

**World Bank Iraq Trust Fund
School Construction and Rehabilitation Project (TF053545/P087907)
December 2009**

Project Summary Sheet

Title	School Construction and Rehabilitation Project				
Implementing Agency	Ministry of Education (MOE)				
Location	Nationwide (all 18 governorates)				
Sector code (OECD DAC)	<i>11120</i> Educational facilities and training				
Compact Priority	<p><i>4.4.1.1</i> Design and carry out specific policy reforms and investments towards achieving the Millennium Development Goals</p> <p><i>4.4.1.2.1</i> Undertake specific measures to promote continuous education for competitive skills and equal opportunities in the labor market</p> <p><i>4.4.1.3.1</i> Achieve universal access to basic education</p>				
Project Cost	US\$60 million				
Duration	75 months				
Approval Date	August 2004	Effective Date	October 2004	Closing Date	December 2010
Project Description	The project aims to alleviate severe school building hazards by constructing new schools to replace unsafe or overcrowded facilities, and by rehabilitating schools needing urgent repair.				
Beneficiaries	The project benefits over 50,000 families with children attending primary and secondary schools. It directly benefits about 75,000 pupils (about 7% of pupils in overcrowded or damaged schools.) Construction of new buildings will provide spaces for 20,000 students in primary and secondary schools, and benefit a further 10,000 students by eliminating multiple school sessions. The rehabilitation of schools will directly benefit 45,000 students.				
Near Term Employment Creation	The project maximizes local content by using Iraqi firms for design, construction, and construction supervision. The project expects to generate over 6,000 job opportunities, over half of which are underway through ongoing reconstruction work.				

Strategic Context and Donor Coordination

The MOE Situation Analysis, building on the UN/World Bank Joint Needs Assessment, identified almost US\$700 million in urgent repair and reconstruction needs over three years, including: over 12,000 schools (more than 80%) require repair, 2,300 require minor repair, 9,400 that require major repair, and around 1,300 that need to be demolished and rebuilt. A gap of more than 3,000 schools causes schools to hold double and triple shifts. The World Bank, the UN, and the US are the main donors supporting education, and continue to coordinate their efforts. The US focused initially on minor rehabilitation; the UN supports both minor and major rehabilitation. The World Bank is the only donor working through Iraq's MOE and the only donor financing major new school construction in a significant manner.

Project Development Objective

- Improve the educational facilities to benefit children
- Create local employment during the construction phase
- Create long-term income generating activities in the staffing of schools

Outputs, Key Activities and Procurement

Outputs	<ul style="list-style-type: none"> 133 schools rehabilitated (reduced from 140 originally) 52 new schools constructed (reduced from 117 originally)
Activities	<ul style="list-style-type: none"> Various design, construction and supervision activities related to outputs
Procurement	<p>Civil works: US\$52.8 million</p> <p>Goods: US\$ 0.4 million</p> <p>Consulting services: US\$ 2.9 million (95 % local consultants)</p> <p>Training: US\$ 0.2 million</p> <p>Operating costs: US\$ 0.5 million</p> <p>Unallocated: US\$ 3.2 million</p>

Financial Data

Funds Committed	US\$51.3 million	% approved	86
Funds Disbursed	US\$38.1 million	% approved	63
Forecast Closing Date	December 2010	Delay (months)	0

Progress against indicators

133 schools rehabilitated	The school rehabilitation subcomponent has been completed. The PMT was requested to carry out an assessment of all 133 schools to review their status and outcomes, including enrollment, to be reported to the Bank.	% of planned	100
52 new schools constructed	<p>31 schools have been completed, and 19 are currently under construction.</p> <p>50 new schools are planned to be built by the closing date of December 2010. The 2 remaining schools will not be built due to unavailability of land in Anbar Governorate, and the security situation in Diyala Governorate.</p>		59

Qualitative Assessment of Project Performance

Major rehabilitation of 133 schools is complete, at an average cost of US\$181 per student, benefiting 45,000 pupils and creating 3,000 construction jobs. The number of new schools to be financed under the project was reduced from 117 to 50 because of price escalation, the appreciation of the Iraqi Dinar, unavailability of land, and security constraints. 31 schools have been constructed and, 19 schools are currently under construction. The project closing date was extended to December 31, 2010 to allow sufficient time to complete the construction of all 50 schools.

Due to the drastic reduction in the number of schools to be built under the project, the project is undergoing restructuring to: (i) update the project targets (schools rehabilitated and new school construction). As part of project restructuring, the MOE has also requested financing of the construction of additional classrooms blocks by using the uncommitted and unplanned balance of about US\$7.8 million, as well as clarifications on the Rapid Results Approach suggested by the World Bank to assist the PMT and MOE in improving their performance in the implementation of school construction projects. The MOE is expected to submit the full restructuring package to the World Bank by January 31, 2010 to allow time to initiate any new civil works under the project.

The locations of two schools built in Anbar province were changed without proper approval and documentation and were, therefore, considered to be ineligible expenditures amounting to US\$1.42 million. Of this amount, the MOE initially reimbursed US\$1.35 million followed by another reimbursement of US\$57,196, leaving a balance of US\$21,514 to be deducted from future withdrawals.

Major Implementation Obstacles

Institutional capacity issues delay project processing and decision-making. The incidence of payment delays has been reduced since the opening of the Designated Account and the elimination of the intermediary commercial bank in the payment chain. Finally, the PMT's oversight and internal controls have revealed deficiencies resulting in quality concerns, mistakes and the payment of ineligible expenditures. The ministry needs to continue to take action to remedy these issues.