

PD-ABA-124
63886

LESOTHO PRIMARY EDUCATION PROGRAM

PID/PAIP SUBMISSION

NOVEMBER 1989

October 19, 1989

**AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT IDENTIFICATION DOCUMENT
FACESHEET (PID)**

1. TRANSACTION CODE
 A = Add
 C = Change
 D = Delete
 Revision No. _____
 DOCUMENT CODE **1**

2. COUNTRY/ENTITY
LESOTHO

3. PROJECT NUMBER
632-0225

4. BUREAU/OFFICE
 USAID/Lesotho
 A. Symbol AFR B. Code 06

5. PROJECT TITLE (maximum 40 characters)
Primary Education Project

6. ESTIMATED FY OF AUTHORIZATION/OBLIGATION/COMPLETION
 A. Initial FY 9|0
 B. Final FY 9|9
 C. PACD 0|0

7. ESTIMATED COSTS (\$000 OR EQUIVALENT, \$1 =)

FUNDING SOURCE		LIFE OF PROJECT
A. AID	Grant	26,494
B. Other U.S.	1. NPA	11,000
	2.	
C. Host Country		12,840
D. Other Donor(s)	Communities	1,250
TOTAL		51,584

8. PROPOSED BUDGET AID FUNDS (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. 1ST FY <u>90</u>		E. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) DFA	600	680		1231		26,494	
(2) NPA	600	680		1500		11,000	
(3)							
(4)							
TOTALS				1781		37,494	

9. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)
634 636 660 611 620 640

10. SECONDARY PURPOSE CODE
930

11. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)
 A. Code RR EQTY PART TNG
 B. Amount 24,000 24,000 2,500 6,400

12. PROJECT PURPOSE (maximum 480 characters)

To increase the efficiency of the primary school system

13. RESOURCES REQUIRED FOR PROJECT DEVELOPMENT

Staff: Project Development Officer 1 mo. REDG07EA
 General Development Officer ½ mo. USAID/Kenya
 Primary Education Specialist 1 mo. PD+S, \$10,000
 Instructional Materials Specialist, 1 mo., PD+S \$10,000

Funds: Anthropologist (local contract) 2 mo. PD+S \$15,000
 Economist 1 mo. PD+S, \$10,000
 General Development Officer (Education) 1 mo. USAID/ Lesotho
 Project Development Officer ½ mo. USAID/ Lesotho

14. ORIGINATING OFFICE CLEARANCE
 Signature Jesse L. Snyder
 Title Director, USAID/Lesotho
 Date Signed 1|0|19|8|9

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

16. PROJECT DOCUMENT ACTION TAKEN
 S = Suspended CA = Conditionally Approved
 A = Approved DD = Decision Deferred
 D = Disapproved

17. COMMENTS

18. ACTION APPROVED BY
 Signature _____
 Title _____

19. ACTION REFERENCE

20. ACTION DATE
 MM DD YY

I. EXECUTIVE SUMMARY

Lesotho's development potential is inextricably linked to education and particularly to basic and practical skills preparation. Of 20,000 new job entrants annually, less than 6,000 find meaningful employment or can adequately engage in productive agriculture. Secondary and post-Secondary technical and vocational training institutions, as well as the National University, cannot find academically qualified entrants because of the generalized failure of a seriously overcrowded and inefficiently managed primary school.

Since Lesotho's independence in 1966, the education system has involved a partnership between GOL and private proprietors, primarily churches. The Ministry of Education is vested with responsibility for administrative, financial and academic control. The churches own and operate the buildings and manage the schools. Parents pay school fees plus uniforms and other education expenses. Local communities have not been actively involved in the school management, but pilot efforts in parental involvement have begun under BANFES. Also, MOE has established school management committees to increase school-community relationships.

Primary education (Standards 1-7) is taught in Sesotho from Standards 1-4 and mostly in English in Standards 5-7. In 1988 the gross primary school enrollment was 346,000. Repetition rates are rising as over-crowding deteriorates school quality. In 1988 there were approximately 5,880 primary teachers with an average pupil/teacher ratio of 55:1 (85:1 on average during the first three years of primary school). Within classrooms, multiple grades and ages are common. About 19 percent of teachers are unqualified. Nonetheless, as a result of education improvements, schools are becoming more efficient with the years invested per graduate decreasing from 19 to 12.68 over the last 10 years. And that has been achieved despite a 50 percent increase from 229,000 to 346,000 students.

This PID/PAIP proposes to build on and extend successful USAID and other donor efforts over the past nine years to establish and strengthen critical national level Ministry of Education institutions aimed at improving teacher training, curriculum and instructional materials support, in-service training and management. Initial projects strengthened the university (IEMS) and two education centers (LDTTC, IMRC). USAID project BANFES (1985-91) took an integrated comprehensive approach to MOE strengthening as well as developing methods and materials for the primary education level.

The PID/PAIP recommends a two pronged strategy, including:

- (1) Project assistance (\$26,493,750) to maximize the productivity of primary teachers' skills and time,

through pre- and in-service training in improved classroom and school management skills, and use of instructional materials. The project will also increase the supply of instructional materials and innovative learning technologies (radio-assisted teaching). Instructional materials, and teacher training, will expand on BANFES initiatives in practical and entrepreneurial skills.

- (2) Program assistance (\$11,000,000) for the support of primary education linked to GOL policy reform in budget increases for primary education, and involvement of communities in school management. Program support will match GOL budget increase for primary education. This will support activities that directly address poor quality in lower primary education. These include more teachers, teachers' assistants, provision of school benches and equipment, and construction.

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ACRONYMS

ACL	Anglican Church in Lesotho
AID	United States Agency for International Development
AID/W	AID/Washington
BANFES	Basic and Nonformal Education Systems Project
CIDA	Canadian International Development Agency
DEO	District Education Officer
DRT	District Resource Teacher
DTSC	District Teacher Support Center
EEC	European Economic Community
FRG	Federal Republic of Germany
GOL	Government of Lesotho
GDP	Gross Domestic Product
GNP	Gross National Product
IDM	Institute of Development Management
IEMS	Institute of Extra-Mural Studies
IMF	International Monetary Fund
IMRC	Instructional Materials Resource Center
LDTC	Lesotho Distance Teaching Center
LEC	Lesotho Evangelical Church
LOP	Life-of-Project
LT	Long-Term
MOE	Ministry of Education
NCDC	National Curriculum Development Center
NTTC	National Teacher Training College
NUL	National University of Lesotho
OYB	Operating Year Budget
PAAD	Program Assistance Approval Document
PACD	Project Activity Completion Date
PD&S	AID Project Development and Support Funds
PEN	Primary Education News
PP	Project Paper
PSLE	Primary School Leavers Exam
REDSO/ESA	Regional Economic Development Support Office, East and Southern Africa
RCC	Roman Catholic Church
SACU	Southern Africa Customs Union
SRT	Supervisory Resource Teacher
SSU	School Supply Unit
ST	Short-Term
ST/ED	AID Service and Technology Bureau, Office of Education
TA	Technical Assistance
UK	United Kingdom
USAID	United States Agency for International Development Mission in Lesotho

I. PROGRAM FACTORS

A. Conformity with Recipient Country Strategy/Programs

The proposed project is consistent with and supportive of: (1) the Government of Lesotho's most recent Fourth Five-Year Plan (1986/87 - 1990/91), (2) the June 1988 MOE document "Clarification of Lesotho's Educational Policies and Projects", and (3) the Minister of Education's strategy address of June 1988.

The GOL Five-Year Plan has two general objectives - to provide basic education for all and "to provide sufficient numbers of people with appropriate qualifications and technical and managerial skills, to ensure development of modern sectors of the economy." The Plan defines basic education as "those skills and competencies required for individual development and social interaction" and states that "basic education is to be achieved by providing for complete primary education for all children ... This implies the opportunity for continuing education for youth and adults, particularly those who have no access to formal training." The Plan notes that the critical problems facing education are the declining quality of education; high drop-out and repetition rates; poor facilities and weak management and professional supervision.

The proposed AID assistance package supports the following specific GOL basic education policies:

- (1) In-service training in management should be provided for selected committees and boards;
- (2) There should be more community involvement in the schools;
- (3) In-service courses for primary school principals should be intensified;
- (4) In-service training should be provided in the area of financial and personnel management;
- (5) The Inspectorate should be given clear guidelines and training;
- (6) Curriculum should be improved and made more relevant;
- (7) A concerted effort should be made to give in-service training to teachers to improve their level of performance;
- (8) The primary education department at the teacher training college should be strengthened with specific emphasis on practical skills, and importance should be attached to in-service programs for unqualified primary teachers; and
- (9) The literacy and numeracy programs should be reviewed and modified to better address the needs of herd boys and primary school drop-outs.

B. Relationship to the CDSS the Africa Bureau Basic Education Action Plan, and the DFA Action Plan

The Africa Bureau Basic Education Action Plan categorizes Lesotho within the group of 12 highest ranking "performance countries" in the educational sector. USAID/Lesotho's support for improved quality in primary education, and expansion of system capability to handle growth of the primary school age population will help the GOL to increase its efficiency in the allocation of primary education resources. The DFA Action Plan calls for improved equity and efficiency in key areas including education, and for improvement of job-related skills. The Primary Education project directly addresses these mandates by taking advantage of the MOE strengthening under BANFES and moving on to extend basic and practical education improvement to the classroom level. The PID recommends a two-pronged approach including:

- (1) Project assistance to maximize the productivity of primary teachers' skills and time, through pre- and in-service training in improved classroom and school management skills, and use of instructional materials. The project will also increase the supply of instructional materials and innovative learning technologies (radio-assisted teaching). Instructional materials, and teacher training, will expand on BANFES initiatives in practical and entrepreneurial skills.
- (2) Program assistance in the form of matching funds for the support of primary education recurrent costs, linked to GOL policy reform in budget increases for primary education, and involvement of communities in school management. Program support will match GOL budget increase for primary education. This will support activities that directly address poor quality in lower primary education. These include more teachers, teachers' assistants, provision of school benches and equipment, and construction.

USAID/Lesotho's CDSS (now in preparation) recognizes the need to increase new employment and income generation opportunities. The proposed project and program assistance will implement the Mission's CDSS education sector strategy by strengthening the policy and institutional framework to increase efficiency of the education system. The assistance will also provide necessary budget support for the over crowded primary schools, while increased efficiency is being achieved. It will fund the production and dissemination of instructional materials in basic and practical subjects, and teacher training to use these materials effectively in overcrowded multi-grade classrooms. The primary school system

will devote more resources to the teaching of agricultural and entrepreneurial skills and the literacy/numeracy needed for employment.

II. PROJECT DESCRIPTION

A. Perceived Problem

Since independence in 1966, the educational system has involved a partnership between GOL and private proprietors, primarily churches. Ninety percent of the primary schools are church-owned and operated. The Ministry of Education is vested with responsibility for administrative, financial and academic control. The churches own and operate the buildings, and manage the schools. Parents pay school fees, but local communities, in the past, have not been actively involved in school management. Pilot efforts in parental involvement are being initiated under BANFES. Also, MOE has established school management committees to increase school-community relationships.

Population growth increasing at 2.6% per year and the lack of teachers, instructional materials, and facilities are severely affecting primary student learning. Rapidly increasing enrollments have over crowded the primary schools. The current primary education system cannot provide quality education to students, with the consequence that only half complete primary school. The high repeater rate for the first three years of primary school, and the 40% drop-out rate for students by the end of standard five evidence serious problems and inefficiency in the primary school system. In financial terms, this inefficiency translates into a near doubling of costs to Lesotho for its primary education system.

More than 88% of the 360,000 students in Lesotho are in primary schools. Most schools are severely overcrowded, and many classrooms house multiple grades. Though the overall pupil/teacher ratio is 55:1 in the primary system, in standards 1-3 it often exceeds 100:1. Just to eliminate multi-grade classrooms, an additional 1300 classrooms would need to be constructed, and an additional 600 teachers would need to be hired. This is constrained by GOL budget and a current freeze on hiring and school building imposed by the GOL as a response to IMF structural adjustment.

In 1986, the GOL spent \$20 on each primary school pupil; this is 42% of primary education costs. Parents spend about \$20 per child for school uniforms, supplies, and fees; the fees contribute 29% of costs. The remaining 29% is from foreign assistance (WB, Kingdom of Lesotho Human Resources

Development: Quality and Efficiency in Education, p.20). Total cost per pupil is \$48. WB, p.27). In 1988, the reported adult literacy rate was 74%. Though 20,000 people enter the work force each year in Lesotho, most of them have low skills levels, since they have not received an adequate basic education in primary school. They have great difficulty getting employment. This is contributing to social unrest and political instability.

An average teacher earns about \$1900 per year (M364 per month at 1987 rates). The GOL 1987 study of incomes and expenditures showed the overall average income for Lesotho was M236, with M324 average per household of 3 adults and 3 children. Teacher salaries in the nearby Homelands average \$4,440 a year plus one month bonus annually and pension. Basotho teachers do not receive bonus or pension. Swazi teachers' salaries are similar to Basotho, but they receive a pension. Batswana salaries are similar to South African. This results in a drain of teachers from Lesotho.

AID's current BANFES project (1985-91) and earlier assistance efforts focused on institutional strengthening at the central level, assisted the National University's Institute of Extra-Mural Studies (IEMS), established two key MOE instructional support centers (IMRC and LDTC) and improved educational planning overall. BANFES focused on institutional strengthening at the central MOE, improving NTTC, developing curriculum and instructional materials in basic education and practical skills, and improving vocational and non formal education systems. BANFES has begun support of teachers and pupils through district resource teachers, evening college programs, radio English in Action, Sesotho reading innovations, supplementary materials and guides. Partly as a result, schools are becoming more efficient with the years invested per graduate decreasing from 19 to 12.68 over the last 10 years (Johnson). And that has been achieved despite a 50 percent increase from 229,000 to 346,000 students.

The time and cost of producing a primary school graduate have now been cut by one third. The proposed primary education project will further increase this efficiency by extending improved education to all lower primary schools. It will focus on standards one through three, which have the most serious problems.

B. Project Goal and Purpose

The project goal is to provide basic and practical education to Basotho children. The project purpose is to increase the efficiency of the primary school system.

C. Expected Achievements

BANFES and prior projects have completed strengthening of MOE organizations. The PEP will work within existing MOE organizational structures and manpower constraints; this will maximize the sustainability of programs once USAID resources end. The people most affected by AID assistance will be the rural primary school age population through the provision of more efficiently managed primary schools, better trained teachers, and appropriate instructional techniques, materials, and technologies.

The proposed assistance package includes both project and program components. The first six project components will be achieved through project assistance. The seventh, program assistance, will be achieved through policy conditionality which triggers annual disbursements of program funds that will match GOL increases in the primary education operating budget. These program funds will match GOL performance in retargetting of educational resources and budget allocations and in achieving community involvement in primary school improvements. Each expected achievement is described below.

1. **Teachers More Effectively Using Classroom Management and Instructional Techniques, Materials, and Technologies**

The use of appropriate and cost-effective materials and technology will be well integrated into primary education. Training will include management techniques especially effective in overcrowded, multi-grade classrooms. Teachers will be taught how to use improved instructional materials for numeracy, literacy, agriculture, and business. Teachers will also be taught how to develop instructional materials. Instructional radio broadcasts will continue to be integrated into classroom exercises.

Program funds will support the construction and some start-up costs of 10 field-based district teacher support centers (DTSC's), including one at NTTC in Maseru. Services available will include teacher workshops in instructional materials and classroom management, in-service training, headquarters for resource teachers, dissemination of instructional materials, resource library, etc.

These teacher training activities will build on BANFES. In-service teacher training reached teachers at the school level through the District Resource Teachers (begun in 1988), National Dissemination Network to

introduce new curriculum and materials, and the Evening College courses for teachers close to District capitals.

2. Cost-efficient Instructional Materials and Technologies Developed and Accessible to Teachers and Students

To provide quality education, teachers must have appropriate instructional materials readily available. Under the new project all Std 1-3 primary students will be provided a full set of basic and practical instructional materials. These materials may include two BANFES initiatives, "Mahlasele" (pupils reader) and the primary education newsletter for teachers. Another BANFES initiative, Breakthrough to Literacy, is undergoing classroom testing and, based on the results, these instructional materials and methods may be adapted for broader dissemination. The Lesotho Radio English in Action Program will be continued. Radio usage may also expand to other subject areas; this would require development of new instructional materials and programs. The English in Action radio instruction programs are used by virtually all first and second standard pupils; third standard will be fully adapted and broadcast in 1990. Based on the 1989-90 assessment, the best of these new methods and materials will be selected for use in all Std 1-3 classes. IMRC, private presses and SSU together will select, produce, and distribute large quantities of instructional materials.

3. Improved Primary Teacher Training Program in Place

Under BANFES, academic and institutional strengthening of NTTC took place. Under this new project NTTC will focus on Primary Teacher Education and establish a specialized Primary Education Department. This is closely related to No. 1 above. To support MOE strengthening up to ten persons over the 10 year project will be trained at the US Masters degree level in primary education.

The following areas (4-6), are concerned with GOL, Church education secretariat, and community management of schools. These are new areas for action, in which the problems are complex and the solutions are not easily determined. Studies of institutional and of community management capabilities need to be done for PP development. Other studies may be funded through Program Assistance.

4. Strengthened School Administration and Fiscal Management

School administration and fiscal management will be strengthened to ensure that education resources are used

cost-efficiently. To achieve this output, the project will develop management manuals for head teachers, school managers, and school inspectors. The content of these manuals and training guidelines will emerge from a project-funded management needs assessment. Contents will likely include guidance on (1) staff development, (2) community organization, (3) fiscal management and reporting, (4) handling of instructional materials and resources, (5) school maintenance, and (6) effective teaching. In-service training in the use of these manuals, and follow up by inspectors will carry out standardized administrative and fiscal management procedures in all primary schools.

5. **Increased GOL and Church Collaboration on Educational Policy Reform**

The MOE Permanent Secretary convenes monthly meetings with the educational secretaries of the three major church bodies (Lesotho Evangelical Church, Catholic Church, and Anglican Church) which support 90% of Lesotho's schools. These meetings will be used to reach agreement on policy issues and to monitor project progress. Effective collaboration between the GOL and the churches is fundamental to success under Lesotho's unique educational situation, which requires that all these entities be actively involved in educational policy reform. BANFES has established a Project Advisory Group including the Church Secretaries.

6. **Increased GOL/Community Partnership in Support of Primary Schools**

MOE guidelines for School Management Committees exist; but methods to improve school-community participation need to be developed. Because of the passive role for parents encouraged by missionary schools, and because community labor and time are limited by male out migration and female farm labor, this component needs to be thoroughly studied and appropriate methods developed and tested. The project will develop and extend methods to involve parents more in schools. This may include teacher aides for class instruction; land, labor, and funds for school facilities; and time for participation in school management. Funds from program assistance will match community contributions for school land, furnishings, and other improvements, as an incentive for communities to become more involved in improving school management.

7. **Program Assistance. Addressing large class size in the first three years of primary school**

Policy changes will be leveraged through Program Assistance that matches GOL increase in Primary Education budget. The objective will be to achieve a 20-22% share of the GOL recurrent budget for education, with most of the increase going to primary education. The non project assistance will contribute to the Primary Education budget to address overcrowding in the lower primary standards. MOE will use these funds to employ additional teachers and teacher assistants, as well as to construct and equip classrooms.

Depending on community resources identified through the study in No. 6 above, the MOE may also match increases in community funding of teacher aides, equipment, and facilities.

D. Outline of the Project and How It Will Work

Project Assistance

The project will be implemented over a ten year period by a competitively procured contractor (a U.S. organization or institution). The contractor will place long-term technical assistance personnel in the Inspectorate, NTTC and IMRC, and will recruit short-term TA as needed for specific tasks. The MOE Inspectorate will have central responsibility for project implementation. GOL institutions which have financial autonomy will be contracted.

1. **Technical Assistance (\$6,225,000)**

Three expatriate long-term technical assistants will be required. A Chief of Party/in-service primary teacher training specialist will work with the Inspectorate for the life of the project. A teacher training/primary education specialist will work with NTTC for the first two years of the project to assist with the pre-service Primary Teacher Training Division. An instructional materials production specialist will assist IMRC, private presses, and SSU to improve systems to produce and distribute large quantities of instructional materials. Expatriate experts also will be needed for short-term technical assistance.

To take advantage of institutional capabilities built up under earlier Mission projects, funds will be channelled through the contractor for sub-contracts with IDM, LDTC, IEMS, and IMRC (if it gains contractual autonomy) for specific project activities. IDM will assist with school management training; LDTC will assist with school/community partnership activities; IEMS will provide in-service teacher training; IMRC and the private sector will produce instructional materials, to be distributed by the SSU.

USAID supports GOL/MOE concern to use local institutions, and to take advantage of strength developed under prior USAID projects. Nonetheless, as part of PP development, the capability of each institution must be realistically assessed. Development of each program and monitoring for quality control (impact) must be realistically planned. Technical assistance needs for LDTC, IEMS, and IMRC must be thoroughly reviewed. This may be short term TA, or possibly 1-2 years at an institution. This will be part of institutional feasibility studies at the PP development stage.

2. **Training (\$6,900,000)**

Upgrading primary teacher skills is central to the project and the predominant amount of expenditure reflects this emphasis. The contractor selected to implement the project (the 2 long term technical specialists in teacher training) will design, organize and oversee the project training programs. The training programs will be carried out by local institutions, as above. The vast majority of training under this project (\$6,400,000) will target personnel at or near the school level.

In-service teacher training will be provided in two ways. First, IEMS will carry out workshops at the district and sub-district levels. This will be modelled after BANFES Evening College and National Dissemination Network. Selected teachers are trained, both in methods and in new curricula and materials; they in turn train other teachers on returning to their schools. Second, the District Resource Teachers, through the Inspectorate, will work with teachers to follow up and support what has been taught in the workshops.

Over LOP, ten masters degree programs will also be provided. This U.S. training (20 training years - \$500,000) will continue strengthening of the primary education staff in MOE.

3. **Commodities (\$600,000)**

In keeping with the project's aim of working within MOE budgetary and personnel constraints, the number of vehicles and the amount of equipment will be kept to a minimum. Five vehicles will be purchased initially; these will be used to support district level work. The budget provides funds to replace these vehicles twice during the ten year LOP. Office equipment and computers will be purchased as needed for record-keeping and reports. But most of the necessary equipment has already been procured under BANFES and this project will replace or upgrade that equipment on an as needed basis.

4. **Instructional Materials (\$5,000,000)**

Production of materials in basic and practical subjects for each primary school pupil is central to improving the quality of primary education. Though a substantial amount of project funds are allocated to this line item, the materials themselves will be produced at minimum feasible cost. The project's aim will be wide

dissemination of numerous materials, to leave a large number of proven teaching tools for future generations of teachers and pupils. The objective will be to produce materials cheaply enough so that every Standard 1-3 pupil will have materials to study. Because of the need for coordination among IMRC, private presses, and SSU, a technical specialist in instructional materials production and distribution should work with these institutions over a 3 year period. This technical assistance should help coordinate systems to select materials, develop prototypes, contract printing and arrange distribution.

5. Local Costs (\$500,000)

The supply and maintenance of goods will be from local sources wherever possible. Financing will cover office supplies, communications, vehicle and equipment maintenance, fuel, and other local costs of TA support and project management.

6. Evaluations/Audits (\$400,000)

Funds will be reserved for direct AID disbursement for four evaluations and several audits during the ten-year LOP. Evaluations in years three and seven will be carried out with REDSO and AID/W assistance. In years five and ten, external evaluations will require additional outside consultants.

7. Contingency/Inflation (\$7,078,000)

The allowance of 15% for contingencies and 20% for inflation of total LOP project costs is lower than would be required to match Lesotho's current inflation rate of 16%/year. The lower figure reflects the expectation that IMF-required budget austerity will cut down future inflation rates. Furthermore, even if the IMF measures are less than fully successful, continuing local inflation would likely result in a devaluation of the Maloti versus the dollar, reducing the level of inflation in dollar costs.

Program Assistance

The \$11 million Program Assistance package will contribute to MOE primary education budget for expansion and strengthening of primary education. Policy conditionality will establish

annual benchmarks whose achievement would trigger the release of each year's AID cash grant towards GOL recurrent costs of increasing the primary school budget. These benchmarks would establish minimum performance criteria for GOL progress in (1) increasing education's share of the national GOL budget to 22% or better; (2) increasing primary education's share of the MOE budget up to the 45%; (3) increasing the total MOE primary school recurrent budget by at least 2.6% annually and hiring new teachers with these funds to meet the needs of population increase. This program assistance will also be conditional to plans for involving communities effectively in supporting and managing schools.

It has been recommended by the IMF and World Bank that Education's share of the recurrent budget be between 20-22 percent. It dipped below this percentage in 1987/88 when the Ministry was allocated only 17.8 percent of the total recurrent budget. However, this improved in 1988/89 increasing to 20.6 percent and again increasing in 1989/90 to 22.3 percent. In current budget planning, MOE reduced the university's budget request and will increase primary education's budget.

It is expected that the Program Assistance funds will be used for employing more teachers by MOE, for construction of the DSTC, and for supporting community efforts to improve education. These may include:

- employing teacher aides
- providing classroom equipment
- constructing classrooms.

The use of Primary Education funds to match community contributions will depend on community resources identified by the study at the community level. Details of Program Assistance will be based on information gained through financial, institutional, and social soundness studies in conjunction with PP development.

Impact and Sustainability

The project's greater inputs will continue to increase the efficiency of producing primary school completers, reducing the total years cost per graduate, and so providing for more students to complete school. Progress over the last 10 years (particularly through BANFES) in the face of a 50% increase in enrollment indicates that internal efficiency is increasing. External efficiency, (employment or secondary study, by graduates) should also increase as basic and practical education are tailored up to economic and workforce needs. Once the inputs (teacher training, instructional

materials, management improvement, community participation) are completed over LOP further special interventions may no longer be needed, because MOE resources will be used more efficiently. Progress toward this must be monitored continually over LOP to maintain quality control. Periodic external evaluation must also assess progress toward the planned impact of increased efficiency.

Preliminary information suggests that program funded initiatives, instructional materials and more teachers can be sustained. A study recently begun shows that the local private sector capacity to print inexpensive instructional materials can be developed. Thus school fees could then cover a complete set of materials for each pupil instead of only the current book rental.

The figures below illustrate how achieving greater efficiency will cover employing more teachers, at the same time increasing school completion from 50 to 75 percent.

1986 cost of school graduates

\$48 st/yr (12.68 yrs/grad) (23,877 graduates) = \$14,532,497

If efficiency improves to 10 years
and 75% of first standard students complete

\$48 st/yr (10 yrs/grad) (30,000 graduates) = \$14,400,000

Net savings		\$ 132,497
One teacher year = \$1,900	69 more teachers	

If efficiency improves to 9.5 years

\$48 st/yr (9.5 yrs/grad) (30,000 graduates) = \$13,680,000

Net savings		\$ 852,497
One teacher year = \$1,900	448 more teachers	

MOE has indicated that they would use their own and program funds to cover salaries of required additional teachers. An efficiency of 9.5 years per graduate would generate savings to cover 448 additional teachers.

IV. FACTORS AFFECTING PROJECT AND PROGRAM SELECTION AND FURTHER DEVELOPMENT

A. Social Considerations

Lesotho is a small, landlocked, Maryland-size mountainous country completely surrounded by the Republic of South Africa. The population of approximately 1.7 million is about 90% rural, young (40% under 15 years), and increasing at an annual rate of 2.6%.

The GOL currently faces a financial crisis caused by the recurring problems of rising government debt, an unfavorable balance of payments, limited new investment in the country, and constraints on opportunities for local employment-generation. Remittances from Basotho working in South Africa, amounting to approximately 50% of the GNP in 1986, are also threatened. Basotho are facing both increased external job-market competition from black South Africans, and restrictions on cross-border migration following labor unrest in which Basotho participated. Prospects for modern wage employment in Lesotho are modest and will not absorb the number of workers entering the labor pool. In 1986, only 2,000 jobs were created, though 20,000 people entered the labor force. While the Highlands Water Project may generate some domestic employment during the next ten years, this will not be sufficient to curtail increased unemployment. GOL policy in the Fourth Plan supports universal primary education, and education for production. This is basic and practical schooling to teach skills to develop the private sector and production of locally consumed goods.

Since independence in 1966, the educational system has involved a partnership between GOL and private proprietors, primarily churches. Ninety percent of the primary schools are church-owned and operated. The Ministry of Education is vested with responsibility for administrative, financial and academic control. The MOE appoints and trains teachers, regulates the school calendar, supervises and inspects schools, and pays teachers' salaries. The churches own and operate the buildings, and finance capital improvements and maintenance costs. Local communities, in the past, have not been actively involved in the schools, but pilot efforts in parental involvement are being initiated under BANFES. Also, MOE has established school management committees to increase school-community relationships.

Primary education (Standards 1-7) is taught in Sesotho from Standards 1-4 and mostly in English in Standards 5-7. In 1988 the gross primary school enrollment was 346,000. The gross enrollment is more than 116% of age group, net enrollment of children age 6-12 is about 75% (WB, Annex, p.34) reflecting

high rates of repetition. Repetition rates are rising as over-crowding deteriorates school quality. To some extent this is offset by lower drop out rates, so that overall school efficiency has improved from 15.86 in 1975 to 12.68 in 1987 (Johnson). In 1988 there were approximately 5,880 primary teachers (all Basotho, 77% female) with an average pupil/teacher ratio of 55:1 (85:1 on average during the first three years of primary school). Within classrooms, multiple grades and ages are common. "Unqualified" teachers are those that have received no teacher training; this is about 19 per cent for both men and women.

Direct project beneficiaries include: a) annually over 200,000 Standard 1-3 primary school-aged students who will benefit from improved education, b) the approximately 2,200 teachers as well as over 1000 school managers and inspectors who receive training over the LOP, and c) the members of 1000 communities that will become involved in school-community activities. Indirect beneficiaries will include some 4000 teachers who are taught by the 2200 who participate in workshops, St. 4-7 students who benefit from improved school education environment and management, and family members whose children are better educated.

Gender considerations

Even though women comprise 77 per cent of teachers, their opportunities for promotion are more limited. The project will recruit women teachers for training opportunities in order to redress this inequity.

Girls tend to fare well in Lesotho's basic education system, 55% of the primary school enrollment has been female. A 1985 IBRD labor survey found that 35% of working men, but fewer than 10% of working women, had no formal education whatsoever. Many boys still remain out of school to herd livestock. They may enroll later, when a younger brother takes over livestock herding. But many never enroll or drop out by their mid teens and then go to South Africa to work in the mines. Boys participation in school is improving as the ratio of girls to boys fell from 1.42 in 1982 to 1.25 in 1986 (WB, p.32). One way of increasing education for boys, as well as reducing over-crowding by drawing off over age pupils, would be to expand LDTCs' Learning Post program. Whether the project will have sufficient human and financial resources to provide this additional effort should be reviewed during PP development.

Socio-cultural feasibility

Community and school factors must be thoroughly reviewed for PP development. USAID will fund a socio-cultural study of current community-school relations and

feasibility/availability of parents and community human and financial resources for schools.

B. Financial and Economic Considerations

Lesotho is considered one of the least developed countries with a nominal per capita income estimated at Maloti 822 (US \$391) in 1986. It faces serious constraints such as adverse environmental factors, limited arable land, and a small domestic market. Since 50% of GNP comes from miners' remittances, Lesotho is extremely vulnerable to technological and employment policy changes in South Africa.

The GOL's Fourth Five-Year Plan sets a target for real GDP growth of 3 to 4% by 1991. This target assumes (a) that the current international sanctions against South Africa will continue, (b) that the current recession in the Southern Africa region will continue, and (c) that migrant remittances will grow on the average of 1% per annum. In addition, it is assumed that SACU receipts will continue to decline as Lesotho exports continue to fall relative to those of other SACU partners. The overall GOL budgetary deficit is expected to rise from \$170 million after 1989 even with austerity measures based on IMF negotiations. Thus, foreign aid will continue to play an important role in supplementing GOL resources and containing the budget deficit.

Expanding and improving basic primary education and occupational, technical and managerial skills training is key to future economic development in Lesotho. The proposed new project is critical for improving and maintaining both the quality and accessibility of primary education, and it will complement the efforts of other donors (see Attachment C: "Other Donors' Activities").

Major investment under the new project will be concentrated on in-country training of personnel that directly affect how primary schools operate. The second-largest cost will be development and production of instructional materials for use by teachers and children. Expatriate technical assistance will be the third-largest expenditure.

Another design option could have been to concentrate AID resources on nonformal education outside the school system, trusting that the impact of past BANFES investments would be consolidated within primary schools without any further AID intervention. However, the country's critical financial circumstances make such a decision unacceptably risky. Instead, the program assistance portion of the project may be increased to support the GOL's efforts at incremental expansion of the low-cost Learning Posts activity currently

being carried out by LDTC, which offers opportunities to those aged 13 and older who have no chance to return to primary school.

C. Relevant Experience with Similar Projects

AID has acquired a leadership role among donors in the Lesotho educational sector. Beginning in the early 1980's, USAID/Lesotho followed a dual approach, on the one hand collaborating with the GOL on an education survey which led to a comprehensive plan for addressing the country's manifold problems. Concurrently, AID funded two bilateral institutional development projects in the sector to create the Instructional Materials Resource Center, and the Institute for Extra-Mural Studies. Central AID funds supported institutional development of the Lesotho Distance Teaching Center (LDTC) to strengthen the GOL's ability to offer nonformal education.

After completion of the education survey in 1982, the mission immediately began planning a broad-based effort to address the most pressing problems. The result was the Basic and Nonformal Education Systems Project (BANFES). With activities in primary school curriculum development, teacher training, educational administration, and nonformal skills training, BANFES is one of the largest human resource development projects in sub-Saharan Africa.

Experience gained in BANFES now enables AID to focus future resources on effecting improvements in primary schools. The new project will also draw on the institutional resources built up through earlier AID investments by contracting with local institutions for specific services. AID's extensive experience with these institutions and their personnel will minimize overall risk, even though the pace of activities may be slower than under BANFES, where high levels of expatriate and local hire TA supplemented local institutional capabilities considerably.

D. Proposed Grantee/Implementing Agency:
MOE and other local Institutional Capability

During BANFES, upgrading of MOE staff focused on the areas of fiscal management, development and implementation of information systems, implementation of personnel systems, and clarification of existing educational policies, as well as strengthening teacher training and instructional materials development. This has been accomplished through both training and technical assistance.

Primary responsibility for the proposed new project will reside in the Inspectorate. While this section is still

understaffed, ten new inspectors are now being recruited; this will double its staff. Personnel capable of implementing in-service training and managing DTSC's will be sought for these new positions. The project will provide for the District Resource Teachers as part of the Inspectorate, and for IEMS to carry out teachers workshops. The Inspectorate staff will need some further training in management, administration and supervision in order to improve their performance of these functions. One technical advisor will work with the Inspectorate.

As a result of upgraded in-service and pre-service programs at NTTC during the period 1983-86 the total percentage of qualified primary school teachers rose from 64% to 81%. Under BANFES, NTTC academic and institutional capabilities were further strengthened. The proposed Primary Education Department builds on those new strengths. One technical advisor will work with NTTC to fully establish the primary education department.

Local institutions will be contracted to assist with implementation of some in-service training programs (IDM and IEMS) and establishment of school/community partnerships (LDTC). The Institute of Development Management (IDM) will be contracted by the project to provide management training to inspectors, school managers and head teachers. IDM, founded in Lesotho in 1974, is a private regional management training institution with training sites in Lesotho, Swaziland, and Botswana. Its staff of 45 African and expatriate trainers provides a variety of management courses (including educational management) to government personnel from the three countries, and to the private sector.

Since 1979, Institute of Extra-Mural Studies (IEMS) has developed the capability to offer rural community education and in-service courses for teachers seeking university credit. A staff of 27 professionals and 6 support staff are involved full-time in the design and delivery of these courses. Under BANFES, IEMS is running the Evening College, which offers about 13% of the country's primary teachers new courses in instructional materials and methods.

The Instructional Materials Resource Centre (IMRC) was created with AID assistance in 1979, and supported by AID through 1985, to produce prototype instructional materials for the National Teacher Training College and the National Curriculum Development Centre. IMRC personnel includes 40 professionals and 10 support staff. IMRC's facilities include a graphic arts department, print shop, and fully equipped radio and television studios. Several IMRC staff have recently received master's degrees. IMRC currently provides a range of training aids for GOL entities. Products include videotapes, books,

wall charts, and graphs. The GOL is moving to give IMRC fiscal autonomy to accept payments for services without being required to remit them to the central treasury. If that initiative is successful, the new project will provide resources for a contract with IMRC. Instructional materials will also be mass produced through the local private sector. Materials will be distributed by the School Supply Unit through the DTSC's. A technical advisor will work with IMRC private sector and SSU to further develop a coordinated system for production and distribution of materials.

Lesotho Distance Learning Centre (LDTTC) was created in 1974 to provide distance education for young people who could not complete formal school diplomas. A small AID/W grant in 1976 initiated development of institutional capacity in nonformal education in Lesotho. That activity was followed by another project, Structuring Nonformal Education Resources, from 1979-1986, which developed LDTTC as a nonformal education service agency. This LDTTC division contracts with public and private organizations to train extensionists and field workers in the use of nonformal education techniques and materials. The service agency staff draws on LDTTC's 78 employees to carry out contracts.

Another section of LDTTC supports the Learning Posts program. Nine Maseru-based staff support a network of 103 Learning Post Administrators. Each post has about twenty persons studying literacy and numeracy. The program is wholly GOL-funded, and extremely low cost.

E. AID Support Requirements and Capability

USAID/Lesotho staff needed to implement and monitor the new project will be in place well in advance of project authorization. As a class A Mission, USAID/Lesotho has a PDO/Program Office, Controller, an Executive Officer, and a General Development Officer.

Workload requirements in the education sector will not be substantially increased by the new activity since the Mission has been consolidating its education and human resources portfolio over the last three years and several projects have been completed. By the time of the start of this new project, the only education project in operation under USAID/Lesotho supervision will be BANFES. BANFES, under its one year no-cost extension, and the new project may both be in operation for a period of up to three months. During PP development, care must be taken in planning procurement of technical assistance, long-term training, commodities, construction, and contracts with local institutions. Under BANFES all of this was arranged through a large contract. Under this new

project, one contract should provide for international and local long and short term technical assistance, contracts for local training and materials, (IEMS, IDM, IMRC, private sector, LDTC), commodities, etc. One master contract should be implemented; otherwise, USAID will be overburdened with multiple contracts, and project efforts will not be coordinated or integrated. USAID will, however, manage external training programs.

Procurement. Goods and services needed for the project will be planned during the design phase. The following represents an illustrative plan which will be computerized and monitored on a quarterly basis:

<u>ITEM</u>	<u>SOURCE</u>	<u>ORIGIN</u>	<u>AGENT</u>
Printing materials/ equipment	RSA-BLS	USA-EUROPE	Prime Contractor
Vehicles	Lesotho	RSA-JAPAN	Prime Contractor
Computers	Lesotho	RSA-USA	Prime Contractor
Maintenance	Lesotho/ RSA	RSA	Prime Contractor

Evaluation and monitoring will begin with a baseline survey. Data will be collected periodically to measure progress and impact on the primary education system and students. The contractor will provide regular quarterly reports detailing progress in meeting both targeted outputs and the larger project goals and purposes, and the status of project training, procurements and construction. Evaluations are planned for years two, five, eight and ten. All of these will require personnel from REDSO/ESA, and AFR/TR/EHR or ST/ED. In years five and ten, impact evaluations will measure the effectiveness of the project and the evaluation teams will include project-funded external consultants. Mission management time will be required to orient and provide feedback to these evaluation teams.

Project-funded external audits will be undertaken as needed, at a minimum in tandem with the mid-project evaluation in year five. The Mission controller's involvement in these audits will be essential.

F. Estimated Costs and Method of Financing

The following tables illustrate proposed project and program costs.

Table 1 provides an illustrative budget for US \$26,493,750 in AID project inputs, to be further refined during PP preparation. The budget finances inter alia: three long term TA (one for 10 years; one for 3 years and another for 2 years); contracting with four local institutions for project activities; ten US degree programs; training for 2,200 primary teachers (2 per school per LOP); building and equipping 10 district teacher support centers; instructional materials for primary students, vehicles, audits; and contingency and inflation.

All funds for TA, local institutional contracts, long-term and in-country training, commodities, and local costs will be included in one contract (estimated cost \$19.3 million), to be competitively advertised. No set-aside for small or minority-owned businesses or institutions is contemplated given the requirements for specialized skills from the contractor (e.g. experience in improving nation-wide primary education programs, in-service training, and instructional materials development), and the need for one prime contractor capable of managing all aspects of the proposed package of project and program assistance. The remaining \$8.1 million for evaluations, audits, contingency and inflation, will be reserved for direct AID disbursement.

Table 2 summarizes total project and program costs to AID, the GOL, and communities. GOL inputs to combined project and program costs meet the 25% required host country contribution.

Table 1
Illustrative AID Project Budget: Inputs in U.S. Dollars

Technical Assistance	
Expat L/T (\$175/yr x 15person yrs)	\$2,625,000
S/T (\$15k/mo x 67 mo)	1,000,000
Local L/T (\$13,200/yr x 30 py)	400,000
S/T (\$ 1,000/mo x 100pmo)	200,000
Institutional Contracts (LDTC, IDM)	2,000,000
Training	
External (10 Masters degree)	500,000
In-Country (20 wks x 2,200 persons)(IEMS)	4,400,000
District Resource Teachers (Inspectorate)	2,000,000
Commodities	
Vehicles (15 x \$20k)	300,000
Office Equip/Computers	300,000
Instructional Materials (IMRC, private sector)	5,000,000
Local Costs	500,000
Evaluations (2)/Audits (2)	<u>400,000</u>
	19,625,000
Contingency (15%)	<u>2,943,750</u>
	22,568,750
Inflation (20%)	<u>3,925,000</u>
TOTAL	\$26,493,750

Table 2
Summary of Project and Program Inputs

(U. S. Dollars)

% Project Total

I.	<u>AID</u>		
	A. Project Contributions:	\$26,493,750	
	B. Program Contributions:	<u>11,000,000</u>	
	AID Subtotal:	\$37,493,750	73%
II.	<u>GOL</u>		
	A. Project Contributions:		
	Inspectors' Salaries	400,000	
	NTTC Salaries	2,600,000	
	Teachers' Salaries	<u>300,000</u>	
	Project Subtotal:	\$3,300,000	
	B. Parents School Fees (15%)	1,200,000	
	C. Program Contributions:	<u>\$8,340,000</u>	
	GOL Subtotal:	\$12,840,000	25%
III.	<u>Community Contributions:</u>		
	To be matched 2:1 by AID program funds	\$1,250,000	2%
IV.	<u>Project Total:</u>	\$51,583,750	

6. Design Strategy

A number of important actions will be completed under the no-cost extension of the BANFES Project, including:

- a) agreement within the MOE on "practical skills" curriculum content;
- b) completion of improved primary school curricula approved by the GOL;
- c) updating of the PSLE exam; completion of skills and end of level tests;
- d) completion of a three-part study on expanded use of educational radio (economic/technical feasibility of propagation of signals, broadcaster demand analyses, and recurrent costs and staffing needs of a new radio station or channel);
- e) preparation of a Training Plan for Primary Education;
- f) preparation of an inventory of local suppliers of equipment and services useful for primary education, and
- g) internal assessment of BANFES-initiated innovations to determine their suitability and incorporation into the new project.

USAID/Maseru has amended the AED contract for BANFES implementation, and issued a PIL under the BANFES Project Agreement, to focus project resources on these priority activities, to lay a bridge to the new primary education project.

It is recommended that Project Paper design begin in early 1990. In preparing for project design, the socio-cultural study for community participation must be carried out. A study of the institutional and technical capability of IEMS, IDM, IMRC, and LDTC and the Inspectorate should also be completed. These studies will be carried out with FY90 PD & S. funds. Based on the outcome of preliminary AID/GOL negotiations on the program assistance recommended for the policy reform program component, USAID will also provide an PD&S-funded economist to assist the GOL/MOE in assessing the feasibility of the proposed GOL/AID primary education budget increases as part of PAAD design.

The PP/PAAD design team should include the following:

- AID Project Development Officer (Team Leader, one month)
- Primary Education Consultant (with extensive experience designing and implementing in-service and pre-service teacher training) (one month)
- Instructional Materials Advisor (experienced in African primary school materials development) (one month)
- Contract Anthropologist (with experience in Lesotho addressing social soundness/community participation issues) (PD&S funds, two months including preparatory community study)
- Economist (with African experience in capital and recurrent cost budgeting in education)
- Regional Contract Officer to review proposed contract arrangements
- USAID Controller to review proposed budgets and methods of financing
- Regional Legal Officer to review conditions precedent and proposed uses of program funds.

The team should work closely with MOE staff including the Inspectorate, Planning, and NTTC to prepare cost and implementation plans for proposed activities. The Director of NTTC, the Director of the MOE Educational Planning Unit, and the MOE Coordinator for BANFES fully participated in PID development, and regular briefings on PID content were provided to the MOE Principal Secretary as design proceeded. This type of MOE participation will increase during Project Paper design, with additional counterparts from the Inspectorate, Church Secretariats, finance, instructional materials, and other organizations. The USAID project committee will include the GDO, PDO, Controller, and Executive Officer.

Planned project cost falls within the authority of the Mission Director for project approval. USAID/Lesotho recommends that the project be approved for project development and that authority for PP approval be extended to the field.

The project is expected to be authorized in the third quarter of FY90; Signing of the Grant Agreement and initial obligation of \$1,231,000 are projected for the late third

quarter, FY90.

Proposed schedule for project development.

November 1989	AID/W PID approval
February 1990	Preparatory Studies
March-April 1990	PP Development
May 1990	PP Approval and Project Authorization
June 1990	Grant Agreement with GOL
July 1990	RFP
October 1990	Contract Award
January 1991	Initiate Project Activities

H. Recommended Environmental Threshold Decision

Construction is the only proposed project or program activity that will directly impact the environment. Since these activities will be limited to the use of \$400,000 to construct ten district teacher resource centers, and approximately \$200,000 to expand radio facilities, impact on the environment will be negligible. A categorized exclusion with a negative determination for the construction component is recommended for the IEE.

A beneficial indirect impact on the environment is expected from the improved agricultural skills to be taught to primary school students and their families through project activities. Over LOP, this may decrease erosion and improve soil fertility in Lesotho.

I. Anticipated Waivers and Delegations

Since this assistance package is DFA-funded, Code 935 is the authorized procurement code for the project component. Therefore, no waivers will be required. However, as required by DOA 551, Section 5F, and the DFA Procurement Policy Recommendations and Africa Bureau Instruction dated April 4, 1988 (88 State 105351), the following procurement limitations will be applied. Long-term technical assistance and long-term overseas training will be U.S.-based. With respect to motor vehicles, as will be indicated in the procurement plan, U.S. manufactured vehicles cannot meet the needs of the project, because of required specifications and spare parts and maintenance capabilities within Lesotho. Therefore, non-U.S. vehicles from Code 935 countries will be procured. With respect to air transportation and travel, all such travel and transportation financed by AID to and from the United States will be limited to U.S. flag carriers, subject to documented exceptions, which will be made sparingly. With respect to ocean shipping, the Cargo Preference Act rules apply and the procurement plan in the

PP will indicate how the Cargo Preference Act rules will be met. Finally, the procurement plan will call for U.S. procurement of goods and services to the maximum practicable extent. At the time of field approval of the assistance package, a brief summary of the DFA procurement plan will be cabled to AFR/PD, indicating the intended percentage in terms of dollars of U.S.-based commodity and TA procurement, including training.

J. AID Policy Issues

Issues which need to be resolved prior to design of the PP/PAAD paper include:

1. International and Local Technical Assistance: The institutional and technical analyses of local education institutes and centers and the MOE will assess their capabilities and provide a basis for estimating levels of international and local technical assistance and contracting to local institutions. While the MOE, among others, is critical of the high levels of TA under BANFES the MOE is also open to criticism for not delivering sufficient counterpart to absorb and carry on project activities. By early 1990, 34 long term trainees will return to MOE. Nonetheless MOE capabilities and TA needs must be thoroughly assessed.
2. Benchmarks For the Release of Program Funds For GOL Primary Education Budget Reform: Additional budget studies and AID/GOL negotiation are required prior to project paper design to ensure that realistic but adequate budgets and benchmarks for the release of AID funds are agreed upon. As part of the policy reform agenda, what conditions precedent should be included in the grant agreement relating to GOL performance in addressing the pupil:teacher ratio in the first three grades of primary school? What budget reforms and specific plans for community involvement with schools should be required?
3. Impact of Inflation Provisions on PP/PAAD Design: Currently inflation in Lesotho is 16%/year. What provisions should be made for meeting Lesotho's projected inflation rates for project and program costs over LOP? This needs to be resolved in order to develop realistic budgets against for both PP and PAAD involved in the proposed assistance package.
4. The Extent to Which Project or Program Funds Should Support Educational Delivery Mechanisms That Address The Needs of School Dropouts: Approximately 25% of the primary school age group is currently not in school.

While there is a need for reaching this population, there will be a trade-off involved in reduced investment of project funds into the formal primary school system, and over-extension of project activities. The relative cost-effectiveness of investment in nonformal education needs to be assessed. The training effectiveness of the Learning Post program is also a factor in this decision which requires further study.

5. Function of the Proposed Field-based District Support Centers: Why were the 30 centers previously constructed not maintained, and how would the proposed new facilities avoid the problems encountered by previous facilities? Should the system of former facilities be rehabilitated? If not, how should the sites for these facilities be selected? Should all of the facilities function in the same manner immediately, or should there be provision for experimental and pilot environments? Should there be a phased construction schedule, and if so, what timing is most appropriate? AID/GOL agreement on the organization, functions, operations, and management of these centers should be required as a condition precedent in the grant agreement prior to release of project funds for this construction.

PROJECT DESIGN SUMMARY

LOGICAL FRAMEWORK

Life of Project from
FY 90 to FY 99
Total US Funding: \$37 Million
Date Prepared: 10/19/89

Project Title and Number
Primary Education Project, 632-0225

NARRATIVE SUMMARY

OBJECTIVELY VERIFIABLE INDICATORS

MEANS OF VERIFICATION

IMPORTANT ASSUMPTIONS

GOAL

To provide basic and practical education to Basotho children

- Increased enrollment
- Increased graduate
- Pupils and graduates with basic and practical skills knowledge

- . MOE records
- . PSLE, skills and End of Level Tests of Student skills and knowledge

- . Political stability
- . GOL education policy continues to support this goal.
- . MOE primary education budget increases rate at least with enrollment rate

PURPOSE

EOPS

To increase the efficiency of the primary school system

- Decrease in total school years invested per graduate, from 12.67 to 9.5
- Increase in percentage of enrollees graduating, from 53% to 75%
- Improved post-graduation performance (Secondary level study or entry level work)

- . MOE Education Information System
- . School records
- . Secondary level admissions
- . Employment surveys

. Forced drop-out rate (herd-boys) does not increase

OUTPUTS

MAGNITUDE

1. Practical and basic education curricula and materials
2. Expanded pre-service and in-service teacher training
3. Additional teachers and assistants
4. GOL/Church Secretariat system for coordination and management
5. Trained School Managers
6. Community Support for School
7. Functional classrooms

1. Basic and practical instructional materials for all std 1-3 pupils
2. NTTC Primary Education Division Inspectorate and DRT's
2200 master teachers and 4000 other trained teachers
3. 1000 Teachers and Assistants
4. GOL/Secretariat systems and organization
5. 1000 managers
6. 1000 communities
7. 100 classrooms

1. NCDC, IMRC, SSU records
2. Inspectorate and NTTC
3. TSU, School Managers
4. MOE Church Secretariat Records
5. Site Inspectors

- . MOE will assign staff and other resources for these outputs
- . effective TA by consultants
- . NCDC, IMRC, private sector and SSU materials
- . production and distribution systems work
- . Effective training by NTTC, Inspect. and IEMS
- . Effective training by IDM and LDTC
- . MOE/Church coordination systems improve management
- . Project is accepted by communities (parents) and school managers

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INPUTS (\$000)

IMPLEMENTATION

AID:

1. TA - long term)	\$3.625	1. Teacher Trainers (2)	}Contractor
- short term)		Instructional Materials (1)}	
2. Local TA	\$0.6	2. Local Education Specialists}	Contractor
Pre-service training		NTTC	
In-service training			
Workshops	\$4.4	IEMS-teacher workshop	
DRTs	\$2.0	Inspectorate	
School management trg	\$1.0	IDM	
School community wks	\$1.0	LDTC	
3. External Training	\$0.5	3. U.S. Universities and Colleges	
4. Instructional Materials	\$5.0	4. IMRC, private sector, and SSU	
		production and distribution	
5. Commodities	\$0.6	5. Contractor	
6. Local costs	\$0.5	6. Contractor	
7. Evaluation/Audit	\$0.4	7. USAID	

- AID procurement and disbursement records
- AID appropriations and obligations
- GOL/MOE/Institute records
- GOL/MOE budget allocations
- Site Inspections
- GOL timely compliance with conditions precedent to AID funding
- Evaluation and audit
- Sufficient, qualified staff assigned by GOL/MOE
- Training records

SUBTOTAL \$19,625,000

Contingency (15%) \$ 2,943,750

Inflation (20%) \$ 3,925,000

PROJECT TOTAL \$26,493,750

PROGRAM TOTAL \$11,000,000 GOL

(teacher salaries,
teacher aides,
equipment, construction)

TOTAL \$37,493,750

Attachment B

Initial Environmental Examination
or
Categorical Exclusion

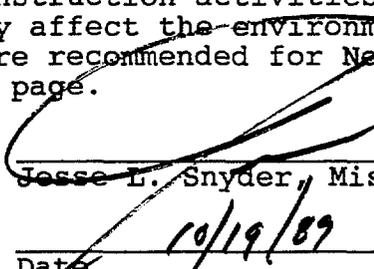
Project Country: Lesotho
Project Title and Number: Primary Education Assistance
Package
Funding: FY 90-99 - \$37,493,750
IEE/CE Prepared By: Deborah Prindle, REDSO/ESA Project
Development Officer

Environmental Action Recommended:

Positive Determination _____
Negative Determination X
Categorical Exclusion _____

This assistance package meets the criteria for a Negative Determination as set forth in AID Regulation 16, Section 216.3 (a)(3) in that the limited construction activities under this project will not significantly affect the environment. These components are examined and are recommended for Negative Determination on the attached page.

Action Requested By:



Jesse L. Snyder, Mission Director

Date

10/19/89

Concurrence:

Bureau Environmental Officer

Approved _____

Disapproved _____

Date _____

This package of project and program assistance is designed to assist the Government of Lesotho (GOL) to provide quality education for self-reliance within the constraints of available resources.

Project inputs in the amount of \$27,493,750 involve long-term and short-term technical assistance, external and local primary teacher training, commodities, local costs of project management, and the production of instructional materials for primary schools. Program funds of \$11.0 million transfer will match GOL increases in recurrent cost support for policy reform in primary education, and will also match community contributions to primary schools.

This assistance package does not significantly affect the environment for the purposes of Regulation 16 procedures.

Attachment C

Other Donors' Activities

The table below summarizes other donors' contributions to the educational sector in Lesotho. An EEC school building project has been completed, but the World Bank will still fund primary school construction through 1990. The World Bank's educational sector loan also funded a textbook project which has been completed, leaving in place a revolving fund for new textbook purchases, and core texts in Sesotho, English, and math. The World Bank's Fourth Education Project also funds training for secondary school principals at IDM, and training at NTTC for head teachers and unqualified primary teachers. The WFP school feeding program will be phased out from 1990 on.

Table 6: 1987 Donor Assistance in Education (U.S. \$)

WFP School Lunch Program	10,340,000
Technical Assistance:	
Ireland	1,153,000
UK	1,602,000
CIDA	451,000
FRG	688,000
AID	<u>4,087,000</u>
Subtotal:	7,981,000
Capital Assistance:	
Ireland	53,000
World Bank	<u>1,400,000</u>
Subtotal:	1,453,000

When all donors' contributions are taken into account, the educational sector ranked fifth in terms of sectoral assistance level, however, education received more technical assistance than any other sector.

Attachment D
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