

AFRICAN DEVELOPMENT BANK GROUP



PROJECT: CAPACITY BUILDING FOR IMPROVED QUALITY OF THE EDUCATION SYSTEM AND SKILLS DEVELOPMENT

COUNTRY: SUDAN

PROJECT APPRAISAL REPORT

March, 2015

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SUDAN

CAPACITY BUILDING FOR IMPROVED QUALITY OF THE EDUCATION SYSTEM AND SKILLS DEVELOPMENT

OSHD DEPARTMENT

May 2015

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Currency Equivalents

As of December 2014

1 UA	=	SDG 8,73873
1 UA	=	USD 1.46424
1 UA	=	EUR 1.17374

Fiscal Year

1st of January – 31st of December

Weights and Measures

1 metric tonne	=	2204 pounds (lbs)
1 kilogramme (kg)	=	2.200 lbs
1 metre (m)	=	3.28 feet (ft)
1 millimetre (mm)	=	0.03937 inch (“)
1 kilometre (km)	=	0.62 mile
1 hectare (ha)	=	2.471 acres

Acronyms and Abbreviations

CB	Country Brief
ECG	Education Coordination Group
EfA	Education for All
FMoGE	Federal Ministry of General Education
GPE	Global Partnership for Education
HE	Higher Education
ICT	Information and Communication Technology
ME	Monitoring and Evaluation
NCT	National Council for Training
NCToT	National Centre for Teacher's Training
NCTTE	National Council for Technical and Technological Education
PMU	Project Management Unit
SDFO	Sudan Field Office
SLFS	Sudan Labour Force Survey
TES	Technical Education School
TEVT	Technical Education and Vocational Training
ToT	Teacher/Trainer's Training
TSF	Transition Support Facility
TVE	Technical and Vocational Education
UA	Unit of Account
VT	Vocational Training
VTC	Vocational Training Center

Loan Information

Client's information

BORROWER GOVERNMENT OF THE REPUBLIC OF SUDAN

EXECUTING AGENCY FEDERAL MINISTRY OF GENERAL EDUCATION

Financing plan

Source	Amount (UA)	Instrument
TSF Pillar 1 Resources	15.3 million	Grant
Government of Sudan	1.7 million	Counterpart funding
TOTAL PROJECT COST	17 million	

Timeframe - Main Milestones (expected)

TIMEFRAME – MAIN MILESTONES

Concept Note Approval	10 November 2014
Project approval	May 2015
Effectiveness	June 2015
Last closing	31 December 2020
Completion	30 June 2020

Project Summary

1. Project Overview: The proposed Sudanese Capacity Building for Improved Quality of Education System and Skills Development Project is designed to enhance Teachers and managers' skills development and the use of technology to improve quality education and training. In line with the Government Interim Poverty Reduction Strategy Paper (I-PRSP), the Government Five Year Plan (2012/2016), the Bank's Ten Year Strategy 2013-2022 and the Bank's Strategy for Addressing Fragility and Building Resilience in Africa, the project is expected to build capacity of the education and training sector to internalize the major management and training functions and to deliver technical and vocational skills needed in the Sudanese economy. In line with the Sudan Country Brief (2014-2016) that includes Governance and Accountability, and Skills and Technology as main pillars, the project will upgrade the capacities of a critical mass of teachers (52 000 of whom 42% are female), Technical Education and Vocational Training (TEVT) trainers (2096 of whom 35% are female), educational planners, managers, faculty lecturers and assistants (450 of whom 50% are female) to effectively contribute towards the achievement of the national education goals.

2. Project Outcomes: The project is expected to improve: (i) the quality of secondary education and TEVT by increasing the number of qualified teachers to 75%, and up-grade the management skills of education and training policy makers leading to an institutionalization of the core skills development functions; and (ii) the training and learning conditions in the beneficiary technical and vocational education (TVE) institutions for boys and girls in Sudan.

3. Needs Assessment: The project will build the management and training capacity of the Ministry of Education to develop and institutionalize the management and training capacity in the fields of planning, policy reform design and implementation, decentralization and monitoring and evaluation. The project will also upgrade the teaching conditions and provide technical assistance to conduct three skills needs assessments in North Kordofan, White Nile and in Khartoum. The findings of these assessments will inform the development of the curricula for technical teachers' training. North Kordofan and White Nile States have been selected in regard to the poor education indicators, their fragility contexts because of their history of conflicts, poor infrastructure, and low access to basic services.

4. Bank Added Value: In focusing the project on capacity building and on repositioning technical and vocational education at the heart of the educational reform in line with the Bank's Human Capital Strategy 2014 -2018, the project is bringing sustainable value addition to the sector. In fact, the focus on the achievement of Education for All (EfA) goals, has led to a substantial enrolment increase in basic education, an increased demand in secondary education and an emerging major challenges in TEVT. Yet with a gross intake rate of 90% in basic education, only 60% of enrolled children reach grade 8 and only 54% complete basic education (FMoGE, 2011). As more children are able to complete the basic cycle, this places a strong pressure on secondary education and TEVT. The project is therefore contributing to address this imbalance in the most disadvantaged States and regions of the country.

5. Knowledge Building: In addressing the issue of training of students-teachers, university teachers and TEVT trainers at the federal and State level, the project will create long-term internal capacity and sustain the major functions of planning, management, training and evaluation that are necessary for skills development in Sudan. The project will also bring a sectorial response to gender and social inequity by increasing the number of qualified female teachers and girl's enrolment in TVET to foster a greater participation of females in skills development and technology programs and reduce the gaps among States Also, in supporting the revision of the teacher education curriculum the project will help to make curricular more gender sensitive.

RESULTS-BASED LOGICAL FRAMEWORK

VII. Results Based Logical Framework

Country and project name: Sudan- Capacity Building for Improved Quality of Education System and Skills Development

Purpose of the project: To support build capacity within the education and training sector in order to internalize the major management and training functions to deliver quality skills needed in the Sudanese economy.

	RESULTS CHAIN	PERFORMANCE INDICATORS			MEANS OF VERIFICATION	RISKS/MITIGATION MEASURES
		Indicator (including CSI)	Baseline	Target		
IMPACT	Impact Sudan's human development capital increased	Sudan's human development index	Score 0.473	Score 0.500	Human Development Report	
OUTCOMES.	Outcome 1: Increased capacities for teachers and education managers	Number and % of qualified teachers in secondary education	17534 (66%) in 2014 of whom 43% are female	43478 (75%) by 2020 of whom 47% are female	FMoGE data TEVT statistical data	Risk: Escalation of violence and fragility in the beneficiary States Mitigation: The Project Steering Committee will be required to assess emerging security issues in the target states and advice on appropriate measures for the affected period. Risk: Delays in renovating Teacher training institutions due to lack of procurement capacities.
		% of student-teachers admitted to basic education programs	30% in 2014 of whom 27% for female	50% by 2020 of whom 50% female		
		Number of additional administrators, planners and managers who demonstrated a good mastery of education planning and management tools	83 in 2014	530 by 2020 of whom 50% are female ¹²		
	Outcome 2: Improved quality and training conditions of the technical education and vocational education institutions	% of TVET students who graduate	62% in 2014	75% in 2020	TVE Annual reports, TVET EMIS, project quarterly progress reports	Mitigation: Training on Bank procurement rules and processes conducted in early project start-up.
	% of Trainers who use the new pedagogical tools	-	55% by 2020			
	Increase in TVET enrolment per 100,000 inhabitants	131 per 100,000 in 2011	200 per 100,000 by 2020			
COMPONENT I - SUPPORT TO CAPACITY BUILDING FOR IMPROVED QUALITY OF THE EDUCATION SYSTEM						
	1.1. A sustainable model for education management developed	No of short courses on education management, planning and governance for Teachers and administrators developed and implemented at Education faculties	N/A	08 by 2018	Higher Education statistics	Risk: Insufficient Coordination between the line Ministries. Mitigation: Set-up a Project Steering Committee that includes representative of the two line Ministries.
	1.2. Master degree on education planning, and policy design established with a gender perspective	Number of administrators, planners and managers trained	-	450 by 2020		
		Master degree established	N/A	01 program by 2018		

OUTPUTS	1.3. Transformative in-service teachers training developed	The National centre for teacher's training is set-up	N/A	The NCToT is set up by 2019	FMoGE	Risk: Difficulty in retaining of the trained teachers	
		The national centre for curriculum rehabilitated	N/A	The centre is rehabilitated by 2016		Mitigation: Improved management practices including a package of incentives.	
		Faculty for technical education is established	N/A	New faculty for TE is established 52 000 by 2020 of whom 47% are female			
	1.4. Strategic assistance brought to the National Council for Training (NCT)	No of NCT senior and technical management staffs trained	N/A	10 staff of whom 50% are female	NCT data		
COMPONENT 2 - IMPROVING THE TEACHING AND TRAINING CONDITIONS IN THE TVE INSTITUTIONS							
	2.1 Agriculture, Trade and Industry TEV institutions renovated and equipped	No of technical and vocational institutions (VI) renovated and equipped	-	09 by 2020 of which 3 for girls	TEV data	Risk: Inadequate maintenance of equipment provided. Mitigation: A module on the maintenance of equipment will be developed and disseminated.	
	2.2. Skills needs assessments conducted	No of skills needs assessments	-	03 by 2016			
	2.3. Teacher training Curriculum revised with a gender perspective for technical and vocational education	ToT curriculum is revised and is gender sensitive ToT plan developed and implemented	Old curriculum is being used in 2014 No systematic ToT plan	New curriculum is developed for 28 trades ToT plan is implemented	TEV data	Risk: Education and training institutions are not staffed with skilled personals Mitigation: Priority will be given to beneficiary institutions in all projects supported training courses.	
COMPONENT 3 - PROJECT MANAGEMENT							
	3.1 Staff contractors recruited	No of staff contractors recruited	-	04 by mid-2015	PMU data	Risk: Slow project disbursement due to the US sanctions	
	3.2 ME system set-up	ME system designed and set up	-	ME system operational by 2016		Mitigation: The Bank's Treasury Department (FTRY) has applied for a license from the Office of Foreign Assets Control (OFAC) in order to have a blanket approval of transfer of funds to projects in Sudan..	
	3.3 Impact evaluation conducted	Impact evaluation conducted	-	Impact evaluation with a gender perspective conducted by 2020 01 by 2016			
KEY ACTIVITIES	COMPONENTS					COST : UA 17 million	
	COMPONENT I: TVET SUPPORT TO CAPACITY BUILDING FOR IMPROVED QUALITY EDUCATION SYSTEM					UA 9.43 million	
	COMPONENT 2 - IMPROVING THE TEACHING AND TRAINING CONDITIONS IN THE TVE INSTITUTIONS					UA 6.65 million	
	COMPONENT 3: PROJECT MANAGEMENT					UA 0.92 million	

PROJECT TIMEFRAME

	TASKS	2015			2016				2017				2018				2019				2020				
		Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	
1	STDIEG																								
2	Project Approval																								
3	Entry into force																								
4	Appointment of PMU staff																								
5	Publication of GPN																								
6	Development of ME plan																								
7	Submission of 1st Audit Report																								
8	Construction of the National Centre for ToT																								
9	Renovation works																								
10	Needs assessments																								
11	Start of short course training																								
12	Mid-term review																								
13	ToT curriculum for Technical education																								
14	Equipment of schools and ToT centers																								
15	Implementation of the ToT plan within the NCToT																								
16	Completion mission																								
17	Last disbursement																								
18	Submission of 5th and final Audit Report																								

REPORT AND RECOMMENDATION OF THE MANAGEMENT TO THE BOARDS OF DIRECTORS ON A PROPOSED GRANT TO THE GOVERNMENT OF SUDAN FOR THE CAPACITY BUILDING FOR IMPROVED QUALITY OF EDUCATION SYSTEM AND SKILLS DEVELOPMENT PROJECT

Management submits the following Report and Recommendation on a proposed grant for UA 15.3 million (fifteen million and three hundred thousand Units of Account) to finance the Capacity Building for Improved Quality Education and Skills Development Project in Sudan.

I. STRATEGIC THRUST & RATIONALE

1.1. Project linkages with country strategy and objectives

1.1.1. In preparing the Interim Poverty Reduction Strategy Paper (I-PRSP) and the Government Five Year Plan (2012-2016) Sudan has elaborated a vision and new direction for human development, governance and growth. The I-PRSP is built on four major pillars: (i) strengthening governance and institutional capacity of the public sector; (ii) reintegrating internally displaced populations and refugees; (iii) developing human resources; and (iv) promoting economic growth and employment creation. Sudan has put priority on “*building a strong, inclusive, transparent and effective state and the institutional capacity to govern and deliver public services to the population*”. The project is aligned with pillars I, III and IV of the I-PRSP aimed at: (i) strengthening governance and institutional capacity for building a knowledge-based economy; (ii) developing human resources by expanding provision of basic services in health, education, water & sanitation, and (iii) promoting economic growth and employment creation.

1.1.2. The project contributes to addressing the social and economic fragility drivers identified by the Fragility assessment in Sudan (refer to Technical Annex#09). The CB 2014-2016 focuses on two Pillars: i) Governance and Accountability; and ii) Skills and Technology which contribute to supporting the country build its human and institutional capacity required to better respond to its fragility and rapidly changing situation. The main outputs and results under CB pillar II include : i) skills and technology gaps filled; ii) comprehensive safety net packages developed and implemented; iii) capacity of teachers’ training institutions built; and iv) quality of education improved. In supporting the country to build the more critical skills for teachers, education managers and youth and in improving the teaching and learning conditions, the project contributes to reducing poverty which is at the centre of social and economic drivers of fragility in Sudan.

1.1.3. The project recognizes the low institutional and human capacity of Sudan’s educational sector in providing trained workforce, both in quantity and quality, to support the social and economic development of Sudan. The multiple challenges facing the education sector are complex and multi-faceted. Broadly, the level of funding to the sector has reduced significantly in the last few years, due to the low economic performance and a challenging macro-economic environment that makes investments in critical infrastructures and services difficult. Only 40% of the sector needs were covered in 2014. The sector is also faced with weak institutional capacity to adequately plan, manage and design effective policies towards improving educational performance at all levels. The insufficient number of qualified teachers and administrators further undermine the performance of the sector as a whole in delivering skilled workforce for economic development.

1.1.4. The 5-year Education Strategic Plans for 2007-2011 and 2015-2019 (under preparation) provide policies and strategies for the attainment of EfA goals and Millennium Development Goals 2 and 3, respectively to achieve universal primary education and to promote gender equity. In the previous strategy, the education system aimed to contribute to national unity, security and peace while fitting youth with the adequate skills to build a society of excellence, in values and sciences; it did not entail secondary education goals. The new Strategy targets quality universal primary education, gender equity at secondary education and the development of TEVT. It aims to increase the number of qualified teachers, improve the quality of education infrastructure and update curricula.

1.2. Rationale for Bank's involvement

1.2.1. Sudan is still tackling enormous drop in economic growth which resulted in the reduction of investment in skill development and an unprecedented brain drain. The secession of South Sudan generated a drastic economic impact with the loss of oil revenue that cut almost 50% the public resources and almost 95% of export in 2014. This situation has a negative impact on social services, especially on education. More than 91,000 people left Sudan in 2013, including highly qualified education staffs of whom 1,002 university teachers (compared to only 21 in 2008) (Ministry of Human Resources Development and Labor). The highest numbers of emigrants were recorded in farming and grazing, animal breeding and fishing sectors which totaled 44,242, followed by 16,331 who worked as technicians. The health sector is concerned as well with 1,620 physicians who were obliged the leave due to the lack of jobs, low salaries, deteriorating working conditions, slow economic growth and high cost of living. This poses a challenge to skills development in Sudan as the availability of the professional skills needed to build the capacity of the state is steadily diminishing.

1.2.2. Skills mismatch has a high incidence on unemployment among youth population in Sudan. The low levels of schooling and the inadequate skills which students are equipped at TVET and tertiary education are among the major causes of unemployment. The labour force participation rate is about 50.5% and it is especially low (30.9%) for the young group (15-24 age). The majority of the working population is concentrated in subsistence agriculture (44%) or is engaged in non- substantial jobs in the informal sector (51.4%). At the State level, the Sudan Labour Force Survey (SLFS, 2014) found the highest vulnerability to unemployment in Southern Darfur (74%), Southern Kordufan (72.6%) and Northern Kordufan (72.2%). The SDLS revealed that 46.2% of Sudan's working-age population had a level of education equivalent to less than primary education and hardly 23.7% of the population was recognized with the equivalent of basic education attainment. The youth vulnerability in the labour market has two main causes: the lack of marketable skills and the poor quality of education and training. Indeed, the education system is not delivering enough qualified graduates to meet the demand of the industry, agro-businesses and the services where sector growth can generate significant effects on the national economy.

1.2.3. The insufficient number of qualified teachers/lecturers and administrators in the teacher training system leads to poor students' performance and low teachers' motivation. One out of 4 students in the first year of secondary school drop out before entering the second year and 23% drop out in year 3 before graduating (FMoGE, 2011). Teachers continue to be recruited without basic pedagogical competencies and there are no in-service training opportunities. This results from a continuous depletion of trained teachers, trainers, and inspectors and negatively affects the quality of service System and the ability of the education system to retain qualified teachers especially in remote and deprived areas. 85% of teachers are bachelors' degree holders and 44% of them are not equipped with the adequate pedagogical skills to teach in schools. Hardly 30% student-teachers are admitted to basic education programs. In 2012/2013, the number of basic and secondary education teachers who needed training was estimated respectively at 60,700 and 17,534. This situation dictates the need to address the gap in teacher preparation. The success of the operation will depend on the role played by teachers including supervision, advice, guidance, and organization of pedagogical activities. The project will train them to better perform this mission.

1.2.4. The weak capacities of the sector in planning, management and policy design affect the performance of the education system at all levels. Key administration functions are most of the times held by teachers who, as administrators, lack the basic training and information necessary to monitor, plan, identify and solve problems. Policymakers and education planners are not always equipped with the adequate competencies in the field of education planning and management, analytical, or communication skills necessary for policy formulation and implementation. Additionally, managers hardly have access to reliable and on-time information on the key sector data such as the completion rates, the indicators on teacher's supervision. These constraints negatively impact the education

system's ability to respond efficiently to changing educational demands and lead to poor performance. The urgent need to support sustainable capacity building plans in disadvantaged states is well demonstrated¹; they need to gain the capacity to further develop and implement their own skills development plans and improve education quality.

1.2.5. The teaching and training conditions in the TEVT institutions are not conducive to teacher and learner's performance. TEVT continues to suffer from insufficient resources allocation, unequal budget distribution amongst States and disconnect from the labour market. The public allocation to TEVT was hardly 1% of the sector budget in 2014. The quality of TEVT remains therefore very poor due to a number of factors: obsolescent equipment, weak managerial capacity, poor learning environment and the irrelevant curricula. For example, the machines and equipment in the TEVT centers are some 60 years old and a large deficit is noted in the number of toilets for with the ratio students/toilet is 40:1 compared to standard of 16 students/01 toilet. In addition, the periodic maintenance and cleaning of the infrastructures is not sufficient especially in girls' schools where the provision of water is not sufficient. The dormitory and other building for the students coming from distant poor locations are in inhuman condition: limited facilities for windows or doors, inexistent pavement, lack of places for study or lockers, cracked walls which are ready to collapse. The current TEVT system tends to confine female teachers and girls to gender-stereotyped roles in a set of low profitable training schemes such as sewing and other forms of handicrafts (refer to education and gender equity-Technical Annex B6). Additionally, the inadequate number of women teachers and the lack of a system of mentorships all contribute further to the gender gap. It is therefore paramount to provide innovative and attractive training programs equally accessible to female teachers and improve the training conditions in the TEVT institutions.

1.2.6. The linkages between skills development and the labor market are still weak and the private sector is not developed and structured enough to invest in the TEVT system. On the one hand, the economy depends mostly on agriculture and the existing TEVT system is not delivering the appropriate skills training to develop the agro-industry sector. On the other hand, the basic skills for electrical work, mechanics, construction, wood and metal works are not properly provided as a result of the lack of investments that has also affected the teaching capacity. There is a need for the Government to set-up an enabling business environment for the private sector and expand technical and vocational education/training. Furthermore, the private sector is mainly concentrated in the manufacturing and service sectors with large discrepancies amongst States. For example the dominant manufacturing firms have fewer than 20 employees and the bulk of these companies are concentrated in Khartoum (75%), El Gezira 11% and North Kordofan 8% (World Bank PICS, 2008). The professional and business groups are poorly structured and not well prepared to partner with TEVT schools.

1.2.7. In line with the CB pillar II on Skills and Technology, the Bank's intervention will enable to build the teacher training system, introduce digital learning to upgrade teacher and manager' competencies and improving the physical conditions of TEVT facilities to enhance skills development. The project will bring an institutional support to modernize and consolidate the teacher training system to ensure that every teacher/trainer will have access to a compulsory pre-service training and benefit from a minimum in-service training and pedagogical guidance. It will contribute to revise the curricula for technical and vocational teachers and improve the physical teaching and learning conditions.

¹ 1. Ministry of General education, UNESCO, 2014, *Situation Analysis of Secondary Education in Sudan*.

2. Ministry of General Education, Unicef, European Union, 2010, *Organizational Review and Training and Development Needs Assessment*, Khartoum

3. World Bank, 2012- *The Status of the Education Sector in Sudan*.

1.3. Donors coordination

1.3.1. Under the leadership of the Federal Ministry of Education, an Education Coordination Group (ECG) has been set-up within the context of the Global Partnership for Education (GPE) and the sector wide coordination. This inclusive education forum for which the Secretariat is held by UNICEF serves as a technical and policy dialogue platform that enables both the Government of Sudan and its Development Partners to assure inclusive access to quality education and skills development opportunities. The mandate of the ECG is to: (i) support the FMoGE in the development of sound and credible sector strategic plan; (ii) support the FMoGE in ensuring more coherent, predictable and effective responses to education challenges; and (iii) share information about existing and new operations and activities within the sector. As a dynamic member of this coordination Group, the Bank is effectively partnering with the existing technical and financial organizations including the civil society to bring relevant expertise and quick synergic responses to identified challenges in regard to capacity building and skills development. The ECG meets regularly and holds annual reviews with Government to assess progress in the education sector. The ECG is working in the spirit of the Paris Declaration on Aid effectiveness (2005) and Busan Partnership Framework for effective Development Cooperation (2011).

1.3.2. The Government of Sudan remains the main funder with 92.7% of all resources received by the sector while the donors contribute up to 3.3%. The Global Partnership in Education (GPE) is providing US\$ 80 million to primary education. *“Only 40% of the Education Sector needs are funded, with School Feeding accounting for approximately 77% of these available funds, the sector is only funded at 23% (5.4 million)”* (UNICEF, 2014). As highlighted in the following table, most of the education partners are concentrated on the basic level and they mainly focus on the soft components while most of the schools at the State level are not provided with the minimum physical structures.

**Table 1:
Development partners Support to Education**

No.	Organization	Budget	Activity/ Project
1	World Bank	US\$ 80 million (Euro 64 million)	Global Partnership for Education (GPE ²) Project: Classroom construction for basic education, support to reduce the cost of household and strengthening demand, improving teaching quality, support to build the national capacity for curriculum development; support to the national learning assessment.
2	European Union	Euro 6 million	Primary Education Retention Programme: This project is also aimed at improving quality of education and a greater engagement of communities to achieve education for all in targeted areas and meet the MDGs and Post 2015 targets. The project supports student’s enrolment to primary education and and the teacher’s training in the States of South Kordofan, Red Sea, Kassalah, Gedaref and Blue Nile.
3	UNICEF		Provision of teaching and learning material, support to classroom construction, intervention for out-of-school children, support to strengthen school management system and education system strengthening.
4	UNESCO	Euro 2.4 million	UNESCO is providing a technical assistance for improving the quality of basic education and it supports the diagnostic of early childhood development (ECD).
Tot.		Euro 72.4 million	

In 2014 the Government allocated up to US\$1.24 billion for the education sector of which US\$993.4 million went to general education and US\$248 million to tertiary. The allocation to vocational training is less than 1% of the sector budget.

² GPE donors include (as of July 2014) UK, Netherlands, Spain, Australia, Denmark, Norway, Sweden, EC, Canada, France, Belgium, Ireland, Germany, US, Italy, Switzerland, Japan, Russia, Luxembourg, Finland, and Romania.

II. PROJECT DESCRIPTION

2.1. Project Components

2.1.1. The project’s development objective is to enhance skills development and the use of technology to improve education and training delivery. The specific objective of the project is to build capacity within the education and training sector in order to internalize the major management and training functions to deliver quality skills needed in the Sudanese economy.

2.1.2.1. Component I - Support to Capacity Building for Improved Quality Education

The purpose of this component is to strengthen the strategic and operational capacity of the education and training system to sustain the major functions of planning, management and evaluation on the one hand and strengthen the teacher’s training system on the other hand.

2.1.2.2. Component 2 - Improving the Teaching and Training Conditions in the TVE Institutions:

This component will upgrade the condition of the targeted TVE institutions. They will be expanded and upgraded to align to modern to standards required to produce the relevant technical and vocational skills. The project will provide the requisite range of equipment, ICT laboratory and required human resources to address labor market needs.

2.1.2.3. Component 3 - Project Management

The component includes specific support for project coordination, management and evaluation. It will, provide assistance and expertise in procurement, financial management, gender and skills upgrading for the project management team. Under this component, the project will organize training sessions on financial management and procurement at the federal and state levels. The project will finance the design of the monitoring and evaluation system and it will include a pilot impact evaluation on the introduction of ICT as an enabling pedagogical tool with a gender perspective in delivering ToT.

2.1.3. A summary of projects components and activities are detailed in table (2) below:

**Table 2:
Summary presentation of project components and activities**

Component	Activity description
Component I: Support to Capacity building for improved Quality Education	<p>The project will upgrade the capacities of a 52,000 teachers (of whom 47% are female), 450 teacher trainers, educational planners, managers, faculty lecturers and assistants (of whom 50% are female) to effectively contribute towards the realization of the national education goals. The component will support: (i) the development and implementation of eight (08) courses on education management, Monitoring and Evaluation, Quality assurance, decentralization ... for faculty members of staff and education administrators (within the FMOGE); and (ii) provision of master degrees in education planning and management. In implementing the training, an equal number of men and women will be selected where applicable.</p> <p>To enhance long term teacher professional development, the project will also establish the National Center for In-service Teacher Training in Sudan (NCToT) and it will renovate and equip with new technology materials the Bakht-Alrida national centre for curriculum development and two State ToT centers. The project will also modernize the Al-Jaraf South for technical teachers training to accommodate TVE trainers as well as the development of a digital learning platform within the NCToT where teachers and trainers could access in-service training resources. A technical assistance will be provided to the National Council for Training (NCT) to assess its working tools and strategies, identify the gaps and further come up with an up-grading operational training plan.</p>
Component II: Improving the teaching	Under this component, the project will: (i) renovate and equip with modern technology 06 technical schools, 03 vocational institutes, (an ICT lab will be set-up in each beneficiary institution) to increase computer literacy among teachers

Component	Activity description
and training conditions in the TVE institutions	and students and improve the training and learning conditions; (ii) conduct 03 Skills needs assessments in North Kordofan, White Nile and in Khartoum; and (iii) support the development and implementation of the teacher training curricula in 28 trades. This will enable to create an area TEVT schools complex, equipped with updated online contents and resources accessible to all teachers and students at the State level. The equipment of the workshop with up to-date technologies will transform the target TEVT institutions into productive units closely connected to the local community. The on-line content will include in addition to pedagogical resources, courses on computer literacy, entrepreneurship, sensitization sessions on removing social stigma attached to manual occupation and modules on gender equity in TEVT programs.
Component III: Project Management	The project will support the Federal Ministry of Education for the management of the project. Under this component, the project will cover the cost of the following activities: Project running cost, technical assistance to support the PMU (given that this is the first time the Ministry is managing such a Bank supported project), professional up-grading training for the staff (short courses), rehabilitation of the PMU operation and equipment of the PMU and the executing units at the States level, regular meetings of the Steering Committee, auditing of projects accounts and preparation of completion reports.

2.2. Technical solution retained and other alternatives explored

Some alternative technical solutions were considered in the design of the Project. The reasons for their rejection are summarized in Table 3 below:

Table 3:
Project alternatives considered and reasons for rejection

Alternative	Brief description	Reasons for rejection
Focusing the project on training the senior management of the FMoGE	The initial request was focused on building the capacities of teachers, educational planners and administrators in both technical and business education to enable them implement the sector reform.	In retaining this traditional option (supply oriented skills development), the project would only strengthen the Directorate of Education Planning and the Directorate of Training within the FMoGE without expanding the intervention to the other sub-sectors and build the critical skills needed to enhance competitiveness and help diversification of the Sudanese economy.
Extending the project to the vocational training centres under the Ministry of Labour and ensuring a federal coverage	Under this approach, the project would consider working with the Ministry of labour and target all Sudanese States.	In view of limited funding resources, the project could not afford such a wide coverage. This also raises the issue of efficiency and sustainability.
Targeting the out-of-school children and subsequently building the technical capacities of the training institutions of the FMoGE to deliver tailored skill development programs for disadvantaged people.	In this option the project would be implemented in partnership with UNICEF. It would directly provide the out-of-school youth with ICT literacy, apprenticeship and training on business management and entrepreneurship.	Even though relevant to the context of some States, this option was rejected because the project would lose focus due to widespread beneficiaries on the one hand and it does not respond adequately to the request of the Government of Sudan and sector emergency to focused on building the capacity of the FMoGE and on TEVT in line with the Country Brief

2.3. Project type

This operation is a stand-alone Capacity Building project. Given the particular context of Sudan, the sector budgetary support was not used. In fact, due to the US sanctions, the issues of arrears and the

institutional capacity constraints the country is facing and the unequal distribution of fiscal resources between the Federal Government and the States, the Capacity Building project was adopted in order to address the Country's fragility and to reach the neediest and the most vulnerable people. This option has been so far adopted in the education sector in Sudan by the donor community and it will enable the project to save time and on transaction costs. In regard to the fiscal constraint and economic hardship of the country, the project design has been harmonised with the other donors and the components are closely aligned on government priorities. To this end, the project includes capacity building activities on project management.

2.4. Project cost and financing arrangements

2.4.1. The project overall estimated cost is UA 17 million equivalents to USD 24.89 million (at December 2014 exchange rate of 1 UA= \$1.46 US). This cost excludes taxes and customs duties. It comprises UA 5.67 million in foreign currency and UA 11.33 million (66.6%) in local currency. The project is mainly financed through a grant of UA 15.3 million and UA 1.7 million (10% of the project overall cost) from the Government of Sudan.

2.4.2. Financing sources

Sudan's allocation of ADF over the period 2014- 2016 amounts to UA115.99 million consisting of 60 million from TSF Pillar 1 and 55.99 million from the PBA allocation, total access to which are conditional upon arrears clearance. However, the ADF rules provide for Board approval of exceptional access to 50% of PBA and Pillar 1 resources in the absence of arrears clearance for countries that have shown a firm commitment to regularize debts. Given the progress made by the country towards debt regularization and its extreme fragility, the Board exceptionally approved in September 2014 the Sudan Country Brief (Refer to para. 7.2.2 of CB 2014-2016) which considered access to both Pillar 1 of the TSF and 50% of the PBA. The TSF resources available amount to UA 60 million. The Skill and Technology project is financed with UA 15.3 million from these TSF Pillar 1 resources.

2.4.3. Tables 4, 5, 6,7 and 8 below provide the main information on the project cost by component, source of financing and category of expenditures. The costs were based on data from official sources, from Bank and other donors experience in the country. Respectively a 10% and 5% provision have been made for price escalation and physical contingencies. The details are presented in Technical Annex B.2.

**Table 4:
Project cost by component (UA million)**

Components	In UA million			In USD million			% of Total
	Foreign Currency	Local Currency	Total	Foreign Currency	Local Currency	Total	
Component-1: Support to Capacity building for improved Quality Education System	3.34	6.09	9.43	4.89	8.92	13.81	55.48
Component-2: Improving the teaching and training conditions in the TVE institutions	2.22	4.43	6.65	3.25	6.48	9.73	39.09
Component3: Project Management	0.11	0.81	0.92	0.16	1.19	1.35	5.42
Total Cost	5,67	11,33	17	8,3	16,59	24,89	100,00

Table 5:
Source of financing (UA million)

Financing Source	Foreign Cost	Local Cost	Total Cost	Percentage
TSF Pillar 1 Resources Grant	5.67	9.63	15.3	90
Government of Sudan	0	1.7	1.7	10
Total Cost	5.67	11.33	17	100

Table 6:
Project cost by expenditure and category (UA million)

Category	Foreign Costs	Local Costs	Total Costs
Works	0.00	6.69	6.69
Goods	2.99	1.34	4.33
Services	1.94	1.02	2.96
Operating costs	0.00	0.81	0.81
Total Base Cost	4.93	9.86	14.79
Physical contingency	0.25	0.48	0.73
Price Contingency	0.49	0.99	1.48
Total program cost	5.67	11.33	17.00

Table 7:
Project cost by category of expenditure financed by TSF Pillar 1 Resources [amounts in millions UA]

Category	Foreign Costs	Local Costs	Total Costs	% Foreign
Works	0.00	5.20	5,20	0,00
Goods	2.99	1.34	4.33	69.05
Services	1.94	1.02	2.96	65.54
Operating costs	0.00	0.81	0.81	0.00
Total Base Cost	4.93	8.37	13.30	37.07
Physical contingency	0.25	0.42	0.67	37.31
Price Contingency	0.49	0.84	1.33	36.84
Total program cost	5.67	9.63	15.30	37.06

Table 8:
Expenditure schedule by component (UA million)

Components	2015	2016	2017	2018	2019
Component-1: Support to Capacity building for improved Quality Education System	0.18	1.94	2.05	2.11	1.92
Component-2: Improving the teaching and training conditions in the TVE institutions	0.17	1.4	1.43	1.43	1.35
Component 3: Project Management	0.13	0.12	0.22	0.13	0.2
Physical contingency	0.02	0.17	0.18	0.18	0.17
Price Contingency	0.04	0.35	0.4	0.37	0.34
Total	0.54.	3.98.	4.28.	4.22.	3.98

The Bank's TSF Grant will fund the cost related to works, goods, operations and the entire cost of services. The Government will cover the cost detailed in the technical annexes B2 that provides a detailed summary by source of financing.

2.5. Project's target area and beneficiaries

2.5.1. The project will benefit 52,000 un-qualified teachers in basic and secondary education, 2,096 TEVT trainers and to over 27,814 pupils currently enrolled in general education and TEVT institutions of whom 455 in agriculture, 9,980 in industry, 8,262 in commercial studies. The project will also benefit 450 educational planners, managers, education faculty lecturers and assistants. At least 50% of all the project beneficiaries will be females where applicable. The indirect beneficiaries are: 52 vocational institutes, 115 technical schools, 19 technical colleges (HE) and 15,811 basic education schools where 4,832,473 students (46.3 % girls) are enrolled, 3,002 secondary school attended by 679,476 pupils of whom 48% are girls.

2.5.2. The lecturers and assistants in the education faculty in the Target States will receive training to upgrade their technical and teaching skills. The master degree on education planning and management that will be created in the University of Khartoum will enable to graduate at least 150 students who will further strengthen the capacity of the education system to institutionalize the key management and policy functions. The rehabilitation of the Bakht-Alrida national centre for curriculum development and educational research will enable it to annually train at least 200 education practitioners.

2.5.3 Fragility contexts and analysis (refer to Technical Annex#09): The project design recognises the prevailing fragility contexts of Sudan, including their multiple drivers and manifestations. The fragility assessment for Sudan identifies inequalities in allocation of public resources and in access to public goods and services. This inequality (significant variations among and within Sudanese States) has resulted in greater poverty and often led to conflicts. Another driver of fragility is low infrastructure and human capital development due to unequal distribution of resources and opportunities for social and economic development.

2.5.4 By focusing specifically on human capacity development of Sudan, this project directly contributes to the Bank's efforts to address one of the root-causes of fragility in Sudan. Taking into consideration, the fragility contexts of two of the selected states, North Kordofan and White Nile where a number of socio-economic indicators including poverty characteristics, access to basic services, food and nutrition are extremely below the national average. The low levels of access to education and school enrolment in the two states are consistent with the high poverty incidences at 57.9% and 55.5% respectively. A detailed analysis of how the project addresses the drivers of fragility is included in Technical Annex #09.

2.6. Participatory Process for project identification, Design and implementation

2.6.1. The project identification, preparation and appraisal phases included extensive consultations with government officials, beneficiaries, trainers and administrators, development partners, the private sector and civil society stakeholders. The consultations were organized with the targeted beneficiaries, the civil society, the private sector and the other donor partners. Besides the Ministries of Education at Federal and State levels, the technical consultations were extended to the entire education and training sector from basic education to higher education including the Ministry of Labour that is managing part of the vocational training. The project design was also shared with the technical and financial partners within the Education Coordination Group. Intensive working meetings were specially organised with the University of Khartoum, the National Council of Vocational Training, the National Center for Curriculum and Educational Researches, Bakht Ridaa, the National Council for Training and the National Council for Technical and Technological Education.

2.6.2. The issues that emerged from these consultations have been incorporated in the design of the project. The major issues include: (i) the need to increase female participation both in technical and vocational education; (ii) the need to address the general shortage of skills in regard to the emerging labour market; (iii) the insufficient capacity of the education sector to assure quality service delivery and equity; and (iv) the lack of an operational labour market information monitoring system to address the anticipated needs of the industry and businesses. The project includes specific provisions to address these issues to ensure project sustainability as reflected in the operation design.

2.6.3 The participatory approach will continue to be used at the implementation and completion stage. Apart from the Steering Committee, the project will enhance the participation of the parent teacher associations (PTAs) to serve as a consultative community platform that will have oversight of the renovation and management of the beneficiary's institutions. Also, in designing the curricula for teachers' training in 28 technical trades, the project will hold technical consultations with the Chambers of Commerce and Industry, the private companies and all the relevant employers who will actively participate in the sector reforms. At the project mid-term review, the participatory process will also be undertaken. In the event of the need for modification of the project resulting from the mid-term review, submissions will be made to the Bank for consideration. A special attention has been paid to female technical schools and an innovative mechanism will be thought out with the Government to assure continuous gender mainstreaming through the project.

2.7. Bank group experience and lessons reflected in project design

2.7.1. As of January 2015, the Bank Group's on-going portfolio focused on technical assistance, capacity building and knowledge work. The approval of the UA 20 million Drought Resilience Program towards the end of 2014, increased the Bank's portfolio in Sudan to 11 projects with a total commitment of USD 75.67 million. The performance of the Bank's current portfolio of projects was assessed as satisfactory, with an overall rating of 3. The good rating is a result of enhanced interaction and collaboration between the SDFO and Project Implementation Units (PIUs), which intensified in the last two years when the Bank started scaling up its re-engagement with Sudan. In particular, the periodic meetings with all project technical staff in one forum have enabled the Bank to adopt a proactive approach to addressing all potential or actual project-related problems, especially with regards to procurement. This is complemented by continuous desk supervision and day-to-day monitoring and follow-up with Government authorities, stakeholders and beneficiaries involved in the actual execution of projects. The Bank also organizes relevant trainings on procurement, disbursement and other fiduciary issues that often cause implementation delays.

2.7.2. Lessons learned from the previous Bank's interventions in the sector and other Government's and donors' experience include: (i) ensuring an active participation of the various stakeholders in the project design and implementation; (ii) setting-up a Project Management Unit (PMU) entirely embedded in the FMoGE both at the federal and States' levels while providing PMU's staffs with adequate expertise; (iii) focusing on the most disadvantaged States education institutions where progress in the delivery of basic services has been slow particularly; (iv) narrowing down the gender gaps in accessing technology; and (v) fostering coordination within and amongst line-ministries.

2.7.3. These lessons have been taken into account in the project design through: (i) an adequate consultation with relevant stakeholders in selecting the sites, types of infrastructures and learning and training programs, (ii) the establishment of a steering committee and a strong project management unit supported by a high quality expertise embedded in the FMoGE; (iii) the development and implementation of a dynamic ME system that will result in a good assessment of project implementation progress and impacts, (iv) the improvement of the procurement and accounting capacity within the Ministry of Education, (v) addressing issues of Governance and gender by selecting the neediest States and beneficiaries.

2.8. Key performance indicators

2.8.1. The ME system described in paragraph 4.2 will be developed based on the logical framework. The following indicators will be used:

2.8.2. Impact indicators: (i) Sudan's human development index. The outcomes will be achieved gradually during the project implementation and the impact will be increasingly perceptible as the activities will be carried out.

2.8.3. Outcome indicators: (i) Number and percentage of qualified teachers in secondary education; (ii) percentage of student-teachers admitted to basic education programs; (iii) number of additional administrators, planners and managers who demonstrated a good mastery of education planning and management tools; (iv) percentage of TVET students who graduate; (v) number of Trainers who use the new pedagogical tools; and (vi) TVET enrolment per 100,000 inhabitants.

2.8.4. Output indicators: the key indicators that will be followed-up are: (i) number of short courses on education management and governance for Teachers and administrators developed and implemented at Education faculties; (ii) number of administrators, planners and managers (iii) number of teachers and trainers trained; (iv) number of teacher training centre or faculty renovated and equipped; (v) number of technical school and vocational institutes renovated and equipped; (vi) number of skills needs assessment conducted; (vii) number of technical trades for which the ToT curriculum is developed.

III. PROJECT FEASIBILITY

3.1. Economic and financial performance

3.1.1 The project will have a substantial economic development impact since it will contribute to the building of a skilled work force needed for Sudan's productivity and competitiveness. The project will contribute to improve the relevance of the TEVT programs while expanding the enrolment capacity of the system. By building the capacity of the country's vocational and technical education and teacher education institutions, the project is enhancing the production of the required skilled workforce in the sectors of agriculture, services and industry which contribute respectively the 34%, 46.5% and 20.4% to GDP. These sectors are expected to be associated to investment boom over the next decade and move Sudan towards non-oil exports leading to economic diversification sustainable and economic growth. Moreover, the economy increasingly needs a more sophisticated labor force equipped with competencies, knowledge, and workplace skills that cannot be developed only in primary school or in secondary school programs. For this purpose, the project will enable the establishment of a conducive environment for the development of disruptive ICT expansion models within the education and training system.

3.1.2 The project will also contribute to the development of entrepreneurship and the reduction of youth unemployment. By improving the institutional and human capacity of the FMOGE through the training of 52 000 teachers and the preparation of the next generation of entrepreneurs, the project is partly addressing the severe 'brain drain' the country has been facing as a result of the conflict and lack of economic opportunities. The project is also expected to address the skills mismatch in Sudan. In recent years skills development has become a focus of increasing policy debate and analysis in Sudan. The reason for this lies predominantly in the view that unemployment in country is high, especially among young people. Thus, improvements in the capacity and performance of TVET systems and teacher education are critical to developing skills linked to the demands of the labor market and improved prospects for youth employment and particularly in the agriculture sector. The project will specifically lead to a reduction of at least 10% of the unemployment rate that stood respectively at 27.6% in Khartoum, 12.5% in White Nile and 7.8% in Northern Kordufan in 2011 (SLFS 2011).

3.2. Environmental and social impact

3.2.1. Environment

3.2.1.1 The project has been classified as Category 2. Even though the project is not expected to have significant adverse impacts on the environment, it includes construction elements of which rehabilitation works for technical schools and vocational institutes and new constructions for the teachers training centers and faculty. For this purpose, an environmental and social assessment (ESIA) of the project has been conducted and the ESMP Summary has been posted in the Bank's Website on April 2, 2015. The project activities mainly comprise rehabilitation and renovation civil works, in addition to replacement of existing equipment, tools and machinery. This will have very limited negative impacts on the local environment with waste management and disposal being the significant source of impacts. The ESMP clearly elucidates the measures to be taken to protect the environment. Among positive outcomes, the project is proposed to remediate and mitigate a number of impacts due to lack of clean water and sanitary hygienic sewage. The ESMP summary is attached Technical Annex B7.

3.2.1.2 Occupational Health and Safety

During Construction: FMOGE will ensure that "construction activities are undertaken in a manner which does not present hazards to workers' health and safety. In particular, the project will establish and integrate policies and procedures on occupational health and safety into the construction and operation. Emergency and accident response procedures will also be included in an Environmental Health and Safety (EHS) manual for the schools and institutions. The following measures will be carried out during the construction phase: (i) compliance with international standards for good practice; (ii) adherence to local and international guidance and codes of practice on EHS management; (iii) management, supervision, monitoring and record-keeping as set out in the construction contracts; (iv) implementation of EHS procedures as a condition of all contracts; (v) clear definition of the EHS roles and responsibilities of the companies contracted to work on sites and to all their individual staff (including the nomination of EHS supervisors and/or coordinator); (vi) pre-construction and operation assessment of the EHS risks and hazards associated with works and operation, including consideration of local cultural attitudes, education level of workforce and local work practices; (vii) provision of appropriate training on EHS issues for all employees on site, including induction and regular refresher training, taking into account local cultural issues; (viii) provision of health and safety information; (ix) regular inspection and recording of EHS performance; and (x) maintenance of a high standard of housekeeping.

During Operation: The following mitigation and management measures will ensure that the health and safety of staff and any visitors on and to the specified sites is not jeopardized during operation of the project: (i) development and implementation of an Operational Health and Safety Plan with appropriate training; (ii) provision of training in use of protection equipment and chemical handling; (iii) clear marking of work site hazards and training in recognition of hazard symbols; (iv) installation of vapor detection equipment and control systems; (v) development of site emergency response plans; (vi) all personnel working or standing close to noisy equipment will be required to wear noise protectors; and (vii) drinking water will be supplied to the TEVT schools and institutions via local filtration facilities which will comply with drinking water standards published by the World Health Organization.

3.2.2. Climate change

3.2.2.1. Sudan is one of the most vulnerable countries in the world to climate change. Adaptation research initiatives that have taken place in Sudan in recent years resulted in several major climate change assessments to better understand the range of adaptation opportunities. Accordingly, none of the rehabilitated / renovated and equipped TEVT schools and institutes is vulnerable to increased water levels and rain-floods or other extreme events in their specified areas within the three states of Khartoum, White Nile and North Kordofan.

3.2.2.2. The construction and renovation works undertaken under this project are not likely to affect the greenhouse gases emitted by Sudan that remains among the countries where the level of emission per capita is the lowest. The project will also generate a positive impact on climate change. Indeed, in revising the curricula for teacher's training the project will raise students and teachers' awareness about the best practices to control the harmful effects of industry, mis-utilization of water and natural resources as well as non-environment-friendly equipment on climate change.

3.2.3. Gender

3.2.3.1. Country Profile: In Sudan, girls' access to technical and vocational education is considered as the most important challenge to gender equality in education. The proportion of girls and boys enrolled in primary education, stood at 65.4% and 71.4%, respectively in 2012. The project will enable the direct enrolment of 1500 girls to TVET each year in the beneficiary schools. The project helps the country to make considerable progress towards achieving the MDG target of gender equality and empowerment. In the long run the project will contribute to the reduction of the number of out-of-school children aged 6-13 and 6-16 that was respectively estimated at 1.8 million and 3.2 million. Of the total number of out-of school children, it is estimated that 62% are girls and 84% are living in rural settings. In promoting girl's enrolment to TVET, the project will improve the representativeness, providing therefore female TEVT role models while combating the negative perceptive of women being engaged in male stereotype work.

3.2.3.2. Also, in the mix-training TEVT institutions, the project will address the issue of curriculum that does not integrate girl's specific needs and the ToT programmes which are not gender sensitive. The project will contribute to strengthening the policies and programs that affect the structure and management of the education system, the practices and attitudes of teachers and the content of the curriculum. These changes would facilitate more female students taking advantage of the expected increased access to TVET and increased capacity for teacher education resulting from the support provided by the project. In addition, the project will enable 50% of the new rehabilitated institute and schools to be accessible to girls and while increasing the proportion of females trained in ToT centres supported by the project. As a matter of fact, at least 50% of participants in project training activities will be female. The ICT labs and online training platforms will also include modules on gender equity and provide at least 800 girls with additional training opportunities to upgrade their skills and increase their life choices. Finally the revision of the technical teacher's education curriculum will enable to strengthen the continuous professional development for teacher on gender and promote teacher's leadership to advance access, participation and achievement of girls and women in TEVT.

3.2.4. Social

3.2.4.1. The project will have a positive impact on the social development in Sudan.

Despite its relatively high GDP per capita (about USD 1,400), there has been very little impact on the incomes and well-being of the poor and poverty rates remain high in most parts of the country. According to the Bank-financed 2009 National Baseline Household Survey (NBHS), 46.5% of Sudanese are considered poor, with 26.5% in urban and 57.6% in rural areas. The unemployment rate stood at 19% (ILO 2011), with adults fairing slightly better at 14.5 % (25 years and above) compared to 33.8% for youth (15-24). In targeting youth and woman and in equipping them with relevant technical skills needed in the labor market, the project is increasing their chance to get a job and therefore contribute to increasing the employment rate. Technical Annex B6 provides details for the gender and social impacts.

3.2.4.1. **The anticipated mid-term social outcomes once the project is fully implemented are:** (i) the professional qualification of at least 52,000 teachers,(ii) a reduction of the regional imbalances between States in accessing quality education and training; (iii) the creation of 97 direct jobs and about 250 indirect jobs; the annual admission of education administrators to professional development

opportunities, (iv) the enrolment of girls and other disadvantaged students to technical educational and vocational training in their native areas; (v) poverty reduction amongst the beneficiary group with a decrease of 6.5 percentage point of the number of people living below the poverty line in 2019, and (vi) an improvement of the Sudan's human development index. Also, with an increased enrolment of girls and boys to technical and vocational education, the social stigma attached to manual occupations will be progressively limited and removed. Finally the project will use TVE as an instrument of equity and social inclusion in Sudan providing equal opportunities to all.

3.2.5. Involuntary Resettlement

The TEVT schools and institutions will be rehabilitated / innovated and equipped on an existing plots belonging to FMoGE and other State's Ministries of Education and Guidance. In this context, the project does not impact on any settlements or assets belonging to other parties. This has been verified and validated by ESMP findings that the project will have no direct impact on land use of terrestrial resources for communities around the project areas.

No local populations or legally entitled landowners will be affected by the development of the project; therefore no affected parties require compensation.

IV. IMPLEMENTATION

4.1. Implementation arrangements

4.1.1. The executive agency, FMoGE, will be responsible for the implementation of the project with the assistance of a Project Management Unit. At the State level, the Ministry of Education will designate a local coordinator and a ME assistant to oversee the project implementation. This team will work under the Supervision of the State Ministry of Education, especially the Director of Educational Planning. At the federal level, given the cross-sectorial nature of the project, a Steering Committee comprising at least representatives from Ministry of Human Resources Development, National Council for Technical and Technological Education, Ministry of Finance and National Economy, Federal Ministry of General Education, Ministry of Higher Education, General Directorate of Technical and Vocational Education, Representatives from Ministry of Education from North Kordofan, White Nile State and Khartoum State; Representative from Sudanese Businessmen Association, Representative from Sudanese Civil Society Organization (SCOVA) will be established. The FMoGE will be staffed with a Project Coordinator, a Procurement Specialist, and an Accountant (with a wide experience in Public Financial Management) and an ME specialist. The detailed management arrangements are in technical annex B3.

4.1.2. Procurement Arrangements: The procurement of Goods, Works and acquisition of Consulting and Non-Consulting services financed by the Bank will be undertaken in accordance with the Bank's Rules and Procedures: "Rules and Procedures for Procurement of Goods and Works", dated May 2008 revised July 2012; and "Rules and Procedures for the Use of Consultants", dated May 2008 revised July 2012, as amended from time to time using the relevant Bank Standard Bidding, Request for Proposal Documents, and the provisions stipulated in the Financing Agreement. In line with the Project's Implementation Arrangements, the procurement activities of the project will be implemented under the following arrangements:

- i. The procurement of cross cutting services and goods like procurement of office equipment for PIU, selection of training institutions for General Education as well as procurement of Works for Federal (Central) Government Use will be carried out under the Ministry of General Education. The Ministry will also be responsible for design of rehabilitation works, preparation of technical specification for Project office and workshop equipment as well as Supervision of Works under Federal Government.
- ii. The Procurement of Works and related Goods for State Use like rehabilitation of technical schools at States levels will be carried out at the respective State, i.e. White Nile and North Kordofan. The

States will be responsible for data collection and design of their rehabilitation works; preparation of technical specification of their respective Goods, participate in the preparation of the bidding documents and evaluation of tenders. The States will also be responsible for supervision of their construction activities as well as receiving and verification of qualities and quantities of their Goods.

- iii. The Procurement Department of the Ministry of Finance will be responsible for supporting and overseeing all procurement activities of the project in accordance with the Sudan Procurement Law.

The Recipient will prepare a Procurement Plan for project implementation which provides the basis for the procurement methods. The prepared Procurement Plan will be updated by the Borrower's Project Team annually or as required to reflect the actual project implementation needs and improvements in institutional capacity.

4.1.3 Financial Management and Disbursement Arrangement

The FM assessment concluded that the overall risk is "Substantial". However if the Proposed mitigation measures (attached in the technical annexes) are implemented the Project will be able to (1) use the funds for the intended purposes in an efficient and economical way, (2) prepare accurate, reliable and timely periodic financial reports, and (3) safeguard the entities' assets.

4.1.3.1. In line with the Paris Declaration and Accra Agenda and donor harmonization, the project's financial management transactions will be managed using a hybrid system- comprising country systems and Project specific arrangements. The financial transactions of the Program will be initiated, processed, recorded and reported in accordance with the country's Financial and Accounting Act (2007), and the Financial and Accounting Regulations (2011). To facilitate implementation of the project, the staffing arrangement will be as detailed in 4.1.1 above. The Project will use the IFMIS and FM manual (with slight modification) currently being used by the World Bank funded Project which can accommodate the Project requirements. The PMU will be required to produce quarterly interim financial reports for the project, which will be submitted to the Bank no later than forty-five days after the end of each quarter.

4.1.3.2. The Internal Audit Chamber (IAC) will audit the project financial transactions at least once annually. The internal audit reports will be shared with the Bank during supervision missions. The project financial statements will be prepared within three (3) months after the closure of every financial year and presented to the auditors. The project audit will be conducted by the National Audit Chamber (NAC) or a Private Audit firm appointed by NAC and agreed with the Bank based on the Bank's audit terms of reference. The audit report, complete with a Management Letter, will be submitted to the Bank not later than six months after the end of the financial year. The cost of the audit will be borne by the project when the external audit will be conducted by the private audit firm.

4.1.4. Funds Flow and Disbursement Arrangements: The Recipient will utilize the Bank's four disbursement methods explained in the Disbursement Handbook. The Direct payment method will be used for payments to contractors or service providers in line with the Bank's disbursement rules and procedures. The Bank will issue a Disbursement Letter stipulating key disbursement procedures and requirements. With regard to the revolving fund method, the Recipient will be required to open two (2) special accounts. The first will be an account denominated in foreign currency and the second a local (operating) account. Both accounts will be held at the Central Bank of Sudan at the federal level. Funds paid directly into the foreign currency special account by the Bank will be drawn by the Project, as and when required, into the operating account to cover local costs expenses at both the Federal and States level. The Recipient will also be required to open a third special account at the Central Bank of Sudan to receive counterpart funds from the Government.

4.2 Monitoring

4.2.1. The FMOGE will be responsible for the project overall monitoring and evaluation. The project ME officer will consolidate each quarter the implementation reports submitted by the target States and the other beneficiary institutions. The progress reports will be submitted to the Bank on a quarterly and annual basis. The Bank’s procedures and appropriate templates will be used. Also, in line with the applicable Bank guidelines, the data will be disaggregated by gender and the ESMP, FM and procurement issues will be followed-up included in the progress reports. In parallel to the ME activities directly carried out by the PMU, the Bank will conduct at least two supervision missions each year, prepare the required Implementation Progress Reports (IPR) and provide technical assistance where needed. In partnership with the Bank field Office in Khartoum, annual Joint Sector Reviews will be organized with the participation of the Education Coordination Group to measure the project performance and avenues for improvement and institutional learning. At the end of the 30-month implementation phase, the project will undergo a Mid Term review. The implementation schedule for the main project activities is summarized in table 09.

4.2.2 An M&E officer will be recruited with the Grant resources to design and implement the project M&E plan while an impact evaluation will be carried out to demonstrate the effectiveness of ICT on ToT and on student’s learning’ outcomes. The ME Officer will supervise the work of the impact evaluation consultant who will be hired to conduct an impact evaluation that will provide evidence on the use of ICT as a pedagogical tool and a critical resource for improving quality teacher training and student’s learning outcomes. This impact evaluation case study will use a methodology based on an experimental design and a randomized sampling.

**Table 09:
Monitoring schedule**

Timeframe	Milestone	Monitoring process/feed-back loop
May 2015	Signing of Loan Agreement	TSF and GoS
June 2015	Loan Effectiveness	TSF and GoS
June 2015	Project launching with the management team	TSF and GoS
November 2015	Architectural designs complemented	Project Management Team
February 2016	Start of short course training	Project Management Team
February 2016	Starts of the renovation works	Project Management Team
June 2016	Submission of 1 st Audit Report	GoS
January 2017	Development of the new ToT curriculum for Technical education	Project Management Team
June 2017	Submission of 2 nd Audit Report	GoS
October 2017	Mid-term review	TSF and GoS
June 2018	Submission of 3 rd Audit Report	GoS
June 2019	Submission of 4 rd Audit Report	GoS
	Implementation of the ToT plan within the NCToT	Project Management Team
July 2020	Completion mission	TSF and GoS
December 2020	Last disbursement	TSF and GoS
June 2021	Submission of 5 th and final Audit Report	GoS

4.3. Governance

4.3.1 Sudan is relatively improving its governance system to better control corruption, maintain the rule of law and increase Government effectiveness. However, the threats and weaknesses have been identified in the field of governance include: (i) a major concern on value for money rationale for investing in Sudan is related to the risk and costs associated with conflict escalation especially in the Kordofan region; (ii) the limited implementing capacity of the public services and the risk of slow disbursement due to the budget cut and the US sanctions, (iii) the unequal allocation of public resources between the center and hinterland States and the socio-economic marginalization; (iv) the socio-economic marginalization of disadvantaged rural populations that threatens the stability of the country and (iv) the weak institutional capacity at the States level.

4.3.2 The risk of poor governance of this project mainly concerns procurement and contract execution. This risk will be mitigated by: (i) the recruitment of a Project Coordinator; a Procurement Specialist; a Financial and Accounting Officer, and a Consultant for the production of the manual of procedure (on the Bank accounting system, disbursement and procurement procedures); (ii) the project will also organize training sessions on financial management and procurement at the federal and state levels; (iii) the control by the Bank of various stages of the procurement process through the issuance of its “no-objection” opinions; and (iv) project supervision and financial audits. Furthermore, SDFO will provide the PMU with on-site procurement, contract management and financial management support.

4.4. Sustainability

4.4.1 The sustainability of project outcomes is primarily contingent on the level of ownership by the country. The proposed project was requested by the Government of Sudan that considers education, and in particular vocational training, as being central to its economic development and therefore it places the sector as a priority in its development agenda. This strong commitment and sense of ownership from the government side and the extensive participation of beneficiaries in the project design represent a strong foundation for the institutional sustainability of the project. Furthermore, the project will upgrade the capacities of a critical mass of teachers, teachers' trainers, 450 educational planners, managers, faculty lecturers and assistants to effectively contribute towards the realization of the national education goals. Finally in creating a master degree on education planning and management, the project is catalyzing the internalization of an important policy function within the sector and the creation of an enabling environment conducive to effective education services delivery. In up-grading the physical and pedagogical conditions of the targeted TEVT institutions; the project will enable income generation through services to community and local private sector. These resources will be reinvested in the maintenance of school equipment.

4.4.2 The implementation of the project activities will be integrated with the regular operations of the FMoGE. A PMU will be set up. However, the implementation of project activities will be streamlined with the regular operations of the FMoGE. It is expected through this approach to improve the sustainability of the project outcomes as any good professional practices and expertise resulting from the project implementation will spill-over the FMoGE.

4.4.3 Recurrent works and equipment reparation will be performed at the school level so as to strengthen the capacity for maintenance. Some technical/vocational institutes such as the Kosti Technical School for Boys have demonstrated a capability in producing and repairing school equipment and machinery. The project will strengthen the trainers’ capacity and support the school to develop and sustain an effective maintenance plan through the efficient utilization of the existing training force. Additionally, on a specific basis, the institutions will have the capacity to generate incomes from production and service delivery.

4.5. Risk Management

4.5.1 The main risks were identified and appropriate mitigation measures proposed.

Table-10:

Project risks and mitigation measures

Risks	Risk Rating	Risk mitigating measures
Escalation of violence and fragility in the support States	High	The Project Steering Committee will be required to assess emerging security issues in the target states and advice on appropriate measures for the affected period.
Delays in renovating Teacher training institutes due to lack of procurement capacities.	Moderate	Training on Bank procurement rules and processes conducted in early project start-up
Insufficient Coordination between	Moderate	Set-up a project steering Committee that includes representative of

the line Ministries		the two line Ministries.
Difficulty in retaining the trained teachers	High	Improve management practices including a package of incentives
Inadequate maintenance of equipment provided.	Moderate	A module on the maintenance of equipment will be developed and disseminated.
Education and training institutions are not staffed with skilled personals	Moderate	Priority will be given to beneficiary institutions in all projects supported training courses
Slow project disbursement due to the US sanctions	Substantial	The Bank's Treasury Department (FTRY) has applied for a license from the Office of Foreign Assets Control (OFAC) in order to have a blanket approval of transfer of funds to projects in Sudan.

4.6. Knowledge Building

4.6.1 The project will assist knowledge building at the federal level and in the states. The project will consistently contribute to knowledge and capability building by: (i) upgrading the capacities of a critical mass of teachers, teachers' trainers, educational planners, managers, faculty lecturers and assistants to effectively contribute towards the realization of the national education goals; (ii) institutionalizing a master degree in education planning and management (the partner selected for the development of the master will transfer knowledge and capacity to the 19 education faculties); (iii) developing a digital learning resources and ICT platform within the NCToT where teachers and trainers could access quality training resources. Furthermore, the project will contribute to the formation of an expertise to assess the ICT working tools and strategies.

4.6.2. The findings of three skills needs assessments that will be carried out in North Kordofan, in White Nile and in Khartoum will inform policy TEVT makers as well as the labor market stakeholders. In developing a new curriculum for technical teacher education in 28 trades, the project will enable to accommodate recent developments in education, and incorporate entrepreneurship education in teacher education curriculum based on the findings of the assessments. Finally, the project will conduct a pilot impact evaluation on the introduction of ICT as an enabling pedagogical tool with a gender perspective in delivering ToT. The study will examine and evaluate the introduction of ICT use in the delivery of technical education and training at technical education.

V. LEGAL FRAMEWORK

5.1. Legal instrument

The project will be funded with a TSF grant of UA 15.3 million and counterpart funds provided by the Government of Sudan amounting to UA 1.7 million.

5.2. Conditions Associated with Bank's Intervention

5.2.1. Conditions precedent entry into force: The agreement shall enter into force on the date of signature by the recipient and the Group of the Bank.

5.2.2. Condition precedent to first disbursement of grant resources. In addition to the entry into of the grant agreement as set forth in 5.2.1 above, disbursement of the grant resources will be subject to the Recipient's fulfilment of the following conditions to the Group of the Bank's satisfaction:

- (a) Evidence of opening (i) a special account in foreign currency to receive TSF-Pillar I resources; (ii) and a local currency account to receive counterpart resources in a bank acceptable to the Fund;
- ;
- (b) Evidence of appointing at least the project coordinator and accountant.
- (b) Submit to the Bank for no-objection, Project annual work plan and procurement plan covering the first 18 months.

5.2.3 Other Conditions: The Recipient Shall:

- (i) Provide evidence of setting up a Project Steering Committee composed of at least one representative from the Ministry of Labour, Ministry of Human Resources Development, National Council for Technical and Technological Education, Ministry of Finance and National Economy, Federal Ministry of General Education, Ministry of Higher Education, General Directorate of Technical and Vocational Education, Representatives from Ministry of Education from North Kordofan, White Nile State and Khartoum State. A Representative from the Sudanese Businessmen Association and a Representative from Sudanese Civil Society Organization (SCOVA).
- (ii) The Recipient hereby covenants and agrees to implement the Project in compliance with the recommendations, requirements and procedures described in the Environmental and Social Management Plan (ESMP).

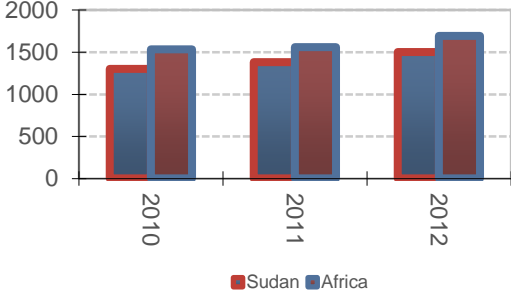
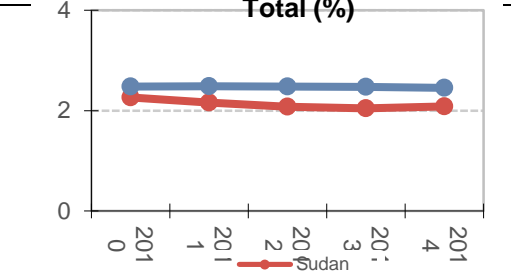
5.3. Compliance with Bank Policies

With regard to technology and skills development focusing on building the internal capacity of the education system to sustain the major function of policy formulation, management and training on the one hand and the renovation of the TEVT infrastructure on the other hand, the project is consistent with the applicable Banks' policies. These include: (i) The Bank's 2013-2022 Strategy core operational priorities include Skills and Technology and Regional Integration as well as special focus on gender and fragile states; (ii) The Bank Human Capital Strategy 2014 -2018 focused on skills development and jobs; and (iii) The Bank's Sudan Country Brief 2014-2016; and (iv) The Bank's Strategy for Engagement in Fragile Situations in Africa 2014-2019 which promotes youth unemployment and empowering women as key levers for a sustainable inclusive growth in Sudan.

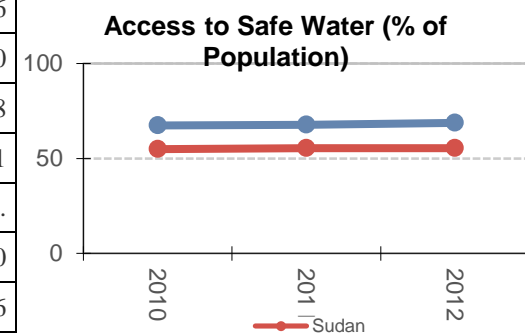
VI. RECOMMENDATION

Given the expected outcomes of the project especially its contribution to building sustainable human and institutional capacities that will further enhance skills development and Sudan's productivity, Management recommends that the Boards of Directors approve the proposed grant of UA 15.3 million to the Government of the Republic of Sudan for the purpose and subject to the fulfillment of conditions stipulated in this report.

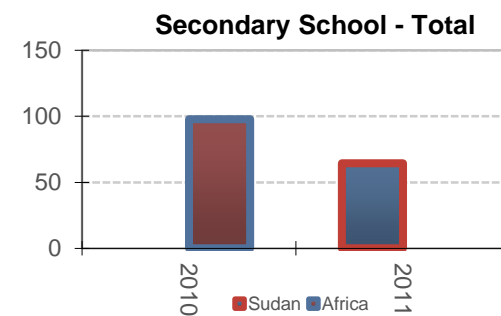
Appendix I: Country's comparative socio-economic indicators

Sudan Comparative Socio-Economic Indicators							
Indicator	Year	Sudan	Africa	Developing Countries	Developed Countries	Charts	
Basic Indicators							
Area ('000 Km ²)		2 505,8	30 046,4	80 976,0	54 658,4		
Total Population (millions)	2014	38,8	1 136,5	5 628,5	1 068,7	<p align="center">GNI per Capita (US \$)</p> 	
Urban Population (% of Total)	2014	33,6	40,6	44,8	77,7		
Population Density (per Km ²)	2014	17,9	34,5	66,6	23,1		
GNI per Capita (US \$)	2012	1 500,0	1 691,5	2 780,3	39 688,1		
Labor Force Participation - Total (%)	2014	39,1	37,5	0,0	0,0		
Labor Force Participation - Female (%)	2014	29,7	42,6	39,8	43,3		
Gender -Related Development Index Value	2007	0,5	0,5	..	0,9		
Human Develop. Index (Rank among 169 countries)	2012	171,0	..	..	..
Popul. Living Below \$ 1 a Day (% of Population)	2009	19,8	..	25,0	..		
Demographic Indicators							
Population Growth Rate - Total (%)	2014	2,1	2,5	1,4	0,7		<p align="center">Population Growth Rate - Total (%)</p> 
Population Growth Rate - Urban (%)	2014	2,6	3,4	2,4	1,0		
Population < 15 years (%)	2014	40,9	40,8	29,2	17,7		
Population >= 65 years (%)	2014	3,3	3,5	6,0	15,3		
Dependency Ratio (%)	2014	74,4	77,3	52,8	..		

Sex Ratio (per 100 female)	2014	100,7	100,0	934,9	948,3
Female Population 15-49 years (% of total population)	2014	24,3	24,0	53,3	47,2
Life Expectancy at Birth - Total (years)	2014	62,2	59,6	65,7	79,8
Life Expectancy at Birth - Female (years)	2014	64,1	60,7	68,9	82,7
Crude Birth Rate (per 1,000)	2014	33,1	35,0	21,5	12,0
Crude Death Rate (per 1,000)	2014	8,3	10,2	8,2	8,3
Infant Mortality Rate (per 1,000)	2014	53,8	60,4	53,1	5,8
Child Mortality Rate (per 1,000)	2014	84,0	95,0	51,4	6,3
Total Fertility Rate (per woman)	2014	4,4	4,6	2,7	1,8
Maternal Mortality Rate (per 100,000)	2010	730,0	415,3	440,0	10,0
Women Using Contraception (%)	2014	15,1	32,5	61,0	75,0
Health & Nutrition Indicators					
Physicians (per 100,000 people)	2010	28,0	52,6	77,0	287,0
Nurses (per 100,000 people)*	2008	84,0	..	98,0	782,0
Births attended by Trained Health Personnel (%)	2010	23,1	..	39,0	99,3
Access to Safe Water (% of Population)	2012	55,5	68,8	84,0	99,6
Access to Health Services (% of Population)	2000	70,0	65,2	80,0	100,0
Access to Sanitation (% of Population)	2012	23,6	39,4	54,6	99,8
Percent. of Adults (aged 15-49) Living with HIV/AIDS	2009	1,1	3,9	161,9	14,1
Incidence of Tuberculosis (per 100,000)	2012	114,0	223,6	..	..
Child Immunization Against Tuberculosis (%)	2012	92,0	83,1	89,0	99,0
Child Immunization Against Measles (%)	2012	85,0	74,6	76,0	92,6
Underweight Children (% of children under 5 years)	2006	31,7	..	27,0	0,1



Daily Calorie Supply per Capita	2009	2 326,0	2 564,7	2 675,2	3 284,7
Public Expenditure on Health (as % of GDP)	2011	2,4	5,9	4,0	6,9
Education Indicators					
Gross Enrolment Ratio (%)		..	..	..	..
Primary School - Total	2011	68,6	101,8	106,0	101,5
Primary School - Female	2011	64,4	97,8	104,6	101,2
Secondary School - Total	2011	37,0	45,4	62,3	100,3
Secondary School - Female	2011	35,3	41,9	60,7	100,0
Primary School Female Teaching Staff (% of Total)	2009	61,3	43,7	..	..
Adult Literacy Rate - Total (%)	2000	61,3	..	19,0	..
Adult Literacy Rate - Male (%)	2000	52,1	..	..	..
Adult Literacy Rate - Female (%)	2000	71,6	..	..	..
Percentage of GDP Spent on Education	2008	..	5,3	..	5,4
Environmental Indicators					
Land Use (Arable Land as % of Total Land Area)	2010	7,9	8,4	9,9	11,6
Annual Rate of Deforestation (%)	2000	1,4	0,6	0,4	-0,2
Annual Rate of Reforestation (%)		..	..	..	..
Per Capita CO2 Emissions (metric tons)	2010	0,4	1,1	..	..



Appendix II: Table of ADB's portfolio in the country

No	Project Name	Window	Approval Date	Disburse Deadline	Amount Approved (UA - million)	Amount Disbursed (UA - million)	Disbursed Rate (%)	Out-standing Issues
	Inst. Capacity Building for Poverty Reduction and Good Governance	Nigerian Technical Cooperation Fund	07.03.2007	31.03.2014	9,620,000	9,139,000	95.10	Project completion report being prepared
	Darfur Water Project for Peace & Conflict Resolution	African Water Facility (ADF-AWF)	24.5.2012	31.01.2016	3,000,000	300,000.0	40.0	Procurement activities for both priority works and investment study is nearly finalized and processing of second disbursement request is on-going
	Capacity Building for Debt Management and Resource Mobilization	Fragile States Facility (TSF)	5.3.2012	31.12.2014	1,050,101	1,050,101	100.0	Implementation of project in progress
	Technical Assistance to the Mamoun Beheiry Research Center (MBC)	NTCF	13.6.2012	14.7.2013	260,500	150,960.0	58.0	Last disbursement request is being processed and studies earmarked for this project is on-going.
	Capacity Building for Increased Access to Energy in Sudan	South-South Cooperation Trust Fund	27.12.2012	NA	340,500	170,250	50.0	Enumerators have been training and data collection is currently on-going. The last disbursement request is being prepared by the project..
	Policy Dialogue on Debt and Arrears Clearance	Fragile State Facility	05.07. 2012	31.12.2013	50,000	50,000	100.0	The project was completed in December 2013 and a PCR is being prepared.
	Technical Assistance to Full Poverty Reduction Strategy Paper	Fragile State Facility	16.06. 2013	30.06.2015	1,973,285	203,400	10.0	Project is 10% disbursed and it was launched in February 2014 and training of enumerators is on-going.
	Emergency Relief to Blue and White Nile States	Special Relief Fund	24.06.2013	30.09.2014	651,856.49	651,825.49	100.0	Project is 100% disbursed and rehabilitation of schools is on-going with expected completion date of September 2014.
	University of Nyala Livestock Project.	Korean Technical Cooperation Trust Fund	21.05.2013	21.05.2016	331,333.33	165, 700	50.0	Project is 50% disbursed and training workshop on basic molecular biology already undertaken in March 2014 in Nyala and Khartoum.
	Technical Capacity Building for Public Finance and Macroeconomic Management Project	TSF Pillar 1 Resources	06.12.2013	05.12.2018	22,190,000	0.00	0.00	Conditions for first disbursement has been fulfilled and first disbursement request sent to the Bank for processing. Recruitment of the project manager, procurement officer and the PFM specialist is also on-going.
	African Legal Support Facility (ALSF)	ALSF	09.03.2014	20.04.2014	651,856.49	0.00	0.00	Letter of Agreement signed on 20 April 2014 and preparations on-going for start of implementation.
					40,119,432.31	11,071,461.33	27.60	

Appendix II: Table of ADB's portfolio in the country

1.1. The approval of the Country Brief included exceptional eligibility and utilization of the Fragile States Facility Pillar 1 resources under ADF-13 cycle (UA 60 million), 50% of the grant component of the PBA under ADF-13 (UA 27.99 million). Therefore, the total amount of resources approved for the period 2014-2016 is UA 87.99 million. Based on Sudan's priorities and requests, a total of UA 52.99 million has been earmarked for three operations: i) the Horn of Africa Drought Resilience Program financed with UA 10 million from TSF Pillar 1 resources; ii) Building Capacity for Inclusive Service Delivery in the Health Sector to be financed with UA 27.99 million, which is 50% of the PBA allocation; iii) Skills and Capacity Development in the Education Sector to be financed with UA 15 million from TSF Pillar 1; iv) Governance and Gender Economic Empowerment Project to be financed with UA 20 million from TSF Pillar resources; and v) Water Sector Reform Project to be financed with UA 15 million from TSF Pillar 1. These projects are already under preparation by the Bank. Sudan has utilized all the ADF-13 resources allocated for the period 2014-2016.

1.2. As at January 2015, the Bank Group's on-going portfolio focused on technical assistance, capacity building and knowledge work. The approval of the UA 20 million Drought Resilience Program towards the end of 2014 increased the Bank's portfolio in Sudan to 11 projects with a total commitment of USD 75.67 million. The performance of the Bank's current portfolio of projects was assessed as satisfactory, with an overall rating of 3. The good rating is a result of enhanced interaction and collaboration between the SDFO and Project Implementation Units (PIUs), which intensified in the last two years when the Bank started scaling up its re-engagement with Sudan. In particular, the periodic meetings with all project technical staff in one forum have enabled the Bank to adopt a proactive approach to addressing all potential or actual project-related problems, especially with regards to procurement. This is complemented by continuous desk supervision and day-to-day monitoring and follow-up with Government authorities, stakeholders and beneficiaries involved in the actual execution of projects. The Bank also organizes relevant trainings on procurement, disbursement and other fiduciary issues that often cause project implementation delays.

1.3. In 2014, there were no Problematic Projects (PP), no Potentially Problematic Projects (PPP) and no effectiveness delays in the entire portfolio. Almost all the projects are on track and are likely to be completed on schedule. Early implementation delays with the Darfur Water Project due to insecurity have been addressed, with the UN providing security for PIU staff, contractors and Bank staff. The portfolio will continue to be closely monitored by SDFO through the follow-up mechanisms: regular supervision (desk and missions), quarterly progress reports, implementation progress reports, which are also informed by the outcomes of the periodic meetings with project coordinators and their technical staff. The Bank management is also informed and action is being taken to address the project disbursement delays caused by US sanctions.

1.4. Despite the satisfactory performance, there are still capacity gaps relating to project staff, some of whom are not very conversant with the Bank's procurement rules and disbursement procedures. The Bank has made considerable progress in filling these gaps, notably through training and workshops. Also, the consistent support of SDFO staff through periodic meetings with all project staff and routine supervisions has improved the situation. This has significantly improved the average disbursement rate for the 11 on-going projects which stood at 24.05% in December 2014. The portfolio performance is summarized in the following tables.

Table 12: Sudan Portfolio Performance at a Glance (2014)

Indicator	2014
1) Portfolio Performance	3
2) Problematic Projects (PP)	None
3) Potentially Problematic Project (PPP)	None
4) Ratio of Projects at Risk (PAR)	0.0
5) Ratio of Commitment at Risk (CAR)	0.0
6) Number of Ageing Projects	None
7) Disbursement Ratio	0.2405
8) Average Size of National Projects	UA 5.46m
9) Percentage of Audit Report Submissions	100%
1. Rating Scale from 0 (low) to 4 (high); 2. Projects with IP or DO scores <1.5 3. Projects with IP and DO >1.5 but at least two of the conditions securing <1 4. The PAR rate is calculated by dividing the no. of PAR by the no. of rated projects 5. The CAR rate is calculated by dividing the no. of PAR by the value of rated projects 6. Operations is considered ageing if it is over 8 years for invest. Operations & 5 years for inst. support.	

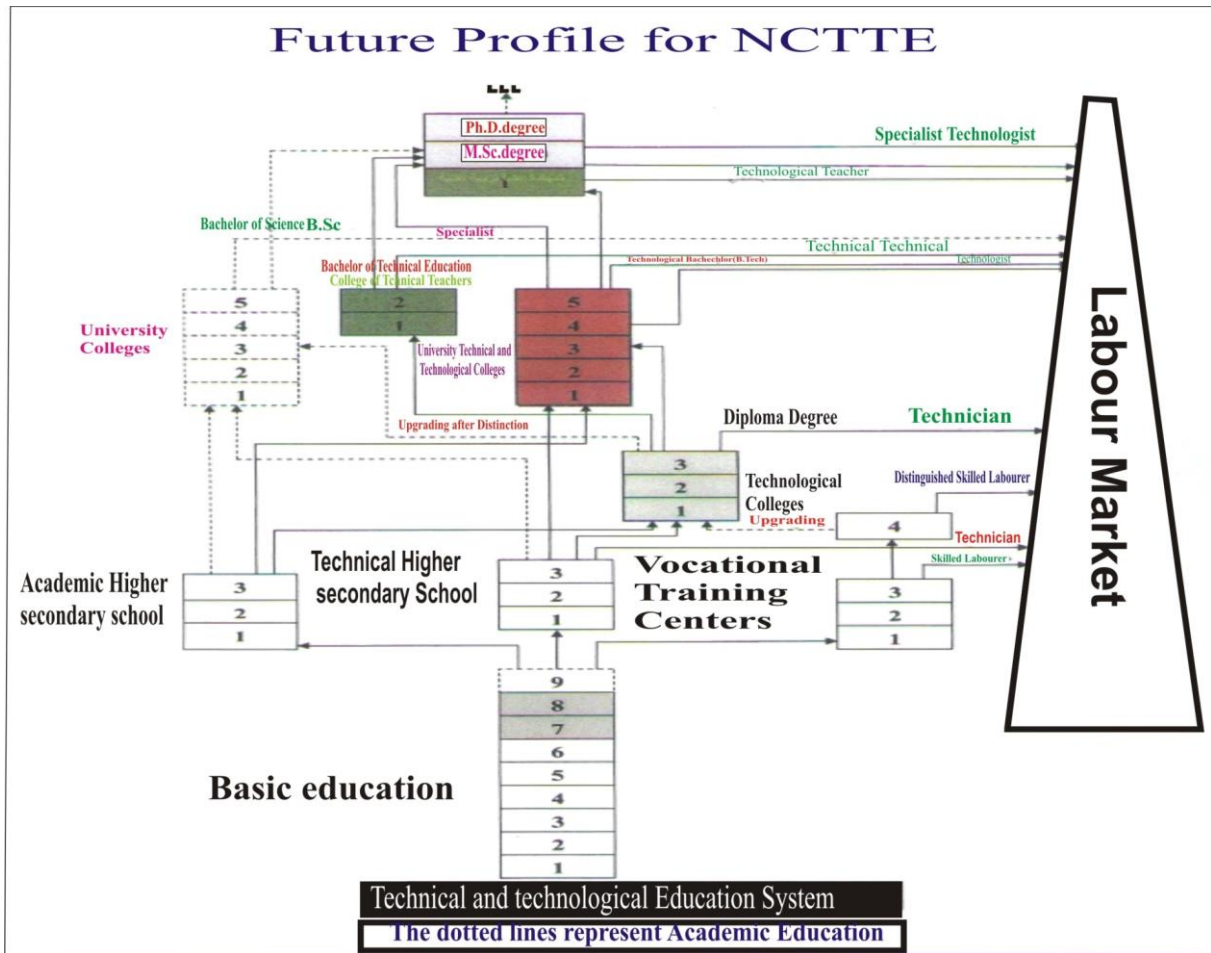
No	Project Name	Window	Approval Date	Disburse Deadline	Amount Approved (UA million)	Amount Disbursed (UA million)	Disbursed Rate (%)	Out-standing Issues
1	Darfur Water Project for Peace & Conflict Resolution	African Water Facility (ADF-AWF)	24.5.2012	31.01.2016	3,000,000	1,200,000.0	40.0%	The project has disbursed 40%. The project has submitted request for the last tranche of disbursement. The contractor for priority work is mobilized in December 2014 and work is to be completed by April 2015.
2	Capacity Building for Debt Management and Resource Mobilization	Fragile States Facility (TSF)	5.3.2012	31.12.2014	1,050,101	1,050,101	100%	The project was completed in December 2014 and process for recruiting PCR consultant is ongoing. The last audit report is expected by June 2015.
3	Technical Assistance to the Mamoun Beheiry Research Center (MBC)	NTCF	13.6.2012	14.7.2013	260,500	150,960.0	58.0%	The Project has now disbursed 100% after the last disbursement was finally received in June 2014. The project was completed by December 2014. Auditor recruited and the report is expected in June 2015.
4	Capacity Building for Increased Access to Energy in Sudan	South-South Cooperation Trust Fund	27.12.2012	NA	340,500	170,250	50%	Enumerators have been training and data collection completed. Dissemination workshop of study findings is ongoing
5	Private Sector, Trade and Economic Diversification in Sudan	South-South Cooperation Trust Fund	23.09.2014	30.12.2015	239,505	119,753	50%	The consolidation of the reports is ongoing and the dissemination workshop of this study is expected early in 2015.
6	Technical Assistance to Full Poverty Reduction Strategy Paper	Fragile State Facility	16.06.2013	30.06.2015	1,973,285	642,700	33%	Project is 33% disbursed and it was launched in February 2014 and second round of household survey is on-going.
7	Emergency Relief to Blue and White Nile States	Special Relief Fund	24.06.2013	30.09.2014	651,856.49	651,825.49	100%	Project is 100% disbursed and completion activities is currently ongoing.
8	University of Nyala Livestock Project.	Korean Technical Cooperation Trust Fund	21.05.2013	21.05.2016	331,333.33	165,700	50%	Project is 50% disbursed and training workshop on basic molecular biology already undertaken in November 2014 in Nyala and Khartoum.
9	Technical Capacity Building for Public Finance and Macroeconomic Management Project	TSF Pillar 1 Resources	06.12.2013	05.12.2018	22,190,000	976,360	4.4	The project is currently 4.4% disbursed and the project has been sensitized to fast track procurement activities for improved implementation rate. Recruitment of the auditor is completed and that of account is on-going.
10	African Legal Support Facility (ALSF)	ALSF	09.03.2014	20.04.2014	651,856.49	0.00	0.00	Letter of Agreement signed on 20 April 2014 and preparations ongoing for start of implementation.
11	Drought Resilience and Sustainable Livelihood Programme Phase II	TSF/RO	14.11.2014	31.12.2020	20,000,000	0.00	0.00	Letter agreement signed on 23 February 2015 and process of satisfying conditions precedent to first disbursement is ongoing.
	Total				50,688,937.311	5,157,649.49	10.18%	

Appendix III: Inventory of other education sector partners in Sudan

Donor	Program/project and cost	Complementary with the current operation
Global Partnership for Education (GPE) ³	Classroom construction for basic education, support to reduce the cost of household and strengthening demand, improving teaching quality, support to build the national capacity for curriculum development; support to the national learning assessment.	The GPE is focused on Basic education and its actions are complementary to the Bank support in regard to improving teaching quality for which the Bank action is concentrated on teacher's training. Also, for the basic education curriculum the Bank project will just support the assessment while investing more on the VT curriculum especially for ToT.
European Union (UE)	In supporting the Primary Education Retention Programme, the UE allocated a six million Euro to Sudan to enable the enrolment of 500 000 students and the training of 10 000 teachers in the States of South Kordofan, Red Sea, Kassalah, Gedaref and Blue Nile. This project is also aimed at improving quality of education and a greater engagement of communities to achieve education for all in targeted areas and meet the MDGs and Post 2105 targets.	The Project is strengthening the teachers training system by improving the capacity and capability of the faculties of Basic Education to up-grade their teaching programmes. Also, by improving the work environment and enhance the quality and performance of the education sector, the project contribute the success of the other interventions including EU activities. In Blue Nile, the project will coordinate with EU for the implementation of the Training component.
UNICEF ⁴	Provision of teaching and learning material, support to classroom construction, intervention for out-of-school children, support to strengthen school management system and education system strengthening.	UNICEF is not active in the two States where the Bank project will be fully implemented. However the coordination with UNICEF will be maintained in regard to school management system and support to system strengthening.
UNESCO	UNESCO is providing a Euro 2.4 million to support the development of subsector diagnostic and early childhood development (ECD) and a technical assistance for improving the quality of basic education.	The coordination with UNESCO will be focused on the partnership with the IPE in developing the Master degree program on Educational planning, management and evaluation and the design of the short courses.
USAID	Though humanitarian assistance remains the major focus area for USAID in Sudan (\$259.7 millions), the agency committed \$10.7 million for development in 2013. Within its Peace and Reconciliation program, USAID has developed a wide range of tools for conflicts management, mitigation and peace building. USAID is particularly active in the States of Southern Kordofan, Western Kordofan, Khartoum, Blue Nile and in the Darfur Region.	The USAID program targets vulnerable youth and women's to mitigate conflict and build leadership capacity to foster peace building and create an enabling environment for improved livelihoods and development. The project will therefore continue the discussions with USAID in using their resources for the development of the Peace building courses at the teachers' faculties for basic education.

³ GPE donors include (as of July 2014) UK, Netherlands, Spain, Australia, Denmark, Norway, Sweden, EC, Canada, France, Belgium, Ireland, Germany, US, Italy, Switzerland, Japan, Russia, Luxembourg, Finland, and Romania.

⁴ Unicef donors include EU, Qatar, Japan, France, Italy, Norway.



Appendix V: Map of the Project Area



Warning: This map provided by the Group of African Development Bank, is exclusively for the use of the readers of the report to which it is attached. The denominations used and the borders which appear in it, do not imply on behalf of the Bank and its members States any judgment as for the legal status of an unspecified territory nor the approval of the aforesaid borders.