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PROJECT PERFORMANCE ASSESSMENT REPORT



PHILIPPINES

# Support for Basic Education Reform

2006–12

**Report No. 117900**

MAY 21, 2018

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**Report No. 117900**

**PROJECT PERFORMANCE ASSESSMENT REPORT**

**THE PHILIPPINES**

**NATIONAL PROGRAM SUPPORT FOR BASIC EDUCATION PROJECT**

**(IBRD LOAN NO.73930)**

**SUPPORT FOR BASIC EDUCATION SECTOR REFORM**

**(TF LOAN NO. 91695)**

**May 21, 2018**

**Human Development and Economic Management**

*Independent Evaluation Group*

## Currency Equivalents (annual averages)

*Currency Unit = Philippine pesos (₱)*

2006	\$1.00	₱51.31
2007	\$1.00	₱46.14
2008	\$1.00	₱44.32
2009	\$1.00	₱47.67
2010	\$1.00	₱45.10
2011	\$1.00	₱43.31
2012	\$1.00	₱42.22
2013	\$1.00	₱42.44

## Abbreviations

AusAID	Australian Agency for International Development
BESRA	Basic Education Sector Reform Agenda
DepEd	Department of Education
DPWH	Department of Public Works and Highways
EFA	Education for All
IBRD	International Bank for Reconstruction and Development
ICR	Implementation Completion and Results Report
ICT	information and communication technology
IEG	Independent Evaluation Group
LEAPS	Learning, Equity, and Accountability Program Support
LRDC	learning resources and development center
MOOE	maintenance and other operating expenses
NAT	National Achievement Test
NCBTS	National Competency-Based Teacher Standards
NCR	National Capital Region
NGAS	New Government Account System
NPSBE	National Program Support for Basic Education
PAD	project appraisal document
PPAR	Project Performance Assessment Report
SBM	school-based management
SIP	school improvement plan
SPHERE	Support for Basic Education Sector Reform Project
TEEP	Third Elementary Education Project
UNESCO	United Nations Educational, Scientific, and Cultural Organization

*All dollar amount are U.S. dollars unless otherwise indicated.*

## Fiscal Year

Government: January 1–December 31

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This report was prepared by Erik A. Bloom and Kimberly K. Parekh, who assessed the project in July 2017, with support from Ann E. Flanagan. The report was peer reviewed by Susan A. Caceres and panel reviewed by Judyth L. Twigg. Aline Dukuze provided administrative support.

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## Principal Ratings

### National Program Support for Basic Education Project

	ICR*	ICR Review*	PPAR
Outcome	Moderately satisfactory	Moderately satisfactory	Moderately satisfactory
Risk to development outcome	Moderate	Moderate	Moderate
Bank performance	Moderately satisfactory	Moderately satisfactory	Moderately satisfactory
Borrower performance	Moderately satisfactory	Moderately satisfactory	Moderately satisfactory

\* The Implementation Completion and Results Report (ICR) is a self-evaluation by the responsible World Bank Global practice. The ICR Review is an intermediate IEG product that seeks to independently validate the findings of the ICR.

### Support for Basic Education Sector Reform

	ICR	ICR Review	PPAR
Outcome	Moderately satisfactory	Moderately unsatisfactory	Moderately unsatisfactory
Risk to development outcome	Moderate	Moderate	Moderate
Bank performance	Moderately satisfactory	Moderately unsatisfactory	Moderately unsatisfactory
Borrower performance	Moderately satisfactory	Moderately unsatisfactory	Moderately satisfactory

## Key Staff Responsible

### National Program Support for Basic Education Project

Project	Task Manager/Leader	Sector Manager	Country Director
Appraisal	Dingyong Hou	Christopher J. Thomas	Joachim von Amsberg
Completion	Lynnette De la Cruz Perez	Luis Benveniste	Motoo Konishi

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**IEG Mission: Improving World Bank Group development results through excellence in independent evaluation.**

### **About this Report**

The Independent Evaluation Group (IEG) assesses the programs and activities of the World Bank for two purposes: first, to ensure the integrity of the World Bank's self-evaluation process and to verify that the World Bank's work is producing the expected results, and second, to help develop improved directions, policies, and procedures through the dissemination of lessons drawn from experience. As part of this work, IEG annually assesses 20–25 percent of the World Bank's lending operations through fieldwork. In selecting operations for assessment, preference is given to those that are innovative, large, or complex; those that are relevant to upcoming studies or country evaluations; those for which executive directors or World Bank management have requested assessments; and those that are likely to generate important lessons.

To prepare a Project Performance Assessment Report (PPAR), IEG staff examine project files and other documents, visit the borrowing country to discuss the operation with the government and other in-country stakeholders, interview World Bank staff and other donor agency staff both at headquarters and in local offices as appropriate, and apply other evaluative methods as needed.

Each PPAR is subject to technical peer review, internal IEG panel review, and management approval. Once cleared internally, the PPAR is commented on by the responsible World Bank country management unit. The PPAR is also sent to the borrower for review. IEG incorporates both World Bank and borrower comments as appropriate, and the borrowers' comments are attached to the document that is sent to the World Bank's Board of Executive Directors. After an assessment report has been sent to the Board, it is disclosed to the public.

### **About the IEG Rating System for Public Sector Evaluations**

IEG's use of multiple evaluation methods offers both rigor and a necessary level of flexibility to adapt to lending instrument, project design, or sectoral approach. IEG evaluators all apply the same basic method to arrive at their project ratings. Following is the definition and rating scale used for each evaluation criterion (additional information is available on the IEG website: <http://ieg.worldbankgroup.org>).

**Outcome:** The extent to which the operation's major relevant objectives were achieved, or are expected to be achieved, efficiently. The rating has three dimensions: relevance, efficacy, and efficiency. *Relevance* includes relevance of objectives and relevance of design. Relevance of objectives is the extent to which the project's objectives are consistent with the country's current development priorities and with current World Bank country and sectoral assistance strategies and corporate goals (expressed in poverty reduction strategy papers, country assistance strategies, sector strategy papers, and operational policies). Relevance of design is the extent to which the project's design is consistent with the stated objectives. *Efficacy* is the extent to which the project's objectives were achieved, or are expected to be achieved, taking into account their relative importance. *Efficiency* is the extent to which the project achieved, or is expected to achieve, a return higher than the opportunity cost of capital and benefits at least cost compared with alternatives. The efficiency dimension is not applied to development policy operations, which provide general budget support. *Possible ratings for outcome:* highly satisfactory, satisfactory, moderately satisfactory, moderately unsatisfactory, unsatisfactory, and highly unsatisfactory.

**Risk to Development Outcome:** The risk, at the time of evaluation, that development outcomes (or expected outcomes) will not be maintained (or realized). *Possible ratings for risk to development outcome:* high, significant, moderate, negligible to low, and not evaluable.

**World Bank Performance:** The extent to which services provided by the World Bank ensured quality at entry of the operation and supported effective implementation through appropriate supervision (including ensuring adequate transition arrangements for regular operation of supported activities after loan or credit closing, toward the achievement of development outcomes). The rating has two dimensions: quality at entry and quality of supervision. *Possible ratings for World Bank performance:* highly satisfactory, satisfactory, moderately satisfactory, moderately unsatisfactory, unsatisfactory, and highly unsatisfactory.

**Borrower Performance:** The extent to which the borrower (including the government and implementing agency or agencies) ensured quality of preparation and implementation, and complied with covenants and agreements, toward the achievement of development outcomes. The rating has two dimensions: government performance and implementing agency(ies) performance. *Possible ratings for borrower performance:* highly satisfactory, satisfactory, moderately satisfactory, moderately unsatisfactory, unsatisfactory, and highly unsatisfactory.



## Preface

This Project Performance Assessment Report (PPAR) assesses two World Bank education projects in the Philippines: the National Program Support for Basic Education Project (NPSBE) and the Support for Basic Education Sector Reform Project (SPHERE).

The NPSBE was approved on June 20, 2006 and closed December 31, 2012, which was 12 months after the original closing date of December 31, 2011. The program was financed by an International Bank for Reconstruction and Development loan of \$200 million, all of which was disbursed. SPHERE was approved on June 2, 2008 and closed November 30, 2013, which was 29 months after the original closing date of June 30, 2011. The government of Australia provided a \$37.7 million grant for SPHERE, of which \$34.1 million was disbursed. The World Bank implemented the grant. SPHERE was intended to expand NPSBE into new geographic locations and enhance NPSBE through technical assistance. Both NPSBE and SPHERE were extended to finish their activities. The projects were implemented in parallel and had highly complementary objectives.

These projects were selected for a field-based assessment for two reasons. First, both projects represented major efforts to reform basic education in the Philippines as part of a large-scale national reform effort. Second, the Independent Evaluation Group (IEG) had previously recommended both projects for further evaluation during the Implementation Completion and Results Report (ICR) review process to validate ratings.

This report was prepared by Erik Bloom, IEG senior economist; Ann Elizabeth Flanagan, IEG senior economist; and Kimberly Parekh, consultant. The findings contained in the report are based on a review of the project appraisal document, ICRs, ICR Reviews, aide-mémoire, World Bank reports, and other relevant materials. The report also uses recent administrative data and household surveys. It draws on an IEG mission to the Philippines in July 2017 conducted by Erik Bloom and Kimberly Parekh, with the support of Rechie Tugawin, consultant. The mission included a field visit to two education divisions in the National Capital Region (NCR), two divisions in the Bicol Region (Region V), and two divisions in the Cagayan Valley Region (Region II). The mission interviewed current and former staff involved in the project's implementation, along with policy and technical experts from the Philippines' Department of Education and relevant bureaus, including the Bureau of Educational Assessment, the Bureau of Learning Delivery, the Bureau of Learning Resources, and the Bureau of School Effectiveness. The mission also met with staff at Department of Education's regional and division levels. The mission visited several schools in NCR, three schools in Region V, and five schools in Region II, and met with principals, teachers, community leaders, civil society organizations, parents, and students. Site visits were conducted only in NPSBE regions; the mission was unable to visit SPHERE regions because of ongoing conflict in Mindanao and an earthquake in Eastern Visayas. appendix E provides a list of persons interviewed.

The mission expresses its thanks to Undersecretary Victoria Catibog, Undersecretary Jesus Mateo, and Director Levi Espinosa and their staff at DepEd in Manila, and local staff in NCR and both regions.

Following standard IEG procedures, a copy of the draft report was sent to the relevant government officials and agencies for their review and feedback. No comments were received.

## Summary

The Philippines is a lower-middle-income country with a gross national income of \$3,550 per capita and an estimated population of 101.6 million in 2015. Economic growth has increased substantially in recent years. The longest period of sustained economic growth in recent history was between 2012 and 2016. Despite this growth, poverty and inequality remain high and persistent.

Priority for reform of the education sector has shifted through the years from access to quality. This assessment examines two such education quality projects in the mid-2000s, assessing both projects together because they were designed jointly to support the government's education strategy.

The National Program Support for Basic Education's (NPSBE) objective was "to improve quality and equity in learning outcomes for all Filipinos in basic education." The Support for Basic Education Sector Reform Project's (SPHERE) objective was "to support the implementation of the Philippine government's Basic Education Sector Reform Agenda (BESRA) which in turn aims to contribute to the achievement of the Philippines' basic education goal of improving quality and equity in learning outcomes."

Relevance of the objectives is rated **substantial** for both projects. The projects' objectives aligned well with government and World Bank strategy at appraisal and closing. However, project documents also reference intended efficiency outcomes that were not specified as part of the formal objectives.

Relevance of design is rated **modest** for both projects. Both projects' stated development objectives supported improvements in quality and equity of learning outcomes, yet the equity objective was not well defined, and the components and activities were oriented toward access and quality with an unclear theory of change that would have related project interventions to equity outcomes.

Achievement of the objective to improve quality in learning outcomes is rated **substantial** for both projects. Both NPSBE and SPHERE made significant contributions in advancing BESRA's agenda, particularly with principal-led construction, teacher standards, and school-based management (SBM), and these activities can be linked plausibly and logically to observed improvements in national examination scores. However, achievement of the objective to improve equity in learning outcomes is rated **modest** for both projects. Although project activities were aimed ostensibly at enhancing equity through overall improvements in access, this logic was not convincing. Neither project defined equity well, and the results chain linking interventions such as revised teacher deployment guidelines and SBM to equity-related outcomes was not well constructed and operationalized. In addition, observed outcomes related to equity were mixed.

NPSBE's efficiency is rated **substantial** because of the evidence of cost savings through effective procurement and other implementation efficiencies. SPHERE's efficiency is rated **modest** because of significant delays caused by shortcomings in procurement and financial management.

Given these moderate shortcomings, NPSBE's outcome is rated **moderately satisfactory**. The more significant shortcomings in SPHERE's preparation and implementation produce an outcome rating of **moderately unsatisfactory**.

Risk to development outcome is rated **moderate** for both projects. Although the Department of Education (DepEd) sustain some of the projects' interventions, some have been canceled. DepEd's new education reform and World Bank financing in education build on one of the key interventions, SBM, but it has started some new initiatives like kindergarten and two years of secondary schooling. DepEd's challenge will be to continue support for previous interventions with relevant financing and resources before beginning new reforms.

The World Bank's performance is rated **moderately satisfactory** for NPSBE and **moderately unsatisfactory** for SPHERE, with active involvement with DepEd and other development partners and consistently effective supervisory missions, though the World Bank could have paid greater attention to significant design and results framework shortcomings at appraisal. The borrower's performance is rated **moderately satisfactory** for both projects, reflecting the government's and DepEd's ongoing commitment to sector development and to BESRA.

The quality of monitoring and evaluation for both projects is rated **modest**. Although both projects made efforts to establish and implement monitoring and evaluation systems through e-Basic Education Information System and various data-gathering systems, fundamental shortcomings in the project's results framework were present at appraisal and were not corrected during implementation.

The lessons emerging from both projects include the following:

- **Project and overall reform program achievements can be assessed and confirmed only through appropriate and relevant results frameworks.** Careful consideration should be given to ensuring that a project's results framework is coherent, its objectives well defined, its theory of change well specified, and its indicators well-conceived to measure achievement of objectives. In this case, the lack of precision around the equity objective complicated assessment of achievement. Use of BESRA indicators may have been supplemented usefully with project-specific output and outcome indicators to flesh out the logic behind attribution.
- **Broadly defined interventions such as SBM are conceptualized and implemented differently in different contexts,** heightening the importance of country-specific analysis to explain the mechanisms at work in each particular intervention. In-depth evaluation of pilots to understand the level, degree, and types of autonomy and community participation achievable and realized, as well as the specific benefits to social efficiency and accountability and equity-related risks associated with various SBM designs, can illuminate important details and frame their generalizability.

- **The World Bank can play an important role in leveraging and implementing funds from development partners, but careful attention to implementation systems is warranted when these partnerships are conceived.** In this case, challenges surrounding the harmonization of procurement and financial management systems led to inefficiencies and delays that jeopardized project efficiency.
- **A technical assistance project implemented in parallel with a major program supported by the World Bank can achieve important benefits.** In this case, SPHERE provided resources to operationalize both NPSBE and BESRA and to fill identified gaps, achieving meaningful synergies.

Auguste Tano Kouame  
Director  
Human Development and Economic Management  
Independent Evaluation Group

# 1. Background and Context

## Country Background

1.1 The Philippines is a lower-middle-income country with a gross national income of \$3,580 per capita and an estimated population of 103.3 million in 2016. The Philippines faced a serious fiscal crisis during the late 1990s and the first decade of the 2000s. At that time, a large fiscal deficit and rapidly expanding debt level led to a series of fiscal adjustments, reduced government spending on education (among other services), and higher taxes (World Bank 2005). By 2010, however, economic growth combined with greater government transparency and improved tax collection produced substantially more resources for the public sector. Economic growth was about 6–7 percent between 2012 and 2016—the longest period of sustained economic growth in recent history for a country that has had a volatile economy.

1.2 Poverty and inequality remain high, despite recent economic growth. From 2003 to 2012, the poverty rate stayed at about 25 percent, dropping to only 20.6 percent in 2015. Income inequality in the Philippines, as indicated by the Gini coefficient, was the highest among middle-income countries in Southeast Asia in 2012, and the richest 20 percent of the population outspent the poorest 20 percent by about eight times as much (UNESCO 2017). Appendix B, table B.1 provides detailed data on key economic indicators.

## Education in the Philippines

1.3 The education system in the Philippines consists of one year of kindergarten, six years of elementary school, four years of high school, and an additional two years of senior high school after recent expansion reforms.

1.4 Public spending on education in the Philippines relative to gross domestic product or overall government spending is less than such spending in most other countries in the region. Government spending on education fell in real terms during the first half of the 2000s (World Bank 2016). The Philippines also spends less on education than its Southeast Asian neighbors do—the government spent 2.6 percent of gross domestic product on education in 2011, which is less than the neighboring countries of Timor-Leste (9.5 percent), Vietnam (6.3 percent), Malaysia (5.9 percent), Thailand (4.9 percent), and Indonesia (3.6 percent). Only Cambodia and Myanmar spent the equivalent or less than the Philippines did (UNESCO 2017). The Philippines spent 16.3 percent on education as a percentage of government expenditure—less than the neighboring countries of Malaysia, Thailand, and Vietnam, which spent above 20 percent (UNESCO 2017).

1.5 Despite relatively low spending, the Philippines has traditionally had a strong education system with relatively high levels of education access and quality compared with other countries in the region. With an average of 8.9 years of schooling (in 2012), the Philippines had the second highest mean years of schooling out of nine Southeast Asian countries (UNESCO 2017). The Philippines Institute of Development Studies

reported a decrease in the number of out-of-school children (between the ages of 5 and 15) from 2.9 million to 1.2 million between 2008 and 2015. The report linked the reduction in out-of-school children to government reforms in education. However, standardized test results in 2005 increased concerns about the quality of learning.

1.6 Equity in access to basic education remains an issue. Disparities in enrollment exist between girls and boys, urban and rural areas, and socioeconomic groups (UNESCO 2017; PSA 2015). More boys are out of school than girls are, and more out-of-school children live in rural areas than in urban areas. In rural areas, 50 percent of school-age children in the bottom income quintile are out of school, whereas only 20 percent of the poorest school-age children in urban areas are out of school (UNESCO 2017). Income inequality in the Philippines is highly correlated with education inequality. Filipinos with an elementary education or less constitute 78 percent of the population, but 96 percent of the poor. Income inequality perpetuates education inequality. The opportunity costs of keeping children in school are high, and poorer Filipino children are more likely to be out of school than their wealthier peers are (UNESCO 2107).

1.7 The Philippines has had many changes in education law and policies in the past 30 years. The Governance of Basic Education Act, or Republic Act No. 9155 (RA 9155), was first translated into policy as the Schools First Initiative in the early 2000s and later the BESRA during 2006–12. The government established BESRA in 2006 to promote education quality by improving teachers, schools, social support for learning, and the Department of Education’s (DepEd) institutional culture. DepEd’s current education reform, known as “K to 12,” has continued many of these reforms and added new initiatives, such as expansion of education to include kindergarten and two additional years at the secondary level, introduction of a new curriculum, and introduction of mother tongue curriculum in early grades (the Philippines 2013).<sup>1</sup> However, these new priorities have not resulted in an increase in government financing for education (appendix B).

1.8 The World Bank has long provided support to the education sector in the Philippines. Since 1964, the World Bank has supported 11 investment projects in the education sector in addition to support carried out in budget support programs and projects. This support covered all education subsectors ranging from preprimary to tertiary and vocational education. Its current project provides support to the introduction of the new K to 12 curriculum.

## **2. Objectives, Design, and Relevance**

2.1 The National Program Support for Basic Education Project (NPSBE) and the Support for Basic Education Sector Reform Project (SPHERE) were designed in parallel to support the government’s education strategy. The projects’ objectives were highly complementary, and the projects were implemented in the same basic period. This Project Performance Assessment Report (PPAR) assesses both projects in parallel and makes detailed references to specific or unique design and implementation experiences of each as appropriate.

## Objectives

### NATIONAL PROGRAM SUPPORT FOR BASIC EDUCATION

2.2 The legal agreement between the World Bank and the government for NPSBE states that the project's development objective was "to improve quality and equity in learning outcomes for all Filipinos in basic education" (World Bank 2006a, 13).

### SUPPORT FOR BASIC EDUCATION SECTOR REFORM

2.3 The legal agreement between the World Bank and the government for SPHERE states that the project's development objective was "to support implementation of the BESRA that contributes to the achievement of improved quality and equity in learning outcomes of basic education" (World Bank 2007a, 4).

## Relevance of Objectives

2.4 The project's objectives were essentially identical, and therefore their relevance is assessed jointly. The relevance of objectives for both projects is rated **substantial** with regard to their fit with country conditions, World Bank strategy, and government strategy.

2.5 Both projects aligned well with the government's key development policy, the Philippine Medium-Term Development Plan (2004–10). The plan's section on basic education set priorities for enhancing school buildings, promoting school-based management (SBM), upgrading the quality of preservice teacher training, and providing continuous inservice teacher training (the Philippines 2004).

2.6 Both projects also aligned with the government's education reform agenda. BESRA's key policy reforms focused on continuous school improvement; enhancing teachers' contributions to learning outcomes; increasing social support by addressing educator, parent and children, and community satisfaction with student learning outcomes; improving the impact of complementary education, including childhood education, alternative learning systems, and private sector participation; and supporting capacity building of the DepEd to better support key reforms (the Philippines 2005). NPSBE and SPHERE focused on these key reforms except for the fourth reform of providing complementary education, which other donors were expected to support.

2.7 The projects also aligned with World Bank strategy at project approval and closure. The World Bank's country assistance strategy at appraisal (2006–08) had two goals (economic growth and social inclusion) through two levers (fiscal stability and improved governance) across three levels: national and local governments, and the private sector (World Bank 2005). The emphasis on fiscal stability and improved governance suggested a move toward budget support and sectorwide operations, which was the case with both NPSBE and SPHERE. The emphasis at the local government level was in line with supporting school-based reforms. The World Bank country assistance strategy (2010–12) at the projects' closing had one overarching goal: inclusive growth.<sup>2</sup> Emphasis on public service delivery included improving access to quality basic

education, to be achieved by developing and monitoring minimum standards for inputs, outputs, and outcomes, and by implementing SBM (World Bank 2014, annex 5). NPSBE and SPHERE supported developing and monitoring minimum standards in areas such as school construction and teacher standards, as well as implementing SBM.

2.8 It is also noteworthy that the appraisal documents for both projects include reference to “efficiency” as an intended outcome, even though efficiency was not stated as a formal project objective. Country and sectoral conditions, including rapid population growth and a high proportion of education budgets devoted to personnel costs, created a context in which improved sectoral efficiency would have been an appropriate objective. NPSBE’s project appraisal document (PAD) explicitly indicated that the project would add value through ensuring greater effectiveness in the use of existing resources, directing a higher proportion of the budget available for recurrent expenditures related to reform (relative to fixed costs) and using savings from policy interventions to enhance quality and equity outcomes. It also indicated that the selection of BESRA activities that would receive specific NPSBE support was made, in part, on financing inputs and actions that would show the greatest efficiency in allocating and managing resources.

## COMPONENTS

2.9 To support their objectives, the projects had the following components. Appendix C, table C.4, shows the planned versus actual expenditures by component.

### *National Program Support for Basic Education*

2.10 **Component A. Strengthened SBM** (appraisal: International Bank for Reconstruction and Development [IBRD] \$71.0 million; actual: IBRD \$54.3 million). This component was to support the development and implementation of SBM, including support for three-year school improvement plans, including yearly annual implementation plans; financing of SBM grants, and maintenance and other operating expenses (MOOE) grants; capacity building for school principals; and development of school reporting mechanisms to communities.

2.11 **Component B. Improved teaching effectiveness** (appraisal: IBRD \$23.0 million; actual: IBRD \$8.2 million). This component was to support the government to develop its National Competency-Based Teacher Standards (NCBTS) by creating teacher competency standards and applying those standards for teacher hiring and promotion, professional development (pre- and inservice teacher training), licensure, and performance appraisal. It also was to support the government’s efforts to create an equitable teacher distribution system.

2.12 **Component C. Enhanced quality and equity through standards, assessment, and support** (appraisal: IBRD \$96.0 million; actual: IBRD \$136.5 million). This component was to support the financing of classroom construction, school feeding programs, an information and communication technology (ICT) framework, and learning standards frameworks.



2.13 **Component D. Effective resource mobilization** (appraisal: IBRD \$2.0 million; actual: IBRD \$0.5 million). This component was to support DepEd in management and budget planning by developing financing and planning systems (including demand-side financing) and cost-sharing systems for national and local governments (including school-based initiatives) to develop public-private partnerships.

*Support for Basic Education Sector Reform Project*

2.14 **Component A. Translation of system-level policies into action** (appraisal: Australian Agency for International Development [AusAid] \$20.2 million; actual: AusAid \$8.4 million). This component was to provide technical assistance to DepEd to help operationalize BESRA policies; capacity building to regional offices for monitoring and evaluation (M&E); construction and/or refurbishment of regional learning and resource management and development centers to monitor teaching, learning, and assessment at the division level; teaching and learning materials (except textbooks); and project management costs.

2.15 **Component B. SBM grants for school improvement plans for disadvantaged elementary schools** (appraisal: AusAid \$4.3 million; actual: AusAid \$4.4 million). This component was to provide SBM grants for elementary schools in disadvantaged areas, with the aim of accelerating SBM in even the most difficult situations.

2.16 **Component C. Classroom construction in disadvantaged areas** (appraisal: AusAid \$13.2 million; actual: AusAid \$21.8 million). This component was to finance principal-led classroom construction in Mindanao.

## **Relevance of Design**

2.17 The relevance of design for both projects is rated **modest**. The causal chain linking project interventions with the objective to improve quality of learning outcomes was plausible and sound. However, the definition of the objective to improve equity of learning outcomes lacked precision, and there was no convincing theory of change linking project activities with expected outcomes related to a clear definition of equity.

2.18 NPSBE and SPHERE were designed specifically to enhance the implementation of BESRA. World Bank financing for NPSBE was to focus on areas considered particularly innovative or even controversial for DepEd. SPHERE was designed to fill the gaps in NPSBE financing and activities, strengthening the causal chain between project level activities and outcomes. Although it was approved more than a year after NPSBE, it was conceptualized, designed, and agreed on at the same time as NPSBE (according to an AusAID communication to the World Bank), indicating a complementarity and coordination of funding toward the same objectives. SPHERE provided technical assistance to help operationalize both BESRA and NPSBE, particularly in AusAid priority areas such as teacher effectiveness and SBM.

2.19 NPSBE was designed as a traditional investment loan with standard procurement and financial management rules, but with some elements of a budget support operation. The Philippines faced serious fiscal constraints when the project was approved in 2006.

Thus, the World Bank adopted a sector support approach for most of its new investment projects. In this model, the World Bank financed traditional investment projects that were fully incorporated into the budget. Under this arrangement, the Department of Budget and Management would deduct the value of the project from its allocation of resources to the department in question, reducing the short-term domestic burden (World Bank 2005).

2.20 NPSBE and SPHERE's interventions would have been expected logically and plausibly to contribute to improved quality in learning outcomes. Classroom construction was designed to provide improved learning spaces and reduce pupil-to-teacher ratios, resulting in improved learning. Planned activities related to teacher competency standards and preservice training and licensing were designed reasonably to lead to higher professional standards for teachers and therefore enhanced student learning.

2.21 Strengthened SBM, through the development and implementation of SIPs and support for increased MOOE, were conceptually tied to improved learning. The theory behind SBM rests on well-identified incentives (choice, competition, school autonomy, and accountability) that are thought to affect the quality of learning outcomes (Barrera-Osorio, Fasih, and Patrinos 2009). By involving community members and parents in school decision making, SBM is expected to improve student achievement because local people demand closer monitoring of school personnel, better student evaluations, a closer match between a school's needs and its policies, and more efficient use of resources (including more transparent management with fewer opportunities for corruption).

2.22 Although generally an access-oriented output, NPSBE envisioned principal-led construction as a key element of SBM, intended to produce better-quality classrooms and therefore lead to better teaching and learning outcomes. In the principal-led construction approach, the principal would lead the procurement for school construction and rehabilitation activities. This would lead to closer connections between school principals, teachers, and contractors, which could lead to better school classroom designs and could enhance teaching and learning. Principal-led construction was also expected to lead to the use of community labor and materials to supplement project resources. This approach contrasts with that used by the Department of Public Works and Highways, which used a more centralized procurement process that was farther away from the principals, teachers, and communities.

2.23 However, the clarity of the objective to improve equity in learning outcomes had important shortcomings. Both projects implicitly mix a more traditional definition of equity—relative improvements among certain vulnerable or disadvantaged population groups—with an interpretation that focuses on access for *all* as an approach that will, by definition, capture the less advantaged. Given the specific contextual challenges in the Philippines, it is not clear that the latter framework will capture those most in need of intervention with the most appropriate types of interventions.<sup>3</sup>

2.24 Clarity about planned project activities to support improved equity in learning outcomes was weak. Project documents refer to access and equity somewhat interchangeably, and it is not clear if equity is meant to refer to gender, income, wealth, ethnicity, geographic location (for example, urban, rural, remoteness, and regions or districts), language, or other factors. The Independent Evaluation Group (IEG) mission's

meetings with DepEd and the World Bank staff suggested that improving access related to improving equity and the quality of education for all. During the IEG mission, multiple stakeholders noted that equitable access (seen in terms of gaps in access for defined disadvantaged or vulnerable groups) was “not an issue” in the Philippines. Therefore, the project did not view equity in the traditional compensatory manner of improving outcomes for specific groups, but rather through the logic that achieving access for all, by definition, would improve access for the more disadvantaged. This approach does not resolve the question of who exactly benefits from project interventions and whether disadvantaged persons have been appropriately captured relative to the more advantaged.

2.25 Specific country context is also important in framing the equity objective. Although gender indicators for both primary enrollment and test results have long been relatively equal, there are data to support the argument that significant equity concerns existed along other dimensions. About 4 million children and young adults are out of school, representing almost 10 percent of the ages 6 to 24 population, according to the Annual Poverty Indicators Survey (PSA 2017).<sup>4</sup> The percentage of young women and girls out of school is greater than the percentage of boys and young men – 14 percent versus six percent, respectively. The poor represent the lion’s share of individuals in the out-of-school sector: 53 percent from the poorest 30 percent of the population.

2.26 Multiple stakeholders outside of the school setting noted (during the IEG mission) that children from indigenous groups and children with disabilities are at greater risk. Most schools have Special Education Programs. Department of Education also has an extensive Alternative Learning System program for children who have never been enrolled or have dropped out of school with limited education. Presumably, these kinds of concerns are also what led to equity in learning outcomes being specified as a development objective of both projects, but these concerns were not clearly laid out and equity overall was not well operationalized in both projects, resulting in a limited explicit focus on equity of learning outcomes.

2.27 Some of the projects’ planned activities did focus specifically on disadvantaged groups. SPHERE’s construction of schools in more remote southern regions of the country and SBM grants to disadvantaged areas, and the NPSBE’s reallocation of teachers to poorer/remote areas and school feeding programs, were intended directly to serve vulnerable populations.

2.28 The development of new guidelines for teacher allocation intended to correct overstaffing in some locations and understaffing in remote and mountainous areas, as well as on small islands, where rough seas or seasonal typhoons caused restricted access. Legal guidelines at the time of project preparation prohibited redeployment without teachers’ consent. Policy development through the project was to consider enrollment numbers, but also poverty and isolation to achieve more equity in teacher deployment. The project was to support a hardship allowance to encourage teachers to move to designated hard-to-staff schools. It was planned that in the later years of implementation, support could also be provided to transfer costs, incentive programs, targeted programs to attract teachers in hard-to-staff subjects (such as mathematics and science), and policy changes that would change the assignment structure of teaching positions so that they

were no longer tied to individual schools or divisions. However, the NPSBE's PAD places more focus on efficiency rather than equity outcomes resulting from teacher redeployment, with extensive analysis suggesting a high economic rate of return from a more efficient deployment of teachers.

2.29 The links between SBM and equity in learning outcomes are more tenuous. These links include the notions that SBM will increase poor people's opportunity to choose schools and participate, give all citizens a stronger voice, make information about school performance more widely available to all citizens, and strengthen the rewards given to schools that deliver effective services to the poor (Barrera-Osorio, Fasih, and Patrinos 2009). At the same time, as also recognized by the projects, there is a possibility that SBM can lead to increasing disparities between poorly and well-endowed schools. The NPSBE and SPHERE appraisal documents explicitly cite the potential for increasing *inequity* as an unintended consequence of SBM: the possibility that the higher capacity of well-resourced schools will enable them to generate additional funds, which they can then apply more effectively than schools in disadvantaged locations can.

2.30 It was envisioned that DepEd MOOE would be allocated to schools based on a normative financing formula that would consider specifically the differences in the level of funding likely to be available from local governments, costs associated with school location, and enrollment sizes. Without SBM, MOOE funds often did not reach schools because the monies were instead absorbed into operating costs in DepEd offices. The combination of enhanced SBM and the normative financing formula was designed explicitly to make the distribution of resources to schools more equitable (NPSBE PAD).

2.31 NPSBE was also to support increased equity in learning outcomes through the development of nationwide standards for key learning areas, support under a quality assurance framework for achievement of those standards, and development of a comprehensive ICT framework to provide transparency and encourage accountability. These activities were to reduce variability in traditional indicators of performance in basic education (retention, completion, and achievement) through an expectation of minimum service standards and regionwide monitoring, and then regional work with divisions to identify and implement strategies to provide support to schools that were not achieving the required standards. The PAD provides one strategy to exemplify how this was intended to work: Schools were to be given detailed feedback on the results of national assessment tests, and principals and teachers were to undergo professional development on using such data for improving teaching and learning.

2.32 However, it is not clear how NPSBE would target disadvantaged schools. The proposed eligibility criteria in the NPSBE's PAD did not emphasize the kind of targeting of disadvantaged schools envisioned in this design. Those criteria simply stated, for example, that grants would be used to support the installation of SBM in schools with no SIP or governing council, and schools with preexisting plans would receive grant funds for implementation of those plans.

2.33 The stated intent of SPHERE was to give "due regard to equity through policy actions leading to positive discrimination in the allocation of resources in favor of the disadvantaged, high need, underserved areas" (PAD). However, it is unclear exactly how

this policy priority was to be operationalized or implemented, and therefore exactly how the project would guard against the risks of increased inequity. Overall, planned interventions related to the equity objective across both projects related more to access than to equity in learning outcomes, and targeting was limited.

### **3. Implementation Experience**

#### **Project Preparation**

3.1 NPSBE and SPHERE followed a previous World Bank education project, the Third Elementary Education Project (TEEP). They expanded and institutionalized TEEP pilot initiatives in areas such as principal-led school construction and SBM (including SIPs) in 26 provinces. Both NPSBE and SPHERE were complementary to other World Bank community-based projects, such as Kapit Bisig Laban sa Kahirapan—Comprehensive and Integrated Delivery of Social Services.

3.2 IEG’s meetings with DepEd revealed that selection of the World Bank over other development partners to implement NPSBE was because NPSBE covered key and potentially controversial BESRA components, such as principal-led construction, textbook distribution, and SBM. The government agreed to the World Bank working closely with DepEd, contrary to previous practice in which the National Economic Development Association had a greater role in project design. In this project, DepEd took the lead in planning and implementing NPSBE, including numerous meetings with donors, the World Bank, other levels of government, and civil society to broaden support and buy-in for BESRA (World Bank 2013).

3.3 World Bank project staff worked closely with AusAID on SPHERE’s design. Project staff conducted a procurement and financial management assessment and concluded that the procurement risk was average, and the financial management risk was high. This projected risk proved to be understated because this was the first time that AusAid (a bilateral donor) had provided assistance to the World Bank. DepEd was active in technical working groups to ensure that SPHERE was consistent with BESRA (World Bank 2014b).

#### **Implementation**

3.4 NPSBE was approved on November 20, 2006 and closed on December 31, 2012, which was 12 months after the original closing date of December 31, 2011. It was financed by an IBRD loan of \$200 million, all of which was disbursed.

3.5 SPHERE was approved on June 2, 2008 and closed on November 30, 2013, which was 29 months after the original closing date of June 30, 2011. The government of Australia provided a \$37.7 million grant for SPHERE, of which \$34.1 million was disbursed.<sup>5</sup> The World Bank implemented the grant.

3.6 NPSBE was restructured on July 16, 2009 to reallocate program funds to provide more funding for classroom construction (World Bank 2013). When the restructuring

took place, \$104.12 million had been disbursed. The project was restructured again on December 22, 2011 to extend the closing date by one year to complete project activities. At the time of that restructuring, \$186.43 million had been disbursed. The project's development objectives were not revised.

3.7 SPHERE was restructured four times during the project's course. The first restructuring on September 18, 2009 changed the grant agreement on the hiring of the audit firm. At the time, \$4.69 million had been disbursed. The second restructuring was on June 30, 2011. This restructuring reallocated funds to build more classrooms in areas with acute shortages; procure more technical assistance on critical areas of the reform agenda; conduct trainings and/or capacity-building activities for education and school administrators; provide more SBM grants; and provide incremental operating costs for M&E, including travel, meetings, and so on. The funding was drawn from a reduction in learning resources and development centers (LRDCs) construction and from cost savings (using individual consultants versus procuring a consulting firm). The closing date was extended to December 31, 2012. The project had disbursed \$15.83 million. The project was restructured a third time on December 20, 2012, at which point the outcome targets associated with the quality objective were revised downward.<sup>6</sup> The restructuring also reallocated funds and extended the project's closing date to May 30, 2013. By then, \$24.03 million had been disbursed. The fourth and final restructuring was on May 30, 2013 to complete construction of the LRDCs, procure associated ICT and furniture, and extend the closing date to November 30, 2013. The project had disbursed \$25.59 million.

3.8 The World Bank and DepEd used technical working groups to monitor the implementation of BESRA, including NPSBE and SPHERE (World Bank 201). The World Bank and DepEd conducted 10 implementation support missions (including one final review mission) from 2007 to 2012 (World Bank 201). Similarly, the World Bank, AusAid, and DepEd conducted 10 implementation support missions from 2007 to 2013 for SPHERE (World Bank 2015). NPSBE held a midterm review on November 9, 2009, and SPHERE held a midterm review on February 12, 2010.

## **FIDUCIARY MANAGEMENT**

3.9 Shortcomings in NPSBE's financial management practices led to some delays. In 2001, the government of the Philippines' Commission on Audit introduced a New Government Account System (NGAS) to replace the legacy accounting system. Shortly afterward, NGAS was computerized as eNGAS (electronic NGAS). During the project period in 2008, eNGAS was suspended while it harmonized with international standards. This led DepEd, with support from AusAid, to create its own financial information management system. Given the confusion, DepEd used manual accounting and record keeping. All levels of the government—national, regional, and division levels—lacked adequately trained financial management staff. This resulted in many delays in submission of financial reports, SBM validation reports, auditing documents, and liquidation of cash advances; lack of physical inventory reports for school construction; returned funds because of procurement noncompliance; and delays in special allotment release orders or notices of cash allowance (World Bank 2013). NPSBE disbursement levels were low in the beginning of the project: 11 percent in March 2008 compared with

54 percent in November 2009 and 100 percent in December 2012 (World Bank 2013). DepEd had a qualified audit in 2011, but no further information is available on the audit (World Bank 2013).

3.10 SPHERE experienced similar concerns, but it learned lessons from NPSBE. The government tried to improve weak financial management. For example, the government used financial management staff from division offices to assist with financial responsibilities. SPHERE disbursements were also low in the beginning—only 40 percent of funds were disbursed in June 2010, but it increased to 65 percent in September 2012 and 93 percent in 2014. By 2013, compliance with financial management requirements was managed better. For example, financial statements were submitted on time, including outstanding audit reports and SBM validation reports. Additionally, cash advances were reduced (World Bank 2014b).

### ***Procurement***

3.11 NPSBE's overall procurement practices were highly satisfactory. Principal-led construction, the primary procurement, increased from an initial \$26 million to approximately \$98 million in 2009 (World Bank 2013). The disbursement of funds and construction were completed before the initial project closing date (World Bank 2013). Textbook procurement and distribution were delayed at times because of incomplete bidding processes and incorrect textbook technical specifications (World Bank 2013). However, all activities were finalized by project closing.

3.12 SPHERE's overall procurement was often delayed because AusAid had its own procurement guidelines to follow along with the World Bank's procurement guidelines. Lengthy and cumbersome procurement procedures led to significant delays and three project extensions. There were also procurement delays for classroom construction because DepEd changed procurement guidelines to use harmonized procurement guidelines. LRDC construction faced challenges caused by staffing constraints, delays because of lack of approval for programs of works necessary for awards, delays in procuring ICT equipment and office furniture, and delays in the release of the special allotment release order (World Bank 2014b). SPHERE's procurement was eventually completed as planned.

### ***Safeguards***

3.13 NPSBE and SPHERE underwent the same safeguard review. The environmental rating was C because construction followed national environmental legislation for environmental impacts, and no risks were foreseen. Therefore, OP 4.01 environmental assessment was not triggered formally. However, both projects conducted an environmental safeguard review at project closing and concluded that the projects had followed local regulations and the World Bank's environmental guidelines. SPHERE experienced two minor issues with the location of two school buildings. DepEd took remedial action to address the issues, and no further information was provided at the time of this assessment (World Bank 2014b).

3.14 The indigenous peoples safeguard (OP 4.20) was triggered because BESRA addressed quality and equity for poor and disadvantaged people. Both projects were implemented in accordance with the Indigenous Peoples Planning Framework and the government of the Philippines' Indigenous Peoples' Rights Act. As part of BESRA, DepEd created the Indigenous Peoples Education Policy Framework in August 2011. DepEd also disseminated this framework; created an Indigenous Peoples' Education Office; issued guidelines for indigenous peoples' education grants; created a baseline for indigenous peoples and Muslim households' educational situations; and piloted mother tongue education in 20 languages. In addition, the projects reviewed indigenous peoples' curriculum frameworks for the kindergarten, elementary, and high school levels; standards for indigenous peoples' learning materials; teacher training plans for indigenous peoples' teachers; and standards for recognition and accreditation of indigenous peoples' private schools (World Bank 2013; World Bank 2014b).

## 4. Achievement of Objectives

4.1 Assessing the achievement of NPSBE and SPHERE's objectives is challenging for several reasons. Available data do not permit comparison of project schools and divisions with those not directly affected by project interventions, and they similarly do not permit comparison of the preproject versus postproject results environment. The theory of change underlying the objective to improve the quality of learning outcomes is reasonably sound, but it is difficult to connect project-financed activities to the objective of improving equity in learning outcomes and thus attribute observed equity-related outcomes to the projects under review.

4.2 This assessment acknowledges the challenges with attribution of impact. The projects' stated components and activities provide a relatively clear understanding of project outputs for both NPSBE and SPHERE. This evaluation attempts to link the outputs to gains in learning and equity outcomes. It finds sufficient evidence to conclude that the projects had **substantial** impact on improvements in quality of learning outcomes. However, there is insufficient evidence on the scope and specificity of targeting of disadvantaged schools or populations to conclude that the projects had a substantial impact on equity of learning outcomes, whatever the definition of equity. Therefore, achievement of the equity objective is rated **modest** for both projects.

### Objective I. Improve the Quality of Learning Outcomes

4.3 Achievement of the objective to improve the quality in learning outcomes is rated **substantial** for both NPSBE and SPHERE.

#### OUTPUTS

##### *Principal and Teacher Training and Teacher Standards*

4.4 NPSBE provided training in several areas. Coverage of training in principal-led construction for school principals reached 97 percent of targeted schools, exceeding the target of 85 percent. It also provided NCBTS training for teachers in 97 percent of the



targeted schools, exceeding the 85 percent target, and applied NCBTS standards for teacher recruitment, training, and performance appraisal to 94 percent of targeted schools, also exceeding the 85 percent target.

4.5 NPSBE introduced the NCBTS system and the Teacher Strengths Needs Analysis, which functions as a teacher self-evaluation tool. Teachers created individual plans for their professional development by using this tool. The school principals then used this information to draft a school plan for professional development or an inservice teacher training program. However, the World Bank and AusAID study Philippines Public Education and Expenditure Tracking and Quantitative Service Delivery Study (2011) noted a disconnect between teachers' self-assessments and teachers' abilities, stressing that some teachers feared the self-assessment would have a negative impact on their performance evaluation. Consequently, teachers noted weaknesses in areas that generally were considered more acceptable, such as knowledge of ICT. NPSBE also trained 100 percent of regional office staff in quality assurance and M&E, meeting the target.

4.6 SPHERE also provided training and technical assistance. The project trained 24,000 DepEd staff at national, division, and school levels on strategic planning and budgeting; SBM grant implementation and reporting; K to 12 curriculum development and teacher training; quality assurance; and M&E. It also provided technical assistance for BESRA advocacy and communications, SBM operations, NCBTS preservice teacher education guidelines, K to 12 teaching modules, inservice teacher training, the National Assessment Framework, the Grading System Framework, e-Basic Education Information System, and the financial management information system.

### ***Infrastructure***

4.7 NPSBE achieved significant outputs related to classroom construction. It constructed 4,813 new classrooms and 13,659 refurbished classrooms through the DepEd principal-led construction approach. Multiple government agencies—including DepEd and the Department of Public Works and Highways (DPWH), and private sector actors such as Chinese contractors—had been involved in school construction at the time. All stakeholders considered the DepEd principal-led construction to be a preferred approach, though the DPWH approach was adopted later at the end of the project period. DepEd construction was considered better in actual quality of construction, including monitoring quality of materials, progress of construction, and feedback loops with relevant stakeholders. External research studies of DepEd's principal-led school construction also validate better outcomes over DPWH or schools constructed by private Chinese contractors (G-Watch 2004). In one example noted during the IEG mission, the school principal commented on using parents to help level the school building for free—this enabled him to use the allotted ₱1.25 million for other construction activities. Project documents did not include an estimate of how many multiple stakeholders preferred DepEd's principal-led construction approach to DPWH's approach during the project period.

4.8 After NPSBE ended, the responsibility for principal-led construction was transferred from DepEd to DPWH. This change in standard government practice for

public works infrastructure occurred after an AusAid report identified principal-led construction as a potential source of fraud, though the methodology of this determination remains unclear. This report is not available in the public domain and was not reviewed as part of this assessment. DepEd and several civil society organizations disputed its general conclusion, noting that the likelihood of corruption under principal-led construction was, in fact, lower than the likelihood under other public and private infrastructure approaches. At the same time, stakeholders clarified that the success of principal-led construction was linked strongly to each principal's capacity.

4.9 SPHERE supported regional teaching and learning resource centers. Thirty-one centers were provided with appropriate ICT and office equipment at the regional and divisional levels, meeting the original target of operationalizing 32 centers (one was destroyed by the 2013 typhoon).

### ***Teaching and Learning Materials***

4.10 NPSBE supported the production and distribution of learning materials. The project financed the printing of 30 million textbooks for elementary school students and 16.5 million textbooks for high school students. In addition, the project supported the development of a new textbook distribution system. Previously, teachers and school staff would go to a division office to get their books. Under the new system, the school received the textbooks at a central school. The new textbook distribution system also used SBM stakeholders—including Barangay community officials, local civil society organizations, and parents—in monitoring textbook distribution at the school level. Stakeholders say the process is now more streamlined. In one school that the IEG mission visited, both the school governing council and the parent-teacher association have been responsible for receiving classroom and textbook materials within the past two years. However, in other schools visited during the mission, the monitoring of textbook distribution was unclear among stakeholders.

### ***School-Based Management***

4.11 The NPSBE, with project support, established or strengthened elements of the SBM framework, including the following: (i) formalization of SBM coordinating bodies made up of the school governing council, the parent-teacher association, and the student government; (ii) development of SBM tools, such as the SIP, the annual implementation plan, and the school report card; and (iii) creation of SBM funds, such as SBM and MOOE funds. Neither project documents nor the IEG mission provide adequate additional detail on the level of autonomy by function (administrative or curricular/pedagogical) in the SBM model that the project followed or the extent of its mainstreaming, limiting an assessment of social efficiency and accountability.

4.12 During the IEG mission, local stakeholders such as school principals, teachers, and parents generally agreed that SBM institutions and actions strengthened unity, particularly accountability and participation, but with some limitations. Civil society organizations expressed concerns that many schools adhere to SBM out of a culture of compliance. Others noted that the success of SBM is highly contingent on the school principal's capacity and leadership. An impact evaluation also notes that the impact of

SBM is related to the principal's personality and leadership skills (World Bank and AusAID 2013).

4.13 The IEG mission identified multiple examples of specific stakeholders commenting on greater local ownership of their schools because of project interventions. In one school cluster, teachers stated that SBM led to positive changes in relationships with their school principals, other teachers, and parents. Specifically, they could speak more freely to school principals, engage in peer-to-peer mentoring with other teachers, and speak openly to parents. Other stakeholders, such as Barangay officials, are also more likely to ask teachers and parents for their involvement in community affairs. In one Barangay visit, the Barangay Captain invited a local school principal and teachers to take part in budget meetings to incorporate the school's implementation plan and annual implementation plan. However, in some situations, school governing councils and parent-teacher associations conflicted with each other because of a lack of clarity in roles and responsibilities.

4.14 SIPs were in use at almost all schools and became indispensable for management of school affairs, with some weaknesses in monitoring and results frameworks. The IEG mission noted that SIPs tended to document inputs and activities rather than outputs and outcomes, except for National Achievement Test scores, which are outcomes identified in most SIPs. Furthermore, most SIPs do not appear to have baselines and have limited targets.

4.15 All school stakeholders interviewed during the IEG mission, particularly teachers and parents, noted a much better understanding of school performance indicators through various SBM tools, such as SIPs and school report cards. Many parents were not actually familiar with the tools themselves, but most were aware of the information contained in the tools, mainly school performance indicators. Parents, in general, felt very comfortable in using social media mechanisms to voice their concerns about the school.

4.16 The project provided SBM grants in 81 percent of targeted schools, exceeding the 75 percent target, and provided MOOE in 88 percent of targeted schools, exceeding the 65 percent target. An impact evaluation conducted by the World Bank and AusAID (2013) noted that although financial decentralization to schools doubled, the principal's control over unearmarked school-level funds accounted for only 5 percent of overall basic education spending, with earmarked funds continuing to constitute the majority of expenses (including teachers' salaries). This is "very low" compared with other East Asian countries (NPSBE ICR). However, the small unearmarked funding appears to have been meaningful. The IEG mission found that most principals of schools in the locations visited used SBM grants for intended teaching and learning (including curriculum development) and school feeding purposes, with the caveat that this sample size was small.

4.17 Multiple school-related funds merged into MOOE during the project period. The current use of MOOE varies from light repairs and public services to teaching and learning purposes. For example, one elementary school visited during the IEG mission used 15 percent for maintenance and repairs, 20 percent for utilities, 25 percent for administrative and classroom supplies, and 35 percent for training. Schools were also

successful in accessing the Special Education Fund, which property taxes generate and the local government unit's school board manages. An impact evaluation noted that schools that received SBM grants were also more likely to receive grants from local government units (World Bank and AusAID 2013).

4.18 The assessment found some evidence that SBM led to increased in-kind contributions. Brigada Eskwela, for example, is a collective movement to improve school grounds shortly before the beginning of the school year. Its activities might include constructing or building a school grounds fence, planting a garden, and the like. The parent-teacher association also mobilized its own resources. However, critics noted that MOOE and the parent-teacher association funds were used more for physical environment upgrades, such as facilities and equipment, than for direct inputs into learning, with some notable exceptions.

4.19 SPHERE also established school-based financial systems in 88 percent of schools, exceeding the 65 percent target. Most schools used school-based financial management systems for the disbursement of school-based funding.

4.20 The evidence from the missions and the literature suggests that the implementation of SBM has been mixed. Even so, there is some evidence of change moving in the right direction. Khattri, Ling, and Jha (2012) finds that SBM had a statistically significant effect in its earlier years of implementation (2003–05). Participation in SBM was associated with slightly higher test scores in English, mathematics, and science. The analysis narrowly defined SBM as the provision of training for school leaders to create SIPs, as well as small amounts of funding for the school implementation plan. The authors acknowledge that the data available at the time were limited and did not allow a thorough analysis of the processes through which SBM reforms might have affected observed outcomes. However, a 2014 World Bank–AusAid study indicates that “most schools in the Philippines have not yet gone very far in implementing SBM,” having put in place “only a minimum number of arrangements” for community participation and for actions to improve learning outcomes (World Bank and AusAID 2016a, xxii).

### **DID QUALITY IN LEARNING OUTCOMES IMPROVE?**

4.21 The project's formal indicators paint a mixed picture on achievement of targets related to intermediate outcomes indicators on learning outcomes. Appendix B (results table) shows that targets were achieved for increases in the elementary and high school participation rate and for the high school completion rate, but targets were missed for dropout rates at all levels, elementary completion rates, and cohort survival. Achievement test score results from the project's results framework were largely positive: there was improvement in all subjects in grade 6 testing nationwide between 2005 and 2013, and improvements in some subjects on high school examination scores (mathematics, Filipino, and social studies) and declines in others (English and sciences) in the same period.

4.22 The IEG mission collected additional outcome data on National Achievement Test results. Between 2004 and 2014, there was an important increase in the National

Achievement Test results in all subjects. Table 1 reports the data by region by all subjects in grade 6. Although there may have been some changes in how the test was scored or the test content, this was unlikely to be a major factor. The data in 2004 reported only normalized scores (from 0 to 100), whereas in 2014, the data included both raw and normalized scores. This evaluation compares normalized scores to maintain comparability. Note that the NAT results reported are only for students in public schools, and student scores were available for 2004 and 2014 only.

4.23 In most cases, scores increased substantially in all geographic regions in all subject areas. There appears to be no significant gains in any of the subject areas in two regions: Region IV-A (Calabarzon) and Region IV-B (Southwestern Tagalog) and the National Capital Region (NCR). These are two of the wealthiest regions in the country, and they probably have among the highest proportion of private school participation. In 2004, Regions IV-A and IV-B were above the national average, whereas NCR was at the national average. By 2014, these regions had fallen below the national average. Table 1 provides detailed information on National Achievement Test scores for all subjects and regions for 2004 and 2014. No disaggregated data are available specifically for schools that benefited from the project's interventions.

**Table 1. Grade 6 National Achievement Test Scores for all Subjects and Regions, 2004 and 2014**

Region	Math		English		Science		Filipino		HEKASI		Total	
	2004	2014	2004	2014	2004	2014	2004	2014	2004	2014	2004	2014
I	65.8	74.4	64.6	74.5	58.9	68.8	65.6	68.7	64.5	71.7	63.9	71.6
II	52.6	76.2	53.8	76.2	49.1	70.9	57.2	72.2	54.7	73.9	53.5	73.9
III	57.0	78.5	58.1	78.2	52.9	75.2	61.4	73.8	58.5	76.4	57.6	76.4
IV-A	64.7	62.6	62.5	64.2	58.0	60.3	67.4	66.8	64.2	62.3	63.4	63.2
IV-B	62.1	62.6	60.0	64.2	55.8	60.3	65.1	66.8	62.3	62.3	61.1	63.2
V	53.9	69.7	54.9	69.9	50.3	65.7	59.3	68.3	56.7	68.6	55.0	68.4
VI	54.0	75.7	56.5	77.2	52.6	74.3	58.4	72.1	57.7	75.6	55.8	75.0
VII	63.7	75.9	61.8	77.9	55.2	70.7	62.2	71.3	59.9	71.9	60.6	73.5
VIII	72.1	80.7	70.0	79.2	63.7	76.4	70.6	75.0	69.4	76.3	69.1	77.5
IX	59.6	78.8	59.5	78.4	53.7	74.3	58.8	71.5	57.9	74.7	57.9	75.5
X	54.7	76.5	56.3	76.6	56.3	72.4	56.6	69.8	55.0	72.6	54.6	73.6
XI	54.8	76.5	55.8	77.7	51.9	75.3	57.8	72.9	56.1	73.9	55.3	75.3
XII	52.6	80.7	53.8	79.7	50.1	76.6	56.0	74.4	54.2	76.9	53.4	77.7
NCR	56.9	56.7	57.6	60.1	52.8	57.4	62.7	63.5	59.3	59.4	57.9	59.4
CAR	55.0	73.2	56.0	75.5	51.3	68.7	56.5	70.1	53.5	70.5	54.5	71.6
ARMM	46.2	61.4	49.3	65.3	42.7	55.8	49.2	59.9	47.4	57.9	47.0	60.1
CARAG A	71.9	84.3	69.9	82.7	63.4	79.1	70.1	76.0	69.4	79.4	68.9	80.3

Source: Department of Education data. Region I – Ilocos; Region II – Cagayan Valley; Region III – Central Luzon; Region IV-A – Calabarzon; Region IV-B – Southwestern Tagalog; Region V – Bicol; Region VI – Western Visayas; Region VII – Central Visayas; Region VIII – Eastern Visayas; Region IX – Zamboanga; Region X – Northern

Mindanao; Region XI – Davao; Region XII – Soccsksargen; NCR - National Capital Region; CAR – Cordillera Administrative Region; and ARMM – Autonomous Region in Muslim Mindanao.

4.24 The government’s reform, BESRA, was widespread and included reform of most aspects of the education system. NPSBE’s SBM grants reached more than 29,000 elementary schools and high schools, representing most of the total number of schools with approved SIPs (a little more than 36,000), and SPHERE grants covered about one-quarter of all elementary schools. The World Bank’s support to BESRA through NPSBE focused on the main elements of reform, and much of this support had a catalytic effect, bringing reform to scale throughout the school system and institutionalizing it. NPSBE likely contributed substantially to advancing BESRA. Similarly, SPHERE’s technical assistance contributed to key elements of the BESRA reforms.

4.25 It is plausible to conclude that classrooms construction, teacher development activities, and other interventions under NPSBE and SPHERE likely contributed **substantially** to the achievement of these improved national examination scores, and therefore to the quality of learning outcomes.

## **Objective II. Improve Equity in Learning Outcomes**

4.26 Achievement of the objective to improve equity in learning outcomes is rated **modest** for both NPSBE and SPHERE.

### **OUTPUTS**

4.27 NPSBE aimed primarily to achieve equity-related outcomes by supporting the entire range of students and schools, assuming largely that improvements in overall access would implicitly have equity impacts. As stated previously, a more precise definition and operationalization of “equity” were not formulated.

4.28 NPSBE aimed to strengthen the equitable deployment of teachers through the development of long-term staffing plans and hardship allowances for teachers. However, there is no detailed evidence on outputs obtained. Teachers in distant areas were given hardship allowances. In addition, DepEd considered teachers’ place of residence when placing them, meaning that teachers from specific geographic locations were given priority for placement in those regions. However, the total amount of hardship pay was not adequate to have made a significant impact on overall teacher deployment, and therefore equity in learning outcomes. Under the amount allocated in the budget, only 3,000 teachers annually (fewer than 1 percent of all basic education teachers) could have been covered by the full hardship amount (25 percent of base salary); or, if 20 percent of all basic education teachers were covered with hardship pay, the average payment per teacher would have been only 1 percent of their average annual salary (NPSBE ICR).

4.29 The criteria used to select schools for MOOE grants varied across the years of project implementation. During the NPSBE’s lifetime, operating expenses were still allocated to school divisions on a per-student basis, “which has the potential to reinforce existing inequalities in education performance” (ICR, 47). A new funding formula developed under the project (in 2012), which prioritizes school recipients based on the

income class of the division, has the potential to address differences in school needs across regions and divisions, but its impact cannot yet be assessed.

4.30 The distribution of SBM grants could also have been problematic from an equity perspective. The project supported a simplification of the school improvement plan template that was expected to increase schools' ability to develop and approve SIPs. Although the government's ICR states that the SBM grants focused on schools "in difficult situations (conflict areas, high incidence of poverty, and remotely located)," it is unclear what impact this implementation experience might have had on underperforming schools and overall equity considerations because no specific data are provided on the characteristics of schools that received the grants (56). Furthermore, according to the ICR, the project addressed an identified "perverse incentive for schools having to underperform to receive SBM funds" by ensuring that "even better performing schools should benefit from SBM grants" (34). A World Bank–AusAid study (2016a) found that SBM reforms have had only a limited impact in schools serving poorer communities, with students from the poorest 20 percent of households more likely to attend schools with lower levels of self-assessed SBM implementation. The study suggested that this disparity was due, at least in part, to schools in poorer areas having less funding to support key elements of SBM, including the implementation of SIPs.

4.31 SPHERE's impact on equity is also likely to have been mixed. The project's ICR raises questions about whether its planned targeting of SBM grants at disadvantaged areas was realized, stating, "The indicators laid out in DepEd guidelines to select schools for inclusion in the program (dropout rates, NAT scores, and so on) were not strong predictors of grant receipt." However, some activities were targeted specifically at disadvantaged populations. The project supported the development of more than 500,000 teaching and learning materials for 50 low-performing school divisions, covering 30 percent of the lowest-performing schools in each division. Mother tongue–based multilingual education was piloted in 20 languages in 921 schools across the country, accompanied by the development of supporting materials in 12 main languages and training materials for more than 2,500 early grade teachers in the methodology. SPHERE also constructed classrooms in high-need locations in the southern part of the country, essentially reaching initial targets for provision of classrooms and toilets, and the quality of construction was acceptable.

4.32 The appraisal documents for both projects show that key output and outcome indicators would be disaggregated by gender, grade, and region "wherever appropriate." However, these data, which would have been useful for assessing equity outcomes, do not appear to have been routinely collected.

### **DID EQUITY IN LEARNING OUTCOMES IMPROVE?**

4.33 The projects' results frameworks' main measure of equity focused on outputs: the proportion of resources flowing into richer schools compared with poorer schools. Although appraisal documents for both projects indicated that the project would track standard deviations in grade 6 achievement test scores, neither baselines nor targets were provided, and outcomes are not reported. The interquartile ratio for elementary and high school teachers (proportion of teachers placed in the top 25 percent of schools divided by

the proportion of teachers placed in the bottom 25 percent of schools) decreased from 2 in 2005 to 1.95 in 2013 for elementary schools, which does not meet the target of 1.45. For high schools, the ratio decreased from 2.54 in 2005 to 2.19 in 2013, again not meeting the target of 1.95.

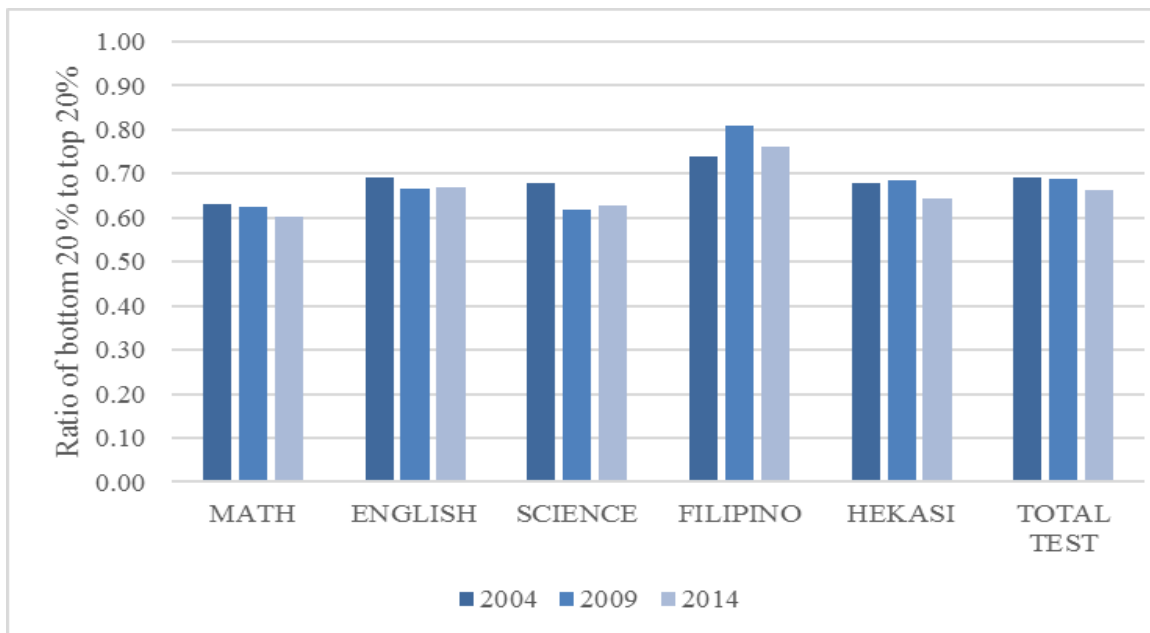
4.34 Equity in learning outcomes is assessed using two distinct measures beyond the projects' formal results frameworks: the 20:20 ratio and the coefficient of variation. Both indicators are mathematically tractable and require limited data.

### ***The 20:20 Ratio***

4.35 The 20:20 ratio compares learning outcomes from the top 20 percent of schools with those of the bottom 20 percent of schools in a given category. The 20:20 ratio provides a straightforward comparison of inequality *between* divisions. Figure 1 presents the 20:20 ratio of NAT scores by subject in 2004, 2009, and 2014. It is based on the average overall score in each DepEd division, comparing the average overall score in the lowest-performing division to that in the highest-performing division.

4.36 The results show virtually no change in inequality between jurisdictions from 2004 to 2014. There was a slight increase in inequality in test scores in science. The level of inequality does not vary significantly between the different subjects, though it appears that the results for Filipino are the most equitable. This could point to a limited impact of the projects on interdivision equity—which was notably a target of SPHERE, though attribution remains difficult. Given the nature of the NAT, it is not possible to calculate inequality within specific geographic regions.

**Figure 1. 20:20 Ratio, Lowest-Performing Divisions to Highest-Performing Divisions**



Source: Independent Evaluation Group calculations from Department of Education data.



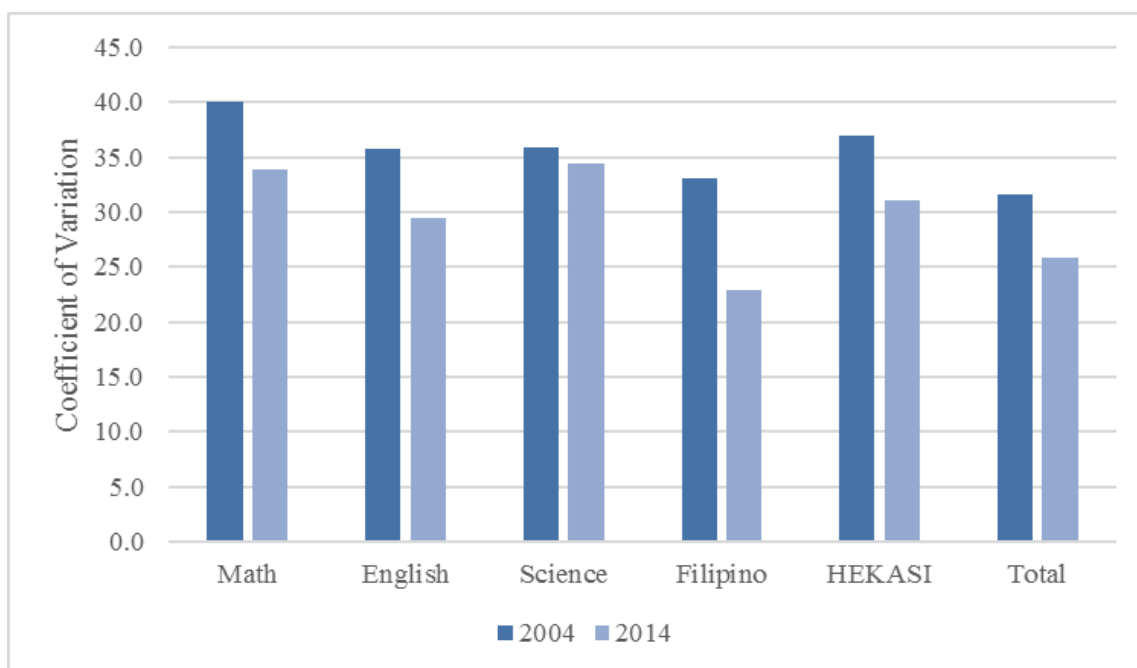
### *Coefficient of Variation*

4.37 The second measure of equity is the coefficient of variation, which measures changes in the standard deviation of a sample relative to its mean. The coefficient of variation also allows subgroup decomposition. The coefficient of variation allows a measure of equality within a certain group—in this case, the nation and the region.

4.38 Figure 2 presents the national changes in the coefficient of variation. A lower number indicates greater equality within the unit of observation (for example, math results at the national level). At the national level, it is clear that results in NAT have become more equitable over time. There were changes in the coefficient of variation at the national level in all subjects except for science, where it appears to have changed little.

4.39 Tables D.1 and D.2 in appendix D present the coefficients of variation for 2004 and 2014 at the regional level. At the local level, an important decrease in inequality occurred within most regions and in most subject areas.

**Figure 2. Coefficient of Variation at the National Level**



Source: Independent Evaluation Group calculations from Department of Education data.

4.40 The findings of the coefficient of variation differ from those of the 20:20 ratios. There are several explanations for this difference. The 20:20 ratio focuses on comparisons among DepEd divisions as individual units using the mean (known in statistics as the first moment). It does not have any weighting to account for the different population sizes of the divisions, and it does not take into account variation within and among the unit of observation. By contrast, the coefficient of variation uses both the mean and the variance (the first and second moments) and provides a more sophisticated

measure of inequality. It also allows more flexibility in the unit of observation and allows both comparison and within-unit analysis. Overall, these statistical findings indicate that there might have been a slight reduction in inequality in learning outcomes during the project's lifetime, but additional data and analysis are necessary to determine trends with any degree of certainty.

4.41 Because of the unclear definition of “equity” that the projects used, the unclear theory of change, and mixed outcomes, the achievement of the objective to improve equity in learning outcomes is rated **modest** for both projects. It is challenging to identify a clear results chain linking most equity-related interventions of these two projects with the limited observed results. It is also difficult to disentangle the impact of these projects, and the overall program they supported, from that of other interventions. For example, in parallel with BESRA, the Philippines also implemented a conditional cash transfer program that provided resources to poor households to enable their children (ages 6–14) to attend school and access health services.

## **Efficiency**

4.42 Both NPSBE and SPHERE supported a comprehensive education reform with a complicated theory of change. These investments were not amenable to cost-benefit analysis. Although the costs are well defined, the benefits were dispersed. Neither project conducted an economic analysis.

### **NATIONAL PROGRAM SUPPORT FOR BASIC EDUCATION**

4.43 The efficiency of NPSBE is rated **substantial**.

Principal-led construction was the single largest component of NPSBE, accounting for \$97 million (or 48.5 percent) of the \$200 million dollar total financing. The IEG mission talked with many stakeholders who observed that the cost of infrastructure under principal-led construction was less expensive than other forms of construction. Although exact estimates are not available, discussions with stakeholders suggest that costs were significantly lower because of in-kind community contributions. Although harder to quantify, many respondents reported that the quality of the infrastructure was higher in principal-led construction schools. At the very least, local contractors were more responsive to school needs and made modifications and repairs as necessary.

4.44 The costs of textbook provision were relatively low under NPSBE. The ICR's analysis suggests that costs were about \$42 million less than they would have been when compared with the unit costs of previous projects.

4.45 The project also made a major contribution to promoting SBM, which increased community participation and strengthened many mechanisms to promote engagement. The IEG mission gathered evidence that communities play a major role in supporting their local schools. This includes maintaining the school, building infrastructure, preparing food, and supporting academic activities. Although community participation has always played a role in education, giving greater control to the principal and school

community appears to contribute to increasing and better focusing the community participation, increasing the cost-effectiveness of project interventions.

4.46 Both projects' conceptualization of equity might have been problematic from an efficiency perspective. Under both NPSBE and SPHERE, the achievement of improved equity in learning outcomes was viewed primarily through the lens of improved access for all students. Even assuming this logic was appropriate for the country context, it might not have represented a more cost-effective approach than targeting specific disadvantaged or vulnerable groups.

4.47 NPSBE disbursed most of its financing with an extension of 12 months, though there were some delays. The project led to some crowding in of government financing. There were some procurement issues, but they were relatively minor.

### **SUPPORT FOR BASIC EDUCATION SECTOR REFORM**

4.48 The efficiency of SPHERE is rated **modest**.

4.49 SPHERE experienced inefficiency because of significant delays that resulted in three closing extensions and cancellations of its resources. The construction and refurbishing of teaching and learning resource centers, as well as supplementary teaching and learning materials, encountered significant procurement delays because of the complexity of procedures and weaknesses in procurement planning. Similarly, delays in assessment of teachers' training needs slowed the implementation of several inservice training programs. The provision of SBM grants was also delayed because of bottlenecks in the formulation of guidelines for grants allocation and distribution. The project did not provide significant resources for infrastructure as initially planned, and despite attempts, these resources were not reallocated successfully. The project was extended by 29 months, but at the time of closing, approximately 10 percent of the grant was canceled. These funds could have been better allocated toward other uses.

4.50 The project also experienced low financial management capacity that led to shortcomings with statements of expenses and liquidation of funds. DepEd also did not have the appropriate release documents (SARO) from the Department of Budget and Management, which led to limited cash flow and procurement delays. In June 2010—two years after the approval of the grant (a three-year grant)—the project had disbursed only 40 percent of funds. These are considered significant shortcomings in the cost-effectiveness of use of project resources.

## **Ratings**

### **OUTCOME**

4.51 For the NPSBE, relevance of objectives is rated **substantial**, and relevance of design is rated **modest**. Achievement of the objective to improve quality of learning outcomes is rated **substantial**, but achievement of the objective to improve equity of learning outcomes is rated **modest**. Efficiency is rated **substantial**. Therefore, NPSBE's outcome is rated **moderately satisfactory**.

4.52 For SPHERE, relevance of objectives is rated **substantial**, and relevance of design is rated **modest**. Achievement of the objective to improve quality of learning outcomes is rated **substantial**, but achievement of the objective to improve equity of learning outcomes is rated **modest**. Efficiency is rated **modest**. SPHERE's outcome is rated **moderately unsatisfactory**.

#### **RISK TO DEVELOPMENT OUTCOME**

##### ***National Program Support for Basic Education and Support for Basic Education Sector Reform***

4.53 The risk to development outcome for both projects is rated **moderate**.

4.54 Overall, all the reforms that the projects supported are now well embodied in national education policy. The current reform (K to 12 education policy) is built directly on BESRA with the explicit aim to follow through on existing reforms. The government's financial situation is strong, and it continues to spend significant resources on public education. There is little risk that the overall accomplishments and the main areas of BESRA will lose sustainability. Similarly, the World Bank remains active in supporting policy reforms, and stakeholders appreciate its role in BESRA.

4.55 The World Bank's Learning, Equity, and Accountability Program Support Project (LEAPS) succeeded NPSBE and SPHERE. LEAPS is a \$300 million loan and will incorporate disbursement-linked indicators for disbursement of funds. Its aims are as follows: (i) improve teaching and learning in early grade reading and math through teacher capacity building, mother tongue reading, and math assessment tools; (ii) strengthen accountability through SBM; and (iii) improve programming (such as alternative learning systems) for disadvantaged groups (World Bank 2014). LEAPS also attempts to provide schools and teachers with incentives based on student learning achievement. LEAPS was approved in 2014 and is expected to close in 2018. Its SBM component is a clear follow-on to NPSBE and SPHERE. The teacher incentive program builds on NCBTS (teacher standards). The other two components in early grade, mother tongue, and Alternative Learning System are in line with the government's K to 12 policy.

4.56 However, many specific elements of the reform have evolved over time. After the project closed, several elements of the reform were weakened. Because some school principals were fearful of "losing control" over SIPs, DepEd changed the locus of formal drafting of SIPs from the school governing council to a newly created body known as the School Planning Team. The principal appoints members of the School Planning Team. The school governing council now plays a broader advisory role. Therefore, this new approach could be more vulnerable to elite capture. These changes represent the natural evolution of education policy, as well as attempts to weaken certain elements.

4.57 In addition, the government canceled principal-led construction in 2011, ostensibly for legal concerns because of restrictions imposed by public procurement rules. Ongoing school maintenance continues with resources from SBM funds and

community support, but the DPWH now implements most construction for the education sector.

## **BANK PERFORMANCE**

### *Quality at Entry*

4.58 Quality at entry is rated **moderately unsatisfactory** for NPSBE and SPHERE.

4.59 The World Bank and the government worked to ensure that NPSBE's project design aligned closely with government policies and strategies, including BESRA and the medium-term development plan. In addition, multiple workshops between the World Bank and the government ensured that NPSBE and BESRA were in sync with each other, the World Bank's overall program, and other government policies. In addition, the World Bank conducted a quality enhancement review, and its findings were considered in the project's design, implementation arrangements, and risk assessment (World Bank 2013, 6). During the IEG mission, multiple government staff noted the strong relationship with World Bank staff in designing and implementing the project. SPHERE benefited from close alignment with NPSBE, and their design processes were similar.

4.60 This consistent and ongoing engagement should have led to more relevant financial management and procurement assessments. The financial management and procurement shortcomings seen in the two projects were also prevalent in other World Bank projects in the Philippines and had been identified by the World Bank's support for public administration reform. The World Bank should have been better able to anticipate the government's implementing unit's capacity needs for financial management, especially the newly designed eNGAS and procurement.

4.61 Most important, the projects' equity objectives were not clearly defined and operationalized with full consideration of country context, and the overall theory of change—particularly related to SBM activities and to the equity objective overall—was not well specified. Equity indicators in the projects' results frameworks were largely output-oriented and were not adequate to assess achievement of the development objectives. These elements of both projects' conceptualization and results frameworks represent significant shortcomings in preparation.

### *Quality of Supervision*

4.62 Quality of supervision is rated **moderately satisfactory** for both NPSBE and SPHERE.

4.63 The two projects were supervised together, and 10 implementation support (supervision) missions were conducted (World Bank 2014c 2015). A staff member based in Manila led the World Bank team. From the World Bank side, mission members typically included social and financial specialists as necessary. Missions normally consisted of meetings in Manila and at least one field visit, with the full participation of DepEd. Supervision missions were also intended to provide policy dialogue and assist in the BESRA implementation. The government and other stakeholders acknowledged that

the missions were an integral part of technical assistance. Generally, the supervision of NPSBE was carried out efficiently with a focus on addressing issues.

4.64 In general, a variety of stakeholders confirmed the high quality of the World Bank implementation team. Staff at DepEd clarified the importance of having an in-country team leader who was available for consultation when needed and was focused on solving problems as they arose.

4.65 SPHERE was the first AusAid-financed project that used country systems; AusAid had always used an independent project approach in previous projects. This led to continuous dialogue and discussion with both DepEd and the World Bank, and some project delays. A specific midterm review for SPHERE was conducted in February 2010, followed by a March 2010 independent progress review by AusAID. These reviews revealed low financial management capacity that produced problems with statements of expenses and liquidation of funds. The World Bank is believed to have done everything possible to mitigate problems and delays.

4.66 Overall World Bank performance is rated **moderately satisfactory** for NPSBE and **moderately unsatisfactory** for SPHERE, adhering to Operations Policy and Country Services and IEG harmonized guidelines stipulating that the outcome rating will generally determine the rating for World Bank performance when the rating for one dimension is in the satisfactory range and the rating for the other dimension is in the unsatisfactory range.

## **BORROWER PERFORMANCE**

### *Government Performance*

4.67 Government performance for NPSBE and SPHERE is rated **moderately satisfactory**.

4.68 For both NPSBE and SPHERE, the government, through the National Economic and Development Authority, provided significant support through the development of the Philippine Midterm Development Plan. The government's DepEd had a firm commitment to BESRA, and specifically to the components covered by the projects. The Commission of Audits reviewed DepEd financial statements regularly, thoroughly, and transparently. As the country's fiscal situation improved, the government increased its financial support substantially, including additional funding for programs supported by the projects and new programs.

4.69 The government's temporary suspense of eNGAS led to procurement delays, mostly between 2008 and 2011. Similarly, the government reinstated selective preaudits for cash advances and school construction, which led to further delays in procurement at the school level. The same was true for the delayed issuance of special allotment release orders or notices of cash allowances for DepEd (World Bank 2013, 24). All of these changes reflected the government's efforts to introduce more controls and reduce corruption. These steps were by no means exclusive to DepEd and had significant impact on most government agencies.

### ***Implementing Agency Performance***

4.70 Implementing agency performance for NPSBE and SPHERE is rated **moderately satisfactory**.

4.71 DepEd was the implementing agency. BESRA marked a shift from a project approach to a program approach. BESRA components were formalized based on previous World Bank and other donor-funded pilots. BESRA was institutionalized at about the same time as NPSBE's approval. Specifically, DepEd used NPSBE and SPHERE to institutionalize the SBM framework, including SBM coordinating bodies (school governing council and parent-teacher association), SBM strategic tools (school implementation plan, annual implementation plan, and the school report card), and SBM financing modalities (SBM grants and MOOE funds). DepEd also institutionalized NCBTS, particularly the teacher self-evaluation tool. BESRA laid the groundwork for inclusive education and was the precursor for the government's K to 12 education policy that includes minority-driven programming such as mother tongue instruction.

4.72 During the IEG mission, multiple stakeholders noted that constantly changing national-level SBM guidelines created confusion. For example, the national-level SBM working group was terminated in 2012, and a newly created School Effectiveness Office that has assumed responsibility for SBM has no common staff. In another example, new e-school implementation plan guidelines focus on creating a school parent team (versus the former school governing council).

4.73 DepEd also faced challenges with financial management and procurement policies, particularly at the regional and local levels (World Bank 2013, 24). This was primarily because of weak financial management capacity. Although these shortcomings caused delays, they did not appear to lead to significant consequences with NPSBE, though significant delays were noted with SPHERE. They also led to delays in collecting and processing data. In addition to weak financial management and procurement staff, DepEd also had a complicated internal approval process that led to delays in some interactions, including restructuring of both projects.

4.74 The overall borrower performance rating for NPSBE and SPHERE is **moderately satisfactory**.

### **MONITORING AND EVALUATION**

4.75 The quality of M&E for both NPSBE and SPHERE is rated **modest**.

#### ***Design***

4.76 The results framework was a major shortcoming for both projects (World Bank 2014c, 6). Both NPSBE and SPHERE derived project targets and indicators from BESRA, supporting the reform agenda by sharing accountability for results among DepEd and development partners. Project documents acknowledge that this decision would lead to a situation in which the projects' objectives did not align with the projects' components, activities, and indicators, and that it would be difficult to show attribution to

specific project inputs using national-level indicators. It was thought that the benefits of supporting the government's programmatic goals (and adopting its indicators) outweighed the challenges in demonstrating links between interventions and outcomes. Partially as a result, both NPSBE and SPHERE's project components and activities were oriented toward the first objective of quality, but not the second objective of equity. In addition, SPHERE's targets were ambitious considering its three-year period (World Bank 2015, 7).

4.77 It is understandable why NPSBE would use BESRA indicators, but the selected outcome indicators (such as elementary and high school participation, cohort survival, completion, and dropouts) were actually access outcome indicators rather than quality or equity outcome indicators. Other outcome indicators such as achievement rates were good-quality outcome indicators, but they were far removed from program components and activities (World Bank 2013, 4). The project knew that attribution would be challenging and therefore drafted many intermediate outcome indicators. However, the project's intermediate outcome indicators were actually process or output indicators. The equity objective was not well operationalized, and neither project selected appropriate indicators to measure its achievement (World Bank 2014c, 6). This shortcoming made it challenging to assess both projects.

### *Implementation*

4.78 BESRA supported several M&E initiatives that were piloted and achieved during NPSBE and SPHERE. NPSBE supported the rollout of the e-Basic Education Information System nationwide that enabled central offices to upload school data on their websites, allowing schools and divisions to download and share information. SPHERE dedicated technical assistance support specifically for M&E. The project supported an M&E system of learning resources materials development; an asset management system; a training and development system; an indigenous peoples grant-monitoring system; and a human resources information system. Project documents state that the DepEd Learner Information System currently holds information on approximately 20 million students and allows for informed decisions during planning and budgeting processes, but that level of information on student status and progress was not made available for assessing these projects' outcomes.

### *Utilization*

4.79 Despite NPSBE's internal results framework M&E and support of the e-Basic Education Information System, the project was unable to use data to update BESRA targets. SPHERE could update BESRA targets, but only after the release of a new census. It is unclear whether M&E systems are actually used for improving programs.

## **5. Common Lessons**

5.1 **Project and overall reform program achievements can be assessed and confirmed only through appropriate and relevant results frameworks.** Careful consideration should be given to ensuring that a project's results framework is coherent,



its objectives well defined, its theory of change well specified, and its indicators well-conceived to measure achievement of objectives. In this case, the lack of precision around the equity objective complicated assessment of achievement. Use of BESRA indicators may have been supplemented usefully with project-specific output and outcome indicators to flesh out the logic behind attribution.

**5.2 Broadly defined interventions like SBM are conceptualized and implemented differently in different contexts,** heightening the importance of country-specific analysis to explain the mechanisms at work in each intervention. In-depth evaluation of pilots to understand the level, degree, and types of autonomy and community participation achievable and realized, as well as the specific benefits to social efficiency and accountability and equity-related risks associated with various SBM designs, can illuminate important details and frame their generalizability.

**5.3 The World Bank can play an important role in leveraging and implementing funds from development partners, but careful attention to implementation systems is warranted when these partnerships are conceived.** In this case, challenges surrounding the harmonization of procurement and financial management systems led to inefficiencies and delays that jeopardized project efficiency.

**5.4 A technical assistance project implemented in parallel with a major program supported by the World Bank can achieve important benefits.** In this case, SPHERE provided resources to operationalize both NPSBE and BESRA and to fill identified gaps, achieving meaningful synergies.

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<sup>1</sup> Filipino and English are the official languages of the Philippines, but most of the population speaks other languages at home.

<sup>2</sup> The inclusive growth objective was to be achieved through four pillars: (i) stable macroeconomy; (ii) improved investment climate; (iii) better public service delivery; and (iv) reduced vulnerabilities. The cross-cutting theme of good governance would support all pillars and the overall objective

<sup>3</sup> It is noteworthy that the appraisal document for the follow-on Learning, Equity, and Accountability Program Support Project (\$300 million, 2014–18) explicitly defines equity in terms of income, ethnicity, disability, and geography, and defines disadvantaged groups to be targeted by the project as indigenous peoples, persons with disabilities, children living in remote or difficult-to-access locations, and out-of-school children and youth.

<sup>4</sup> According to the 2016 Annual Poverty Indicators Survey, an out-of-school child or youth refers to family members ages 6 to 14 who are not attending formal school, and family members ages 15 to 24 who are currently out of school, not gainfully employed, and have not finished college or a postsecondary course. For more information, visit <https://psa.gov.ph/content/one-every-ten-filipinos-aged-6-24-years-out-school-child-and-youth>.

<sup>5</sup> AusAid appraisal amounts are calculated using the exchange rate at the time of project signing (\$A1 = \$0.955). AusAid actual amounts are calculated using the exchange rate as of May 28, 2014 (\$A 1 = \$0.9258). The difference between appraisal and actual amounts is because of a depreciation of the Australian dollar. Using the exchange rate as of May 28, 2014, the total appraisal value is \$36.5 million, of which \$34.1 million was disbursed.

<sup>6</sup> The project is not assessed using a split rating. Normally, a revision in key outcome targets would warrant a split rating evaluation. According to IEG and Operations Policy and Country Services guidelines, the final outcome rating for restructured projects is determined according to the percentage of funds disbursed before and after restructuring. As of December 2012, at the time of the third restructuring, 64 percent of project funds had been disbursed. However, in this case, pre- and postrestructuring ratings were the same. For streamlined presentation and because there would be no material difference in the ratings, this assessment is presented without the split rating.



## Appendix A. Basic Data Sheet

### NATIONAL PROGRAM SUPPORT FOR BASIC EDUCATION PROJECT (IBRD LOAN 7393-PH)

**Table A.1. Key Project Data (\$, millions)**

	Appraisal Estimate	Actual or Current Estimate	Actual as Percentage of Appraisal Estimate
Total project costs	200.00	200.00	100
Loan amount	200.00	200.00	100
Cancellation	0.00	0.00	0

Source: Project portal.

**Table A.2. Cumulative Disbursements Estimated and Actual**

	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13
Appraisal estimate (\$, millions)	5.00	50.00	110.00	170.00	190.00	200.00	200.00	200.00
Actual (\$, millions)	0.00	3.55	56.21	104.12	151.80	182.09	191.47	200.00
Actual as percent of appraisal	0	7	51	61	80	91	96	100
Date of final disbursement: April 30, 2013								

Source: Project portal.

Note: FY = fiscal year.

**Table A.3. Key Project Dates**

	<i>Original</i>	<i>Actual</i>
Concept review	05/24/2005	05/24/2005
Negotiations	05/08/2006	05/08/2006
Board approval	06/20/2006	06/20/2006
Signing	10/03/2006	10/03/2006
Effectiveness	01/01/2007	01/01/2007
Closing date	12/31/2011	12/31/2012

**Table A.4. Task Team Members**

Name	Title	Unit
<b>LENDING AND SUPERVISION</b>		
Dominic Reyes Aumentado	Senior Procurement Specialist	EASR1
Ernesto Diaz	Consultant	EASHD
Dingyong Hou	Senior Education Specialist	ECSH2
Parivash Mehrdadi	Temporary	MNC05
Maria Loreto Padua	Senior Social Development Specialist	EASPS
Lynnette Dela Cruz Perez	Senior Education Specialist	EASHE
Niel Baumgart	Education consultant	EASHE
Norman Larocque	Education Finance Consultant	EASHD
Rosario Manasan	Economist Consultant	EASPS
Josefo Tuyor	Senior Operations Officer	EASPS
Mei Wang	Senior Counsel	LEGAM
Michel Welmond	Lead Education Specialist	HDNED
Preselyn Abella	Senior Finance Officer	CTRLN
Kristine May San Juan Ante	Program Assistant	EACPF
Corinne Bernaldez	Team Assistant	EACPF
Cesar Palma Banzon	Program Assistant	GSDCS
Aisha Lanette N. De Guzman	Financial Management Specialist	EASFM
Rene S. D. Manuel	Senior Procurement Specialist	EASR1
Gerardo F. Parco	Senior Operations Officer	EASPS
Rozanno E. Rufino	E. T. Consultant	EASHE
Fe Timonera	E. T. Consultant	CTRLA
Nicholas Tenazas	Education Consultant	EASHE
Maria Adoracion Fausto	Monitoring and Evaluation Consultant	EASHE
Sandra Beemer	Senior Operations Officer	EASHE
Samer Al-Samarrai	Operations Officer	EASHE
Franco Russo	Senior Education Economist	EASHE
Maryse Gautier	Operations and Portfolio Manager	EACPF
Philip Cohen	Consultant	EASHE
Nidhi Khattri	Senior Evaluation Officer	World Bank, IEG
Cristina Marosan Ling	Evaluations Officer	World Bank, IEG
Marifer Cumigad Fagela	Civil Works Consultant	EASHE
Romeo Guce	Civil Works Consultant	EASHE
Honesto Nuqui	Data Management Consultant	EASHE
Sally Pritchard	Education Consultant	EASHE

Name	Title	Unit
<b>LENDING AND SUPERVISION</b>		
Victoria Catibog	Financial Management Consultant	EASHE
Maria Cynthia Bautista	School-Based Management Consultant	EASHE
Nelson Ireland	Education Consultant	EASHE
Vicente Paqueo	Education Consultant	EASHE
Gerardo Parco	Environmental Specialist	EASPS
Harry Patrinós	Sector Manager	HDNED
Rozanno Rufino	Education Specialist	EASHE
Ismael Tabije	Civil Works Consultant	EASHE
Xiaoyan Liang	Senior Education Specialist	EASHE
Alfonso de Guzman	Textbook Consultant	EASHE
Rebecca Aquino	Temporary	EASHE

Source: Implementation Completion and Results Report

**Table A.5. Staff Time Budget and Cost for World Bank**

Stage or Year of <b>Project Cycle</b>	Staff <b>Weeks (number)</b>	Finance (including travel and consultant costs) ( <b>\$, thousands</b> )
<b>LENDING</b>		
FY05	24.06	132.80
FY06	68.25	281.37
FY07	7.04	7.44
<b>Total</b>	<b>99.35</b>	<b>421.63</b>
<b>SUPERVISION AND IMPLEMENTATION COMPLETION AND RESULTS REPORT</b>		
FY07	36.40	121.21
FY08	26.35	106.63
FY09	24.70	97.41
FY10	14.85	68.60
FY11	22.35	76.48
FY12	11.51	49.11
FY13	7.64	76.60
<b>Total</b>	<b>143.80</b>	<b>596.04</b>

Source: Implementation Completion and Results Report

## SUPPORT FOR BASIC EDUCATION SECTOR REFORM (TF 091695)

**Table A.6. Key Project Data (\$, million)**

	Appraisal Estimate	Actual or Current Estimate	Actual as <b>Percentage</b> of appraisal estimate
Total project costs	37.69	34.12	91
Loan amount	37.69	34.12	91

Source: Implementation Completion and Results Report.

**Table A.7. Cumulative Disbursements Estimated and Actual**

	FY08	FY09	FY10	FY11	FY12	FY13	FY14
Appraisal estimate (\$, millions)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Actual (\$, millions)	0.00	2.77	15.11	16.28	23.26	25.59	33.89

Date of final disbursement: March 31, 2014

Source: SAP project data.

**Table A.8. Key Project Dates**

	Original	Actual
Concept review	03/29/2007	03/29/2007
Board approval	06/02/2008	06/02/2008
Signing	06/20/2008	06/20/2008
Effectiveness	06/20/2008	06/20/2008
Closing date	06/30/2011	11/30/2013



**Table A.9. Task Team Members**

<i>Name</i>	<i>Title</i>	<i>Unit</i>
<b>LENDING AND SUPERVISION</b>		
Preselyn Abella	Senior Finance Officer	CTRLN
Dominic Aumentado	Senior Procurement Specialist	EASPR
Dingyong Hou	Senior Education Specialist	ECSH2
Maria Loreto Padua	Senior Social Development Spec	EASPS
Lynnette de la Cruz Perez	Senior Education Specialist	EASHE
Preselyn Abella	Senior Finance Officer	CTRLN
Kristine May San Juan Ante	Program Assistant	EACPF
Aisha Lanette N. De Guzman	Financial Management Specialist	EASFM
Dingyong Hou	Senior Education Specialist	ECSH2
Rene SD. Manuel	Senior Procurement Specialist	EASRP
Maria Loreto Padua	Senior Social Development Spec	EASPS
Lynnette de la Cruz Perez	Senior Education Specialist	EASHE
Gerardo F. Parco	Operations Officer	EASPS
Rozanno E. Rufino	E. T. Consultant	EASHE
Nicholas Tenazas	E. T. Consultant	EASHE
Corinne V. Bernaldez	Team Assistant	EACPF
Victoria Catibog	Consultant	EASHE
Agnes Albert-Loth	Senior Financial Management Spec.	EASFM
Sally Pritchard	Consultant	EASHE
Marissa David	Consultant	EASPS
Marifer Fagela	Consultant	EASHE
Nelson Ireland	Consultant	EASHE
Maria C. R. Bautista	Consultant	EASHE
Rozanno Rufino	Consultant	EASHE
Samer Al-Samarrai	Senior Education Economist	EASHE
Susan Atkins	Consultant	EASHE
Louise Ann Quinn	Consultant	EASHE
Maria Adoracion Fausto	Consultant	EASHE
Sandra Beemer	Consultant, ICR coauthor	EASHE
Franco Russo	Operations Officer, coauthor	EASHE

Source: Implementation Completion and Results Report

**Table A.10. Staff Time Budget and Cost for World Bank**

Stage or Year of Project Cycle	Staff Weeks (number)	Finance (including travel and consultant costs) (\$, thousands)
<b>LENDING</b>		
FY08	13.53	14.65
FY09	2.99	3.46
<b>Total</b>	<b>16.52</b>	<b>18.11</b>
<b>SUPERVISION/ IMPLEMENTATION COMPLETION AND RESULTS REPORT</b>		
FY09	5.1	6.48
<b>Total</b>	<b>5.1</b>	<b>6.48</b>

Source: Implementation Completion and Results Report

## Appendix B. Results Framework

<b>Project Development Objective</b>	<b>Indicator</b>	<b>Baseline, 2003–04 (%)</b>	<b>Original Target to be Achieved 2011–12, NPSBE (%)</b>	<b>Revised Target 2011, NPSBE (%)</b>	<b>Original Target to be Achieved 2011, SPHERE (%)</b>	<b>Revised Target to be Achieved 2012, SPHERE (%)</b>	<b>Achievement (2013)</b>
Achieve higher quality in learning outcomes in basic education	Reduced dropout rates for students in government elementary schools (PAD, pp. 14, 36, 39)	8.9 (PAD, p. 39)	4.3 (PAD, p. 39)	N/A	2.7 (PAD, p. 13)	No change (restructuring paper, p. 4)	6.38% - not achieved (ICR, p. vii) (NPSBE) 6.38% -- not achieved (ICR, p. vii) (SPHERE)
	Participation rate ages 6–11 (PAD, pp. 14, 39)	88.58 (PAD, p. 39)	93.0 (PAD, p. 39)	90.09 (ICR, p. vii)	96.1 (PAD, p. 13)	92.09 (restructuring paper, p. 4)	97.3% -- exceeded (ICR, p. vii)(NPSBE) 95.24% -- revised target exceeded (ICR, p. vii) (SPHERE)
	Elementary cohort survival (EFA formula) (PAD, pp. 14, 39)	63.57 (PAD, p. 39)	78.0 (PAD, p. 39)	76.45 (ICR, p. vii)	77.2 (PAD, p. 13)	78.51 (restructuring paper, p. 4)	73.46% -- not achieved (ICR, p. vii) (NPSBE) 75.27% -- not achieved (ICR, p. vii) (SPHERE)
	Higher completion rates for students in government elementary schools, based on grade 1 (PAD, pp. 14, 36, 39)	62.06 (PAD, p. 39)	77.0 (PAD, p. 39)	75.13 (ICR, p. vii)	76.3 (PAD, p. 13)	76.61 (restructuring paper, p. 4)	70.97% -- not achieved (ICR, p. vii) (NPSBE) 73.67% -- not achieved (ICR, p. vii) (SPHERE)
	Participation rate ages 12–15 (PAD, pp. 14, 39)	61.16 (PAD, p. 39)	83.7 (PAD, p. 39)	65.16 (ICR, p. viii)	86.0 (PAD, p. 13)	70.79 (restructuring paper, p. 5)	64.8% -- revised target essentially achieved (ICR, p. viii) (NPSBE) 64.61% -- not achieved (ICR, p. viii) SPHERE)
	High school cohort survival (EFA formula) (PAD, pp. 14, 39)	63.11 (PAD, p. 39)	71.5 (PAD, p. 39)	79.35 (ICR, p. viii)	72.5 (PAD, p. 13)	80.27 (restructuring paper, p. 5)	78.83% -- revised target essentially achieved (ICR, p. viii) (NPSBE)

<b>Project Development Objective</b>	<b>Indicator</b>	<b>Baseline,2003–04 (%)</b>	<b>Original Target to be Achieved 2011–12, NPSBE (%)</b>	<b>Revised Target 2011, NPSBE (%)</b>	<b>Original Target to be Achieved 2011, SPHERE (%)</b>	<b>Revised Target to be Achieved 2012, SPHERE (%)</b>	<b>Achievement (2013)</b>
							78.21% -- not achieved (ICR, p. viii) SPHERE)
	High school completion rate, based on first year (PAD, pp. 14, 39)	58.22 (PAD, p. 39)	69.0 (PAD, p. 39)	74.25 (ICR, p. viii)	70.0 (PAD, p. 13) (restructuring paper, p. 5, says 76.30 percent)	74.51 (restructuring paper, p. 5)	74.23% -- achieved (ICR, p. viii) (NPSBE) 74.81% -- achieved (ICR, p. viii) SPHERE)
	High school dropout rate (PAD, pp. 14, 39)	14.3 (PAD, p. 39)	8.1 (PAD, p. 39)	N/A	4.0 (PAD, p. 13)	No change (restructuring paper, p. 5)	7.82% -- achieved (ICR, p. viii) (NPSBE) 7.82% -- not achieved (ICR, p. viii) SPHERE)
	Higher rates of transition from elementary to high schools or alternative learning systems (government schools) (PAD, p. 36)	No data provided (PAD, p. 39)					
	Improvements in average achievement levels (mean score) on annual assessment tests, disaggregated by gender and region, where appropriate (PAD, pp. 14, 36)	Grade 6 (2005) (PAD, p. 39) Overall: 54.66 Mathematics: 59.1 (53.66, ICR, p. 17) Filipino: 61.7 English: 59.1 (54.05, ICR, p. 17) Science: 54.1 (46.77, ICR, p. 17) Social studies: 59.5	No target provided (PAD, p. 39)	N/A	Overall: 79 (PAD, p. 13)		Grade 6, 2013 (ICR, p. ix) (both projects) Overall: 66.90 Mathematics: 66.47 Filipino: 69.15 English: 66.27 Science: 66.11 Social Studies: 65.97 Improvement in all subjects.

<b>Project Development Objective</b>	<b>Indicator</b>	<b>Baseline, 2003–04 (%)</b>	<b>Original Target to be Achieved 2011–12, NPSBE (%)</b>	<b>Revised Target 2011, NPSBE (%)</b>	<b>Original Target to be Achieved 2011, SPHERE (%)</b>	<b>Revised Target to be Achieved 2012, SPHERE (%)</b>	<b>Achievement (2013)</b>
	Year 2 mean scores for high school (indicator not in PAD)	Year 2. Baselines reported in ICR only: Overall: 46.66 Mathematics: 39.06 Filipino: 48.91 English: 51.81 Science: 42.00 Social Studies: 51.51	N/A	N/A	76 (PAD, p. 13)		Year 2, 2010–11 (ICR, p. ix) (both projects) Overall: 47.93 Mathematics: 42.0 Filipino: 58.39 English: 46.45 Science: 39.35 Social Studies: 52.3 Improvement in some subjects and decline in others.
Achieve greater equity in learning outcomes in basic education	Reduced variability in annual national assessment test scores (PAD, p. 36)—not reported. PAD reports interquartile ratios of pupils/students to teachers (using school as unit of analysis, defined as proportion of teachers available to “most favored” 25 percent of students/proportion available to “least favored” 25 percent), not national assessment test scores (PAD). PAD, notes that the	Elementary schools: 2.00 High schools: 2.54 (PAD, p. 39)	Elementary schools: 1.40 High schools: 1.80 (PAD, p. 39)	N/A			Elementary schools: 1.95 High schools: 2.19 Targets not achieved.

Project Development Objective	Indicator	Baseline, 2003–04 (%)	Original Target to be Achieved 2011–12, NPSBE (%)	Revised Target 2011, NPSBE (%)	Original Target to be Achieved 2011, SPHERE (%)	Revised Target to be Achieved 2012, SPHERE (%)	Achievement (2013)
	<p>student-teacher ratio data will be disaggregated by gender and region, where appropriate, but no disaggregated data are provided. ICR describes this indicator as a measure of <i>efficiency</i> rather than equity. This indicator is not included in the appraisal document for SPHERE.</p>						

Note: ICR = Implementation Completion and Results Report; NPSBE = National Program Support for Basic Education; PAD = project appraisal document; SPHERE = Support for Basic Education Sector Reform.

## Appendix C. Additional Data

**Table C.1. Economic Indicators I**

<i>Year</i>	<i>GDP per Capita Growth Rate</i>	<i>GDP per Capita, Real PPP (2011)</i>	<i>Consumer Inflation Rate</i>	<i>Unemployment Rate</i>	<i>Government Expenditure on Education as % of GDP<sup>a</sup></i>	<i>Government Expenditure, on Education, as a % of Total Government Expenditure<sup>b</sup></i>
2000	2.2	4,227	4.0	11.2	3.27	15.21
2001	0.7	4,258	5.3	10.9	3.03	13.92
2002	1.5	4,322	2.7	11.5	3.00	14.07
2003	2.8	4,445	2.3	11.4	3.04	14.38
2004	4.6	4,652	4.8	11.9	2.57	12.75
2005	2.9	4,786	6.5	7.7	2.43	12.42
2006	3.5	4,954	5.5	8.0	2.53	13.27
2007	5.0	5,200	2.9	7.4	2.60	13.67
2008	2.6	5,336	8.3	7.3	2.69	14.44
2009	(0.3)	5,318	4.2	7.5	2.65	13.21
2010	6.0	5,638	3.8	7.3	—	—
2011	2.1	5,754	4.6	7.0	—	—
2012	5.0	6,042	3.2	7.0	—	—
2013	5.4	6,366	3.0	7.1	—	—
2014	4.5	6,654	4.1	6.6	—	—
2015	4.3	6,938	1.4	6.3	—	—

a. UNESCO Institute for Statistics. Data from 2010–15 is unavailable.

b. UNESCO Institute for Statistics. Data from 2010–15 is unavailable.

**Table C.1. Economic Indicators II**

<i>Year</i>	<i>Government Expenditure on Education as % of GDP</i>	<i>Government Expenditure, on Education, as a % of Total National Government Expenditure</i>
2008	2.60	15.25
2009	2.77	15.50
2010	2.65	16.20
2011	2.77	16.00
2012	2.80	16.16
2013	2.98	17.20
2014	2.70	16.91
2015	2.93	16.18
2016	3.18	17.15

Source: Republic of the Philippines, Department of Budget and Management

*Note:* Education expenditures are defined as including expenditures on education, culture and manpower development at the national and local levels.

**Table C.3. National Program Support for Basic Education Planned versus Actual Expenditure, by Component**

Project Component	\$, millions		
	At Appraisal	Actual/Latest Estimate	Percentage of Appraisal
Component 1: Strengthened school-based management	71.00	54.26	76.42
Component 2: Improved teaching effectiveness	23.00	8.23	35.78
Component 3: Enhanced quality and equity through standards, assessment, and support	96.00	136.51	142.20
Component 4: Effective resource mobilization	2.00	0.50	25.00
Unallocated fees	7.50		
Total project costs	199.50	199.50	100.00
Front-end fee IBRD	0.50	0.50	100.00
Total financing requirements	200.00	200.00	100.00

**Table C.4. Support for Basic Education Reform Planned versus Actual Expenditure, by Component**

Project Component	\$, millions		
	At Appraisal	Actual/Latest Estimate	Percentage of Appraisal
Component 1: Translation of system-level policies into action	20.01	8.38	41.88
Component 2: Support for school-based management through grants for school improvement plan targeting disadvantaged elementary schools	4.28	4.37	102.10
Component 3: Classroom construction in high-need locations in Southern Philippines	13.20	21.18	160.45
Component 4: Operating costs	0.19	0.19	100
Total project costs	37.68	34.12	90.55
Total financing requirements	37.68	34.12	90.55



## Appendix D. Measurements of Inequality

### Coefficients of Variation

Tables D.1 and D.2 present the coefficient of variation for 2004 and 2014.

**Table D.1. Coefficient of Variation, 2004 National Achievement Test**

	<i>Math</i>	<i>English</i>	<i>Science</i>	<i>Filipino</i>	<i>HEKASI</i>	<i>Total</i>
Region I	30.6	27.7	28.2	26.8	28.5	23.7
Region II	52.5	43.1	43.3	40.8	43.6	40.9
Region III	38.8	33.3	33.5	29.3	35.0	28.7
Region IV-A	34.8	31.4	31.1	25.9	31.0	26.1
Region IV-B	33.4	30.5	30.0	25.7	30.1	24.9
Region V	38.8	34.6	33.5	30.0	35.2	28.4
Region VI	38.9	32.7	33.2	31.0	33.7	28.5
Region VII	34.4	30.0	32.2	30.2	33.3	27.5
Region VIII	25.8	23.0	25.0	22.8	24.7	19.9
Region IX	33.6	31.1	31.4	30.9	33.1	26.3
Region X	39.3	37.0	23.4	26.6	31.7	30.6
Region XI	38.7	34.0	34.2	31.7	36.5	29.5
Region XII	39.5	35.3	34.3	32.7	36.7	29.9
NCR	39.5	34.7	34.2	28.7	35.4	28.5
CAR	35.9	30.7	32.0	31.0	35.3	27.6
ARMM	42.2	36.9	36.7	37.2	42.3	31.0
CARGA	23.4	21.9	23.4	21.8	22.4	17.8
National	40.1	35.7	35.9	33.1	36.9	31.6

Source: Department of Education (DepEd) data.

**Table D.2. Coefficient of Variation, 2014 National Achievement Test**

	Math	English	Science	Filipino	HEKASI	Total
Region I	29.2	26.2	31.6	22.8	27.4	22.3
Region II	27.8	24.2	29.7	20.8	26.8	21.9
Region III	29.9	26.3	30.0	20.6	27.0	23.2
Region IV	43.2	37.5	43.7	25.1	38.6	32.4
Region V	32.7	29.2	34.0	23.4	30.2	24.0
Region VI	27.7	23.7	27.6	20.1	24.5	20.0
Region VII	28.2	23.7	29.3	21.1	27.8	22.1
Region VIII	27.4	24.7	28.5	21.8	27.2	22.3
Region IX	26.2	23.2	27.4	22.2	25.4	20.4
Region X	29.4	25.6	30.4	22.4	28.3	23.0
Region XI	28.8	24.5	28.7	20.7	27.2	21.5
Region XII	23.5	20.9	24.7	19.0	23.1	17.8
NCR	45.1	38.2	44.2	24.8	39.3	31.5
CAR	27.2	21.9	27.8	19.7	26.5	20.0
ARMM	36.4	30.5	39.7	28.1	35.0	26.4
CARGA	21.1	18.6	22.1	17.6	20.5	16.0
National	33.9	29.4	34.4	22.9	31.1	25.8

Source: DepEd data.

## Appendix E. List of Persons Met

### Department of Education , National Office

- Undersecretary Victoria Catibog, Undersecretary for Finance
- Undersecretary Jesus Mateo, Undersecretary for Regional Operations
- Mr. Levi Espinosa Director, Project Management Service (PMS)
- Mr. Armando Ruiz, Chief, Project Implementation Support Unit, Third Elementary Education Project
- Mr. Miriam Coprado, PMS
- Mr. Erwin, PMS
- Mr. Ed Palacol, PMS
- Mr. Charlie, PMS
- Ms. Jojet, PMS
- Ms. Michelle, PMS
- Ms. Jun, PMS

### Other Departments, Department of Education

- Bureau of Educational Assessment
- Bureau of Learning Delivery
- Bureau of Learning Resources
- Bureau of Learning Resources
- Bureau of School Effectiveness

### Department of Education, Regional Office

- Assistant Regional Director, DepEd RO-II
- RO Staff
- Schools Division Superintendent (OIC), Tuguegarao City Division
- Tuguegarao City Division Office staff
- Paula Elementary School
- Paula Elementary School - teachers
- Paula Elementary School - PTA
- Cataggaman Elementary School
- Cataggaman Elementary School - teachers
- Cataggaman Elementary School – PTA + Barangay + students
- Elementary School
- Schools Division Superintendent (OIC), Cagayan Division
- Cagayan Division Staff
- Vicente D. Trinidad High School, Iguig, Cagayan
- Vicente D. Trinidad High School - teachers
- Vicente D. Trinidad High School, - PTA
- Aggacan Vocational School, Aggacan, Cagayan
- Aggacan Vocational School - teachers

- Aggacan Vocational School - PTA
- Local School Board, Tuguegarao City
- Local School Board, Iguig, Cagayan
- Local School Board, Aggacan, Cagayan
- Regional Director, DepEd RO-V
- Assistant Regional Directors
- Division Chiefs
- Schools Division Superintendent, Albay Division
- ASDS, Albay Division
- Division Chiefs, Albay Division
- District Supervisor – Pioduran West
- District Supervisor – Pioduran East
- Pioduran West Central School
- Pioduran West Central School - teachers
- Pioduran West Central School - PTA
- Mamlad Elementary School
- Mamlad Elementary School - teachers
- Mamlad Elementary School - PTA
- Tiwi Agro Industrial School
- Tiwi Agro Industrial School - teachers
- Tiwi Agro Industrial School - PTA
- Naga City School Board

#### **National Capital Region**

- San Juan City Division
- Makati City Division

#### **The World Bank**

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- Ms. Lynette Perez, Asian Development Bank; former co-task team leader, World Bank Group

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