

**World Bank Iraq Trust Fund**  
**Project #: P087907**  
**March 2008/1<sup>th</sup> Quarter**

**Project Summary Sheet**

<b>Title</b>	Emergency Schools Construction and Rehabilitation Project				
<b>Implementing Agency</b>	Ministry of Education (MoE)				
<b>Location</b>	Nationwide (all 18 governorates)				
<b>Sector code (OECD DAC)</b>	<i>11120</i> Educational facilities and training				
<b>Compact Priority</b>	<i>4.4.1.1</i> Design and carry out specific policy reforms and investments towards achieving the Millennium Development Goals <i>4.4.1.2.1</i> Undertake specific measures to promote continuous education for competitive skills and equal opportunities in the labor market <i>4.4.1.3.1</i> Achieve universal access to basic education				
<b>Project Cost</b>	US\$60 million				
<b>Duration</b>	57 months				
<b>Approval Date</b>	10 August 2004	<b>Effective Date</b>	October 2004	<b>Closing Date</b>	30 June 2009
<b>Project Description</b>	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.				
<b>Beneficiaries</b>	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.				
<b>Near Term Employment Creation</b>	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: over 12,000 schools (over 80%) require repair, including 2,300 that 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**

<b>Outputs</b>	<ul style="list-style-type: none"> <li>• 133 schools rehabilitated</li> <li>• 55 new schools constructed (reduced from 117 originally)</li> </ul>
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<b>Activities</b>	<ul style="list-style-type: none"> <li>Various design, construction and supervision activities related to outputs</li> </ul>
<b>Procurement</b>	<b>Civil works:</b> US\$52.8 million <b>Goods:</b> US\$0.4 million <b>Consulting services:</b> US\$2.9 million (95 % local consultants) <b>Training:</b> US\$0.2 million <b>Operating costs:</b> US\$0.5 million <b>Unallocated:</b> US\$3.2 million

### Financial Data (as of 03/31/2008)

<b>Funds Committed</b>	US\$47.0 million	<b>% approved</b>	78
<b>Funds Disbursed</b>	US\$22.9 million	<b>% approved</b>	38
<b>Forecast Closing Date</b>	30 June 2009 ( <i>formally revised</i> )	<b>Delay (months)</b>	24

### Progress against indicators

134 schools rehabilitated	School Rehabilitation subcomponent completed. Rehabilitation of 133 schools completed & contracts closed. 1 school in Wassit will not be completed by contractor & MOE is in process of closing contract. MOE to handle completion under own budget.	<b>% of planned</b>	99%
55 new schools constructed (reduced from 117 due to cost increases and Iraqi Dinar appreciation)	Six schools have been completed and are open.	<b>% of planned</b>	24%

### Qualitative Assessment of Project Performance

<p>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.</p> <p>The construction of 6 schools has been completed and 28 new schools are underway. Local firms designed the new schools, prepared bidding documents, and supervise the civil works. Construction of an additional 21 schools should start early April 2008. The number of new schools to be financed under the project has been reduced from 117 to 55 because of price escalation and the appreciation of the Iraqi Dinar.</p> <p>To offset some problems caused by the lack of liquidity and local banking impediments, the World Bank is requesting its senior management to approve the establishment of a “designated account”— an advance account, to be financed by grant funds—which would be replenished upon documentation that funds have disbursed for eligible expenses. The creation of a designated account would be an exceptional disbursement method, to be piloted with the Emergency School Construction and Rehabilitation Project.</p>
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### Major Implementation Obstacles

<p>Project implementation is affected by the ongoing security situation, which can impede movement, create hardship for contractors and project management staff, and make some project sites temporarily unreachable. A lack of institutional capacity and/or appropriate delegation of authority can delay project processing and decision-making in the ministry. Payment delays, caused by an inefficient and immature local banking network, and contractors providing inconsistent payment instructions on contracts and invoices, have led to construction delays. The approval of the designated account should help to alleviate some of the disbursement delays. Finally, the appreciation of the Iraqi Dinar and price increases over time have reduced the number of new schools that can be constructed within the available grant financing.</p>
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