

PARAGUAY

ESCUELA VIVA II PROGRAM

(PR-L1017)

LOAN PROPOSAL

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Electronic Links and References	
Basic socioeconomic data	http://www.iadb.org/RES/index.cfm?fuseaction=externallinks.countrydata
Status of loans in execution	http://ops.iadb.org/approvals/pdfs/PRen.pdf
Information available in the RE1/SO1 technical files	http://idbdocs.iadb.org/WSDocs/getDocument.aspx?DOCNUM=981999
Annex I – Final outcome indicators	http://idbdocs.iadb.org/WSDocs/getDocument.aspx?DOCNUM=100319

ABBREVIATIONS

ACE	Asociación de Cooperación Escolar [School Cooperation Association]
BE	Basic education
CESI	Committee on Environment and Social Impact
DGEIyEB	Dirección General de Educación Inicial y Escolar Básica [Directorate General of Early and Basic Education]
DGPEC	Dirección General de Planificación Educativa y Cultural [Directorate General of Educational and Cultural Planning]
EGE	Equipo de Gestión Escolar [School Management Team]
EPH	Encuesta Permanente de Hogares [Permanent Household Survey]
FSO	Fund for Special Operations
GDP	Gross domestic product
ICAS	Institutional Capacity Assessment System
MEC	Ministry of Education and Culture
OC	Ordinary Capital
PCU	Program Coordination Unit
PDL	Performance-driven loan
PEI	Institutional educational projects
PROPEF	Project Preparation and Execution Facility
SIEC	Sistema Integrado de Estadísticas Continuas [Integrated Current Statistics System]
SIPEC	Sistema Informático de Procesamiento de Estadística Continua [Continuous Statistical Processing Information System]
SNEPE	Sistema Nacional de Evaluación del Proceso Educativo [National Education Evaluation System]
TTI	Teacher Training Institute

PROJECT SUMMARY

PARAGUAY ESCUELA VIVA II PROGRAM (PR-L1017)

Financial Terms and Conditions					
Borrower: Republic of Paraguay Executing agency: Ministry of Education and Culture			Amortization period:	OC	FSO
			Grace period:	30 years	40 years
			Disbursement period:	6 years	40 years
			Interest rate:*	5.5 years	5.5 years
Source	Amount (US\$)	%	Adjustable	0.25%	
Ordinary Capital	36 million	73	Inspection and supervision fee:**	0%	N/A
Fund for Special Operations	9 million	18	Credit fee:***	0.25%	N/A
Local	4.5 million	9	Currency:	U.S. dollars	U.S. dollars
Total	49.5 million	100			
Project at a glance					
Project objective: The program's objective is to improve opportunities for access, retention, and completion of quality basic education (BE), especially for those in the most vulnerable segments of the population. The specific objectives are to: (i) reduce the existing disparity in BE between different income groups and between rural and urban areas; (ii) increase BE coverage in urban-fringe, rural, and indigenous schools; (iii) reduce the number of over-age students and increase graduation rates in rural and urban BE schools serving the poor; (iv) improve BE students' level of learning and academic achievement; (v) provide institutional strengthening to the MEC; and (vi) consolidate the process of coordination among parents, communities, and teachers in BE school management.					
Special contractual conditions: (i) Completion of the plan of action for institutional strengthening of the PCU (paragraph 3.5) (ii) Entry into effect of the Operating Manual (paragraph 3.6) (iii) Hiring of the firm or institution that will verify compliance with the program's midterm and final outcome indicators (paragraph 3.14) (iv) Hiring of the firm that will perform the independent financial and operational audit of the program (paragraph 3.17)					
Exceptions to Bank policies: N/A.					
Project consistent with country strategy: Yes [X] No []					
Project qualifies as: SEQ [X] PTI [X] Sector [X] Geographic [] Headcount []					
Procurement: The procurement of goods and services using program resources will be carried out in accordance with the practices and procedures established in the Republic of Paraguay's Government Procurement Act (Law 2051/2003) and its regulations, except in the following two cases: (i) to hire the firm that will perform the financial and operational audit of the program, in accordance with document AF-200 (see paragraph 3.17); and (ii) to hire the independent consulting firm or institution to evaluate program performance, in accordance with document GN-2350-7, Policies for selection and contracting of consultants (paragraph 3.10). Verified by CESI on: 11 May 2007					

* The interest rate, credit fee, and inspection and supervision fee mentioned in this document for the OC financing are established pursuant to document FN-568-3 Rev.

** In no case will the credit fee exceed 0.75%, or the inspection and supervision fee exceed 1% of the loan amount.*

*** With regard to the inspection and supervision fee, in no case will the charge exceed, in a given six-month period, the amount that would result from applying 1% to the loan amount divided by the number of six-month periods included in the original disbursement period.

I. FRAME OF REFERENCE

A. Basic education in Paraguay

- 1.1 Paraguay's formal education system runs from preschool to higher education. Its structure is outlined in Table I-1. Compulsory basic education (BE) includes one year of preschool and three cycles of three years each (grades 1 through 9), followed by three years of noncompulsory secondary education. Higher education is offered through universities and nonuniversity tertiary educational institutions.

Table I-1: Structure of the formal education system

Level	Cycle/grades	Age
Early ed.	Preschool	5 years
Basic ed.	Cycle one (1, 2, 3)	6 - 8 years
	Cycle two (4, 5, 6)	9 - 11 years
	Cycle three (7, 8, 9)	12 - 14 years
Secondary ed.	Diversified cycle (1 st , 2 nd , and 3 rd years)	15 - 17 years

- 1.2 The structure and breakdown of BE enrollment is summarized in Table I-2. Three quarters of BE enrollment is concentrated in the first two cycles, and the remainder falls in the third cycle. In the first two cycles, urban and rural enrollment are evenly divided. In contrast, in cycle three, urban enrollment represents nearly two-thirds of the total. Indigenous basic education is almost entirely rural.

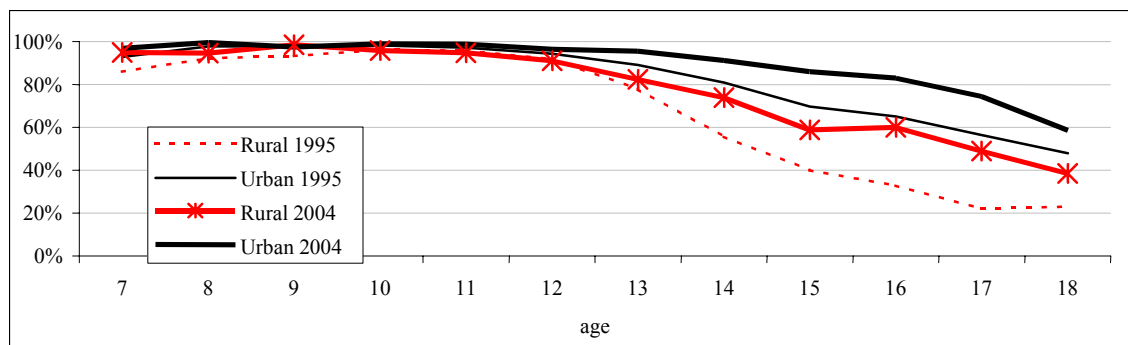
Table I-2: Enrollment structure (2004)

Enrollment	Total	Rural	Urban	Public	Private
BE cycles 1 and 2	929,478	51%	49%	84%	16%
BE cycle 3	316,369	36%	64%	81%	19%
Indigenous schools, cycles 1 - 3	16,936	93%	7%	100%	-
BE (cycles 1, 2, and 3)	1,245,847	48%	52%	83%	17%
Secondary education	206,857	26%	74%	78%	22%

Source: MEC-DGPEC, SIEC 2004.

- 1.3 The Ministry of Education and Culture (MEC) administers 83% of BE enrollment. It accounts for approximately 20% of the central government's budget. The MEC's share of the budget in gross domestic product (GDP) has grown significantly, from levels below 3% of GDP in the early 1990s, to 4.9% of GDP in 2000. In recent years, it has fluctuated between 3.5% and 4%. In terms of expenditures, over 90% of the education budget goes to current expenditures, a common percentage in countries with levels of development similar to Paraguay.

Figure I-1: Percentage of children attending school by age and area, 1995 and 2004



Source: Developed by the project team based on data from the 1995 and 2004 Permanent Household Surveys (EPHs).

- 1.4 Over the last 10 years, Paraguay has made significant strides in access to BE and in the number of years of schooling of its population. Figure I-1 summarizes the progress made in access to education, by age and area. As shown by the data from the Household Surveys, major progress was made between 1995 and 2004 in school attendance and length of schooling for children and young people. On the one hand, school attendance for children ages 7 to 12 reached virtually universal levels in both urban and rural areas. On the other, attendance increased for students over age 13. Here, the progress was most marked in rural areas: in 1995 only one in three 16-year-olds was in school, while in 2004, this percentage reached 60%. There continues to be an urban/rural gap, but it has started to narrow. In urban areas, the percentage of 16-year-olds attending school went from 65% in 1995 to 83% in 2004, not as sharp an increase as in rural areas, but still notable.
- 1.5 In parallel, the level of schooling reached by the population has significantly improved. In analyzing the 20-25 age group, which benefited from educational reform,¹ it is clear that the situation has improved markedly over the last 10 years. In 1995, this group's average level of schooling was 7.5 years (9 in urban areas and 5.7 in rural areas). In 2004, these indicators rose to a national average of 9.3 years—8 years for rural areas, and 10.5 for urban ones. This gain of nearly two years of schooling on average, in one decade, compares very favorably with average educational progress in the region. Comparative figures for Latin America have shown that it typically takes a decade for education systems to increase the average level of schooling by one year.
- 1.6 Internal efficiency indicators (grade repetition, retention, and dropout rate) have also changed. The most notable has been a decrease in the repetition and dropout

¹ Educational reform began in 1994.

rates and, as a result, improved retention in rural areas (see section C). In terms of gender, the data show that there are no longer differences between the sexes in attendance and retention rates and level of schooling reached in the population ages 6 to 20.

B. The Escuela Viva I program

- 1.7 The progress achieved in Paraguayan BE is largely due to the consistency and continuity of its educational policy over the last 15 years. In the early 1990s, the country began a far-reaching renewal of its education system that was formalized in 1996 with the development of a 25-year strategy called “Paraguay 2020: Let’s meet the challenge of education together.” This guiding framework included policy guidelines for developing a new curriculum, improving school management, teacher training, expanding school infrastructure, providing schools with educational resources, and developing specific programs for high-risk populations.
- 1.8 Over the last 15 years, the various administrations’ educational development plans have been consistently based on the “Paraguay 2020” strategy. The Bank has closely followed and supported implementation of the strategy through three operations: the Primary Education Improvement Program, approved in 1993 for US\$59 million; the Program to Strengthen Basic Education Reform, for US\$44 million, approved in 2000; and the Preschool and Early Education Improvement Program, approved in 2003 for US\$23.4 million.
- 1.9 The Program to Strengthen Basic Education Reform (known as the “Hekokatúva” Escuela Viva program) was declared eligible in early 2001 and is scheduled for completion in the second half of 2007. Its objective was to improve the quality and equity of Paraguayan BE, thus contributing to poverty reduction and the country’s development. Specifically, it aimed to: (i) improve teaching and management processes in BE; (ii) reduce inequality in the education system; (iii) improve access to cycle three; (iv) promote parent involvement in the schools; (v) improve initial teacher training; and (vi) strengthen the MEC’s management. As of April 2007, 94% of the financing had been disbursed.
- 1.10 The Escuela Viva program has been one of the MEC’s most important tools for moving toward the country’s BE policy targets and has made a significant contribution toward improving the BE access, retention, and quality indicators described above. The program has contributed to improving the infrastructure and provision of equipment at 670 rural schools; 2,640 classroom libraries have been distributed in rural schools; and training and educational materials have been delivered to 1,067 rural and 150 urban schools. In addition, 372 cycle three schools have been built, with 980 classrooms, which has contributed to the expansion of this educational level over the most recent period. The program has also created forums for teacher, student, parent, and administrator involvement in decision-making processes. Parents participate in joint actions with teachers and administrators through 150 Asociaciones de Cooperación Escolar [School Cooperation Associations] (ACEs) organized and operating in urban schools, with

1,000 more in participating rural schools. Equipos de Gestión Escolar [School Management Teams] (EGEs) have also been created, with representation of all stakeholders in the school community, thus creating a more participatory institutional environment.²

- 1.11 The management model from the Escuela Viva program comprises three stages. Stage one—awareness and startup—includes activities aimed at disseminating the model, training stakeholders, organizing the participatory management bodies (ACEs and EGEs), and self-diagnosis of school needs. Stage two, aimed at coordinating and developing participatory management, builds consensus to define school improvement plans and provides intensive training and school monitoring. Stage three—monitoring and evaluation of the improvement plans—includes workshops to consolidate the pedagogical and management content, supports execution of the plans, and holds workshops to evaluate and disseminate outcomes (see Box I-1).

Box I-1 - Escuela Viva program intervention model in the schools

Stages	Activities
Stage I Awareness and establishment of the program in the schools	<ul style="list-style-type: none"> ▪ Meetings to analyze current situation ▪ Joint negotiation and commitment meetings ▪ Dissemination campaign: radio, theater, posters ▪ Initial training in management workshops for administrators and pedagogical innovation for teachers, parents, and students ▪ Implementation of participatory school management, establishing the ACEs ▪ Establishment of learning circles (among teachers) ▪ Establishment of grade and school boards
Stage II Coordination and development of participatory management in the schools	<ul style="list-style-type: none"> ▪ Definition of school improvement plans by consensus ▪ Establishment of the EGEs ▪ Introduction and development of innovative learning methodologies ▪ Teaching enhancement workshops, including trained teachers (continuing classroom training) ▪ Workshop on monitoring, innovation, and ACEs ▪ Implementation and execution of improvement plans and management strategies ▪ Management circles with associated administrators ▪ Evaluation sessions ▪ Teaching innovation fair

² ACEs (legally recognized by the MEC) are organized groups of parents who participate in school management through activities that seek to resolve educational, infrastructure, and equipment needs. EGEs are bodies that support participatory management and decision-making at the administrative level, with representation of parents, teachers, and students, coordinated by the school principal.

Stages	Activities
Stage III Consolidation and evaluation of the school improvement plans	<ul style="list-style-type: none"> ▪ Review and adjustment meetings ▪ Institutional educational project ▪ Consolidation and evaluation workshops for administrators ▪ Pedagogical consolidation workshops for teachers ▪ Consolidation of work by ACEs and school governance projects ▪ Evaluation sessions ▪ Analysis and dissemination of program outcomes

- 1.12 **Evaluation of outcomes of the Escuela Viva I program.** The Escuela Viva program outcome indicators show significant improvement in rates of retention and grade repetition in participating schools (Table I-3). Comparing 2000 and 2004 data shows that the retention rate improved in both rural schools (3% increase) and urban schools (11.7%), while the grade repetition rate fell in rural schools (from 16% to 7%) and in urban schools (from 12.5% to 6.3%).³

Table I-3: Escuela Viva I program outcome indicators

Indicators	Start of program	End of program	Change
Rural schools (1,000 schools)			
Repetition rate (cycles 1 and 2)	16.0%	7.0%	-9.0
Retention rate (cycles 1 and 2)	82.0%	85.0%	+3.0
Urban schools (150 schools)			
Repetition rate (cycles 1 and 2)	12.5	6.3	-6.2
Retention rate (cycles 1 and 2)	59.0	70.7	+11.7

Source: Calculated by the project team based on Escuela Viva program progress reports.

- 1.13 With respect to the program's impact on the quality of education, a recent study⁴ comparing the results of the achievement tests from 2000 and 2004 for rural schools participating in the Escuela Viva program for three or more years, with the national average school results shows much larger increases in students from beneficiary schools (see Table I-4), and suggests a highly positive impact on schools involved in the program. In communication, third and sixth grade students in Escuela Viva

³ It should be noted that a midterm evaluation of the operation was conducted, finding highly favorable results. See "Evaluación intermedia del Programa de Fortalecimiento de la Reforma Educativa de EB: Escuela Viva" [Midterm evaluation of the Program to Strengthen Basic Education Reform: Escuela Viva], Final Report, CIDE, April 2004 ([LINK](#)).

⁴ See Carlos Pardo, *Análisis de los resultados de escuelas del Programa Escuela Viva en relación con otras escuelas* [Analysis of the results of Escuela Viva program schools with respect to other schools], 2006 ([LINK](#)).

program schools improved their scores between 4% and 5%, while their counterparts in the national sample showed gains of less than 2%. In mathematics, performance at beneficiary schools was up nearly 8% in third grade and 4.4% in sixth grade, while the national average rose 4.1% and 2.3%, respectively.

Table I-4: Difference in performance on the SNEPE tests between program beneficiary schools and the national average (%) (2001-2004)

	Communication		Mathematics	
	3 rd grade	6 th grade	3 rd grade	6 th grade
Rural Escuela Viva program schools (3 years of implementation)	4.1	4.9	7.6	4.4
National sample	1.8	1.9	4.1	2.3

Source: Calculated by the program team based on Carlos Pardo's analysis (see note 4).

- 1.14 An evaluation of the program's achievements in the beneficiary schools compared against control groups, using data from the 2006 Sistema Nacional de Evaluación del Proceso Educativo [National Education Evaluation System] (SNEPE) test⁵ is currently being analyzed, and the final report should be delivered to the MEC in the coming months. Nevertheless, preliminary data provided by the consultants confirm the positive impact of the program on student learning.⁶
- 1.15 The Escuela Viva I program also includes actions specifically aimed at improving the education provided to the indigenous population. It supports 91 indigenous schools (30% of the country's indigenous schools) and benefits nearly 2,000 students from eight ethnic groups. In these schools, the native language was incorporated into the educational process, indigenous teachers were trained, the curriculum was adapted to the ethnic group's characteristics, and progress was made in defining the general guidelines for the indigenous teacher profile.
- 1.16 Lastly, the program's teacher training component also made significant progress: 31 Teacher Training Institutes (TTIs) executed improvement programs and all of the official TTIs have adopted self-evaluation practices resulting in adjustments in their institutional management. Graduates of the TTIs also show slight gains in their levels of learning according to SNEPE measurements.

⁵ The 2006 SNEPE test was administered to a sample of beneficiary schools and to (urban and rural) control groups in December 2006.

⁶ For example, preliminary data from this evaluation show that the score on the communication achievement tests in sixth grade in urban schools benefiting from the program was 4% higher than in control group schools. The evaluation is being done by Chile's Education Research and Development Center (CIDE).

C. Pending challenges in basic education

- 1.17 Despite the significant progress made in recent years in access to and years of schooling, Paraguay continues to face great challenges, including problems with internal efficiency, quality of learning, and equity.
- 1.18 **Internal efficiency:** There are major differences between the gross and net coverage rates, indicating that a significant part of the BE deficit is associated with internal efficiency problems. This is reflected in the high rates of over-age students⁷ at all levels of education (see Table I-5). Over-age students are the result of late entry and repetition of grades in the first two cycles, where the national average repeater rate is 23% (18% urban and 28% rural). The problem is more acute in cycle three, where one of every three students is over-age in rural areas, and one of four in urban areas.

Table I-5: Rates of gross and net schooling and over-age students (2004)

Total	Schooling			Over-age students		
	Gross (1)	Net (2)	(1)/(2)	Rural	Urban	Total
BE cycles 1 and 2	115	97	1.19	28	18	23
BE cycle 3	80	54	1.48	34	23	27
Secondary education	53	36	1.47	36	22	26

Source: MEC-DGPEC, SIEC 2004.

- 1.19 The system's internal inefficiency results in low rates of academic progress (see Table I-6). Gross retention rates (including repeating students) indicate that a good percentage of students leave the education system before completing BE: 18% in urban areas and 29% in rural areas. Net retention rates indicate that barely half of the children complete sixth grade without repeating any years (44% in rural areas and 62% in urban areas). By the end of cycle three, system retention is much lower: in urban areas only two of every three students complete ninth grade, and just half do so without repeating a grade; In rural areas, just 38% complete cycle three and only 23% complete BE without repeating. On average, it takes between 13 and 14 years to produce a ninth grade graduate, which implies that the system consumes approximately 45% more resources than are necessary.

⁷ Percentage of students two or more years older than the theoretical age for the year of study in which they are enrolled.

Table I-6: Academic progress in BE (2004)

	Gross retention (with repeating students)		Net retention (without repeating students)	
	Urban	Rural	Urban	Rural
6 th grade	82%	71%	62%	44%
9 th grade	66%	38%	48%	23%
12 th grade	49%	22%	35%	13%

Source: Calculation of flows based on MEC-DGPEC, SIEC 2004 data.

- 1.20 The problem of low retention in cycle three is caused by a conjunction of factors related to the low quality of the education offered and the high rates of academic failure, along with economic factors such as the need for young people to work and the higher opportunity cost of studying. The high rates of over-age students imply high cumulative internal inefficiency, putting students at risk of dropping out. Addressing this problem requires combining strategies for improving the quality of the education provided and others aimed at strengthening the demand for education and developing differentiated strategies and alternatives for serving specific areas and groups (for example, rural schools in remote areas, indigenous schools, or urban-fringe schools).
- 1.21 **Quality:** A comparative study of SNEPE⁸ test results between 2001 and 2004 shows a slight improvement in communication and mathematics learning in BE. For grade three, the average results rose 1.8% in communication and 4.1% in mathematics from 2001 to 2004. In grade six, the averages increased 1.9% in communication and 2.3% in mathematics.
- 1.22 Despite these improvements, average test scores remain quite low. In grade three, the average scores for 2004 were 54% in communication and 58% in mathematics. In grade six, they were 60% in communication and 63% in mathematics. The low achievement test scores demonstrate that the growth of the system is not ensuring an adequate level of learning.
- 1.23 **Equity:** The inequalities in the Paraguayan education system, both between the rural and urban populations and between household income levels, continue to be significant despite the progress made in access and schooling. As can be seen in Table I-6, the rural population averages two years less of schooling than its urban counterpart. The children of families in the quintile with the highest incomes typically complete eleventh grade, while those in the poorest quintile only reach seventh grade.
- 1.24 It is important to note that the differences in schooling between income levels are even more marked than those between the rural and urban populations. Thus, in rural areas, the probability of completing sixth grade is 78% (compared to 90% in

⁸ Pardo, Carlos. 2006.

urban areas), while the probability of completing the nine grades of compulsory education is 43% (compared to 71% in urban areas) and the likelihood of completing secondary education (12 grades) is just 30% (in urban areas it is practically twice that figure). In the poorest families (first quintile), two of every three children complete cycle two, two of five complete ninth grade, and only one in four young people complete secondary school. This contrasts with the levels of schooling achieved by the more affluent population (highest quintile), which averages nearly 11 years of schooling; with virtually all of them completing cycle two, 80% completing ninth grade, and 70% finishing secondary school.

Table I-7: Schooling by area and income level (2004)

Minimum level of education reached among young people ages 20-21	Total	Rural	Urban	First quintile (poorest)	Fifth quintile (richest)
BE cycles 1 and 2 (6 th grade)	87%	78%	92%	68%	94%
BE cycle 3 (9 th grade)	60%	43%	71%	39%	79%
Secondary education (12 th grade)	47%	30%	58%	26%	70%
Average years of schooling	9.34	8.03	10.21	7.49	10.89

Source: Calculated by the project team based on the 2004 EPH.

- 1.25 The gaps between rural and urban areas remain significant, but the problem is no longer fundamentally one of access. Not only have gaps in access been reduced, but the reasons for not attending school or for dropping out are now related to the migratory dynamic toward the cities, or increasingly abroad in search of greater economic opportunities and the prospect of being able to complete secondary education (both much more likely in urban areas).

D. Country strategy in the sector

- 1.26 As indicated above, Paraguay has managed to establish a broad national consensus around the 2020 Strategic Plan for education, which has served as a policy framework for reforms and the various sector programs carried out by the MEC over the last decade. In 2002, the MEC started to develop the National Education Plan, known as Plan Ñandutí (2003–2015), to revise and update the 2020 strategy targets and adapt medium- and long-term policy to the new realities in the country and the sector. Plan Ñandutí has been developed using current sector plans as a yardstick, with the involvement of various bodies within the MEC.
- 1.27 Plan Ñandutí includes specific targets for 2010 and 2015 and represents the frame of reference for the policies of the different administrations, ensuring continuity and consensus-based targets in the medium and long terms. Plan Ñandutí's main objectives are to: (i) provide equitable, high-quality universal preschool for five-year-olds; (ii) encourage access, retention, and completion of quality BE, for most children ages 6 to 14, granting priority to vulnerable populations; (iii) tailor the

education of young people and adults to their learning needs in terms of life and work skills; (iv) reduce illiteracy and ensure adults equitable access to BE; (v) reduce the disparities in basic and secondary education by prioritizing rural and poor areas; (vi) increase the qualitative performance of education; and (vii) strengthen the institutional capacity of the MEC and the subnational bodies in the education sector.

- 1.28 Both the Escuela Viva I program and other operations by the Bank and other multilateral entities were designed to support implementation of the sector policy targets set in the 2020 Strategic Plan and more recently in Plan Ñandutí.

E. Lessons learned from the Escuela Viva I program

- 1.29 The lessons learned from execution of the Escuela Viva program include the following:

- The program's management model has produced strong results, particularly in rural schools (see paragraph 2.11 and Table I-1 summarizing the model's elements). In particular, the organization of the set of actions into three stages (awareness and establishment of the program in the schools; coordination and development of participatory management in the schools; and consolidation and evaluation of the school improvement plans) and its participatory approach to coordinating the community and the teachers in diagnostics, management, and implementation of actions in the schools, have strengthened local school management, given educational institutions relevance, and garnered the support of the various stakeholders for program implementation. The Escuela Viva II program will continue to use this management model. In urban areas, it is being adjusted to take account of the more complex and potentially more conflictive realities in contexts with less community integration.
- Making schools the program intervention unit was a wise decision, especially when the program's main direct actions benefited the students, teachers, administrators, and parents. In this regard, when schools develop the capacity to collectively identify their problems, they become an instrument of pressure and generate demand at other levels of the system (supervisors, departmental authorities, and the central government), producing changes in school culture and institutional policies. The Escuela Viva II program will review some of the undesired effects of this strategy (e.g., overload of work for the central school; tension between the school principal and other higher bodies due to various demands, etc.).
- The longer the program has been in place, the greater the impact on the schools' educational results. Schools where the Escuela Viva program teaching model has been implemented for more than three years develop processes showing positive shifts in the efficiency and quality indicators.

- Using networks of schools in the educational areas to execute some program activities has been an efficient strategy that produced positive effects. The network of schools in an educational area is a system of links between institutions and organizations aimed at exchanges of pedagogical support, resulting in the core strategic resource of the intervention on which conversations between schools are based, bringing them out of isolation and marginality. With this kind of alliance-building, particularly in the rural sector, pedagogical practices have been improved and academic reinforcement and diversity strategies have been developed.
- Parent involvement through their organizations (ACEs) for the improvement of school infrastructure, and procurement of teaching materials and school equipment remains a proven, cost-effective model. Through this system, the ACEs become relevant stakeholders in their school community by making decisions that help improve the quality of the education provided. They exercise this authority by managing public funds with transparency and accountability, and motivate parents to work with their children on their daily school activities.
- Through the 2020 Strategic Plan, the country has been making sustained investments in educational reform. The Bank's continuous support for the education sector over the last 15 years has helped to strengthen the formal structure of the MEC. Thus, for example, the directors and part of the staff of the Departments of Early and Basic Education and School Oversight have prior experience in the Escuela Viva program. The same is true in the Department of Educational Planning, where Bank loan proceeds were used to develop departmental-level educational physical microplanning strategies, thereby streamlining the local use of resources. Thus, the Escuela Viva program has been an effective training ground for new administrative and technical teams in the educational reform process driven by the MEC. The Escuela Viva II program will leverage this situation, and execution responsibilities will now be assumed by the MEC line agencies, supported by a scaled-back program coordination unit (PCU). The challenge for the new operation will be to establish the administrative and pedagogical management in the respective MEC departments, consolidate specific processes in them such as teamwork, and the acquisition of conceptual and methodological foundations to be able to implement educational policies, target-based management, and the capacity to monitor results, in order to professionalize their human resources and boost the sustainability of the actions in the future.
- The Escuela Viva program is a successful case of a project that has been able to make its content and methodologies a medium-term government policy. It has been one of the most important tools in devising an educational policy targeting the most disadvantaged sectors, stressing the importance of student involvement as an innovative and formative strategy for citizenship, the exchange of specific experiences among teachers (networking), the building

of infrastructure through the management of the ACEs, developing the value of solidarity through the community process of analyzing the context and design of action plans, and the inclusion of everyday problems in the development of the learning content.

F. Program strategy

1.30 To give the sector policy continuity, the Government of Paraguay and the MEC have requested Bank support for the design and financing of the second stage of the Escuela Viva program. To move ahead in meeting the objective of improving BE access, retention, and quality in Paraguay, the program will build on the advances of the Escuela Viva I program and will support implementation of Plan Ñandutí. The program has taken the lessons learned during execution of the Escuela Viva I program, making the necessary adjustments and adapting them to the diverse conditions existing in rural areas, indigenous communities, and urban schools. The program will also take steps to strengthen the institutional framework of the MEC as the governing body of Paraguayan education.

- **Rural BE schools.** In rural areas, the program will support: (i) the consolidation of the 1,000 beneficiary schools from the prior program with projects focused on improving educational efficiency indicators, strengthening pedagogical activities, bilingual education, and multigrade methodologies; (ii) the gradual incorporation and expansion of the package of interventions implemented in the Escuela Viva program's rural component in 1,700 additional rural schools; and (iii) specific strategies to reduce the problem of over-age students. The expansion will be undertaken in a decentralized, participatory manner with the support of the local oversight teams strengthened during the first program.
- **Urban BE schools.** In urban areas, action will be focused on those schools serving the population in high social risk areas (approximately 260 schools with nearly 20% of urban BE enrollment) with: (i) technical assistance to strengthen school management; (ii) attention to the schools' various needs (including bilingual education) through specific educational improvement plans developed in a participatory manner; (iii) promotion of compensatory pedagogical actions for areas where achievement test results show the greatest deficiencies; and (iv) specific strategies to reduce the problem of over-age students. For the rest of the urban schools, the program will undertake actions to strengthen management competencies of administrators and school management.
- **Indigenous schools.** Actions will be promoted at the 300 indigenous schools, to expand BE coverage and improve learning, strengthen the involvement of indigenous communities in school management, and define educational content, together with technical assistance for developing teaching materials and strengthening the training of the teachers and administrators of the

nation's indigenous schools. Support will be provided for studies that help strengthen educational policy for indigenous education.

- **BE cycle three.** The program will support the MEC in the institutional reorganization of cycle three through: (i) strengthening the pedagogical management and coordination of this level, seeking to guarantee quality operating standards; (ii) meeting institutional needs through specific educational improvement plans developed by each school's educational community; and (iii) developing various flexible service strategies (transportation, scholarships, boarding schools, distance learning, etc.) for poor students posing a dropout risk, so they complete the nine years of compulsory education.
- **Strengthening the sector's institutional framework.** The program will support: (i) improvement of the MEC's infrastructure and equipment (building and equipping the new headquarters); (ii) strengthening of the Sistema Informático de Procesamiento de Estadística Continua [Continuous Statistical Processing Information System] (SIPEC); (iii) training of human resources to strengthen central and decentralized management of BE; (iv) financing of activities evaluating educational quality coordinated by SNEPE; and (v) social communications to drive implementation of the program's various lines of action, to promote the dissemination of innovative experiences and agreement on and accountability for the results of the sector policies.
- The MEC currently operates out of 15 offices in various locations in Asunción, most of which are leased. This scattered distribution of rented facilities has a negative impact on administrative efficiency and causes great inconvenience to users of the education system. Moreover, the high lease costs provide an economic rationale for investing in a headquarters.⁹ The new MEC headquarters will have great symbolic value: it will be the architectural expression of the progress achieved in the institutional framework in Paraguay's education sector and of the consistency, stability, and continuity of its educational policy.

1.31 The combination of the specific measures in the rural, urban, and indigenous schools, and in the three cycles of BE, with the strengthening of the MEC, and more participatory management in schools, will result in a more efficient, higher quality BE system.

⁹ The MEC is releasing a study justifying the new headquarters focused on the benefits in terms of optimizing administrative processes and potential financial savings compared to current office lease costs. A preliminary study is presented in "*Antecedentes a considerar que justifican la construcción de una nueva sede para el MEC*" [Background for consideration, to justify construction of a new headquarters for the MEC.] ([Link](#))".

- 1.32 **Performance-driven loan (PDL).** The government has asked the Bank to use the PDL instrument in this operation. The team has found that conditions are favorable to make this possible. First, with the Bank's support (including three investment operations) the MEC has been gradually strengthened, which has even made the sector one of the most consolidated within the nation's institutional framework. Second, as mentioned above, there has been continuity in both sectoral policy and in the teams responsible for implementing it over the last 15 years. Third, there is an educational development plan (2020 Paraguay Strategic Plan) with medium- and long-term targets that includes the policies of each administration and this operation. Fourth, the educational authorities have the political will, with the support of the central government, for the MEC to reorient its processes, procedures, and inputs with greater efficacy and flexibility toward the development objectives agreed upon in the national plans. Lastly, the Bank's Board of Executive Directors recently approved a PDL for an agricultural program in Paraguay (Modernization of Agricultural Support Management, PR-L1001), which has already addressed and resolved some of the financial management and procurement issues that this type of approach requires.

G. Bank strategy in the country

- 1.33 The Bank's recently updated country strategy for the 2003–2008 period aims to support the government with the objective of sustained growth and reduced poverty. The strategy focuses the Bank's actions in three areas: restoring the credibility of State institutions so that the State can lead the way towards economic development and support the consolidation of democratic institutions; laying the foundations for sustainable economic growth based on the market economy; and reducing poverty and improving the quality of life of the low-income population through human capital development and greater access to basic quality services. This operation aimed at improving access, retention, and quality in BE is consistent with this strategy and is part of the operations program agreed upon with the government.
- 1.34 Specifically, the Escuela Viva II program supports the consolidation of one of the pillars of economic growth: a better educated population with a greater capacity to participate in the country's social and productive development. The program also contributes to reducing poverty and improving the quality of life of the population to the extent that it benefits the neediest sectors of the population, and therefore, those with the lowest educational levels.

H. Coordination with other multilateral and international institutions

- 1.35 The proposed program will build on the achievements of the Escuela Viva I program and complements other programs financed by the IDB and the World Bank in the sector. Specifically, it complements the Preschool and Early Education Improvement Program (loan 1467/OC-PR), approved in 2003, which aims to improve the education of children under 6 by expanding coverage and strengthening institutional management. Together, the two programs will strengthen

education from preschool to cycle three of BE. The proposed program also complements the World Bank's Education Reform Program aimed at strengthening secondary education. Coordination meetings with other international agencies operating in Paraguay, including UNESCO and UNICEF, were held during the design phase of this program.

II. THE PROGRAM

A. Objectives and description

- 2.1 The program's objective is to improve opportunities for access, retention, and completion of quality BE, especially for the most vulnerable segments of the population. Its specific objectives are to: (i) reduce the existing disparity in BE between different income groups and between rural and urban areas; (ii) increase BE coverage in urban-fringe, rural, and indigenous schools; (iii) reduce the number of over-age students and increase graduation rates in rural and urban BE schools serving poor populations; (iv) improve BE students' level of learning and academic achievement; (v) provide institutional strengthening to the MEC; and (vi) consolidate the process of coordination among parents, communities, and teachers in BE school management.
- 2.2 The program will achieve these objectives through national improvement strategies and through direct interventions in approximately 2,700 rural schools, 260 urban-fringe schools, and nearly 300 educational institutions in indigenous areas. The outcome indicators have been expressly put forward from an equity perspective as a criterion for prioritizing program investments and actions. The program's focus is positive discrimination of schools that serve poor populations that are also receiving poor education (low learning levels, grade repetition, over-age students, and dropouts), primarily by strengthening their pedagogical and management capacities.

B. Selected indicators

- 2.3 Table II-1 summarizes the program's objectives, their connection to the medium- and long-term educational development objectives, and the operation's final outcome indicators. The emphasis of the selected indicators is on simultaneously improving the efficiency of an education system that is advancing slowly with improvements in coverage, quality, and its institutional framework. As crosscutting objectives, it seeks to improve educational opportunities for the poorest segments, for both children and young people, and to redistribute resources to these segments of the population in a more equitable manner.

Table II-1: Summary of medium- and long-term objectives and expected outcomes

Medium- and long-term objectives	Program objectives	Program outcome indicators
<ul style="list-style-type: none"> ▪ Improve the efficiency, quality, and equity of BE (grades 1-9) <p>Indicators:</p> <ul style="list-style-type: none"> ➤ Increase in BE graduation rates ➤ Increase in academic achievement among BE students ➤ Increase in BE attendance rates in the poorest quintiles (1 and 2) 	<p>General: Improve access, retention, and completion of quality basic education, especially in the most vulnerable segments of the population</p> <p>Specific:</p> <p><i>Internal efficiency:</i></p> <ul style="list-style-type: none"> ▪ Increase graduation in rural and urban BE (serving the poor) ▪ Reduce over-age students in grades 1-6 <p><i>Learning:</i></p> <ul style="list-style-type: none"> ▪ Improve the quality of BE <p><i>Coverage:</i></p> <ul style="list-style-type: none"> ▪ Increase coverage of BE <p><i>Institutional framework:</i></p> <ul style="list-style-type: none"> ▪ Provide institutional strengthening to the MEC ▪ Increase involvement of parents, the community, and teachers in BE school management 	<p>Internal efficiency:</p> <ul style="list-style-type: none"> ➤ Graduation rate in BE grades 6 and 9, in targeted urban schools, rural beneficiary schools, and indigenous schools ➤ Rate of over-age students in cycles 1 and 2 in targeted urban schools and rural schools benefiting from the program <p>Quality:</p> <ul style="list-style-type: none"> ➤ Students' scores on SNEPE language and mathematics tests in grade 6 in targeted urban schools and rural schools benefiting from the program <p>Coverage:</p> <ul style="list-style-type: none"> ➤ Number of students enrolled in BE cycle 3 in the 260 targeted urban schools ➤ Net enrollment rate in BE cycle 3 among the rural population ➤ Number of children ages 6 to 11 enrolled in BE in the nation's indigenous schools <p>Institutional framework:</p> <ul style="list-style-type: none"> ➤ New MEC headquarters built ➤ % of urban and rural schools with EGEs operating

2.4 Given their nature, most of the program's final outcome indicators will be achieved through the interaction of various activities (many of them leading to more than one outcome). The following paragraphs highlight the most significant activities involved (together) in achieving the program objectives in terms of efficiency, quality, coverage, and institutional strengthening of the sector.

2.5 To *improve the internal efficiency of basic education*, in urban areas, the program includes measures to strengthen the schools' management capacity (training, support materials, technical assistance, and monitoring); and the financing (by transfers to the ACEs) of school improvement projects, based on the specific problems of each institution, including resources to improve learning conditions and the building or rehabilitation of classrooms and equipment. In rural areas, support will be provided for training activities to strengthen or create adequate management conditions, EGEs will be established at beneficiary schools, and

- performance-based institutional educational projects will be implemented, aimed at resolving the educational problems detected and diagnosed by the community, including curriculum improvement strategies planned jointly by the school principal and teachers. The problem of over-age students, in both rural and urban areas, will be addressed by financing learning equalization strategies for cycles one and two, designed in a participatory manner, based on the specific problems in each educational area. In the indigenous schools, the program will seek to improve the rates of graduation from sixth grade by developing and implementing a new curriculum tailored to the specific needs and contexts of the country's 18 ethnic groups; producing educational material and texts; and regularizing the status (equalization and certification) of the teachers working in indigenous schools.
- 2.6 For *quality gains in basic education*, the program includes the following activities: in urban areas, training for teachers and administrators with specialized courses in communication and mathematics, considering the bilingual approach and the promotion and support of learning circles (that bring together supervisors and teachers in a specific educational area)—a strategy for monitoring and supporting classroom teaching and their planning and evaluation work. In rural areas, classroom projects will be implemented with a bilingual approach, placing cycle three teachers in the central schools in rural educational areas; pedagogical coordinators capable of diagnosing needs in training, planning, support, monitoring, and evaluation will be selected and trained to help teachers be innovative with classroom teaching strategies and improve the learning results of the children and/or teens; and since quality requires infrastructure and equipment conditions appropriate for learning, financing will be provided for projects to improve learning conditions (infrastructure, equipment, teaching materials, and water, among other things) in rural schools, by transferring resources to the ACEs. The use of resources will only be permitted based on the needs detected and prioritized in a participatory manner.
- 2.7 To *increase BE coverage in both targeted urban and rural schools*, the program plans to implement measures allowing the educational areas to have access projects benefiting teens for cycle three. To do this, the educational areas will have funds to cover expenditures stemming from the project to overcome detected problems for cycle three access, based on the diagnostic assessment conducted by the school and community. In indigenous schools, intercultural community projects will be implemented based on the area's educational diagnostic assessment and agreed on with the communities, aimed at creating appropriate conditions to facilitate children and teens staying in the indigenous schools. This will be complemented with the financing of educational facilities in the indigenous communities, requiring infrastructure and equipment construction and rehabilitation, while always respecting the context and culture of each community.
- 2.8 Lastly, the measures planned to support the *institutional strengthening of the MEC* include construction of a new headquarters (to be delivered around the third year of program execution); the strengthening of the DGEIyEB in its program

implementation capacity; the strengthening of the SIPEC; and the financing of educational quality assessment activities (SNEPE) and social communications to support program implementation.

- 2.9 Table II-2, the Program Final and Midterm Outcome Matrix, presents the final and midterm indicators based on the objectives to be achieved and the tranches associated with program disbursements. Annex I describes all of the matrix's indicators and provides the definitions, formulas, and sources.

Table II-2: Program final and midterm outcome matrix

Objectives	Indicators	Baseline ¹⁰	Targets by tranche				
			1 st	2 nd	3 rd	4 th	5 th
Final outcome indicators							
Objective 1: Improve the internal efficiency of BE	▪ Graduation rate in grades 6 and 9 in the 260 targeted urban schools	71/36%					80/43%
	▪ Rate of over-age students in BE cycles 1 and 2 in the 260 targeted urban schools	11%					8%
	▪ Graduation rate in grade 6 in the 2,700 rural beneficiary schools	57%					67%
	▪ Graduation rate in grade 9 in 1,000 central rural beneficiary schools	15%					25%
	▪ Rate of over-age students in BE cycles 1 and 2 in the 1,000 consolidated rural schools	27%					19%
	▪ Graduation rate in grade 6 in the 300 beneficiary indigenous schools	25%					40%
Objective 2: Improve the quality of BE	▪ Student scores on SNEPE tests in communication and mathematics in grade 6 in the 260 targeted urban schools	48.8/47.2					50.8/49.2
	▪ Student scores on SNEPE tests in communication and mathematics in grade 6 in the 2,700 rural beneficiary schools	48.1/50.5					50.1/52.5
Objective 3: Increase the coverage of BE	▪ Students enrolled in BE cycle 3 in the 260 targeted urban schools	32,100				38,000	44%
	▪ Net BE cycle 3 enrollment rate in the rural population	39%					
	▪ Children in cycles 1 and 2 enrolled in indigenous schools	15,700				18,000	
Midterm indicators							
Objective 1: Improve the internal efficiency of BE	▪ Targeted urban schools with implemented education improvement projects		10	50		260	
	▪ Schools with learning equalization courses (for over-age students) implemented in cycles 1 and 2					1,150	
	▪ Rural schools with management teams (EGEs) established (in expansion schools)			500		1,700	
	▪ Rural schools with management teams (EGEs) implementing an institutional educational program (in consolidated schools)			750	1,000		
	▪ Central rural area schools with curriculum improvement plans integrated into the institutional educational program				140		
	▪ Ethnic groups with BE curriculum and programs tailored to their cultural context				15		
	▪ Indigenous schools with basic education material distributed			260			
	▪ Indigenous schools' cycle 1 and 2 teachers equalized					700	

¹⁰ All baseline data are from 2005, except SNEPE data (Objective 2), which are from 2006.

Objectives	Indicators	Baseline ¹⁰	Targets by tranche				
			1 st	2 nd	3 rd	4 th	5 th
Objective 2: <i>Improve the quality of BE</i>	<ul style="list-style-type: none"> Teachers in targeted urban schools specialized in teaching techniques with a bilingual approach Consolidated rural educational areas whose cycle 3 teachers are implementing classroom projects with a bilingual approach Rural expansion educational areas with selected and trained pedagogical coordinators for cycles 1 and 2 Rural schools implementing learning condition improvement projects 		300		140	1,400	
				400		230	
Objective 3: <i>Increase the coverage of BE</i>	<ul style="list-style-type: none"> Rural educational areas with cycle 3 access projects evaluated Intercultural community projects executed in indigenous schools Indigenous school educational facilities improved 		4 10		100 40	50	
Other: <i>Strengthening of the MEC</i>	<ul style="list-style-type: none"> New MEC headquarters Continuous Statistical Processing Information System (SIPEC) 		Works awarded, database audited		Works received, SIPEC re-designed		Implemented

C. Eligible financing

2.10 The program will finance a set of activities and intervention methods in BE schools and in the MEC aimed at achieving the project's midterm and final outcomes and core objectives. Expenditures eligible for financing are:

- **Technical assistance and SNEPE testing:** monitoring and support for schools implementing the Escuela Viva program model, monitoring and technical assistance for schools and MEC agencies to reduce the number of over-age students and increase graduation and attendance rates, technical assistance and training to strengthen the MEC agencies involved in program implementation, and assessment activities by the SNEPE, among others.
- **Consulting projects:** consulting and research related to program objectives.
- **Training and development:** teacher, parent, and administrator training, seminars and workshops within the framework of the Escuela Viva program model, teacher awareness and training on over-age student issues, communication, mathematics, bilingualism, indigenous education, etc.
- **Texts and educational materials:** production of educational material, publishing, purchase and distribution of classroom materials, teaching materials, libraries, and texts.
- **Funds for school improvement projects:** transfer of resources to the schools for education improvement projects and to address their specific needs in order to achieve program targets, including school retention programs (school incentives, school transportation, school meal programs, etc.).

- **Educational infrastructure:** construction, replacement, or remodeling BE school infrastructure and equipment, and construction of the new MEC headquarters.
- **Educational equipment and supplies:** outfitting BE schools with furniture, school equipment, computers, and other supplies and equipment necessary for learning; and outfitting the new MEC headquarters.
- **Social communications:** program promotion and dissemination in the schools and communities and through various media.
- **Administration and oversight:** monitoring, auditing, external evaluation, operations, and the administrative team.

D. Cost and financing

- 2.11 The total cost of the program will be US\$49.5 million. The Bank will finance US\$45 million through a performance-driven loan (PDL), and the remainder will come from a local counterpart contribution. Table II-3 summarizes the indicative amounts for eligible expenditures.

Table II-3: Eligible expenditures

Type of expenditure	Estimated indicative amount (millions of US\$)	% of total
Technical assistance and SNEPE testing	7.3	15%
Consulting projects	1.7	3%
Training and development	5.3	11%
Texts and educational materials	3.2	6%
Funds for school improvement projects	14.9	30%
Educational infrastructure	8.4	17%
Educational equipment	3.3	7%
Social communication	1.6	3%
Administration and oversight	3.8	8%
Total	49.5	100%
IDB	45.0	91%
Local	4.5	9%

Includes US\$3 million from PROPEF operation PR-L1028.

III. EXECUTION

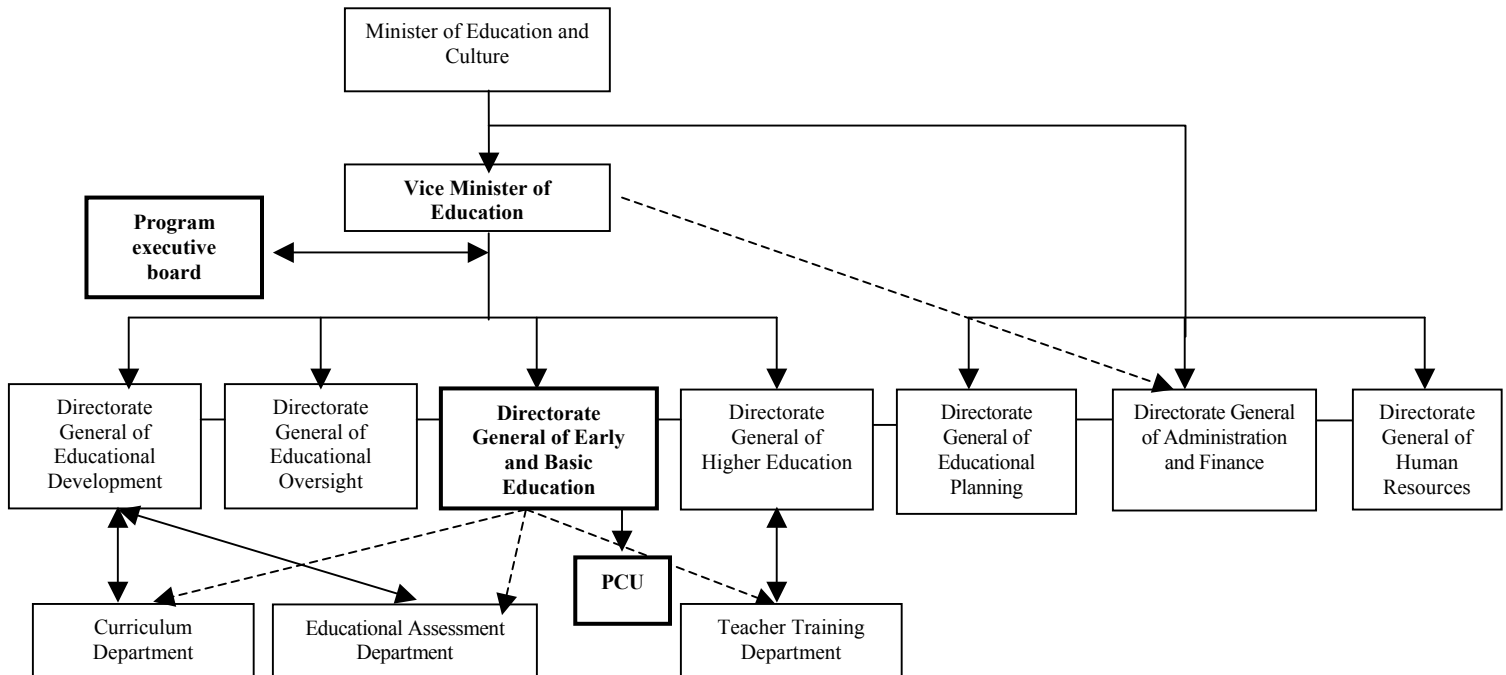
A. Borrower and executing agency

- 3.1 The borrower will be the Republic of Paraguay and the executing agency, the Ministry of Education and Culture (MEC).

B. Program execution and administration

- 3.2 Program execution seeks to maximize leverage of the MEC institutional structure. The office of the Vice Minister of Education will be responsible for technical and operational coordination of the program through the Directorate General of Early and Basic Education (DGEIyEB). Figure III-1 shows the general organizational chart for the agencies involved in execution. For activities related to procurement and financial administration, the installed capacity and experience of the current Program Coordination Unit (PCU) for the Escuela Viva I program will be used and adapted to the new needs and functions. This unit will act in coordination with the MEC's Directorate General of Administration and Finance. The Escuela Viva program executive board will be created; it will be chaired by the Vice Ministry of Education and will comprise the MEC directors general involved in program execution and the PCU coordinator.
- 3.3 The DGEIyEB will be responsible for general program coordination. The executive program coordinator will be the Director General of the DGEIyEB, who will actively involve other MEC agencies, assigning responsibility for compliance with the proposed targets in their respective areas. In particular, and with a view toward fully institutionalizing the Escuela Viva program in the MEC, the DGEIyEB will work with the directors and technical teams from: (i) the Teacher Training Department, on matters involving regular, refresher, initial, and in-service training with teachers, administrators, and supervisors; (ii) the Directorate General of Educational Development on matters involving curricular issues, programs of study, teaching methodologies, educational materials, bilingualism, and student learning assessment (SNEPE); (iii) Social Communication, to coordinate actions related to the awareness campaigns aimed at rural, urban, and indigenous communities, and the general public, as well as general publications; (iv) the Directorate General of Educational and Cultural Planning, for purposes of the databases and production of information necessary to plan the various program activities and monitor their progress; and (v) the Directorate General of Educational Oversight for the planning, execution, monitoring, and evaluation of the technical assistance and pedagogical advisory support provided to the local technical teams and schools; and (vi) the Directorate General of Human Resources.
- 3.4 The main functions of the DGEIyEB will be to: (i) direct, coordinate, and supervise all program activities with the other MEC agencies; (ii) prepare the annual work plans for all actions necessary to achieve program objectives; (iii) prepare the terms of reference for the special consulting projects, technical assistance, and monitoring set forth among the operation's eligible expenditures; (iv) prepare the periodic technical reports on the progress of the program; (v) prepare and coordinate the periodic meetings of the program's executive board; and (vi) supervise the progress of the program outcome monitoring and evaluation system. Details on the functions and responsibilities of each of the MEC line units, the DGEIyEB, and the other agencies responsible for program execution are included in the program's Operating Manual (see paragraph 3.8).

Figure III-1: Organizational chart for program execution



3.5 The PCU, adapted for the new functions, will be responsible for developing and monitoring the budget, financial planning, cash management, accounting, reporting, financial monitoring and tracking of the program, and procurement. It will also administer the system for monitoring and evaluating execution of this operation. In accordance with the recommendations from the institutional analysis (ICAS) of the PCU, the cash management and accounting areas will be strengthened with resources from the Project Preparation and Execution Facility (PROPEF) accompanying the startup of program activities. To do this, specialists will be hired in these areas, and the PCU will be provided with the equipment and tools necessary for the efficient performance of its duties. In addition, an administrative specialist will be hired in the MEC's Directorate General of Administration and Finance to support the processes associated with this operation. **Completion of the plan of action for institutional strengthening of the PCU will be a condition precedent to the first results-based disbursement.**

3.6 To support the MEC in program execution, an Operating Manual will be developed, a draft of which already exists. The Operating Manual details the activities, midterm and final targets, schedules, estimated costs, procurement procedures, information flow and management, responsibilities, execution monitoring, operation of the program's monitoring and evaluation system, and the planned external audits. **The entry into effect of the Operating Manual will be a condition precedent to the initial program disbursement.**

C. Execution period and disbursement plan

- 3.7 It is estimated that the program will be executed in a period of five years, according to the disbursement plan presented below. With the exception of the initial disbursement, these disbursements are tied to compliance with the respective midterm targets and outcomes. The following table shows the anticipated disbursement plan, including the initial disbursement.

Table III-1: Tentative plan for disbursements and local contribution (millions)¹¹

Source	Initial disbursement	Results-based disbursement	Results-based disbursement	Results-based disbursement	Results-based disbursement	Results-based disbursement	Total (million)
IDB	9.0	12.0	6.0	7.0	9.0	2.0	45.0
%	20%	27%	13%	16%	20%	4%	100%
Local		0.9	0.9	0.9	0.9	0.9	4.5
%		20%	20%	20%	20%	20%	100%

- 3.8 The program will have an advance equivalent to 20% of the financing, and five tranches. The advance will be delivered upon entry into effect of the loan contract and compliance with the contractual conditions precedent to the first disbursement. This initial advance will be gradually discounted from the five subsequent tranches.
- 3.9 The authorization for the disbursements associated with each tranche will be linked to compliance with the targets agreed upon in the Program Outcome Matrix and subsequent verification by the Bank of the eligibility of the expenditures incurred to reach these targets.

D. Procurement

- 3.10 Goods and services will be procured using program resources in accordance with the practices and procedures established in the Paraguayan Government Procurement Act (Law 2051/2003) and its regulations, except in the following two cases: (i) hiring of the independent auditing firm to perform the external audits (see paragraph 3.17); and (ii) hiring of the independent consultants to conduct the performance evaluations on compliance with the respective targets in the Program Outcome Matrix (in accordance with document GN-2350-7, Policies for selection and contracting of consultants).
- 3.11 An independent analysis of this legal framework confirmed that the practices and procedures established in Law 2051/2003 and its regulations are consistent in their content with the principles of competition, economy, equality, publicity, and due process. For dispute resolution, the analysis concluded that this legal framework

¹¹ The initial disbursement includes the resources necessary to repay up to US\$3 million to finance PROPEF operation PR-L1028, which is being processed in parallel with this operation.

established procedures for disputes and arbitration, and ensured unfettered access by actual or potential suppliers and contractors, and civil society in general, to claims received, and was thus considered adequate. Those positive results were corroborated in the update to the Country Procurement Assessment Report, that was prepared with the World Bank and was recently approved by the government.¹² The MEC and its staff are already familiar with the procedures and practices set forth in the current regulations, thanks to training provided by the Ministry of Finance's Directorate General of Government Procurement.

E. Monitoring and evaluation

- 3.12 The program's system for monitoring and evaluating outcomes is the critical element in the execution of performance-driven loans. In this operation, this system will be established based on the existing experience and resources of the MEC's Directorate General of Educational Planning, and the experience and installed capacity of the PCU to administer the two Bank operations in execution, as well as the information system established for program monitoring in the World Bank. The system will consist, among other things, of the final and midterm outcome matrix, the baseline for the indicators, the identification of the sources of information, information flows, and the responsibilities for information gathering, assignment of the personnel responsible for the system within the MEC, and the communication mechanisms with the external entity responsible for verifying program outcomes. The terms of reference have already been developed for the consulting project that will design the monitoring and evaluation system, to be fed in part, by the Continuous Statistical Processing Information System (SIPEC), which will be strengthened using resources from this operation. **Presentation by the MEC of a report certifying that the system for monitoring and evaluating program outcomes is operating will be a condition precedent to the first results-based disbursement.**
- 3.13 As indicated by Bank policy, achievement of the outcomes resulting from program disbursements (with the exception of the initial advance) will be verified by an external independent consulting firm, or a university or research body with recognized technical experience in the sector. Its responsibility will be to review and evaluate the quality, accuracy, reliability, and relevance of the data produced by the monitoring and evaluation system and verify fulfillment of the program's midterm and final outcomes. In particular, this firm or institution will undertake the following activities: (i) examine and evaluate the quality of the program's monitoring and evaluation system data reported to the Bank as justification for the disbursement request; (ii) determine the level of compliance with the targets established in the midterm outcome indicators agreed upon for each disbursement;

¹² See diagnostic assessment of the procurement area ([Link](#)) and the update to the Assessment report on the National Public Procurement System in Paraguay, IDB/World Bank, 30 April 2007 ([Link](#)). The public sector in general has a system for information consultation and communications on procurement, accessible via Internet, which is already used in Bank-financed operations in Paraguay.

and (iii) recommend to the Bank whether to proceed with the respective disbursement.

- 3.14 **The firm or institution will be selected according to Bank procedures and its hiring will be a condition precedent to the first results-based disbursement.** Its financing is considered part of the program's eligible expenditures. Its hiring will be a special condition precedent to the disbursement of the first performance-driven tranche.
- 3.15 External financial and operational audits will also be performed to ensure that program resources have been applied to eligible categories of expenditure and according to the procurement procedures agreed upon with the country. The Operating Manual establishes the reporting method and guidelines, consistent with Bank policies on external audits.
- 3.16 The reports justifying or verifying disbursements, including all statistical support information, will be made available for an ex post evaluation if the government or the Bank consider it necessary to conduct one.

F. External financial and operational audit

- 3.17 The executing agency will hire an independent auditing firm, selected in accordance with document AF-200. The audit will be conducted in accordance with Bank standards (documents AF-100 and AF-300). The executing agency will provide the Bank with the program's audited financial statements within 120 days following the close of each fiscal year. Likewise, the executing agency will submit an audit report with the respective disbursement request for each tranche covering: (i) the monitoring of procurement procedures in accordance with domestic legislation; (ii) the eligibility and validity of the expenditures in accordance with the criteria established in the program Operating Manual; and (iii) verification of compliance with the institutional strengthening plan (see paragraph 3.5). **The hiring of the auditing firm must be completed as a special condition precedent to the first results-based disbursement, or at least 90 days prior to the close of the first fiscal year of project execution, whichever occurs first.**

IV. VIABILITY AND RISKS

A. Institutional viability

- 4.1 The proposed system for program execution was evaluated during preparation of this operation based on the results of the institutional capacity assessment (ICAS). The main conclusions indicated that the Ministry of Education and Culture (MEC) needed to strengthen the current PCU with a capacity to monitor and oversee all processes impacting execution of the operation, particularly financial and accounting administration. This initiative seeks to mitigate the immediate risks existing in the structure of the MEC, by supporting each process. These technical teams, supported by the existing structures, will execute the respective components with the applicable agencies. It is proposed that the executive coordinator be a

MEC official, specifically the Director General of Early and Basic Education, and that the directors be actively involved under the DGEIyEB, assigning responsibility for compliance with the proposed targets in their areas, thus strengthening the sustainability of the processes initiated and contributing to the transfer of knowledge to the institution.

- 4.2 The recommendations arising from the ICAS analysis focus on the following: (i) providing the agencies involved in the project with the necessary equipment; (ii) developing operating manuals and a manual of functions and responsibilities, while optimizing the hierarchical structure of the MEC; and (iii) it is considered appropriate, at least during the first year, to conduct monitoring every four months, in order to evaluate progress in the strengthening activities and anticipate risks limiting the achievement of the commitments made. This monitoring must be conducted using the annual work plan (AWP) as a reference.
- 4.3 Compliance with the strengthening plan will be verified in the program's external financial-operational audit. The project has also established standards and procedures in its Operating Manual for proper execution, administration, and oversight. In parallel, a monitoring system will ensure adequate progress toward the program targets.

B. Economic viability

- 4.4 The program's primary educational outcomes, in terms of expected improvements in the BE graduation rate, quality, and access, represent economic benefits for the beneficiary population, to the extent that they increase schooling and thus employability and earnings expectations. There are three main types of quantifiable economic benefits: (i) the percentage of the population completing compulsory education increases, thereby enhancing their job opportunities; (ii) earnings expectations increase, calculated based on the returns on education, by urban/rural area; and (iii) cost savings resulting from internal efficiency gains (lower dropout and repetition rates and higher graduation rates) in the beneficiary schools.¹³
- 4.5 *Increase in graduation rates in beneficiary schools:* The primary economic benefit stems from the expected rise in graduation rates from grades six and nine in the targeted schools: approximately 2,700 rural schools and 260 urban schools. Using program beneficiary school enrollment as a baseline, this would mean 15,000 additional graduates from cycle two and 2,000 additional graduates from cycle three in the rural beneficiary schools; and in the urban beneficiary schools, 10,000 additional graduates from cycle two and 4,000 from cycle three.
- 4.6 *Returns on education by area:* The completion of primary education (grade six) and compulsory basic education (grade nine) will improve earnings expectations (versus earnings expectations for people without an education), estimated based on the rates of return on education for program beneficiaries. Returns on education are

¹³ See economic analysis for the Escuela Viva II program ([Link](#)).

strongly dependent on available economic and job opportunities, which are very different in rural and urban areas. Based on the data from Paraguay's 2004 Household Survey, in rural areas those who complete grade six will earn 17% more, while those who finish grade nine will earn 31% more. In urban areas, the figures for those completing sixth grade are 57% and for those completing ninth grade, 64%. The earnings gains in urban areas are more than double those of rural areas, which is consistent with the major migration from the countryside to the city in search of better economic and educational opportunities, which is a fundamental characteristic of Paraguay's demographic dynamics.

- 4.7 *Savings resulting from internal efficiency gains:* In addition to the economic benefits represented by the better wages and higher productivity of the additional population completing basic education, the internal efficiency gains in the schools targeted by the program will represent major cost savings for the educational system, which can be estimated based on educational flow models. These estimates are summarized in an internal efficiency parameter: the ratio between the number of student-years completed and the number of student-years necessary to obtain a graduate from primary education (grade six) or basic education (grade nine) if there were no grade repetition or dropouts. These parameters are presented below comparing the baseline scenario (using the system's inertial rates of internal efficiency) to the improved scenario, using the program targets.

Table IV-1: Expected cost savings per graduate in BE

	Baseline scenario	Program targets
National	1.58	1.26
Urban	1.21	1.16
Rural	2.6	1.6

Source: MEC-DGPEC educational flow models and estimates (June 2007).

- 4.8 Considering the costs per student in BE (around US\$180 per student/year), the schools in the system are currently spending approximately US\$2,600 nationally to produce a ninth grade graduate (US\$2,000 in urban areas and US\$4,200 in rural areas). Therefore, savings per graduate could be on the order of US\$500 as a national average and US\$1,600 per graduate in rural areas.

C. Socioenvironmental impact

- 4.9 This operation automatically qualifies as a poverty-targeted investment (PTI) since it is aimed at addressing the situation of low-income children attending BE and their families. It targets high-risk schools in areas with high unmet basic needs, which also qualifies it as a social-equity enhancing project, as described in the indicative targets for Bank activity mandated in the Report on the Bank's Eighth Replenishment (document AB-1704).

- 4.10 The program includes low complexity school infrastructure construction and improvement, and does not anticipate adverse impacts on the environment. To ensure a minimal environmental impact, the MEC's current school architecture standards and the environmental management strategies for works used in the Escuela Viva I program and in the early education program (loan 1467/OC-PR) will be used, as they seek to ensure that construction projects meet technical environmental specifications both during and after construction, in the operations stage, particularly in terms of climatic conditions, wastewater, and sanitation.
- 4.11 The program's social impact is significant, as it will improve BE for the neediest groups: the rural, urban-fringe, and indigenous populations. As mentioned above, there are no gender equity problems in BE in terms of access or academic performance. Moreover, both the current BE curriculum and the training programs incorporate a crosscutting gender perspective. The program will help to consolidate this content. Lastly, it includes specific actions to improve indigenous education that will result in higher enrollment, content consistent with indigenous cultures, and greater community involvement in school management.

D. Benefits and beneficiaries

- 4.12 The program is aimed at improving BE, particularly for the most vulnerable segments of the population. The direct beneficiaries are the students at the beneficiary schools. The teachers also benefit through training, as do the students' families through the participatory forums created. The program is expected to restructure the provision of schooling, including cycle three, so that all students have access to and complete BE. It is also expected to strengthen the ministry's physical and institutional conditions.
- 4.13 The project's actions are clearly aimed at enhancing social equity by reducing educational gaps. This will have a progressive impact on the distribution of earnings. As indicated in Chapter I, the poorest quintiles, representing the primary beneficiaries of the program, are those that fail to complete the nine years of basic education. The project will allow them to achieve levels of access to basic education similar to those the average population currently enjoys. It will reduce the rate of grade repetition and over-age students, and will increase the proportion of students who complete grades six and nine. This represents an important achievement in itself, since it effectively makes basic education (grades one to six) universal. It also means that cycle three of basic education will cease to be the bottleneck that currently blocks access by the very poor to secondary education, and hence to better academic and job opportunities.

E. Risks

- 4.14 **Results-based management at the MEC:** Since this the first performance-driven program the MEC will manage and the information system is still in development and is not oriented toward systematically monitoring the results of the education system, there may be delays in program execution. To mitigate this risk, the following measures have been taken, among others: (i) from the outset, the program

will have a monitoring and evaluation system with the support of the Directorate General of Educational and Cultural Planning (DGPEC), which will act in coordination with the program's executive board, and, in particular, with the DGEIyEB; and (ii) the program Operating Manual (a draft of which is already available). It will be a condition precedent to the initial disbursement that the Manual contain the specific schedule for the various activities and their connection to the achievement of the operation's midterm and final outcomes, to be used to guide the decisions of the individuals responsible for execution and for installing the necessary managing-for-results capacity.

- 4.15 **Management capacity for execution.** As mentioned earlier (paragraph 3.5), as a result of the program's ICAS analysis, institutional weaknesses have been identified in both the PCU and the DGEIyEB, giving rise to program execution risks. To resolve these weaknesses, according to the specific recommendations of the ICAS analysis, strengthening activities will be undertaken during the PROPEF execution period and in the first years of program execution. Not only will this ensure better quality program management, but it will also result in the MEC having a greater institutional capacity to implement sector policy.
- 4.16 **Delays in entry into effect of the loan contract.** Although this operation is part of the cooperation program agreed upon by the country authorities and the Bank, there have recently been delays in the country having loan contracts with multilateral banking institutions take effect. To prevent this from impacting the necessary continuity of actions in the nation's basic education program, the Ministry of Finance plans to use resources from a PROPEF operation (FAPEP/004-PR) to finance activities for program preparation until the new loan contract takes effect.

FINAL OUTCOME INDICATORS

Objective 1: Improve the internal efficiency of basic education

Graduation rate from BE grades 6 and 9 in the 260 targeted urban schools¹

Definition: Percentage of a cohort of students enrolled in the first grade of BE in a given academic year who pass the last grade in a BE cycle

Formula:
$$\frac{\text{Students passing grades 6 and 9 in the 260 targeted urban schools in the year } t+n}{\text{Enrollment in grade one in the 260 targeted urban schools in year } t} \times 100$$

Source: MEC, DGPEC, SIEC

Rate of over-age students in BE cycles 1 and 2 in the 260 targeted urban schools

Definition: Percentage of students enrolled in the 260 targeted urban schools two or more years older than the official age established for BE cycles 1 and 2

Formula:
$$\frac{\text{Number of students enrolled for BE cycles 1 and 2 in the 260 targeted urban schools who are two or more years older than the official age for each grade}}{\text{Enrollment in BE cycles 1 and 2 in the 260 targeted urban schools}} \times 100$$

Source: MEC, DGPEC, SIEC

Graduation rate from BE grade 6 in the 2,700 rural beneficiary schools

Definition: Percentage of a cohort of students enrolled in the first grade of BE study in a given academic year who pass the last grade in a BE cycle.

Formula:
$$\frac{\text{Students passing grade 6 in the 2,700 rural beneficiary schools in the year } t+n}{\text{Enrollment in grade one in the 2,700 rural beneficiary schools in year } t} \times 100$$

Source: MEC, DGPEC, SIEC

Graduation rate from BE grade 9 in the 140 rural beneficiary schools²

Definition: Percentage of a cohort of students enrolled in the first grade of BE in a given academic year who pass the last grade in a BE cycle.

Formula:
$$\frac{\text{Students passing grade 9 in the 140 rural beneficiary schools in the year } t+n}{\text{Enrollment in grade one in the 140 rural beneficiary schools in year } t} \times 100$$

Source: MEC, DGPEC, SIEC

¹ **Targeted urban schools:** schools that are beneficiaries of the Escuela Viva II program.

² **Rural beneficiary schools:** schools that are beneficiaries of the Escuela Viva II program.

Rate of over-age students in BE cycles 1 and 2 in the 1,000 consolidated rural schools³

Definition: Percentage of students enrolled in the 1,000 consolidated rural schools two or more years older than the official age established for BE cycles 1 and 2

Formula:
$$\frac{\text{Number of students enrolled for BE cycles 1 and 2 in the 1,000 consolidated rural schools who are two or more years older than the official age for each grade}}{\text{Enrollment in BE cycles 1 and 2 in the 1,000 consolidated rural schools}} \times 100$$

Source: MEC, DGPEC, SIEC

Graduation rate from BE grade 6 in the 300 beneficiary indigenous schools⁴

Definition: Percentage of a cohort of students enrolled in the first grade of BE in a given academic year who pass the last grade in a BE cycle.

Formula:
$$\frac{\text{Students passing grade 6 in the 300 beneficiary indigenous schools in the year } t+n}{\text{Enrollment in grade one in the 300 beneficiary indigenous schools in year } t} \times 100$$

Source: MEC, DGPEC, SIEC

Objective 2: Improve the quality of basic education

Students' SNEPE test scores in communication/mathematics in grade 6 at the 260 targeted urban schools

Definition: Average SNEPE test result for the grade and applicable subject matter.

Formula:
$$\frac{\text{Sum of SNEPE test results in communication/mathematics in grade 6 at the 260 targeted urban schools}}{\text{Number of students who took the test in the 260 targeted urban schools}}$$

Source: SNEPE

Students' SNEPE test scores in communication/mathematics in grade 6 at the 2,700 rural beneficiary schools

Definition: Average SNEPE test result for the grade and applicable subject matter

Formula:
$$\frac{\text{Sum of SNEPE test results in communication/mathematics in grade 6 at the 2,700 rural beneficiary schools}}{\text{Number of students who took the test in the 2,700 rural beneficiary schools}}$$

Source: SNEPE

Objective 3: Increase the coverage of basic education

Students enrolled in BE cycle 3 at the 260 targeted urban schools

Definition: Number of students enrolled in BE cycle 3 at the 260 targeted urban schools

Formula: Number of students enrolled in BE cycle 3 at the 260 targeted urban schools

Source: MEC, DGPEC, SIEC

³ **Consolidated rural schools:** schools that were beneficiaries of the Escuela Viva I program and continue receiving benefits from this program.

⁴ **Beneficiary indigenous schools:** schools that are beneficiaries of the Escuela Viva II program.

Net BE cycle 3 enrollment rate among the rural area population

Definition: Percentage of the population at the ages specified for each level that is enrolled in the appropriate level for those ages

Formula:
$$\frac{\text{Number of students enrolled in cycle 3 ages 12 to 14 in rural areas}}{\text{Total population ages 12 to 14 in rural areas}} * 100$$

Source: MEC, DGPEC, SIEC

Children enrolled in cycles 1 and 2 in indigenous schools

Definition: Number of children enrolled in cycles 1 and 2 of BE in indigenous schools

Formula: Sum total of children enrolled in cycles 1 and 2 of BE in indigenous schools

Source: MEC, DGPEC, SIEC

MIDTERM OUTCOME INDICATORS

Objective 1: Improve the internal efficiency of basic education

Targeted urban schools with implemented education improvement projects

Definition: Number of targeted urban schools that have initiated education improvement projects aimed at the social-emotional and cognitive development of students to ensure they stay in the education system.

Source: MEC, DGEIyEB

Schools with learning equalization courses (for over-age students) implemented in cycles 1 and 2

Definition: Number of schools in rural areas and targeted urban schools with coverage for the over-age population from all schools in the educational area, with an equalization classroom for over-age students in cycle 1 and another for cycle 2, installed and operating.

Source: MEC, DGEIyEB

Rural expansion schools⁵ with established school management teams (EGEs)

Definition: Number of rural expansion schools with established EGEs, that is, schools that have defined plans of action with joint responsibility of stakeholders aimed at improving aspects identified by the community as problems, based on program outcome indicators.

Source: MEC, DGEIyEB

Consolidated rural schools with management teams (EGEs) implementing an institutional educational program (PEI)

Definition: Number of consolidated rural schools with EGEs implementing a PEI, that is, where at least 50% of the activities whose completion depends on commitments assumed in the procurement plan established in the project have been executed.

Source: MEC, DGEIyEB

⁵ **Rural expansion schools:** new schools benefiting from the Escuela Viva II program that were not beneficiaries of the previous program.

Central rural area schools with curricular improvement plans integrated into a PEI

Definition: Number of central schools (schools around which educational areas are organized and on which they depend administratively and pedagogically) in rural areas with curricular improvement plans (a set of actions that the principal plans jointly with the cycle teachers in order to develop institutional pedagogical strategies to achieve the objectives of the curricular projects based on the reform) aimed at achieving the objectives of the PEI.

Source: MEC, DGEIyEB

Ethnic groups with a BE curriculum and programs adapted to their cultural context

Definition: Number of ethnic groups with a validated curriculum, that is, where the official national curriculum has gone through a participatory process of review, adjustment, and/or amendment, and there has been a pilot test implemented in indigenous schools for different ethnic groups.

Source: MEC, DGEIyEB

Indigenous schools with basic education material distributed

Definition: Number of indigenous schools with educational support materials in the curricular areas of communication, natural sciences, and health, including ethnic content, developed in a participatory manner with the community and implemented by teachers in the classroom in the first two cycles of BE.

Source: MEC, DGEIyEB

Indigenous school cycle 1 and 2 teachers equalized

Definition: Teachers of cycles 1 and 2 in indigenous schools with initial training, continuing education, and specialization in bilingual intercultural education.

Source: MEC, DGEIyEB

Objective 2: Improve the quality of basic education

Teachers at targeted urban schools specialized in teaching techniques with a bilingual approach

Definition: Number of teachers at targeted schools who attend specialization courses in the areas of communication and mathematics with a bilingual approach

Source: MEC, DGEIyEB

Educational areas of consolidated rural schools whose cycle 3 teachers are implementing classroom projects with a bilingual approach

Definition: Number of educational areas (a group of schools organized around a central school, made up of 4 to 12 associated schools that depend administratively and pedagogically on the central school) of consolidated rural schools whose cycle 3 teachers are undertaking classroom curriculum projects as a methodological strategy implemented based on a significant learning situation in the development of young people's capacities for the achievement of the competencies established in the curriculum, considering the development of linguistic competency in both official languages.

Source: MEC, DGEIyEB

Educational areas of rural expansion schools with pedagogical coordinators selected and trained for cycles 1 and 2

Definition: Number of educational areas (a group of schools organized around a central school, made up of 4 to 12 associated schools that depend administratively and pedagogically on the central school) of rural expansion schools with pedagogical coordinators selected from among the teachers to organize self-training activities and promote learning circles, who are capable of diagnosing training needs, planning, attending, monitoring, and evaluating actions allowing the teachers to develop innovative teaching strategies, fulfill the curriculum in the classroom, and improve the children's learning outcomes.

Source: MEC, DGEIyEB

Rural schools implementing Learning Condition Improvement Projects (PMCA)

Definition: Number of rural schools that are implementing (at least 50% of the activities whose completion depends on commitments assumed in the project procurement plan have been executed) PMCAs, that is, projects aimed at improving the physical conditions and basic equipment for the children's learning and that are executed with funds transferred to the School Cooperation Associations (ACEs).

Source: MEC, DGEIyEB

Objective 3: Increase the coverage of basic education

Educational areas of rural schools with access projects (cycle 3) evaluated

Definition: Number of educational areas (a group of schools organized around a central school, made up of 4 to 12 associated schools that depend administratively and pedagogically on the central school) of rural schools with cycle 3 access projects (a set of actions that a community in an educational area collectively agrees to develop over a specific time with medium- and long-term targets to overcome the problems with cycle 3 access) that have been evaluated, that is, where 100% of the activities were executed with approved reporting.

Source: MEC, DGEIyEB

Intercultural community projects executed in indigenous schools

Definition: Number of intercultural community projects completed within the educational area, aimed at strengthening the identity of indigenous children, encouraging access, retention, and educational quality with identity in the area's indigenous schools.

Source: MEC, DGEIyEB

Improved educational facilities in indigenous schools

Definition: Number of educational facilities improved in indigenous schools, and/or including construction of classrooms and spaces identified as important for the development of capacities and the transfer of traditional knowledge, and tailored to the natural and cultural context of the community.

Source: MEC, DGEIyEB

Strengthening of the MEC

New MEC headquarters

Definition: New MEC headquarters contract awarded and works received.

Source: MEC, DGEIyEB

Continuous Statistical Processing Information System (SIPEC)

Definition: Phases: (i) database audited: report with the results of the database audit, containing a diagnostic assessment and recommendations; (ii) SIPEC system redesigned; and (iii) SIPEC system operating with the new database engine, data migrated, and regular reports being produced.

Source: MEC, DGPEC

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION

Paraguay. Loan /BI-PR to the Republic of Paraguay
Escuela Viva II Program

The Board of Executive Directors

RESOLVES:

1. That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such contract or contracts as may be necessary with the Republic of Paraguay, as Borrower, for the purpose of granting it a financing aimed at cooperating in the execution of a escuela viva II program.
2. Such financing will be for the amount of up to US\$45,000,000, as follows:
 - (i) up to the amount of US\$36,000,000 from the resources of the Single Currency Facility of the Bank's Ordinary Capital, and
 - (ii) up to the amount of US\$9,000,000 from the resources of the Bank's Fund for Special Operations.
3. Such financing will be subject to the Financial Terms and Conditions and the Special Contractual Conditions of the Project Summary of the Loan Proposal.