aids. In 1993, the MEN plans to allocate additional resources to each Regional Directorate for the purchase of pedagogical materials. On the basis of feedback from schools on the "kits", activities planned for defining FQL criteria, and information gathered through the school survey, the Regional Directorates and the DEP will determine the optimal use of these resources. From the experience gained through the 1992 and 1993 budgetary allocations for pedagogical materials, the DEP and the Regional Directorates will submit 1994 budgetary proposals that reflect FQL targets.

(c) Activity C.3. Mobilizing private

resources. The MEN has planned activities to more effectively use resources mobilized at the local level designed to encourage public participation in the reform process. During 1993, parents associations will be asked to develop new procedures for the management of school fees. As part of the institutional reform, the MEN plans to develop training programs for 1993 and 1994 to reinforce the capacity of school directors and parents associations to implement these new procedures. It is expected that the study on parents associations and the Economic Account on Education will provide valuable information on how local resources can be more effectively mobilized.

The Ministry of Education is also committed to encouraging the growth of private education. During the 1992/1993 school year, the Ministry will bring together representatives from private schools to discuss ways of promoting private education. The result, to be adopted for the 1993/1994 school year, will be a new regulatory framework for private education. In addition, the commission will hold an annual Roundtable to review progress and initiate activities aimed at promoting private education.

4. Activities under Supporting Objective D: To Establish Effective and Efficient Sectoral Planning and Management, and Widespread Public Participation in Primary Education. Ensuring sustainability is a central aspect of the reform program. All action plans include monitoring and evaluation components. In addition, the underlying objective of the institutional reform is to introduce planning and management practices that increase the MEN's capacity to administer qualitative and quantitative improvements in the education sector. The institutional reform will thus address the constraints to the GOB's institutional capacity to attain program goals. The GOB is also developing an action plan to encourage greater participation of and feedback from the public with regards to the reform effort.

(a) Activity D.1. Ministry Planning.

The institutional reform will improve planning throughout the MEN by creating and reinforcing strategic management capacity and by decentralizing planning responsibilities to the Regional Directorates. In addition, the development of an integrated and modern EMIS will be critical to improved planning ability.

The institutional reform aims to develop strategic management capacity within the Ministry and enable the technical directorates to assume strategic planning functions through a decentralization of the planning process. By October 1992, the GOB will adopt legal texts redefining the roles of the different MEN structures. The CMS will become a permanent structure entrusted with overseeing the development and implementation of the reform program. The responsibilities of the technical directorates will be redefined to focus on subsectoral policy formation and implementation. The Regional

Directorates will be given greater autonomy with regards to routine decisions. A training program in planning techniques tailored to the new responsibilities of these different administrative structures will commence in 1993. At third tranche review, the MEN will be required to demonstrate that the 1994 budget was proposed in accordance with the planned decentralization of administrative authority.

By making the CMS a permanent structure, the MEN will also strengthen strategic management of the reform process and thus address some of the constraints to program development discussed in the previous section. Aside from ensuring the coherence of the reform program during its implementation, the CMS will also be responsible for donor coordination. The GOB has also put in place an interministerial committee responsible for program review and coordination with the GOB's structural adjustment effort.

The overall modification of the MEN structure will be implemented progressively and be achieved by 1995. The changes to be initiated in October 1992 represent interim organizational change. In the final MEN structure, the CMS and the CPC will be replaced by a Strategic Management Department which will be responsible for: (1) conducting policy review, evaluation, and studies; (2) managing the information system; and (3) assisting other Ministry directorates in the implementation of action plans. The creation of the DSM depends on the GOB permitting individual ministries to modify the overall administrative structures in this manner.

The MEN aims to develop a management information system which will promptly respond to the information needs of all interested actors within the Ministry. The MIS will consist of an extensive central database that can be accessed by all MEN agencies and Directorates according to their defined needs. The database will contain information on students, teachers, and schools, updated on a regular basis and organized in such a manner that any level of aggregation will be available. The information system will first be made available to the technical directorates of the MEN by the end of 1992 and in a second phase to the Regional Directorates by the summer of 1993.

The school map action plan foresees the immediate establishment of the basic structure of the EMIS and the implementation of a school survey to provide data for it. Conditions precedent to third tranche disbursement also require evidence of an operational EMIS used by the central ministry and technical directorates to guide the preparation of the 1994 MEN budget submission.

(b) Activity D.2. Ministry operations. The institutional reform is made up of three action plans: (1) reorganization; (2) reinforced financial and budgetary management; and (3) improved personnel management. The

overall objective of the institutional reform is to establish an administrative structure capable of developing, implementing, managing, and evaluating sector policy. It also aims to rehabilitate and develop the managerial capacities of the ministry through training, the development of modern, effective information systems, the simplification of procedures, decentralization of responsibilities and more rational and efficient allocation and use of financial and human resources. The institutional reform will take place over a period of three years.

Through the reorganization of the Ministry of National Education, existing entities will be provided with new responsibilities which aim to decentralize the decision making process to the technical and regional directorates. As mentioned above, the reorganization of the MEN will occur in two phases. The first phase, to be implemented before October of 1992, will result in a new staffing pattern which will reduce the number of administrative staff from 1900 to 1200. The adoption of this new pattern will be accompanied by a comprehensive training program. New assignments will be made before the end of 1992. Decentralization will entail progressively transferring decision making responsibilities for personnel, financial and pedagogical management to the Regional Directorates over the three years of the reform. Monitoring and evaluation mechanisms, under the auspices of the CMS and the Council of Directors will be established to steer the reorganization effort. For the second stage, which will be implemented in 1995, the office of the Chef de Cabinet will be replaced by a Directorate of Personnel and Financial Management.

The action plan for the reinforcement of budgetary and financial management capacity aims to introduce a more rational budget preparation and execution process open to the whole Ministry. First, a new process for preparing budgetary submissions will be introduced on the basis of needs expressed by schools through the Regional Directorates. The objective is for the 1994 budget to be prepared according to these new procedures. Second, during the last quarter of 1992, new procedures for budgetary execution will be developed with the Ministry of Finance. These procedures will be used during the expenditure of the 1993 budget. Third, the MEN will develop a new detailed budgetary nomenclature coherent with the national nomenclature by the end of 1992 to facilitate both budget preparation and expenditure tracking. Fourth, new accounting techniques and tools will be introduced in the Regional Directorates and the schools throughout 1993. Finally, as discussed above, an Economic Account of Education will be elaborated during 1993 which will serve as the basis for future discussions with all concerned partners with regards to sector financing.

As outlined under the discussion of activity C.1, implementation of budget execution reforms as well as the development and operation of an expenditure tracking system

are conditions for the third tranche disbursement.

The personnel management action plan aims to ensure that personnel needs of the Ministry at all levels of administration are met in an effective manner. Initial staff redeployment decisions will be implemented during the last quarter of 1992 (i.e. the departure from service of individuals deemed medically unfit for employment and the redeployment back into the classroom of teachers who currently hold administrative posts). During the first quarter of 1993, the MEN will identify the specific qualifications that will be needed for the new positions of the reorganized Ministry. The MEN plans to redeploy staff and resources and develop training programs on the basis of this exercise. During 1993 and 1994, a number of activities related to the decentralization of personnel management responsibilities will be implemented. These include the reassignment of central ministry personnel, management staff and resources to the Regional Directorates. The final component concerns the development of systems for personnel planning and management at the central and regional levels throughout the three year institutional reform period.

(c) Activity D.3. Public involvement in the reform. Representatives of private education institutions and parents associations, and the MEN are planning to put in place a commission to encourage non-governmental participation to have a greater voice in the development, implementation and monitoring of the education reform effort. The commission will first meet during 1993 and explore different means of promoting public involvement in the reform. The Ministry also plans to reinforce the capacity of Parents Associations to participate in school management. During the last quarter of 1992, a study of Parents Associations will be conducted to determine ways of reinforcing their role in the reform process.

As is indicated in the constraints section above, there are a number of obstacles to greater public participation to the reform process. It is expected that removing these obstacles will require efforts over the long term. The present actions only represent a first step.

D. Program Financial Plan. In the original financing plan, US\$5 million was allocated for the second and fourth disbursements and US\$10 million for the first, third, fifth and sixth disbursement. However, as the USAID and the GOB approach finalization of the program definition, it has become apparent that a large share of the cost of the CLEF will be concentrated in the earlier years of implementation. As a consequence, the following disbursement schedule for non-project sector assistance is proposed:

Table 19 (of original PAAD) NPA Disbursement Schedule (A.I.D. Funds)				
	Targets Est'd	Targets Met	Amount of Disbursement (\$000)	Approx. Date of Disbursement
Tranche 1	9/91	3/92	10,000	7/92
Tranche 2	12/91	12/92	5,500	12/92
Tranche 3	12/92	12/93	10,000	12/93
Tranche 4	12/93	12/94	9,500	12/94
Tranche 5	12/94	12/95	10,000	12/95
Tranche 6	12/95	12/96	5,000	12/96
Summary	Annually	Annually	50,000	Annually

To meet this disbursement schedule the USAID/Benin will need to authorize and obligate funding on an incremental basis, as follows:

Table 20 (from original PAAD) 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	9/92	9/92	5,500
FY 1993	9/93	11/92 and 9/93	8,000
FY 1994	12/94	12/94	10,000
FY 1995	12/95	12/95	9,500
FY 1996	11/96	12/96	2,000

For its part, the GOB will disburse its counterpart pari passu with USAID funding, as follows:

Table 21 (from original PAAD) 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	3,450	12/92	12/93	9/94
CY 1994	4,050	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

IV. Conditions and Covenants for Third Tranche Disbursement

Prior to the third 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:

(i) that program actions described in the Letter of Intent submitted for the second Grant disbursement have been implemented; and

(ii) on the basis of financial statements, by program area, generated from an operational quarterly expenditure tracking system, that adequate resources were made available to implement primary education sector reform actions planned for the first three quarters of 1993, and for the full year 1992;

(b) A Letter of Intent, prepared by the Ministries of Education and of Finance, and submitted by the Minister of Cooperation, which contains:

(i) a comprehensive list of actions that the Grantee intends to take in 1994 as part of its Primary Education Reform Action Plan; including the estimated costs and source of financing (e.g., National Budget, donor financing);

(c) A copy of the Grantee's 1994 National Budget approved by the National Assembly which demonstrates that:

(i) the total share of the Grantee's 1994 budget is adequate to finance program activities for primary education and is equal to or greater than the budget share made available for primary education in 1993;

(ii) the amount budgeted for primary education non-salary operating expenditures in 1994 will increase relative to that budgeted in 1993;

(iii) evidence that the 1994 MEN budget submission was prepared in accordance with the decentralization of administrative authority as envisaged in the Institutional Reform Action Plan;

(d) Evidence that the Grantee has officially adopted a definition of Fundamental Quality Level schools and has established 1994 targets for the implementation of FQL standards'; and,

(e) Evidence that the Grantee has authorized and participated with A.I.D. in a general assessment of the budget

processing and financial management capabilities of the
Government of Benin.

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

Included in the PAAD Amendment is the proposed third tranche conditionality for the primary education sector. The conditionality has been further refined from that included in the original Program Agreement as a result of further analysis and discussions with the GOB, and listed below.

Prior to the third disbursement under the Grant, the Grantee, shall, except as USAID may otherwise agree to in writing, furnish or have furnished to USAID, in form and substance satisfactory to USAID:

(a) An Annual Progress Report which demonstrates:

(i) that program actions described in the Letter of Intent submitted for the second Grant disbursement have been implemented; and

(ii) on the basis of financial statements, by program area, generated from an operational quarterly expenditure tracking system, that adequate resources were made available to implement primary education sector reform actions planned for the first three quarters of 1993, and for the full year 1992;

(b) A Letter of Intent, prepared by the Ministries of Education and of Finance, and submitted by the Minister of Cooperation, which contains:

(i) a comprehensive list of actions that the Grantee intends to take in 1994 as part of its Primary Education Reform Action Plan; including the estimated costs and source of financing (e.g., National Budget, donor financing);

(c) A copy of the Grantee's 1994 National Budget approved by the National Assembly which demonstrates that:

(i) the total share of the Grantee's 1994 budget is adequate to finance program activities for primary education and is equal to or greater than the budget share made available for primary education in 1993;

(ii) the amount budgeted for primary education non-salary operating expenditures in 1994 will increase relative to that budgeted in 1993;

(iii) evidence that the 1994 MEN budget submission was prepared in accordance with the decentralization of administrative authority as envisaged in the Institutional Reform Action Plan;

(d) Evidence that the Grantee has officially adopted a definition of Fundamental Quality Level schools and has established 1994 targets for the implementation of FQL standards'; and,

(e) Evidence that the Grantee has authorized and participated with A.I.D. in a general assessment of the budget processing and financial management capabilities of the Government of Benin.

Clearances:

CONT, CJohnson: Ch
PRG, COgouchi: Ch
A-GDO/E, MWelmond: _____
RLA, JKnott: Ch subject to CN exemption to dollar separate account
AFR/CCWA, PTuebner: Ch
AFR/CCWA, JPPaddack: Ch