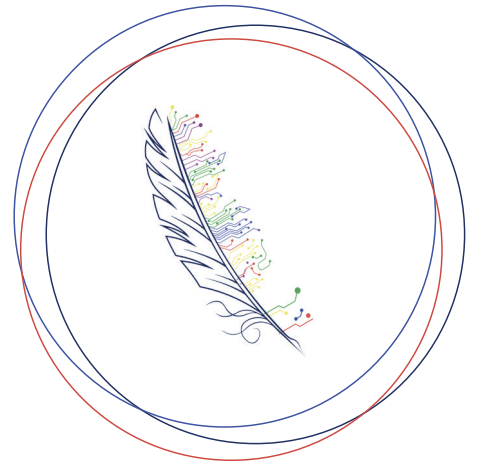


**Ministry of
Education and Science of Georgia**

**Georgia Innovation, Inclusion
and Quality Project (I2Q)**

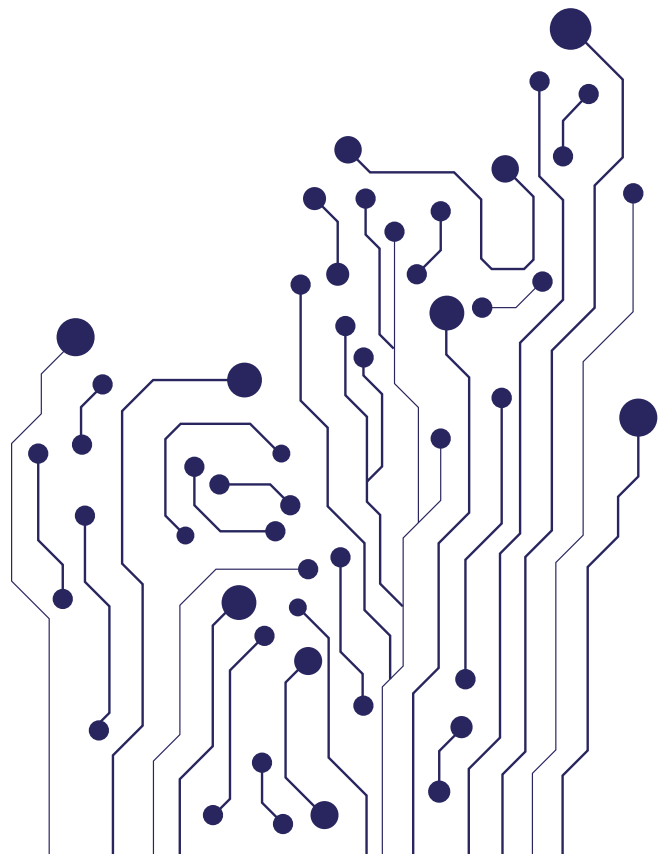


PROGRESS REPORT

**For the period
of January-June
2023**

Submitted by: Project Management Unit

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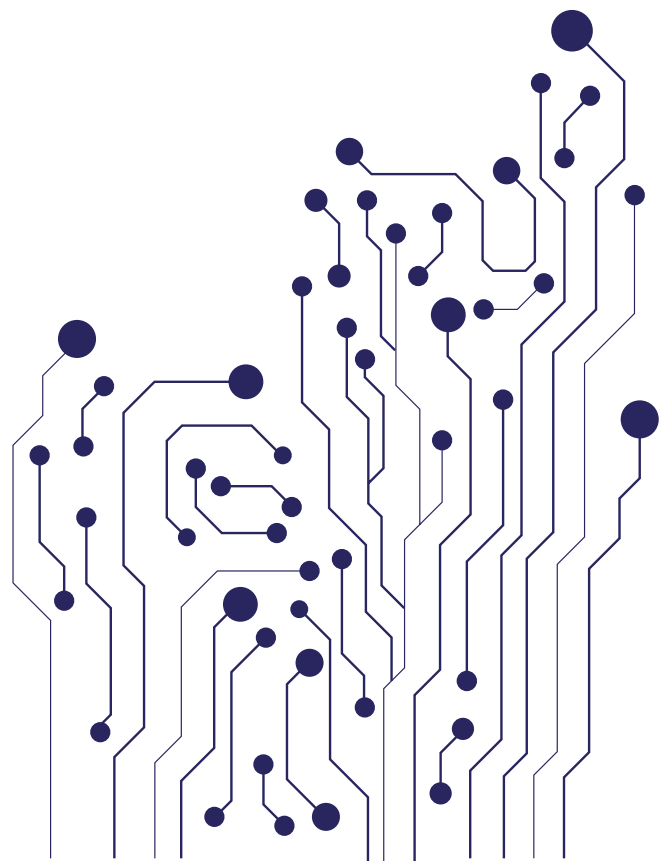


PROJECT INFORMATION SHEET

PROJECT TITLE: Georgia Innovation, Inclusion and Quality Project (I2Q)

PROJECT NUMBER: Ministerial Decree №338

FOR: The World Bank Group



ABBREVIATIONS AND ACRONYMS

AC	Awards Committee	MESD	Ministry of Economy and Sustainable Development
BPF	Performance-based Funding	MoF	Ministry of Finance of Georgia
CIF	Competitive Innovation Fund	MoU	Memorandum of Understanding
CIF AU	Competitive Innovation Fund Administration Unit	MRDI	Ministry of Regional Development and Infrastructure of Georgia
DM	Delivery Model	NAEC	National Assessment and Examination Center
ECEC	Early Childhood Education and Care	NC	National Consultant
ECE	Early Childhood Education	NCEQE	National Center for Education Quality Enhancement
EMIS	Education Management Information System (EMIS)	PAD	Project Appraisal Document
EOI	Expressions of Interest	PDO	Project Development Objective
ESIDA	Education and Science Infrastructure Development Agency	PMU	Project Management Unit (under MES)
ESMP	Environmental and Social Management Plan	PMT	Project Management Team (under MDF)
FDM	Funding Delivery Model	QA	Quality Assurance
GE	General Education	QCBS	Consultants Quality and Cost-Based Selection
GoG	Government of Georgia	REOI	Request for Expressions of Interest
HEI	Higher Education Institution	SRP	School Readiness Program
IBRD	International Bank for Reconstruction and Development	RFP	Request for Proposals
IMDS	Information Management Database System	TAO	Test Assisté par Ordinateur
IPE	Infrastructure and Physical Environment	TOR	Terms of Reference
JICA	Japan International Cooperation Agency	ToT	Training of Trainers
JV	Joint Venture	TPDC	Teacher Professional Development Center
MDF	Municipal Development Fund of Georgia	USAID	United States Agency for International Development
M&E	Monitoring and Evaluation	WB	World Bank
MES	Ministry of Education and Science of Georgia		



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I. INTRODUCTION

The Government of Georgia has signed the Loan Agreement for financing the implementation of Georgia Innovation, Inclusion and Quality Project – Georgia I2Q (I2Q Project) with the International Bank for Reconstruction and Development (IBRD). The Project development objectives are to (i) expand access to preschool education and (ii) improve the quality of education and the learning environments and enhance relevance of higher education programs. The loan amount is 90 million Euros.

Original Loan agreement N8955, Section III, Withdrawal of Loan Proceeds

Category	Amount of the Loan Allocated (expressed in EUR)	Percentage of Expenditures to be financed (inclusive of Taxes)
(1) Works, Goods, non-consulting services, consulting services, Operating Costs and Training for the Project except for Parts 1(c), Part 2(a) and Part 5 (a) for the Project	29,775,000	80%
(2) Works, Goods, non- consulting services, consulting services, Operating Costs and Training under Part 1(c), Part 2(a) and Part 5(a) for the Project	60,000,000	80%
(3) Front-end Fee	225,000	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
(4) Interest Rate Cap or Interest Rate Collar premium		Amount due pursuant to Section 4.05 (c) of the General Conditions
TOTAL AMOUNT	90,000,000	

In 2020, in order to respond to epidemiological outbreak Covid-19 all governmental entities, including MES, had to make severe budgetary cuts and thus faced significant challenges in financing various ongoing or upcoming projects. MES faced problem in finding budget for co-financing I2Q project activities. Constraints in budgetary funds would have affected and hindered the smooth and timely implementation of the project. Pandemic situation had already caused delays in project implementation. Therefore, MES sent an official letter to MoF and the WB requesting restructuring of part of the loan agreement managed by MES and instead of 80/20 disbursement scheme, asking for 100% disbursements from the IBRD.

The loan restructuring request was approved by the MoF as well as by the WB and the new scheme was ratified by the Parliament of Georgia on September 30, 2020. Therefore, the counterpart financing has been removed from the loan agreement Category (1) amounting to EUR 29,775,000 for Works, Goods, Non-consulting services, Consulting services, Operating Costs and Training for the Project except for Parts 1(c), Part 2(a) and Part 5 (a) for the Project.

The Table in Section III. A of Schedule 2 to the Loan Agreement is amended to read as follows:

Category	Amount of the Loan Allocated (expressed in EUR)	Percentage of Expenditures to be Financed (inclusive of taxes)
(1) Works, Goods, non-consulting services, consulting services, Operating Costs and Training for the Project except for Parts 1(c), Part 2(a) and Part 5 (a) for the Project	29,775,000	100%
(2) Works, Goods, non-consulting services, consulting services, Operating Costs and Training under Part 1(c), Part 2(a) and Part 5(a) for the Project	60,000,000	80%
(3) Front-end Fee	225,000	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
(4) Interest Rate Cap or Interest Rate Collar premium		Amount due pursuant to Section 4.05 (c) of the General Conditions
TOTAL AMOUNT	90,000,000	

The Project Development Objectives are to (i) expand access to preschool education and (ii) improve the quality of education and the learning environments.

The loan will be dedicated to:

- 1) Improvement of the quality of and access to early childhood education;
- 2) Fostering quality teaching and learning in general education;
- 3) Strengthening financing options and promoting internationalization in higher education;
- 4) System strengthening and stakeholder communication and
- 5) Project Management, Monitoring and Evaluation.

Table below represents the reallocation of the Project funds among components, as per approved POM:

Project Components	IBRD Financing (EUR)
1. Improving Quality of and Access to Early Childhood Education (ECE) (works, goods, non-consulting services, consulting services, operating costs and training for the Project except for Parts) 1(c), Part 2(a) and Part 5 (a) for the Project)	4,325,000
2. Fostering Quality Teaching and Learning in General Education (works, goods, non-consulting services, consulting services, operating costs and training for the Project except for Parts 1(c), Part 2(a) and Part 5 (a) for the Project)	9,015,000
3. Strengthening Financing Options and Promoting Internationalization in Higher Education	8,860,000
4. System strengthening and Stakeholder Communication	3,585,000
5. Supporting Project Management, Monitoring, and Evaluations (works, goods, non-consulting services, consulting services, operating costs and training for the Project except for Parts 1(c), Part 2(a) and Part 5 (a) for the Project)	3,990,000

II. SUMMARY OF IMPORTANT PROJECT DATES

- The Loan Agreement was signed on June 18, 2019.
- Project was ratified by the Parliament of Georgia on October 16, 2019.
- Loan became effective on November 27, 2019.
- Official project launch event was held on March 5, 2020.
- Targeted program approval by the MES on March 9, 2020 (Ministerial Decree No. 338). The latest amendment approved on June 1, 2023 (Ministerial Decree No. 629820) due to the changes in MES top management and accompanying need to appoint a new coordinator of the Project.
- Project implementation period: November 2019 - March 2026.
- The Loan Agreement has been restructured and became effective on October 15, 2020.

Note: Due to the budgetary cuts as a result of a pandemic, the loan restructuring was conducted to accommodate the Government request to eliminate requirement of 20 percent co-financing (the table in Section III (A) of Schedule 2 to the Loan Agreement).

- The last revision and amendments to POM approved by the WB on May 30, 2022.
- WB Implementation Support Missions - July 6-17, 2020; February 15-19, 2021; September 6-17, 2021; March 21-April 1, 2022; September 26 – October 3, 2022.
- The project Mid-Term Review Mission held during March 27-31, 2023.

Note: Implementation of activities defined in the last Aide Memoire is provided below in respective parts of the report.

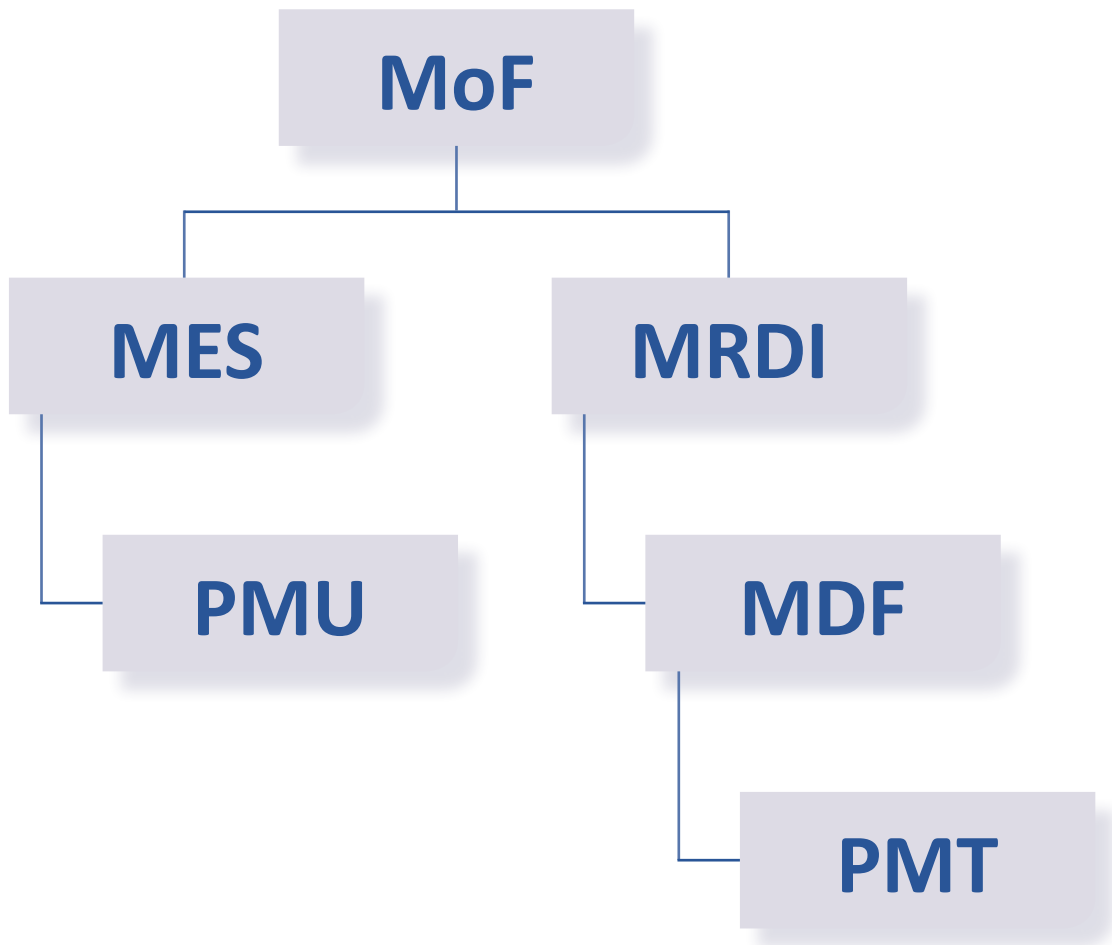
- I2Q project Steering Committee established on October 28, 2020 (Ministerial Decree No. 1046328). Current composition of the Steering Committee approved on May 23, 2023 (Ministerial Decree No. 585561).

Note: The first official Steering Committee meeting held on December 15, 2020. The second official Steering Committee meeting held on November 26, 2021. The third official Steering Committee meeting held on December 19, 2022.

- The full package of Internal Regulations of the Project prepared in late 2020 was approved by the Executive Director of the Project on April 12, 2021.

The I2Q Project will be implemented over a six-year period by the following implementing partners – the MES and the MDF operating under the MRDI. The PMU created within the MES supports implementation of the designated project components, as specified in Legal Agreement. The PMT created within MDF supports implementation of relevant subcomponents under Components 1 and 2 aimed at improving the education infrastructure.

III. PROJECT IMPLEMENTATION STRUCTURE



SECTION I – OVERALL PROJECT PROGRESS AND KEY ISSUES

A. THE WORLD BANK IMPLEMENTATION SUPPORT MISSION

The WB task team conducted the Mid-Term Review Mission (hereinafter – the Mission) for the I2Q Project during March 27-31, 2023. The Mission’s objectives were to (i) review the ongoing project implementation progress, fiduciary and safeguards aspects; (ii) identify solutions to any pending issues and agree on measures to expedite implementation; (iii) identify the needs and areas, if any, for a project restructuring; and (iv) take part in the education sector related donor coordination meetings.

Tables below provide a summary of actions agreed during the last WB Implementation Support Mission and status of their execution (*see Table 1 below*), as well as the status of the key agreed actions from the previous mission (held in March 2022) (*see Table 2 below*).

TABLE 1 - STATUS OF AGREED ACTIONS

No	Key Actions	Responsible	Due Date	Current Status
Component 1 – Improving Quality of and Access to Early Childhood Education and Care				
1	Develop the quality assurance framework and mechanism for ECE	PMU	January 31, 2024	In progress. Note: Development of the QA framework is considered under the ongoing phase 3 under the multi-component contract and is expected to be completed by the end of January 2024.
2	Complete the rehabilitation work for SRP for the remaining schools	PMU	December 31, 2023	In progress. Rehabilitation of 40 groups is completed. As expected, rehabilitation of additional 77 groups will be completed by the end of 2023. As for the remaining 33 groups, estimated completion date has shifted to the end of March, 2024, as the tenders were re-announced due to no competition.
Component 2 – Fostering Quality Teaching and Learning in General Education				
3	Share the draft Employer’s Requirement with the Bank for no-objection	MDF	April 30, 2023	Completed. The MDF has shared the final draft of Employer’s Requirements with the WB for review on May 4, 2023 and no-objection was received on June 26, 2024.
4	Complete the school infrastructure standards	PMU	May 15, 2023	In progress. <u>Note:</u> Contract term extended through December 31, 2023. Acceptance of the final draft of the IPE Standards document expected by the end of July 2023. After acceptance of the final draft, the consulting company will be responsible for revising the final IPE Standards document, if necessary. For details, please see Section II, Part “B” below.
5	Disclose draft ESMPs of Tsikhisdziri and Telavi N2 public schools, conduct stakeholder consultations, and share finalized ESMPs with the Bank	MDF	Prior to tendering of works	Completed. <u>Note:</u> ESMPs were finalized and shared with the WB and site visits and discussions with the stakeholders took place in April 2023 (on April 11 in Telavi N2 Public School and on April 12 in Tsikhisdziri Public School).



6	Share the detailed design documents and ESMPs for school renovation for the Bank's no objection for all the remaining schools	MDF	June 30, 2023	<p>In progress.</p> <p><u>Note:</u> As of the end of the reporting period, (i) contracts are signed for 3 schools (Kareli N1; Khashuri N2, Rustavi N21) and (ii) tenders are announced for 2 more schools (Tsikhisdziri School and Telavi N2).</p> <p>Designs of 9 schools (Natanebi, Naruja, Batumi N4, Batumi N5, Kutaisi N28, Terjola, N1, Tkibuli N1, Chiatura N7, Baghdati N1) are accepted and the MDF plans to announce tenders in July, 2023. Detailed designs for the remaining schools under Batch 1, together with all 29 schools under Batch 2 are planned to be submitted to the WB until the end of August, 2023.</p>
7	Conduct a pilot of school authorization	PMU	June 30, 2023	<p>Completed.</p> <p>Note: School authorization pilot report was shared with World Bank on July 4, 2023.</p>
Component 3 – Strengthening Financing Options and Promoting Internationalization in Higher Education				
8	Hold an CIF awarding event for all the successful applicants of the 1st round of CIF	PMU	June 30, 2023	<p>Completed.</p> <p><u>Note:</u> The Awards Committee made a final decision regarding the funding of the grant projects under the 1st CIF funding window on June 12, 2023. The day of the awards ceremony has been determined (July 5, 2023) and the agenda is distributed to participants.</p>
9	Hire the international consultancy for pre-service education	PMU	September 30, 2023	<p>MES decided to increase the scope of the ongoing contracts related to HE funding and National Assessments and requested the termination of the tender in order to reallocate budget towards the prioritized activities (see part B. "Planned Restructuring and Amendments to the Project Scope" below).</p>
Component 4 – System Strengthening and Stakeholder Communication				
10	Sign the contract with a firm for e-School proposal evaluation	PMU	April 30, 2023	<p>Completed.</p> <p>The contract was signed on April 4, 2023 and is expected to be completed in February 2024.</p>
11	Deploy a consulting firm for LMS development	PMU	July 31, 2023	<p>In progress.</p> <p>The Shortlist Evaluation Report was drawn up by the evaluation group in March 2023. However, changes were conducted in the MES management and the Project Tender Committee composition was re-established on June 5, 2023.</p> <p>The Shortlist Evaluation Report was approved by the Tender Committee on June 28, 2023, while the RFP was approved on June 30, 2023.</p> <p>Considering the aforementioned, contract signature is expected by the end of October, 2023.</p>

Component 5 – Supporting Project Management, Monitoring, and Evaluations				
12	Send a restructuring request letter to the World Bank	PMU/MES	May 31, 2023	<p>In progress.</p> <p>Considering priorities of the ongoing reform agenda, the MES requested changes in the scope and activities of the Project. The details of the requested support are still under discussion. Respectively, items to be restructured would need further changes to reflect the priorities of the MES.</p> <p>Estimated period of submitting the restructuring request to the WB is end of August 2023.</p>

TABLE 2 -THE STATUS OF THE KEY AGREED ACTIONS FROM THE PREVIOUS MISSION

No	Actions	Responsible	Due Date	Current Status
Component 1 – Improving Quality of and Access to Early Childhood Education and Care				
1	Complete the rehabilitation work of SRP for 41 schools	PMU	Dec 31, 2022	See table 1 above.
Component 2 – Fostering Quality Teaching and Learning in General Education				
2	Share detailed design documents of the remaining 23 schools in Batch 1 with the Bank team for no objection	MDF	Dec 31, 2022	See table 1 above.
3	Share detailed design documents of all Batch 2 schools for rehabilitation with the Bank team for no objection	PMU	Jan 31, 2023	See table 1 above.

Note:

During the mission, the Aide Memoire was developed, and the implementation timelines were agreed. The detailed description of the progress made during the reporting period is provided under relevant parts of the report.



B. PLANNED RESTRUCTURING AND AMENDMENTS TO THE PROJECT SCOPE

During the last WB (Mid-Term Review) Mission, discussions were held in order to address identified gaps in the results framework. As a result, the Mission identified the need for a project restructuring to revise some of the results indicators to align with the specific results of the Project. According to the respective Aide Memoire and the Management Letter, official restructuring request letter should have been submitted to the WB by the end of May 2023.

Following the changes in MES top management in March, 2023, the series of meetings and discussions were held with the MES new management in order to explain implementation progress and planned activities. As a result of consultations, the Ministry top management has decided to further expand some of the activities of the Project. In particular, it was decided to expand the scope of the HE PBF model project and add the support for development of the HE core funding system, including academic program costing activities that shall result in setting the diversified student tuition fees considering the field of study and program. Another activity to be further supported by the project relates to National Assessment system development that is part of the ongoing agreement with international consortium led by IBF International. In particular, the Ministry requested support for developing the school leaving examination system that in turn will play a role in university admission process. Considering that the P4R project envisages development and approval of transition system for the students from school to university, the exact scope of the assignment to be implemented under I2Q project needs to be defined. For this purpose, the project team is currently coordinating the working process with WB, MES and NAEC and well as consulting company that works towards national assessment system development.

Since implementation of new activities require allocation of appropriate funds from the Project, the MES has expressed the willingness to direct Project fund that were not yet committed, towards the execution of the aforementioned new activities. Based on the discussions held with the top management of the Ministry, with the consent of the WB, decision was made to cancel the ongoing tender announced for “Consulting Services for Strengthening the Quality of Pre-Service Teacher Education Programs” and allocate appropriate resources to finance new activities related to the development of core funding model for HE, conducting academic program costing activities and national assessment system strengthening.

Some of the changes in the actions agreed are clarified with the MES and the WB, while some are still under discussion and require elaboration. Therefore, to fully reflect the needs of the system, items to be restructured need further revision and as agreed with the WB, restructuring letter will be submitted to the WB as soon as final clarifications are made. As discussed with the Ministry and the World Bank, restructuring will be required for the Loan Agreement and project indicators (not the PDO indicators) and should be implemented in September 2023, when the Parliamentary Sessions will be restored.

SECTION II: IMPLEMENTATION PROGRESS BY PROJECT COMPONENTS

A. COMPONENT 1 - IMPROVING QUALITY OF AND ACCESS TO EARLY CHILDHOOD EDUCATION

Considering Article 28(8) of the Law of Georgia on “Early and Preschool Education”, on February 21, 2023 the GoG approved the temporary rule on the authorization of the early childhood and preschool education institutions, as well as on the suspension and termination of the institution’s authorization (Governmental Decree N76). As a member of the Coordination Team consisting of ECE stakeholders, the ECE Component Head was involved in the development process of the authorization standards, which is an integral part of the abovementioned temporary rule.

During the reporting period, considering requirements of Georgian legislation, rule on the management of the temporary information management system of ECE and preschool education institutions (hereinafter - the Rule) was developed by EMIS in close collaboration with the relevant stakeholders and is ready for adoption by the GoG. Key issues regulated by the rule include, but are not limited to the system administration, data access rights, ongoing processes of the system, data to be entered about the institution, system security, confidentiality and storage period of information/ data in the system, etc.

In June 2023, ECE Component Lead, along with SDSURF’s leading key expert participated in the Early Childhood Education and Care 2nd international Conference held in Batumi. The Conference was organized by the Batumi Shota Rustaveli State University, Government of Autonomous Republic of Adjara, UNICEF Georgia and JICA. The conference facilitated ECE related discussion and knowledge sharing on quality assurance, alternative ECE education development in Georgia, access to quality ECE, and management. Also, the practitioners and experts of the field from different countries shared their best practices to raise the awareness of society and policymakers about the importance of early childhood education and its alternative forms. During the conference, ECE Component Lead introduced progress achieved under the I2Q Project, serving as a support mechanism of the ongoing ECE reform.

During the reporting period, the Education and Science Committee of the Parliament of Georgia initiated establishment of the ECE Advisory Council. The aim of the Council is to support the Committee in identifying existing challenges in the field of ECE and preschool education, planning mechanisms for responding to those challenges and defining policies and analyzing initiatives. Composition of the council include representatives of non-governmental organizations and donors working in this field, heads of unions and agencies of ECE and pre-school education institutions, as well as various experts of the field. ECE Component Lead of Project was invited as member of the Council.

The first formal meeting of ECE Advisory Council was held on May 18, 2023 where the Chairman of the Council highlighted the progress made in the sector, existing challenges of the system, the importance of the stakeholders’ interventions, and invited the attendees to address the ongoing activities. The ECE Component Lead took the opportunity to talk about the ECE Diagnostic Study results and discuss some of the important aspects of the support of the ECE under the Project. Upon the kind request of the Chairman of the Council, the ECE Diagnostic Study findings and recommendations were shared with him.



Sub- Component 1.1 - Improving the Quality of ECE Programs Across the Country

The objective of this sub-component is to introduce systems that improve the quality of ECE programs in Georgia. All activities considered under this sub-component, except for the already completed comprehensive diagnostic study of the ECE sector, are envisaged in the ongoing multi-component contract – “Improving ECE Institution Management System and Enhancing the Quality of Programs Across the Country” (Contract No: GE-MESCS-212213-CS-QCBS). The second phase of the works were launched in November 2022 and have been completed within the current reporting period (June 1, 2023). Key outputs of the work implemented throughout the phase 2 included:

- a. QA framework legal analysis and recommendations on the required legal amendments;
- b. ECE data reporting functional developed based on thorough mapping;
- c. comprehensive salary scale baseline study;
- d. special education pedagogue and special assistant job descriptions and qualification requirements;
- e. continuing professional development initial scheme;
- f. selection criteria for kindergarten programs;
- g. child development assessment instrument.

For the purposes of conducting salary scale baseline study, the Consulting Company, in close collaboration with the MES, examined the ECE remuneration system. The study was conducted in three components:

- a. The agency-level component involved the study of Kindergarten Management Agencies – with the total of 57 participating agencies (5 self-governing cities and 51 municipalities);
- b. The principal-level component targeted the ECE institutions’ principals from Akhalkalaki, Gori, Zugdidi, Vani, Dedoplistskaro and Lanchkhuti municipalities;
- c. The study of caregiver-pedagogues - in-depth interviews were conducted with caregiver-pedagogues from Akhalkalaki, Gori, Zugdidi, Vani, Dedoplistskaro, Lanchkhuti, Marneuli, Kobuleti and Tbilisi municipalities.

The study focused on various aspects concerning the salary: (i) existing salary; (ii) desirable minimum salary; (iii) professional growth; (iv) working hours; (v) functions and duties; (vi) a mechanism which should make the qualification of a caregiver-pedagogue appealing; (vii) challenges in relation to salary.

On May 31, 2023 the study findings and recommendations were presented to the wide audience consisting of the relevant representatives of Education sector (MES, NCEQE, EMIS, TPDC) and other important stakeholders, such as MRDI, MoF and the Committee of Education and Science of the Parliament of Georgia.

In April and May 2023, experts of the Consulting Company visited Georgia and held series of working

meetings with the relevant stakeholders in order to exchange information necessary for effective implementation of the planned activities. Throughout the visits, round of meetings was held with the top and middle management of the NCEQE, Center for Preschool and Inclusive Education at the Ilia State University, TPDC, EMIS, Civitas Georgica, and other relevant stakeholders. Parties discussed current status of the sector, progress achieved, future collaboration for successful implementation of the project, etc.


On April 6, 2023 a meeting was held among the SDSURF, NCEQE Deputy Director and the Head of Early and Preschool Education and Care Quality Assurance Department of NCEQE to discuss issues related to the analysis of the existing legal framework and recommendations for further improvement, including the possibility of introducing the school-based SRPs.

Later in April, 2023, a meeting was held among the SDSURF experts and the WB representatives - Ahmet Levent Yener (Program Leader for Human Development) and Shiro Nakata (Task Team Leader, Senior Economist), to discuss challenges occurred regarding alignment of ECE data reporting platform development under the Sub-Component 4.1, on the one hand, and ECE data reporting platform piloting under the SDSURF contract, on the other hand.

In May, 2023, on a meeting held with the EMIS Director and other EMIS representatives, SDSURF presented two online platform options (i) Qualtrics and (ii) RedCap as an alternative of the system for the piloting purposes. EMIS Director discussed possibilities of their adaptation for piloting and came to suggestion, that instead of applying either of the proposed international platforms, it will be less complicated to transform existing ECE platform developed for kindergarten initial registration into the ECE data reporting platform by equipping it with the required functioning data fields. The suggested plan has not yet been formally confirmed by the EMIS.

Besides the aforementioned working meetings, number of visits were conducted in target municipalities:

- On April 4, 2023, the leading key expert of the SDSURF, Dr. Frey visited local Radio Station “Imedi”. She introduced the scope of the project and expected outcomes.
- In April and May 2023, experts of the Consulting Company, together with the Project ECE Component Lead and the Capacity Development, Outreach and Communications Specialist paid working visits to Dedoflistskaro and Gori Municipalities, where they met with Municipality Mayors, Heads of the City Hall Primary Structural Unit of Education, Culture, Sports and Youth Affairs Services, Preschool Education Center Heads, as well as caregivers and caregiver-pedagogues of ECE and Preschool Education institutions. The visit was also conducted in one local ECE institution of each Municipality (No. 2 Kindergarten of Dedoflistskaro city and No 1 Gori Kindergarten). The aim of the visit was to inform local governments and ECE and preschool education administrations about project objectives and the planned works, as well as to receive information about their priorities and needs.
- On June 1, 2023, symbolically on International Children’s Day, SDSURF Team Leader – Dr. Frey and ECE Component Lead of the I2Q Project visited local TV station – Imedi Channel.



Interviewees spoke about the project insights, its alignment with current ECE reform, importance of SRP and SDSU's best international ECE expertise.

On April 27, 2023, according to timeline stipulated in the respective contract, R-1 Progress Report (second report) was submitted by the Consulting Company. Throughout May 2023, the Steering Group members held several meetings (May 19, May 29) to revise the document, share feedbacks and reconcile suggestions for improvement of an R-1 Progress Report. On June 1, 2023, as a result of revision and round of adjustments, the R-1 Progress Report was accepted in the final form by the Steering Committee, MES and the PMU.

Upon acceptance of the R-1 Progress Report, the Consulting Company commenced with the implementation of Phase 3 activities. During the reporting period, SDSURF started (i) revision of 2 to 5-year old curriculum, (ii) determination of salary scale coefficients, (iii) development of processes for data collection storage and usage and (iv) development of brief justifications for data collection requirements as to why specific data needs to be collected.

Sub-Component 1.2 - Increasing Equitable Access to Pre-school Education for Successful Transition to School

To support increasing equitable access to preschool education for successful transition to school, the Project envisages development of 150 school-based SRP Groups and introduction of modern, and child-centered SRP.

The various activities considered under sub-component 1.2 are implemented within the framework of the ongoing contract - "Improving Early Childhood Education (ECE) Institution Management System and Enhancing the Quality of Programs Across the Country". Namely, these activities relate to (i) revision of existing School Readiness Program and (ii) supporting implementation of the revised SRP through professional development of SRP teachers.

From June 2023, the Consulting Company commenced revision of 2 to 5-year old curriculum. In parallel, comprehensive revision of the existing SRP is in progress. For these purposes, experts of the SDSURF are having extensive consultations with early ages and child development local and international experts and organizations, as well as ECE Development Division of the MES. As determined by the contract and agreed workplan, both activities are expected to be completed by the end of January 2024 (end of Phase 3). In parallel, the SDSURF began to design training courses for teachers delivering new SRP to children.

During the reporting period works related to minor rehabilitations of the spaces in the target 150 schools have been in progress. As of the end of June 2023:

- 40 SRP spaces have been rehabilitated (39 rehabilitated by ESIDA, one - by MDF);
- Contracts for minor rehabilitation works for 77 SRP groups were signed;
- Procurement for minor rehabilitation works for 33 SRP groups have been re-announced, due to no interest expression in initial calls. As of May, 2023, bidding companies have submitted EoIs and evaluation of companies is in progress.

Infrastructural Projects Coordinator – Engineer (hereinafter – the Project Engineer) and the designated representative of ESIDA’s Construction/Project Designing Department continued to conduct site visits of selected public schools in order to evaluate/verify technical conditions of the buildings in parallel with design works. As of June 30, 2023, physical/infrastructural assessment of 150 target and 79 reserve schools have been conducted. Estimated date for completion site-visits and identification of 150 SRP Group locations across the country is August, 2023.

Given the current state and the progress achieved, expected date for completion of rehabilitation works in all 150 SRP groups is March, 2024. According to the workplan agreed in the frames of the ongoing multi-component contract, considering time needed for revision of SRP and professional development of relevant teachers, introduction of the revised SRP in 150 schools is planned to start in September 2024. Therefore, timeline of minor rehabilitation works in 150 target schools is in conformity with the timeline of the planned ECE capacity building activities.

Sub-component 1.3 - Improving Infrastructure to Support Innovative Primary Education, Including Pre-school

The objective of the sub-component 1.3 is to introduce a new model of primary education (grades 1-6) accommodating preschool classes. Thus, this sub-component considers the development of general education infrastructure and physical environment standards (IPE Standards) for schools of primary education (grades 1-6) accommodating preschool classes. The sub-component also considers building from 2 up to 10 model schools with the combined physical and educational environment for SRP and elementary education beneficiaries. The detailed information on infrastructure development is provided under sub-component 2.1. below (Section II, part B of the Report).

Immediate Next Steps:

- Support and monitor the implementation of Phase 3 of the ongoing contract - “Improving ECE Institution Management System and Enhancing the Quality of Programs Across the Country”.
- Supervision of Contract Steering Group operation.
- Complete site-visits for infrastructural/environmental assessment of the selected public schools to conduct final identification of target 150 schools for introduction of modern, revised and child-centered SRP.
- Coordinate with ESIDA to ensure timely implementation and completion of the minor rehabilitation works in the remaining 110 schools.



B. COMPONENT 2: FOSTERING QUALITY TEACHING AND LEARNING IN GENERAL EDUCATION

Subcomponent 2.1. Improving the Educational Infrastructure to Support Learning

This sub-component will aim to foster high-quality learning environments and enhance school safety. To this end, this sub-component would support the review and modernization of school infrastructure standards and develop new architectural design blueprints based on international best practices to ensure energy efficiency and safety.

School infrastructure standards development process was initiated in September 2021 and the first draft of the document (Report 2) was accepted on November 30, 2022. The following period up to the end of June 30, 2023 was devoted to elaboration and extensive discussions of the final draft of the IPE standards. The original contract completion date was May 15, 2023. However, the Contract duration was extended through December 31, 2023 due to the need to finalize consultations and discussions with the stakeholders and the necessity to have the company on board throughout the design stage of the upcoming school constructions for implementing possible revision of document, if necessary.

As the Law of Georgia on General Education requires that the Standards of the Physical Environment and Infrastructure of Schools must be defined by MES with the engagement of the relevant sectoral ministries/agencies, the PMU has prepared the draft Ministerial Decree and initiated approval of the respective committee by the end of December 2022. Following discussions with the Legal Department of the MES, the Committee was approved on January 27, 2023 based on the Ministerial Decree N91289 with the term of authority through April 27, 2023. Considering the need to finalize discussions with the Committee and receive approval on the final draft, in line with the contract term extension and respective amendments, the Committee was re-approved on June 2, 2023 (Ministerial Decree N 638537) with the same composition and the term of operation is defined until end of 2023. Members of the Committee include representatives of the MES, PMU, NCEQE, MDF, MRDI, Ministry of Economy and Sustainable Development, Georgian National Agency for Standards and Metrology and MoH.

The final draft of the IPE Standards prepared by the consulting company (GIB) was reviewed by the Committee members in stages and based on the series of discussions and received feedbacks, various changes were reflected in the document throughout February – June. In parallel of the discussions with the Committee, the document was also shared with the WB for feedback. Recommendations received from the energy efficiency team of the Bank on May 17, 2023 were fully considered in the document upon confirmation of the inter-ministerial Committee members.

The final working meeting of the Committee was held on June 16, 2023. The updated document was analyzed and additional feedback was provided. As a result of discussion, it was agreed to separately draft recommendations package for the MES regarding various related issues, such as the policy decisions that need to be made, as well as some of the related legal matters to be taken into consideration, etc. Following the meeting, the Consulting Company revised the draft IPE Standards,

prepared the recommendations package and submitted to the PMU on June 28, 2023. Currently, the submitted package of documents are under review. Upon confirmation of the document by the inter-ministerial committee, the PMU plans to accept the final draft of the IPE Standards and move to the following (final) stage of implementation under the contract. Estimated date for final acceptance of Report 3 is the end of July 2023. As mentioned above, during stage 4 (final stage) the Consultant could be needed for the following areas:

- a. Based on Clients request, the Consultant should revise the final IPE standards document during the design stage of schools, if needed;
- b. Based on Clients request, the consultant should deliver short-term consultations using local experts' capacity to the regional and central government agencies, such as local municipalities, ministries and agencies, which are involved in infrastructure conditions improvement for schools. The aim of such consultations is to introduce the newly established standards and conduct additional explanations.


This sub-component will also support the construction of up to 8 new model buildings using the revised standards. Since activities related to the planned constructions under Components 1 and 2 of the Project are executed in parallel, implementation progress both – under components 1.3 and 2.1 in this regard is provided hereunder.

As reported in the previous Biannual Progress Report, it was revealed that the existing budget within the project is not enough to build all 18 schools. The estimation was made by the MDF. Ministry has provided the list of the priority schools based on the estimation provided and considering the following requirements set out by the WB: at least 7 schools in total shall be constructed under the Project (at least 2 primary schools under sub-component 1.3, and at least 5 schools under sub-component 2.1).

On February 10, 2023 the Ministry has provided the priority list of 14 schools based on the cost estimation that has been proposed by the MDF and the Project Engineer. The list consists of 5 schools to be built under the scope of Sub-component 2.1 and 9 schools to be built under component 1.3. Consent of the WB regarding the proposed priority list was received on February 15, 2023. As a follow-up to the process, for each school included in the mentioned list, required storage/spaces inside and outside the school buildings were defined by the MES in close collaboration with the selected schools.

During the reporting period site visits of the designated land plots were completed by the Project/PMU Engineer, as a result of which the following circumstances were revealed:

- In case of 2 out of the 14 selected schools (Sabechisi and Nardevani villages), separate land plots were determined for new constructions;
- Two schools (school located in Arashenda and a school located in the village of Gvimriani)



have large plots. Thus, it will be possible to build new buildings on the land plot without prior demolishing of the existing building. As a result, after completion of the construction works, existing buildings will be either demolished or the land will be divided and the old building will be returned to the state possession;

- As for the remaining 10 schools, existing school building have to be demolished. In close cooperation with the Property Department of the MES and the school administrations, the necessary procedures for obtaining a demolition permit are being carried out. According to the plan, auctions for demolition procedures will be announced in the summer period and the demolition works will be completed by the end of the year (2023). This will not impede the start of construction works, since according to the MDF plan, construction works should start in early 2024. Prior period will be dedicated to the preparation and approval of the detailed construction designs.

A draft Employers Requirements for the ‘design-build’ tenders were developed by the MDF for the construction of new schools, which was agreed by the Project Engineer (PMU), and then sent to the WB for feedback. As a result of number of changes to the original document, in the second half of June, 2023 the final no objection was received from the WB. According to the information provided by the MDF, announcement of ‘design-build’ tenders for all target 14 schools is planned by the end of July 2023.

This sub-component will also support full rehabilitation of up to 60 selected public general education schools. In addition to three rehabilitation tenders announced in the previous reporting period, as of the end of this reporting period, MDF announced rehabilitation tenders for two more schools – Tsikhisdziri Public School and Telavi N2 Public School.

As of the end of June 30, 2023:

- a. three contracts are signed and civil works have started in Kareli N1, Khashuri N2 and Rustavi N21 public schools;
- b. tenders are announced for two more schools (Tsikhisdziri School and Telavi N2);
- c. preparation of the necessary designs for the rehabilitation works of additional 9 schools (Natanebi, Naruja, Batumi N4, Batumi N5, Kutaisi N28, Terjola, N1, Tkibuli N1, Chiatara N7, Baghdati N1) are completed and the MDF plans to announce rehabilitation tenders in July 2023.

During the ongoing design works, it was revealed that technical condition of two schools included in the list of rehabilitation target schools under the Project do not meet profitability requirements and face functional challenges, thus hindering the possibility to design schools per modern standards. Namely, these schools are Surami N2 Public School located in Khashuri Municipality and Kesalo Village Public School located in Marneuli Municipality. The aforementioned information together with the supporting letters from the respective consulting company was provided by the MDF to the PMU through the MES official electronic document flow system on April 12, 2023, further stating that

rehabilitation of the mentioned schools in the scope of the Project was deemed unfeasible. Upon receipt of the information, the PMU informed the ECE and GE Development Department of MES regarding the above mentioned. This information was communicated with the WB during the Mid-Term Review Mission (March 2023) and it was decided to align target of the respective intermediate results indicator with the PAD (which indicates that 'up to' 60 schools will be rehabilitated) and reduce the target to 45 schools.

Throughout the reporting period, Project Engineer of the PMU was actively involved in (i) the review and evaluation of the designs of 32 schools prepared by the consulting companies (ii) weekly discussions regarding the approaches to be used together with MDF and respective consulting companies, (iii) meetings held with directors of schools selected for rehabilitation. During the period of June 27 - June 29, 2023, PMU Administrative Manager (who serves as the focal point for grievance redress from the PMU's side) together with relevant representatives of the MDF paid a visit to the following nine schools included in the rehabilitation list - Chiatura Municipality N7, Terjola Municipality N1, Tkibuli Municipality N1, Kutaisi Municipality N28, Baghdati Municipality N1, Batumi Municipality N4 and N5, as well as Ozurgeti Municipality Kvemo Natanebi and Naba Naruja Public Schools. The aim of the meeting was to discuss ESMP and reports elaborated under the Project with school representatives, local communities, directors of educational resource centers and other relevant stakeholders.

Immediate Next Steps:

- Manage process of acceptance of the final draft of the IPE Standards document until the end of July 2023 and organize the third disbursement upon formal acceptance of the third report under the ongoing Contract ("Developing General Education Infrastructure and Physical Environment Standards for General Education Institutions (schools) of Georgia");
- Coordinate with relevant structural unit/units of MES and the construction target schools regarding timely completion of the demolition works to support smooth implementation of construction-related activities under the Project;
- Review school designs produced by the MDF and provide recommendations for revision, if needed;
- Working with relevant departments of the MES to define the reallocation plan of the schools in order not to impede rehabilitation works under the Project.



Sub-Components: 2.2 - Supporting the scaling up of the whole-school improvement pilot - 2.4. - Development of a national assessment framework

The various activities considered under sub-component 2.2, as well as sub-components 2.3 and 2.4 are being implemented within the framework of the ongoing contract - “Fostering Quality Teaching and Learning in General Education through Introduction of Effective Quality Management System, Whole School Improvement Plan and Programs, Improved Assessment Policy, Practice and Methodology”. The contract aims to promote high-quality teaching and learning in general education in Georgia. From August 15, 2022 the Contract has been implemented by International Consortium led by IBF International. Up to present, the Contract reporting stages 1 and 2 were successfully completed. Currently the Consultant, in close collaboration with the MES and PMU, is working on the assignments envisaged under the third Contract reporting period.

The key developments and accomplishments of the current reporting period are described below with regard to the all three Contract Objectives:

Objective A. Whole School Improvement: develop a policy framework, mechanisms and instructions for whole school improvement and support the scaling up of the pilot to help the schools improve quality.

The Consultant completed significant work for strengthening the MES capacity to implement recently initiated school authorization process. The key undertaken activities covered trainings of key stakeholders of school authorization process, update of the guidelines for new authorization standards, conducting orientation sessions for authorization council and organization of de-briefing session on mock school authorization process.

The joint efforts (MES, PMU, the Consultant) was invested in organizing pilot school authorization in selected schools to digest the possible challenges and needs. The pilot included key steps of the real authorization process. On the first stage, MES support group assisted schools in school self-evaluation process. As a result of this activity, 3 schools presented the authorization applications. The next stage was undertaken by the NCEQE Department for General Education Quality Assurance and QA/Subject experts. The school application evaluation included the desk research and school site visits. At the last stage, the Authorization Council meeting simulation was organized to discuss all three pilot school evaluation reports and make respective decisions. The pilot school principals, teachers and experts attended the mock hearing (the meeting was organized in hybrid mode). Schools received the Council recommendations and had the possibility to provide their responses. At the end of the process, de-briefing session was organized with participation of all parties to share the most valuable experiences from school whole pilot process. The whole mock authorization activity was led and monitored by the experts of IBF International. Based on their observations, the pilot report with key findings and improvement recommendations was submitted to MES/PMU.

The table presents the described completed activities, timeline, number of participants and key outcomes. In general, over 300 representatives of key stakeholders participated in all described activities.

TABLE 3 - External QA system development-oriented activities

Activity	Time of completion	Participant	Outcome
QA standards guidelines validation workshop	January, 2023	50 MES/NCEQE staff members, experts, education resources centers,	Revised guidelines
QA/subject experts training	March-April, 2023	90 QA and subject experts, 10 NCEQE staff members	Training materials
School Authorization Pilot	May-June	3 schools/50 school administration, teachers, 30 QA/subject experts, MES/NCEQE 15 staff members	Self-evaluation reports; School authorization reports; Whole School Authorization Mock Process Report
School Authorization Council orientation meeting	June, 2023	12 School Authorization Council member, 6 NCEQE staff members, 30 School Administration and QA/ Subject Experts	Training materials
School Authorization De-briefing session	June, 2023	Around 30 key stakeholders	Pilot Report with recommendations regarding key steps of the authorization

Besides the external QA related activities, the Consultant achieved significant progress related to all deliverables under this objective A, namely:

- Analytics Software Review was prepared. This work is a strategic state-of-play piece providing data use and data management skills baseline for school-based actors for both school authorization and assessment data for evidence-based planning and capacity building.
- Innovative Learning Environments (ILE) Concept Note with 4 ILE modules were developed including Differentiated Learning, Collaborative Learning and Classroom Observation.
- Textbook Effectiveness concept and background analysis was prepared.
- Self-Evaluation mechanism Review Report was submitted.

The separate attention should be devoted to progress related to the STEAM extra-curriculum activities, which is planned to be piloted in 200 project target schools. The Consultant submitted the list of STEAM resources, School Survey Report and a Presentation of STEAM package options. For the reporting period, the school-based (STEAM) focal points have been selected in close collaboration with the MES. 20 schools attended the first introductory workshop on June 27 organized by KE-9 expert on innovation programs. Procedures related to the procurement process of STEAM resources was initiated – bidding document is being elaborated and the call is expected to be announced in July 2023.



B. Continuous Formative Assessment of Students: support capacity-building of school leaders to adapt, develop, and implement school-based assessment practices.

The last contract developments on formative assessment include the submitted background analysis on formative and summative school-based assessments, updated existing assessment mechanisms (Complex Assignment) and background documents for teachers’ capacity building activities. The mentioned tasks were conducted in a very close cooperation with MES Pre-School and General Education Development Department, TPDC and pilot schools (the Consultant conducted several school visits in Tbilisi and regions). 30 schools and teachers were selected from the pilot schools and were invited to 3-day training. Throughout June 19-21, the core group of teachers for science, math, and language from Tbilisi and regional pilot schools were trained on program with particular focus on CFA and complex assignment implementation. Before the training, training module (1st part) was approved by the MES. The Consultant proposed the widely tested formative assessment tools in addition to the updated Complex Assignment template. The table below briefly summarizes the completed activities. **Over 130 school administration and teachers attended the working meetings and training.**

TABLE 4 - Completed Activities - Continuous Formative Assessment of Students

Activity	Time of completion	Participant	Outcome
Continuous Formative Assessment (CFA) Practices Review Report	March, 2023	Staff of the MES Department and TPDC	Report
Summative Assessment Analysis Report	March, 2023	Staff of the MES Department and TPDC	Report
Working Meeting with Schools	January-June, 2023	100 School administrative staff and teachers	Findings were incorporated in Report
CFA Training	19-21 June, 2023	30 teachers	Training module

C. National Assessment Policy Implementation: design the mechanisms and instructions to implement, pilot, roll out, and quality assure the new national assessment policy framework.

The Consultant, with the support of the PMU, conducted consultation process with MES Pre-school and General Education Development Department to define the scope and specific activities under this objective. On February 16, 2023, MES submitted the official request to the PMU on the needs of national assessment system development. The special request enumerated the competency-based diagnostic assessment system development for 4th, 6th and 8th grades in all subject groups. In response to the MES request, on May 10, 2023 the Consultant, in close collaboration with NAEC, submitted the proposal on national assessment system development. The proposal included the

following documents:

- IRT methodology
- Background Analysis
- Grades 9 and subjects (STEM and Literature)
- Budget projection
- Action plan
- PPP of the proposal

The Consultant conducted in person meeting with the MES Pre-school and General Education Development Department and presented the IRT Methodology. Following the meeting, PMU received the positive written feedback from the Department on the proposed methodology. However, the presented proposal review is pending and consultations with MES new management is ongoing.

As a parallel activity, the Consultant with the support of NAEC, invited the potential test review committee members to attend 3-day training. The training covered the introduction part of the large-scale assessment methodology including the test blueprint development. The training was attended by 45 participants.

In addition to the actual action plan, per request of NAEC, the Consultant provided the review and analysis of the language and math assessment question papers for the Class IV and Class VI diagnostic assessment undertaken by NAEC. It intended to inform NAEC on the gaps and improvement needs in the pilot tests and support test item writer’s capacity building. The table below briefly summarizes the completed activities. 45 potential item writers attended the training.

TABLE 5 - Completed activities under the Objective C.

Activity	Time of completion	Participant	Outcome
Diagnostic Assessment Ongoing Pilot Analysis	February, 2023	NAEC Staff	Paper Analysis Brief
New Assessment Model Design including methodology, capacity building plan, piloting plan and budget and etc.	February,2023	NAEC Staff	Model design proposal
Test Review Committee members trainings	April,2023	45 Subject teachers and NAEC staff	Training program and presentations



Contract management related update:

Working with the Contract Steering Committee. Online working meeting was organized with the Contract Steering Committee to discuss the Report N2 and respective deliverables. The Committee feedback was incorporated in the updated R2 and with their official consent was formally presented to MES management. In addition to this official meeting, several individual working meetings were conducted with the MES structural units for in-dept discussion of the prepared deliverables.

Key experts' replacement. During the last reporting period, two key experts were replaced through interviews and upon WB clearance: KE2 – Quality Assurance and Management Specialist and KE3 - Lead Student Assessment System Specialist. The Consultant ensured the provision of the qualified candidates for replacement within a short period of time.

Coordination with other donor interventions in General Education. Several meetings were conducted with the donor organizations/programs supporting the general education reform, including the USAID Basic Education Program and ADB Program on Secondary Education Sector Development Program. In March, 2023 the PMU prepared the written feedback for the ADB inception mission aide-memoire to prevent overlaps and duplications of the activities.

Bi-Annual Project meeting. On March 30, 2023, IBF International held a bi-annual seminar for relevant GE stakeholders on Contract implementation progress. The seminar was conducted in a hybrid mode. The team leader presented the progress under the Contract and the next steps. Later, the stakeholders were divided into working groups and discussed whole school improvement, continuous formative assessment and national assessment related activities. Afterwards, the groups provided recommendations for the next reporting period (R3) action plan.

Project visibility. The information on all implemented activities are available on I2Q Project webpage (<http://iiq.gov.ge/en/communications/news/page/4>). In May, 2023 the KE-2 Expert - Quality Assurance and Management Specialist delivered the interview on Radio Program I2Q Project activities in support to the school authorization process. A few months earlier, KE-2 Expert delivered the presentation at Annual International Conference organized by the NCEQE. I2Q Project activities under the Component 2 were highlighted by the General Education Component Lead at the same conference.

Under the subcomponent 2.4, in response to MES request, PMU with the support of international expert, prepared the concept paper on applicable institutional model for the National Institute of Educational Research. The document provided the best international practices and respective recommendations on functional and organizational modalities of the similar research institutions in several countries. Following this conceptual framework, on January 23, 2023 the Government of Georgia issued a decree regarding establishing the National Center for Educational Research. Accordingly, the international tender on Feasibility study on Establishment of National Center for Educational Research has been considered as reasonable to cancel.

Challenges identified:

In April 2023, the works on the national assessment system implementation have been suspended in the framework of the ongoing multi-component contract N GE-MESCS-212276-CS-QCBS due to the ongoing discussions with MES regarding expansion of support for the national assessment system development. Based on the consent of the MES, the WB and Consultant, the PMU plans to initiate the Contract amendment to postpone the implementation of abovementioned activities for R4 period, which is due within 6.5 months from the approval of R3 Progress Report. For continuation of the Contract activities under Objective C on National Assessment Policy Implementation, it is necessary to clarify the work scope and specify tasks. The final adjustments in the Contract including the Action Plan will be considered in line with the outcomes of the ongoing consultations with MES.

Immediate Next Steps:

- Provide continuous support to Consultant in Contract implementation, manage process of Progress Report N3 submission with the respective deliverables by July 30, 2023. Work with the Contract Steering Committee to elaborate their feedback and key considerations for the Report 3. Organize the Contract 3rd disbursement upon formal acceptance of R3 Report and deliverables.
- Support consultant to conduct the capacity building activities and preparation measures for initiation of the planned pilots under three key objectives of the Contract.
- Continue work with the MES and Consultant to make requested adjustments to Contract and Action Plan regarding the design and implementation of the National Assessment Model.
- Organize the 2nd Contract bi-annual meeting in October, 2023.
- Provide support to Consultant to Plan Reporting Period 4.





C. COMPONENT 3 – STRENGTHENING FINANCING OPTIONS AND PROMOTING INTERNATIONALIZATION IN HIGHER EDUCATION

Sub-Component 3.1 - Developing new options for higher education financing, including performance-based options to support the Government’s strategic objectives

With respect to Component 3, higher education financing reform is considered the priority for the MES. During the reporting period, the selected Consulting Company - Seatig Inc. performed the work stipulated by the Contract for Consulting Services (Contract No.: GE-MESCS-212278-CS-QCBS-1) signed on November 7, 2022.

In particular, the Inception Report analyzed by the PMU, MES, EMIS, and NCEQE (the Steering Team) was approved on January 18, 2023. Accordingly, the delivery-acceptance act was signed on January 24, 2023. Based on the Inception Report the Consulting Company agreed with the Client on the project execution approach and methodology, implementation plan, phases, and related activities.

As an approach, it was agreed, that the Consulting Company shall implement the second recommended Performance-Based Funding (PBF) model – to reward good performance – from “The Development of a New Model for Higher Education Financing in Georgia (Report)” using a Blockchain-based funding delivery mechanism. The essence of Blockchain-based delivery is to first disburse a promise (“credit” in conventional terminology, or “token” in Blockchain terminology, or “earmarking” in the Report) to the recipients (students or HEIs), once certain performance is met, the token will be converted to real money. The Blockchain-enabled mechanism fits naturally with the second recommended PBF model – to reward good performance.

Seatig’s product Quanaxy is a Blockchain-based PBF management software that facilitates the earmarking–conversion funding delivery process. The Consulting Company will customize Quanaxy based on the specific business and IT requirements of Georgia’s education sector to deliver custom-made funding disbursement management software.

During the first phase of the project implementation, several working meetings were held with the Client to discuss the funding Delivery Model (DM) based on Quanaxy as the DM is the basis for funding formulation, funds delivery processes, IT infrastructure/system design, and project execution management. It was observed that Quanaxy DM is versatile and can accommodate different performance scenarios and funding delivery processes.

In the second phase – the product Discovery Phase, the Consulting Company proposed Performance-PBF schemes and analyzed Funding Delivery Models (FDMs) for these schemes. FDMs represent the blueprint of business processes and activities of the proposed funding schemes and hence the functionalities of the software system to support these schemes that are going to build under the contract.

Specifically, consulting experts have studied materials provided by the Client about the current situation in the education sector in the country and proposed funding schemes and FDMs for research, internationalization, and scholarship funding. Several working meetings were conducted

to present these models to the Client. The models were revised according to comments from the meetings and discussions with the Client. It should be noted, that Business processes were analyzed and documented in graphic drawings for each proposed FDM. The diagrams contained user roles and workflows. This analysis will be further expanded and a detailed design for these FDMs will be produced during the third phase.

In addition, the short-term National Consultant (NC) held several working meetings with the EMIS team with the following purposes: (i) to learn about EMIS' perspective on the implementation of a solution for a New Model of Performance-based Funding. reviewing the existing business processes; (ii) studying the existing business processes in eUNI and RegAdmin systems (part of EMIS for Higher Education) and the associated problems and risks; (iii) learning about the current architecture of eUNI (top view); (iv) to learn about the relevant data for measuring the proposed performance indicators that EMIS is already collecting and from what sources, by what (technical) means and from which systems these data originate.

The summary of findings was shared with the Consulting Company. It should be noted, that based on the analyses provided by the NC, it was determined that the delivery model and accompanying software exhibit remarkable versatility. They possess the capability to accommodate diverse funding formulation and funding delivery processes. However, during the initial stage, our primary objective will be to replicate the current business processes concerning student funding, with only minor modifications if necessary. Specifically, the proposed steps within the delivery model should be adjusted to align with the logic employed in the existing model, while ensuring they do not duplicate the process flows or steps undertaken by external organizations (e.g., NAEC) and external systems. Accordingly, the NC shared a summary of the variations observed in the business processes (business process comparison analyses) that were used by the Consulting Company to finalize the second report – R2.

As for the data integration approach at the initial stage, it was agreed that the process shall envisage: extracting the available data from the designated EMIS systems (eUNI and RegAdmin), performing necessary transformations, loading it into Quanaxy and acquiring any remaining required data directly from the Universities. As agreed, during the next phases of the project implementation, based on the results of the requirement analysis with stakeholders, the Consulting Company will customize Quanaxy to fit the unique business processes and requirements of Georgia.

Concerning the first workshop with stakeholders, at the request of the MES, the Company was asked to hold a meeting after the approval of R2. In addition, after approval of R2, in order to hold in-depth discussions among the MES relevant structural units and HEIs representatives concerning the new HE funding schemes (performance-based funding) and funding delivery models, the MES has requested the PMU to organize a much larger workshop outside Tbilisi, than it was originally planned under the contract.

MES request was communicated with the Consulting Company and the WB. As a result, it was decided to amend the contract to enable the project to meet the Ministry's request. Namely, under



the ongoing Contract No.: GE-MESCS-212278-CS-QCBS-1 - “Consulting Services for Facilitating the Implementation of a New Model of Performance-based Funding by Creating Information Management Database System”, the Consultant should conduct 3 workshops in Georgia (each of two days long for approx. 50 participants). As negotiated, the workshops will be organized by the Consultant’s local non-key expert, and all international experts will join the meeting online. Therefore, the travel costs and per-diems are not envisaged in the Contract. The Breakdown of Reimbursable Expenses considers the workshop-related costs, in particular: event venue, simultaneous translation system, translator, lunch coffee, conference assistance specialists, and document printing costs (the Contract does not envisage the hotel accommodation-related costs for workshops). Therefore, it was identified, that workshop and related costs that were originally envisaged in the contract will not be sufficient to cover the entire expenses required for a much larger workshop outside Tbilisi. So, instead of duplication of the workshop theme, items, and costs it was agreed to transform one workshop in the contract from face-to-face to remote mode. The consultants will join the workshop remotely and there will not be a need to reimburse them for the other workshop-related costs that have been defined in the Contract. On the other hand, the following note has been added to the Contract: “For any workshop that will be implemented remotely due to the Covid-19 spread or based on the mutual agreement between the Consultant and the Client, the relevant reimbursable costs of in-country workshops, as per Appendix C, will not be reimbursed to the Consultant. The cost of such reimbursable expenses will be deducted from the final payment amount (Final Report)”, that allows the PMU to deduct the cost of the workshop from the final payment to the Consultant.

It should be noted, that one key element of the new funding model’s success is establishing trust among stakeholders, whether they are beneficiaries or implementers. Not only does trust lay the foundation for a tighter network of collaboration and mutual understanding, but it also provides needed stability, which can lead to more lasting change for HEIs. The best way to establish trust is to communicate clearly, openly, and frequently to make sure that stakeholders recognize one another’s constraints and priorities. Stakeholders have the most influence and interest in the project, and their involvement is considered vital to the success of the project. Keeping in mind that these relationships need to be carefully managed, therefore Ministers’ personal commitment is vital when informing universities about the new performance-based funding model.

As agreed during the WB’s Mid-Term Review mission (March 27 – 31, 2023), the “Funding Model Design and Product Discovery Phase” was finalized during June 2023. Namely, the second report (R2) with a new performance-based financing model was analyzed by the PMU, MES, EMIS, and NCEQE (the Steering Team) and approved. The delivery-acceptance act was signed on June 14, 2023.

Sub-Component 3.2 - Setting up Competitive Innovation Fund (CIF) for public and private universities, in partnership with private sector

Concerning the sub-component 3.2 - the establishment of a CIF (for public and private universities), we also have a tangible result. More specifically, during the reporting period the first CIF grant competition was finalized.

The CIF AU provided daily consultations to the HEIs. Accordingly, answers to the received questions from stakeholders were prepared and all Q/A were published on the website - www.iiq.gov.ge. During the reporting period, various questions were received from HEIs, some of the questions relate to the technical procedure for submitting an application, forms and templates of documents. There are questions about creating a consortium, signing memorandums, different forms of partnership, creating educational programs, and linking different ideas with the priorities of the grant competition. Some questions are related to budgeting, eligibility of costs, etc. On January 20, the CIF AU organized a second online meeting with representatives of the universities, where they once again discussed CIF administrative, and content-related issues, provided information on the main questions received during this period, and answered questions from stakeholders online. The meeting was attended by about 50 representatives of HEIs.

The selection process of the Consulting Company for creating a pool of evaluators for CIF was finalized and the respective Contract with Agoge Partners LLC was signed on January 17, 2023. The Consulting Company submitted the draft R1 on January 24, 2023. Based on the feedback received on the report, the R1 was finalized and submitted on January 29, 2023. The delivery-acceptance act was signed on January 31, 2023.

The 1st Call was closed on February 20th. In the period from 21 to 24 February - all 30 applications passed the administrative check. Only 3 applications were fully completed. The CIF AU communicated with the 27 applicants, explained the shortcomings and sent written feedback. In addition, the selected Consulting Company - IDEA Design Group Ltd (Consulting Services for the IT Support for the Competitive Innovation Fund (CIF) Implementation Process) submitted the R1 – on the conducted activities for the first Call. The report was analyzed (28/02/2023) and approved (01/03/2023).

The second report – R2, submitted by the Consulting Company - Agoge Partners LLC, with a list of experts - Pool of evaluators, was also approved on March 10, 2023. All 30 applications received under the first funding window were transferred to the international Consulting Company for the implementation of the second stage of evaluation.

It should be noted, that during March-April, 2023 41 evaluators (of which, 21 International and 20 Georgian; 19 were women evaluators; 21 evaluators evaluated 2 or more proposals each) were involved in the proposal evaluation process. The average scores of the international and Georgian evaluations were close with 15.77 and 15.48 points, respectively. The aggregate weighted average was 15.51 points. 47% of the evaluations scored at or below 15 points. 12% of the evaluations scored at or above 18.5 points. 12 or 40% of the proposals did not qualify or qualified marginally for funding consideration. A total 9 proposals or 30% of all proposals, received an average score of 17+, of which, 4 proposals were in the 90th percentile, receiving 18+ as an average score.

After finalizing the evaluation process, the Consulting Company - Agoge Partners LLC presented the third report (April 19, 2023), which was analyzed by the CIF AU and approved on April 24, 2023.

The first meeting of the renewed composition of the Awards Committee (AC) was held on June 5, 2023. As AC is responsible for preparing the overall ranking of projects and making the final decision



on project financing based on their ranking and the budget available, it was first discussed the ranking based on achieved points, and it was identified that in the 9th place of the ranked list, there were two projects that scored equal to 16.5 points. Accordingly, based on the total amount available and the amount requested by individual projects, the preliminary allocated budget was not enough to finance both abovementioned projects. The AC underlined that the ranked list will be funded until the funding for the Call is allocated. However, projects will not be partially funded and where money remains that cannot fully fund the next ranked applicant, then this will be returned to the funding pool for the following Call. Therefore, AC decided first to amend the allocated budget and increase by \$98,674.54 to finance 13 projects instead of 11 projects (including two projects with equal scores – 16.5/20) under the first grant competition. The AC finalized the results and confirmed the projects to receive funding on June 12, 2023.

As agreed during the WB's Mid-Term Review mission (March 27 – 31, 2023) the project will hold an awarding ceremony of CIF grants. Given the schedule of the Minister and stakeholders involved, the ceremony will take place on July 5, 2023.

Sub-Component 3.3 - Internationalization of Higher Education

Concerning the sub-component 3.3 – “Promotion of the Internationalization of Higher Education”, during the reporting period, the implementation process went smoothly. In line with the Contract for Consulting Services (Contract No.: GE-MESCS-212280-CS-QCBS) signed on March 2, 2023, on 17th March 2023, a Kick-off Meeting between PMU, MES and the selected Consulting Company - UCL Consultants Ltd (in sub-consultancy with Savvy Business sLtd) took place online. During the meeting, the Team Leader (Tatiana Fumasoli) presented the project implementation and the overall approach for delivering the three Tasks of the Project: a joint degree doctoral program, disciplinary English language modules, an Entrepreneurship module, and three International Excellence Schools and their implementation. During 17-31 March 2023, the Project Team has revised the Workplan and the Methodology.

On 3-4 April 2023, meetings with the PMU and the MES were held in Tbilisi. The meetings aimed to clarify the details of the inception report, to gain access to existing data on Georgian HE, to stakeholders, and to respondents, as well as to understand the client's preferences regarding the project tasks.

The meetings in Tbilisi further clarified the scope of the project. As a result, the revised methodology and workplan were reflected in the Inception Report submitted on April 28, 2023.

An online working meeting was held on May 5, 2023, during which the Consulting Company presented the key points of the R1 to the MES and PMU. Based on the results of the discussion with the MES and NCEQE, the first feedback was sent to the Consulting Company on May 10, 2023. The revised R1 was approved by the PMU on May 15, 2023.

Starting from March 2023 (the first month of the contract implementation), the team leader submits a written update at the end of each month, in addition, online meetings are held in the middle

of each month, during which team leader provides the PMU with information about the current progress achieved against an agreed-upon action plan for the entire assignment and any challenges/needs identified during the implementation process.

The Consulting Company has already started the implementation of the second stage of projects, for this, on May 18, 2023, two survey questionnaires were submitted for the MES approval: a) Institutional Survey in English and in Georgian. This is intended to be sent to the contact persons in each HEI; b) Academic Staff survey in English and Georgian (questionnaires are intended for the second phase of the project implementation). The submitted questionnaires was approved by the MES on May 24, 2023 and were sent to HEIs by the Consulting Company.

Concerning Task 1 - the questionnaire has three objectives, gather information on 1) existing similar doctoral program (similar field and international joint degrees), 2) existing capacity (academic, administrative, and financial resources, 3) potential student markets (primarily in Georgia, but also regionally and internationally). Concerning Task 2 - survey questionnaire has the following objectives: create an inventory of the already existing modules; their curriculum, learning objectives, feedback portfolio, and credits; the student rating; the demand for English and Entrepreneurship modules; the capacity of academic staff to teach in English; students' capabilities to learn and study in English. Concerning Task 3 - the questionnaire has three objectives, gather information on 1) existing similar summer and winter schools 2) existing capacity (academic, administrative, and financial resources) 3) potential participants (ECRs and researchers in Georgian HEIs).

The analysis will be conducted in the form of descriptive statistics and correlations, and it will be provided in the second Report (R2), thus informing the selection of HEIs, the subsequent design of the three tasks and their implementation, the selection of the expert teams for the three tasks. R2 is scheduled to be submitted by early October 2023.

Sub-Component 3.4 - Strengthening the quality of pre-service teacher education programs for all levels of education

On January 20, 2023, considering the emerging need to build the capacity of the state universities to implement modern academic programs for educating subject/subject group teachers, especially at the level of basic and secondary education in a relatively short period of time, the MES approached the PMU with the requests to materially modify the scope of the planned assignments. More specifically, MES recommended modifying the content of the planned activities, to make focus and more elaborate on teacher preparation programs development and the faculty's capacity strengthening, rather than spreading efforts towards continuous professional development opportunities for teachers, as was originally envisaged. Although, MES reiterates the importance of teachers' continuous career development policy and plans to invest in internal and external technical support for its effective implementation. The preparation of the new generation of teachers is vital, considering the current situation where the public higher education institutions do not deliver basic and secondary education level teacher preparation programs. In this line, conducting capacity-building activities and supporting the strengthening of the faculty's capacities responsible for the



program implementation are important, especially in the regions. Considering the aforementioned, MES recommended increasing (i) the number of academic programs for the preparation of subject/subject group teachers at the level of basic and secondary education to be developed, as well as, (ii) the number of HEIs faculties to be engaged within the capacity-building activities under the assignment.

Since the proposed change in the scope of services to be provided had a tangible impact on the required qualification of key staff, planned project implementation plan, methodology and budget, it was decided to annul the original tender (for the Consulting Services for Strengthening the Quality of Pre-Service Teacher Education Programs and Continuous Professional Development Options) and announce the new tender based on the current needs and requests.

This approach was discussed with WB, accordingly, the new ToR was prepared and shared with the MES and the WB for approval on February 2, 2023. Based on the feedback received the ToR for “the Consulting Services for Strengthening the Quality of Pre-service Teacher Education” was finalized and REOI was published on February 24, 2023 with a deadline of March 13, 2023.

Under the ongoing tender 12 proposals were submitted. The first stage of the evaluation (for shortlisting purposes) has been completed (12 proposals) and the evaluation group has prepared an evaluation report for the tender commission. Due to the change of leadership of the MES in March 2023, the process of appointing Deputy Ministers (I2Q project coordinator) as well as the new composition of the tender commission was delayed. Namely, the new composition of the tender commission was approved by the order (No645034) of the Minister on June 5, 2023. Following the change in the top management of the MES in March 2023, a series of working meetings were held with the new leadership to discuss the content and expectations of the MES in relation to new tasks (namely the development of a core funding model for HE, including conducting the academic program costing activities that shall result in setting the diversified student tuition fees considering the field of study and program, as well as strengthening the national assessment system), as well as the mobilization of appropriate funds necessary for their implementation. As a result, in mid-June, a draft assignment was developed to be completed by the Consultant on the development of the core financing model for HE and submitted to the MES and the WB for revision and further discussion. Regarding the allocation of resources, as mentioned above (see Section I, Part B. “Planned Restructuring and Amendments to the Project Scope”), MES has expressed its willingness to cancel the current tender for “Consulting Services for Strengthening the Quality of Pre-Service Teacher Education Programs” and to allocate appropriate resources to fund the priority needs identified by the MES. Accordingly, the tender commission will make the final decision to cancel the ongoing tender.

Immediate Next Steps:

1. Concerning the Consulting Services for Facilitating the Implementation of a New Model of Performance-based Funding by Creating Information Management Database System (sub-component 3.1):

- o the first workshop with stakeholders is planned to be held on July 7-8, 2023.
 - o the next stage of the project implementation - Structure Design Phase - is planned to be completed by the end of 2023.
2. Concerning the development of a core funding model for HE:
- o The preliminary outline of the tasks – the scope of work (agreed with MES), will be communicated to the Consultant on the Performance-based funding model, to determine if the Consultant is able and willing to complete the additional task with additional resources;
 - o Based on the relevant feedback, the ToR for Consulting Services for elaborating the core funding model for HEIs and conducting academic program costing activities will be finalized and shared with the WB for no objection (July-August 2023).
3. Concerning the implementation of the CIF (sub-component 3.2):
- o the CIF AU will notify applicants of the final results of the 1st grant call by email within 1 working day of the final decision being published. The grant agreement must be signed by the HEI within 4 weeks of the official notification. The signed grant agreement must be accompanied by the signed MoU between partners, Consortium agreement (in case of consortia projects), and any other documentation that has been requested under the Call Guidelines. This deadline may be extended by the AC based on an emailed request for prolongation and a justification considered to be reasonable by the AC e.g. unavailability of one of the signatories.
 - o the CIF AU will work with AC to announce the 2nd call for proposal under CIF by September 30, 2023.
4. Concerning the Consulting Services for Promoting Internationalization of Higher Education (sub-component 3.3):
- o the online consultative meetings concerning all three tasks are planned to be held on July 17-21, 2023;
 - o the first face-to-face workshop in Tbilisi with stakeholders is planned to be held on September 6-7, 2023.
 - o the second stage of the project implementation is planned to be completed



D. COMPONENT 4 – SYSTEM STRENGTHENING AND STAKEHOLDER COMMUNICATION

Sub-Component 4.1 - Supporting data-driven decision-making accessible to the entire education system

The objective of this sub-component is to improve the capacity of the entire education system to collect, analyze and disseminate data and information for monitoring and decision-making purposes and activities, including among others, gender disaggregated information. Going forward, EMIS should collect an expanded range of actionable data to both improve teaching and learning and provide insights into how education can be linked with different sectors to advance a wider range of development objectives. This will include aspects related to data collection, governance, links to other internal and external organization's data systems, security and maintenance, and a focus on strengthening the capacity of the NAEC and the NCEQE in these areas.

The sub-component will also support EMIS in developing a Learning Management System (LMS) software for a collaborative e-platform for sharing teaching and learning practices. It will target not only teachers and school leaders, but also parents and students, including children with disabilities and diverse learning needs. The e-platform will support and strengthen the development of peer-to-peer school networks using resources such as lesson plans, videos, images, weblinks, and developing eLearning. Collected data will allow evaluating eLearning and school-based program design and overall eLearning strategy so that schools can pinpoint areas for improvement.

The “Design and Development of Learning Management System (LMS) for General Education” project aims to create a system supporting public schools in Georgia. This system will help schools implement their localized curricula based on the National Curriculum. It will enable schools to analyze and measure the results of their programs, making it easier for them to adapt and improve.

The TOR of the assignment was approved by the WB in January, 2023, upon which an REoI was announced. In February, 2023 the EoI process was completed, and out of the 18 companies that expressed interest, eight were identified for the shortlist by the Evaluation Group. However, due to the changes in the top management of the MES, the PMU was awaiting the re-approval of the Tender Committee. The new Tender Committee was established based on the Minister's Decree No. 645034, dated June 5, 2023, according to which two members of the committee were substituted. Evaluation results was submitted to the Tender Committee for approval immediately after issuance of the respective Ministerial Decree. The SER was approved by the Tender Committee on June 28, 2023 after which the RFP was uploaded for approval. Considering the standard period needed for the upcoming stages of the procurement, the assignment is expected to commence by the end of October 2023 and to complete by the end of June 2025.

In response to the request received from the MES and based on the clearance of the WB, the PMU provided support to the NAEC in setting up an e-assessment server infrastructure and developing the required technical documentation for the smooth and sustainable operation of the system. As part of this support, in July 2022 ***a short-term Consultant (national) was***

contracted to assist the NAEC with the system administration for the national e-assessment project.

The Consultant's primary responsibility was to provide targeted assistance to the NAEC by establishing a server infrastructure and preparing technical documentation for the e-platform. This involved setting up a server infrastructure within the existing Education Management Information System (EMIS) to ensure that 10,000 students could access the TAO e-assessment platform simultaneously. The Consultant conducted thorough testing, user simulations, and monitoring and analysis of services and servers. He also developed a backup strategy to ensure the system's reliability.

Additionally, the Consultant created documentation that described the physical and logical topology of the server infrastructure, outlined the services and tools used, documented the achieved goals, and shared valuable insights and lessons learned throughout the process.

During the implementation and scaling up phase, the Consultant encountered difficulties, delaying submission of the first Progress Report. Thus, the contract duration was extended for additional two months, continuing through March 21, 2023. The Consultant successfully delivered the Progress Report (R1), which covered the backup strategy and the completion of Phase I. Subsequently, the Final Report (R2) was elaborated and submitted, providing a detailed account of the progress made during both phases and including the technical documentation on the physical and logical typology of the server infrastructure. Ultimately, the Consultant completed all assigned tasks, signed the delivery acceptance form and officially closed the Project.

The sub-component also supports ***the development of training resources and guides for schools on selected distance learning platform(s) and teaching methodology applications, as well as conducting ToTs.*** The overall objective of the assignment is to develop an e-guide and e-course for teachers on distance and blended learning methodology to increase teacher capacity for distance and blended pedagogy across all public schools and grades, as well as to conduct online ToT for the relevant MES and TPDC representatives and teachers from the targeted 200 schools.

During the reporting period, duration of the contract was extended from March 2, 2023 through July 17, 2023, based on the request and relevant justification provided by the respective consulting company. These changes included adjusting the assignment phases and timeline of deliverables to accommodate the extensive volume of educational content and allow for review and approval by stakeholders. During the previous reporting period, the contract's duration was extended by three additional months.

Throughout the reporting period, the Consultant continued developing the concept and the structure of the e-course, incorporating interactive digital content such as tutorials, graphics, simulations, videos, audio, animations and other presentation materials. The development process involved close collaboration with the national curriculum team of the MES to align with the national curriculum. The Consultant received daily assistance to ensure the successful completion of assignment objectives. The company made significant progress in finalizing the training materials and completed the final version of the e-guide.



Following the scope of work determined by the contract, the Consultant presented the R3 Report in June, including (i) the final version of e-course/training modules for schoolteachers on distance and blended teaching and learning, (ii) teacher's e-guide, and (iii) the detailed outline of the training to be implemented during Phase IV. These materials were forwarded to the General Education Development Department for review and approval, further advancing the project toward its completion. The documents have been reviewed and approved by national curriculum experts. Currently, the PMU is awaiting support from the general education department in organizing the delivery of training information to the intended audience. In addition, the Pre-School and General Education Development Department is expected to provide the final list of participants for the training.

The sub-component 4.1 also supports the Project ***“Upgrade of the eSchool General Education and Early Childhood Education software system and the Enterprise Architecture, Data and Domain Models for the EMIS education systems,”*** which covers (i) the upgrade of the eSchool software system supporting General Education; (ii) developing Enterprise Architecture, Domain and Data Modeling and Common System Modules for the EMIS education systems and subsystems; (iii) database streamlining and containerization of software modules and (iv) design and implementation of additional new modules of the Pre-school elements.

The assignment was initially planned as a consultancy based on QCBS. However, as recommended by the WB, the procurement plan was adjusted to align with the appropriate procurement type for IT services. Due to the high level of risk and technical complexity involved in procurement process, it became necessary to engage a consulting company for providing critical support in finalization of the purchaser's requirements, as well as selection of the best qualified firm to perform the complex assignment.

Based on the clearance received from the WB, in April 2023 the direct contract was signed with EdTech Ventures Ltd /Ireland. The Consultant's role encompasses various phases. During Phase 1, the company shall assist the PMU in finalizing the Purchaser's requirements, drafting contract conditions, and providing IT technical support to prepare the RFP document. Phase 2 involves clarifications during the tender process, while Phase 3 includes evaluation of the First Stage Technical Proposals. Phase 4 entails the evaluation of the Second Stage Technical Proposals, and in Phase 5, the Consultant reviews the draft negotiated contract before its signing. The contract is expected to continue through February 3, 2024.

Upon multiple discussions, extensive work implemented and modifications made to the document based on the feedbacks received (including the feedback of the WB team), the Consultant provided the revised version of the R1 – Report on Phase 1 (RFP).

Based on the no objection provided by the WB on the RFP, the REoI ***“Upgrade of the eSchool General Education and Early Childhood Education software system and the Enterprise Architecture, Data and Domain Models for the EMIS education system”*** was published on June 23, 2023. The deadline for submitting the first Stage Technical Proposals for eligible and qualified companies is 4 August,

2023. Considering the estimated time needed for the completion of the procurement procedures, tentative implementation period of the contract is January 2024 – January 2026.

Immediate Next Steps:

- For the project - “Learning Systems Solutions and Support (LMS) for General Education in Georgia” – once the evaluation results are approved, sending the RFP to the shortlisted companies, evaluating the received Technical and Financial proposals, selecting the winning company, and signing the contract by the end of October to initiate project implementation;
- For the project - “Upgrade of the eSchool General Education and Early Childhood Education software system and the Enterprise Architecture, Data and Domain Models for the EMIS education system” - evaluate first stage documents, send the RFP to the shortlisted companies;
- Supervise the implementation of envisaged activities by the Consulting company implementing the activity - “Consulting Services for Evaluation of Proposals to Upgrade eSchool software systems”;
- Supervise implementation and of the assignment - “Developing Training Resources and Guides for Schools on Selected Distance Learning Platform(s) and Teaching Methodology Application, Conducting ToT” project.

Sub-Component 4.2 - Communication and Stakeholder Consultations for Education Reform

This sub-component considers the development of an effective communication strategy on the current education reforms and proposed project activities, as well as an action plan to engage various stakeholders and their representative groups.

The assignment commenced on November 18, 2021 and was completed in the beginning of this reporting period (January 17, 2023), as defined by the respective contract. As a result, following final deliverables were accepted by the Client:

- a. Five-Year Communication Strategy;
- b. 24-month Communication Action Plan;
- c. Guide to the Monitoring and Evaluation of the Communication Plan.

Communication strategy elaborated in line with the Education and Science Strategy 2023-2030, will support MES to work efficiently toward achieving its long-term goals - dynamic communication will facilitate delivering messages to and receiving feedback from stakeholders. As a result, effective communication of education reforms shall be provided.

Assessment of the following two intermediate results indicators envisaged under sub-component 4.2 was incorporated in the large-scale Performance Evaluation Review baseline survey completed in the reporting period (February 2023). The indicators are: (i) Parents that report satisfaction with their engagement in the whole school improvement effort and demonstrate understanding of student-centered learning through beneficiary surveys in community engagement activities and (ii) Representative groups who report that the national consultation (and feedback) process



on Georgia's Education policy principles was responsive to their views through an appropriate CE mechanism (Percentage). In addition, the following tasks were undertaken/completed during the reporting period:

- a. Regular updates of the Project website and social media pages;
 - b. Workshops/events for stakeholders organized (Component 1, Component 2);
 - c. For the I2Q Project's promotional purposes, provided the following media coverage.
1. **Topic:** [Internalization of Higher Education](#)
Speaker: Nino Begiashvili, I2Q Project HE component
Channel: Radio Interview Talks about Education with Teiko Anjaparidze (Radio Imedi), live, March 21, 2023.
 2. **Topic:** [Early Childhood Education Reform](#)
Speaker: Nancy Frey, San Diego State University Research Foundation professor
Channel: Radio Interview Talks about Education with Teiko Anjaparidze (Radio Imedi), live, April 11, 2023.
 3. **Topic:** An Authorization Pilot Process in 3 Selected Schools
Channel: [Maestro TV](#), [Imedi TV](#), [Rustavi 2](#), May 8, 2023
 4. **Topic:** [General Education Quality Assurance Issues](#)
Speaker: Mr. Ron Titus, Quality Assurance expert, IBF International
Channel: Radio Interview Talks about Education with Teiko Anjaparidze, live, May 16, 2023
 5. **Topic:** [Improving Quality and Access to Early Childhood Education in Georgia](#)
Speakers: Tamar Chkonia, Early Education Component lead, I2Q Project, and Nancy Frey, San Diego State University Research Foundation professor
Channel: IMEDI TV, morning show, live, June 1, 2023
 6. **Topic:** [Competitive Innovation Fund \(CIF\)](#)
Speaker: Ana Gomelaury, Head of CIF Administration Unit, I2Q Project
Channel: Radio Interview Talks about Education with Teiko Anjaparidze (Radio Imedi), live, June 20, 2023.

Immediate Next Steps:

- Organize donor coordination meeting(s);
- Organize CIF Grants Awards Ceremony and the large-scale two-day workshop related to the HE financing issue (both planned to be implemented in July 2023);
- Organize other workshops/events within the scope of the I2Q Project, as needed;
- Ensure the I2Q Project awareness raising using relevant tools.

E. COMPONENT 5 - SUPPORTING PROJECT MANAGEMENT, MONITORING, AND EVALUATIONS

This sub-component supports the development of the unified accounting policy for MES and sub-organizations under its control including (i) structural units of the MES; (ii) Territorial bodies – educational resource centers; (iii) legal entities of public law operating in the field of governance of MES, non-entrepreneurial (non-commercial) legal entities; (iv) HEIs established by the GoG (upon the proposal of the MES), scientific-research institutions established by the GoG, vocational education and general education institutions established by / with the participation of MES. The activity was not originally considered under the Project. However, based on the request of MES supported by the respective justification, the WB consented to add the activity to the Project scope.

During the reporting period, the Consulting Company conducted extensive discussions and working meetings with the Economic Department of the MES, as well as relevant structural units. As a result, a comprehensive Report 4 was prepared. The report was submitted within the deadline defined by the contract and included the draft of the Accounting Policy together with the supporting documents, draft of the training materials and draft scenarios with methodological videos. Upon number of discussions held between the management of Economic Department of MES and the consulting company, the report was revised and resubmitted on March 28, 2023. Based on the approval of the Economic Department of the MES, the report was accepted by the PMU and the acceptance act was signed on April 3, 2023.

The period starting from April 2023 through the end of June 2023 was devoted to the development of the Report 5, which encompasses final draft of the Accounting Policy (both in Georgian and English languages) and the final set of supporting documents and training materials, as well as methodological videos. Georgian versions of the document with other deliverables under the Report was submitted by the end of May 2023. Considering the number, complexity and volume of the documents developed under Report 5, MES gradually provided its comments to the project team and the team revised the document respectively. The summary of the documents was confirmed and accepted by the Economic Department of the MES. However, on May 29, 2023, feedback of the Legal Department of the MES was received. Thus, the Consulting company continues to work on the technical revision of the report.

Based on the request of the Consultant, due to additional time needed for the review and revision of the documents, the contract term was extended through August 14, 2023.

Immediate Next Steps:

- Coordinate implementation of the ongoing contract – “Development of Accounting Policy for the Ministry of Education and Science of Georgia and its Subordinated Organizations”, ensure review and approval of the remaining reports by the Deputy Head of the Economic Department of MES and provide the needed support to the Consultant.



PROCUREMENTS

Following REOIs were announced:

1. Short-Term Consultant (National) for supporting the assignment to develop a new model of performance-based funding by creating HEIs information management database system;
2. Consulting Services for Strengthening the Quality of Pre-Service Teacher Education Programs;
3. Upgrade of the eSchool General Education and Early Childhood Education software system and the Enterprise Architecture, Data and Domain Models for the EMIS education systems;
4. Learning Systems Solutions and Support (LMS) for General Education in Georgia.

Following Contracts were signed:

a. As a result of REOIs:

1. Short-Term Consultant (National) for supporting the assignment to develop a new model of performance-based funding by creating HEIs information management database system;
2. Consulting Services for Promoting Internationalization of Higher Education;
3. Consulting Services for creating a pool of evaluators for CIF.

b. As a result of Direct Contracting:

1. Evaluation of Proposals to Upgrade eSchool software systems.

Following tenders were cancelled:

1. Feasibility Study on Establishment of National Institute of Educational Research - In response to the MES request, the PMU with the support of the international expert, developed conceptual framework, analysis of international experience and specific model was proposed to the MES. Following this conceptual framework, on January 23, 2023 the GoG issued a decree regarding establishing the National Center for Educational Research. Therefore, there was no need to proceed with the procurement process.
2. Consulting Services for Strengthening the Quality of Pre-Service Teacher Education Programs and Continuous Professional Development Options – cancelled based on the decision of MES. New tender with the revised scope was announced.

Next Steps:

Following RFQ/RFP will be announced:

1. Learning Systems Solutions and Support (LMS) for General Education in Georgia – August 2023;
2. STEAM Resources (Conference and Equipment, Tools, Programming, Model and Green Energy Kits) – July 2023.

The following contracts will be signed:

1. Learning Systems Solutions and Support (LMS) for General Education in Georgia.
2. STEAM Resources (Conference and Equipment, Tools, Programming, Model and Green Energy Kits).

SECTION III. PROJECT FINANCES

The financial and administrative support for the I2Q Project, as well as procurement management under the Project, as defined with the Loan Agreement and the World Bank (IBRD) rules and procedures, is performed by the PMU under MES. The PMU maintains the Project financial management system in line with the World Bank requirements and performs disbursement of the loan proceeds accordingly.

During the reporting period (01 January 2023 – 30 June 2023), the total amount of expenditures under the I2Q Project amounted to EUR 1.473 million, which is 91.81% of the planned disbursements. As of 30 June 2023, cumulative payments for the project implementation are equal to EUR 10.8 million which is 36.19% of allocated IBRD funds (MES part - EUR 29,775,000).

***Commitments and Disbursement Projections
(from the approved Procurement Plan)
(EUR)***

Category	Allocated amount	Signed contracts	Disbursed amount (IBRD)	Disbursed amount (Co-Financing)	Committed signed balance	Uncommitted contracts to be signed
Works, Goods, Non-Consulting Services, Consulting Services, Operating Costs and Training except 1c,2a,5a for the Project	29'775'000.0 EUR	18'593'770.14 EUR	10'775'019.40 EUR	30'001.00 EUR	7'788'749.4 EUR	3'497'894.16 EUR



Components			Actual Payment 2023 1 st Half	
Component 1	Improving the quality of ECEC programs across the country	1.1	EUR	390'403.94
Component 2	Supporting the scaling up of the whole-school improvement pilot	2.2	EUR	200'698.46
Component 2	Assisting the development of a national assessment framework	2.4	EUR	86'013.62
Component 3	Development of new options for higher education financing	3.1	EUR	139'658.86
Component 3	Establishment of a competitive innovation fund for public and private universities	3.2	EUR	236'290.78
Component 3	CIF Salary	3.5	EUR	38'040.50
Component 4	Supporting data-driven decision-making accessible the entire education system	4.1	EUR	7'869.18
Component 4	Communication and stakeholder consultations for education reform	4.2	EUR	8'683.87
Component 5	Short Term Consultant	5	EUR	16'426.33
Component 5	Other Consulting Services	5	EUR	64'369.10
Component 5	PMU Salary	5	EUR	252'479.59
Component 5	Operating Costs	5	EUR	32'671.99
Total			EUR	1'473'606.22

SECTION IV: ANNEXES TO THE REPORT

Annex I – Indicator Performance Tracking Table

Annex II – Information on Procurement Activities





MINISTRY OF EDUCATION
AND SCIENCE OF GEORGIA



ინოვაციური, მათემატიკის, ტექნოლოგიებისა და
კვალიფიკაციის პროექტი
Innovation, Inclusion and Quality Project



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