

# MULTIPHASE PROGRAM FOR MODERNIZATION OF SECONDARY EDUCATION – PHASE I

(DR-0112)

## EXECUTIVE SUMMARY

<b>Borrower:</b>	Dominican Republic			
<b>Executing agency:</b>	Secretariat of State for Education (SEE)			
<b>Amount and source:</b>	<b>Phase 1:</b>		<b>Phase 2:</b>	
	IDB: (OC)	US\$52.0 million	IDB: (OC)	US\$81 million
	(IFF)	US\$8.4 million	Local:	US\$ 9 million
	Local:	US\$6.0 million	Total:	US\$90 million
	Total:	US\$58.0 million		
<b>Terms and conditions:</b>	Amortization period:	25 years		
	Grace period:	3.5 years plus 6 months for auditing		
	Disbursement period:	and evaluation funds		
	Interest rate:	variable		
	Inspection and supervision:	1% of loan total		
	Credit fee:	0.75%		
	Currency:	U.S. dollars from the Single Currency Facility		
<b>Objectives:</b>	<p>The general objective of the program is to improve access to and increase the quality of secondary education.</p> <p>Its specific objectives are to: (i) reorganize supply and optimize infrastructure use; (ii) promote efficiency in school management; (iii) review secondary curricula for appropriate distribution and hourly course load; (iv) ensure the availability of educational inputs; (v) modernize human resource training policies in the sector; and (vi) reduce the risk of academic failure among youth.</p>			
<b>Description:</b>	<p>The program is defined as an operation to support the secondary education sector in two phases. In the first phase, for which financing is proposed in this document, there will be reform of the management model and teacher training system and access to secondary education will be improved by reducing the number of overage students and</p>			

improving the use of infrastructure. Rapid growth in enrollment is expected at the end of the first phase. Thus, the objective of a possible second phase will be to maintain the policy reforms achieved in the first phase during a period of rapid growth.

The first phase will last three years and focus its efforts on reorganizing the secondary education system and correcting the under-investment that led to the proliferation of inadequate secondary schools. During this period, the aim is to set up a school-based management model allowing greater autonomy for pedagogical and administrative innovation. In addition, the teacher training system will be transformed from a system based on degrees to a model based on classroom performance.

A possible second phase would last four years and ensure that the quality improvements achieved during phase one would be maintained during a period of rapid growth in demand. The activities to be carried out during phase two would be a continuation of the activities in phase one and would represent the consolidation and expansion of the new secondary level model. The possibility that the Management of the Bank will consider proposing to the Board of Executive Directors that it approve a loan to finance the program's second phase will be subject to evaluation of the progress made in achieving the indicators listed in Annex III.

**The  
Government  
and the Bank's  
sector strategy:**

This program reflects the overall strategy of improving the country's education level and increased demand at the secondary level due to investments made at the primary level. The program was included in the Bank's programming paper (GN-1958) and is consistent with the Bank's strategy for primary and secondary education. The strategy of the Bank and that of the Dominican Republic with respect to secondary education coincide in the following critical areas: (i) focusing actions on increasing learning in mathematics, science and languages; and (ii) reforms in school management (paragraph 1.29).

**Environmental  
and social  
review:**

Based on experience in the two earlier projects for primary education, the works are not expected to have an adverse impact on the environment.<sup>1</sup> During preparation of the operation, the environmental regulations followed by the project coordination unit (PCU) were reviewed and it was concluded that the environmental feasibility of each project should be reviewed prior to the awarding of the contract for the respective works. In addition, the feasibility studies on the works will be included in the annual reviews of the program.

<sup>1</sup> Mid-term evaluation, loan 897/OC-DR, draft for discussion.

Moreover, the activities carried out at the primary level for environmental education and protection will be extended.

**Benefits:** The benefits of the program include a reduction in the repeater rate, with the following consequences: (i) lower total cost (student years) required for graduation of a cohort; (ii) freeing-up of first year slots; (iii) increased number of graduates; (iv) reduced number of years of study needed to produce a graduate. Lastly, mention should be made of a reduction in the dropout rate.

**Risks:** The program delegates a series of functions to the schools to provide incentives for pedagogical innovations and optimal use of educational inputs at the school level. Despite the fact that there is a high level of community participation in schools in the Dominican Republic, the schools have had only partial access to school-based management. To mitigate this risk, the program will strengthen the capability of School Boards through technical assistance and training (paragraph 4.19).

The introduction of incentives for pedagogical and administrative innovation in the schools will be carried out through a project competition mechanism. This competitive method may create risks of inequity in that the schools that are most in need of strengthening probably do not have equal ability to prepare and submit proposals. In order to ensure more equal opportunity, the program will provide specific training to School Boards in the preparation of proposals (paragraph 4.20).

**Special contractual conditions:** **Prior to the first disbursement**, evidence must be submitted that: (i) the program PCU has been created; (ii) the program Operating Regulations have been implemented, and must stipulate, among other things, the procedures for: (a) managing the transfer of “education packages” to the School Boards or school committees; and (b) pedagogical projects; and (iii) a special bank account for the project has been opened. **Prior to the first disbursement for component I “access”**: evidence must be submitted that legislation has entered into force for the program to correct flows to be carried out in less than four years. **Prior to a school’s participation in subcomponent II, the “education package”**, evidence must be submitted that: (i) the program’s school committees have been created; and (ii) the respective School Board or school committee has been established, as applicable.

**Poverty targeting:** This operation qualifies as a social equity enhancing project, as described in the key objectives for Bank activity set forth in the Report on the Eighth General Increase in the Resources of the Bank (document AB-1704).

The program focuses its investments on the supply of evening secondary education and marginal urban areas. The lower income quintiles are concentrated in these areas. The program therefore qualifies as a poverty-targeted investment (Table IV-5). The borrower will use the additional 10 percentage points in financing from the Bank (paragraph 2.33).

**Exceptions to  
Bank policy:**

None.

**Procurement:**

International public bidding will be required for: (i) construction contracts for works valued at US\$1 million or more; the purchase of goods and related services valued at US\$250,000 or more; and (iii) the hiring of consulting services valued at more than US\$200,000. Goods, works and consulting services valued below the above-mentioned thresholds will be subject to the procedures mentioned in the procurement schedule, which will be reflected in Annex D to the loan contract (paragraph 3.21).

## **I. FRAME OF REFERENCE**

### **A. Introduction**

- 1.1 Since the crisis of 1990, Dominican authorities have made great efforts to stabilize the economy. Specifically, public finances have been strengthened; the expansion of credit has been controlled; exchange, financial and price distortions have been reduced; the economy has been opened up; and the country's relations with foreign creditors have been normalized. Thus, the Dominican economy has in the last four years experienced the highest growth rates in the region as the result of increased tourism, customs-free areas and direct foreign investment. Changes in the structure of exports have been consolidated and it is felt that the new export lines that are more integrated with foreign markets and more labor-intensive are precisely the exports lines that have experienced the most growth.<sup>1</sup>
- 1.2 The increasing integration of the global market means that the major competitors in the supply of cheap labor are countries with even lower relative salary levels in Asia and increasingly in Eastern Europe. This is an inadequate strategy for the Dominican Republic, in that a strategy of integration in the world market based on growing levels of competitiveness requires a sustained increase in the levels of labor productivity. One of the necessary conditions for achieving this increase in productivity is an educational strategy designed to improve quality and to make the population's access to secondary education universal. The challenge of globalization of the Dominican economy assumes a qualified labor force, for which quality secondary education is essential.
- 1.3 The demand for a labor force with a higher educational level is based on the increase in the individual rates of return for those workers who manage to complete the secondary level as compared to those who do not (12% vs. 3.5%). In addition, graduation from secondary education strongly increases the likelihood of participating in the labor market. In effect, the rate of participation of secondary school graduates is 62% as compared to 43% for those who do not complete secondary school.
- 1.4 In 1991, through the Ten-Year Education Plan (PDE), the Dominican Republic promoted an effort to modernize its educational sector in order to increase the level and relevance of its population's education. Thus, primary education has been gradually increasing its grade promotion levels. This has led to improvements in the ultimate efficiency of primary education, given that 47% of an academic cohort now graduates from eighth grade as compared to 22% in 1988.<sup>2</sup> Improvements at the primary level have resulted in a concomitant increase in the demand for grades nine through twelve (secondary school). Average enrollment increased by 60%

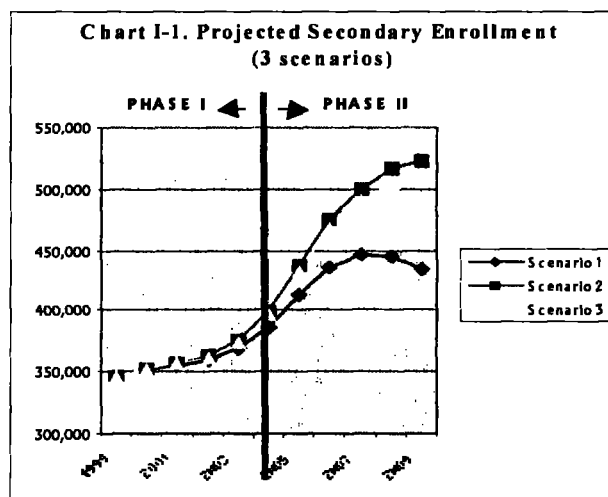
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<sup>1</sup> Inter-American Development Bank, Policy Dialogue Paper (PDP).

<sup>2</sup> Ten-Year Education Plan. 1992 and BID, Diagnosis of the Education Sector, 2000.

between the school years 1993 to 1998. Most of this increase has been absorbed by the public sector. The state has increased the educational supply at the secondary level by 81%, while the private sector increased its supply by only 17% during the same period.

- 1.5 However, demand projections for this level indicate that starting in the year 2004 the enrollment growth rate will again increase rapidly until stabilizing about the year 2007. Chart I-1 details the demand projections under three different scenarios.<sup>3</sup> This creates a window of opportunity to invest in a strategy of modernization of the secondary level in two phases: (i) initially it is important to invest in the system's quality and incentives structure; and (ii) in a second phase it is imperative to consolidate the investments made in quality so that they do not deteriorate during a period of rapid growth.



## B. Organization and provision

- 1.6 The General Education Law of 1997 defines the organization of the system as follows: (i) primary education consisting of eight years is divided into two four-year cycles; and (ii) secondary education includes grades 9 to 12 and is divided into two two-year cycles. The first cycle is the same for all students and aims at developing basic general skills. The second cycle is divided into a general track, a technical-vocational track and an arts track. The principal educational indicators are included in Table I-1.

<sup>3</sup> The first scenario is the most conservative and assumes that the efficiency of the primary level and secondary level continues at 1999 levels. The second level assumes that the improvements in the primary level will continue at the same pace. The third scenario assumes that an intervention in the secondary level is also successful in improving the internal efficiency of this level.

**Table I-1. Principal educational indicators. 1998-1999**

Levels	Total enrollment in thousands (public)	Gross enrollment rate	Net enrollment rate	Total teachers (public)	Teaching load: student/teacher (public)	Teaching load: student/teacher (private)	Grade repetition rate	Truancy rate
Initial	189.6 (103.9)	32%	N/A	8,209 (3,391)	31	18	N/A	N/A
Primary	1,548.6 (1,292.9)	99.9%	84.1%	42,184 (29,089)	44	19	7.7%	8.9%
Secondary Total	346.0 (263.0)	50.7%	26%	12,370 (7,260)	36	16	10.5%	10.5%
Total	2,084.2 (1,659.8)			62,763 (39,740)				

- 1.7 The supply of education in the Dominican Republic is predominantly public. During the period 1998-99, 88% of primary enrollment and 75% of secondary enrollment was public. Of the 2,084,200 students in the public and private system, approximately 68% are urban. However, 88% of the coverage at the secondary level is urban. This phenomenon is largely explained by the fact that most rural children (approximately 70%) leave primary school before completing the cycle, in part due to weaknesses in the quality of the supply (concentration of multi-grade schools, and lack of supply of the complete primary level) and in part due to the greater opportunity cost that sending their children to school represents for rural families.

### **C. Sector spending and financing**

- 1.8 The General Education Law governs the structure of spending in the education sector. According to Articles 197 and 198 of the Law, spending on education must represent 4% of GDP and 16% of the GDR budget. In addition, no less than 20% of these funds must be dedicated to non-salary spending. As a percentage of GDP, spending has been increasing from 1.9% in 1994 to 2.9% in 1999. As a percentage of the budget, it has increased from 12.2% in 1994 to 17.3% in 1999.
- 1.9 Total spending on education is made up of two major items: the amounts allotted to the SEE and the amounts allocated through the Office of the President, which are discretionary. The spending of the SEE as a percentage of the total education budget has increased significantly, from 67% in 1994 to 90% in 1999. This indicates that discretionary spending has been drastically reduced. However, almost all budget increases have been translated into salary increases. This is not surprising, given that sector salaries fell more than the average decline during the

economic crisis and have not recovered the real level of the early 1970s.<sup>4</sup> If transfers to other institutions are excluded, the budgetary structure of the SEE shows that salaries represent almost the entire budget. In 1998 the SEE spent a total of RD\$45.5 million on academic materials and supplies. This amount represents 0.8% of the SEE budget. Of these funds, 82% is allotted to materials and supplies for higher management, 13% is allotted to basic education, 3.6% to fine arts and 1.4% to adult education. Secondary education, like the other non-primary levels, receives no allotment for materials and supplies.

- 1.10 Given the budget structure, actual spending per student was calculated by educational level. In 1999, actual spending per primary student was US\$135, while spending per secondary student was US\$97. In addition, the trends show that spending per primary and secondary student increased between 1994 and 1998. In 1999, the level of primary spending increased slightly, while secondary spending fell slightly.

**Table I-2. Public spending on education and indicators (millions of RD\$)**

	1994	1995	1996	1997	1998	1999	2000 (Proj.)
Education as a % of the National Budget	12.19%	13.22%	13.40%	13.83%	15.55%	17.29%	19.31%
SEE as a percentage of spending on education	66.95%	77.97%	85.19%	76.62%	88.85%	90.00%	90.00%
SEE as a % of the National Budget	8.16%	10.31%	11.41%	10.60%	13.82%	15.56%	17.38%
Nominal rate of growth in the SEE budget		34.94%	27.97%	21.51%	47.64%	22.44%	22.49%
Education as a % of GDP	1.89%	1.86%	1.93%	2.22%	2.51%	2.87%	3.26%
SEE as a % of GDP	1.27%	1.45%	1.64%	1.70%	2.23%	2.58%	2.94%
SEE per capita spending on education (RD\$)	234	308	386	458	661	792	948
Real SEE per capita spending on education (1999 RD\$)	309	373	448	492	658	792	862
SEE per capita spending on education in US\$	19	24	30	33	45	50	57
Rate of growth in SEE real per capita spending		29%	25%	9%	38%	12%	13%
SEE real spending per student (1999 RD\$)	1,700	1,898	1,727	1,880	2,500	2,987	3,229
Spending per primary student (US\$)	87	107	124	107	142	135	193
Spending per secondary student (US\$)	84	111	102	95	107	97	100

Sources: Executed Budgets 1994-1999: National Budget Office, Budgetary Execution Report. SEE Budgets for 1999 and 2000 estimated based on 1998 percentages. The national budget for 2000 is that submitted to the legislature. Exchange rate and GDP: Central Bank. Number of students: SEE.

- 1.11 The GDR has shown its commitment to the educational sector by increasing real per capita spending at a rate of about 23% in the last five years. The current government has reaffirmed its commitment to investment in the social sectors, particularly education, health and housing, through reallocation of budgetary resources and more efficient use of these resources. The current program is part of

<sup>4</sup> Plan Decenal de Educación. 1992. A. Dauhajre, hijo and J. Aristy Escuder. (2000) Los Maestros en Latinoamérica: Carreras e Incentivos. El Caso de la República Dominicana. IDB



this strategy and will be financially sustainable to the extent that savings are generated from two sources: (i) a reduction in current expenses at the primary level due to stabilization of this enrollment; and (ii) improvements in the system's internal efficiency (paragraphs 4.6-4.8).

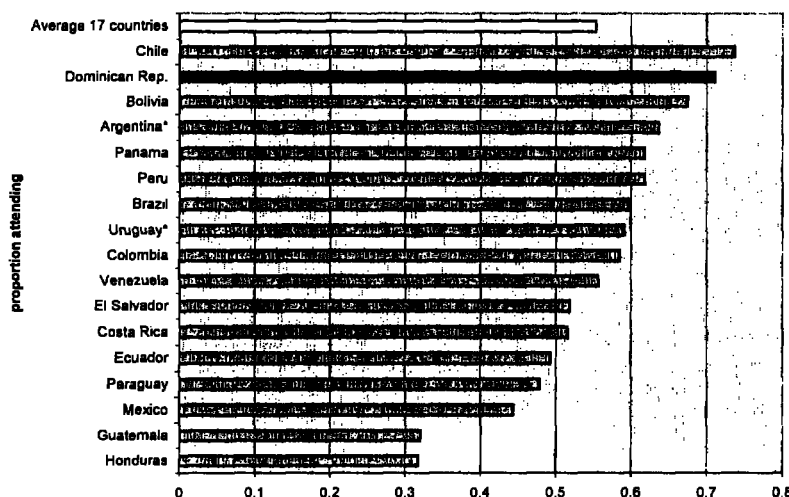
**D. The evolution of Dominican education: challenges and opportunities**

- 1.12 Educational progress in Latin American was considerably greater among the generations born between 1930 and 1950 than those born between 1950 and 1970. On average, the fifties generation had 2.7 years more of education than those born in the 1930s. Starting in the 1950s, educational progress stagnated and the generation of the 1970s only achieved 1.9 grades more than those born in the 1950s. The Dominican Republic was among the countries that achieved the highest increases in average school attendance during this first stage, although it also had the highest deceleration in the second stage. This shows stagnation in the cumulative schooling of the cohorts born after 1950, not only in absolute terms but also in terms of the Latin American average.<sup>5</sup>
- 1.13 This stagnation is explained by the growing decline in financing for the sector, which became a crisis in 1990. The nominal salary of teachers by work shift remained unchanged from 1966 to 1978 in RD\$75, amounting to a 57% decline in real salary by shift received by a schoolteacher. It fell another 5% in the next 10 years and the decline accelerated from 1988 to 1991. In 1991 the real salary per shift received by a teacher amounted to 20% of the salary received in 1966. Starting in 1993, a process of recovery of real teacher salaries began, reaching its highest level of the decade in 1997 when a new system of compensation was established that included a higher basic salary per shift.
- 1.14 As a result of the recovering in financing and the implementation of the PDE, the Dominican Republic today has the highest levels of school attendance in the region. Furthermore, among youth who say they are working, most attend school.

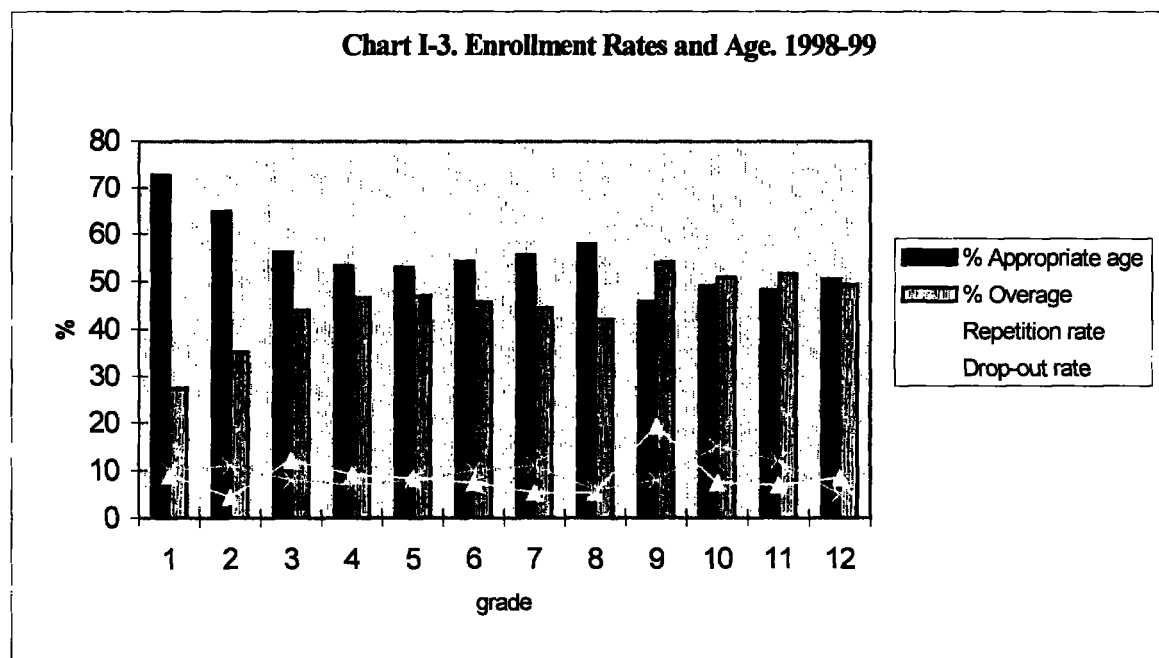
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<sup>5</sup> Behrman, Duryea and Székely. (1999). Working Paper Series 407. The Dominican Republic achieved 3.9 grades more in the first stage and only 2.1 in the second.

Chart I-2. School Attendance. Youth ages 16-18



- 1.15 However, most young people do not advance at the desired rate, and thus the large majority is older than expected for the grade they are attending. Chart I-3 shows the relationship between the probability of failing and being overage. Note that the number of students who are not the appropriate age increases again in the first year of secondary school. However, most of these students fail -- thus the high rate of grade repetition in this year. In addition, it would seem that after the first failure a large percentage becomes discouraged and abandons the system as shown by the increased dropout rates in the grades following the first year of secondary school. Abandonment of the system by a large number of young people has a negative effect on their joining the labor market and on their likelihood of obtaining higher incomes.



## 1. Secondary education: transverse axes and sectoral topics

### a. Access to and optimization of school structure

- 1.16 Low physical investment has created a supply that is far from optimal for meeting the growing demand at the secondary level.** The distribution of secondary schools does not correspond to the concentration of demand for secondary education in metropolitan areas. Only one-fourth of the 182 secondary schools (schools with only secondary grades) are located in the large cities. In contrast, more than half of the shared-use schools (primary schools that offer secondary grades) are in large cities. While some schools are operating during all three shifts (morning-evening-night), meeting a large demand with full classrooms, most of the secondary schools are under-utilized. Sixty-one percent of the secondary schools in urban areas and 84% of the secondary schools in rural areas have only one morning or evening shift. In contrast, the schools with shared-use supply are generally under-utilized. Almost all (92%) are operating the entire day (at least morning and evening), and nearly half of these have three shifts (morning-evening-night).
- 1.17 As a result of this imbalance, the demand for secondary education was absorbed in the primary schools.** Secondary enrollment grew 60% from 1993 to 1998. Most of the increase was absorbed by the public sector (81% of the total increase), without a concomitant investment in the sector's infrastructure. Enrollment was absorbed by placing the secondary programs in vacant shifts in the

primary schools. Sixty percent of total secondary enrollment is located in shared-use schools.

- 1.18 **Inadequate planning in the location and use of infrastructure has created crowding in the shared-use schools.** About 70% of the secondary students enrolled in urban shared-use schools attends classes with more than 35 students per classroom, and 40% attends classes with more than 45, in some cases amounting to 90 students per classroom. This phenomenon is more marked in marginal urban sectors. Better planning of infrastructure use will make it possible to rearrange the existing supply and meet the increase in projected demand starting in 2004.

Table I-3. Secondary Enrollment. Students per Classroom 1998-1999			
Secondary schools	Urban	Rural	National
<35	54%	63%	57%
<45	25%	24%	24%
45 or more	21%	14%	18%
Shared schools			
<35	27%	41%	32%
<45	31%	25%	29%
45 or more	41%	35%	39%

## 2. Quality of education: three basic axes

### a. Educational management

- 1.19 **The system of educational management is centralized, thus impeding planning processes at the local level that make up the curricular, administrative and management elements at the center level.** School management, in terms of both administration and curriculum, is adversely affecting the operation and general development of the centers. The current management scheme limits the participation of the educational community that consists of parents, teachers, students, and leaders of civil society organizations in the development of activities such as the care and maintenance of infrastructure, furniture and equipment. In addition, this situation makes it impossible to monitor precise compliance with legally defined school schedules and calendars.
- 1.20 **The lack of unified management in the shared-use schools has created inefficiencies in school management.** The schools suffer from serious administrative and management problems created by the operation of different schools in the same school building without any type of planning that would allow for an integrated view of the services provided. Each shift in the school has its own director and administration; this limits the integrated view of the school by making inadequate use of existing educational resources such as physical space, laboratories, teaching materials, furniture, et al.

### **b. Curriculum development**

- 1.21 **Despite the existence of a new defined curriculum, hourly loads and programs still continue to be fragmented.** We find that the basic subjects are grouped into large areas. In this regard, other countries group together different basic disciplines (Physics, Chemistry, Biology, Ecology and Health) in a single subject called Natural Sciences or in Social Sciences and Civics; the subjects would otherwise require specific teaching time.<sup>6</sup> In addition, there is variation in the time dedicated during class hours. In comparison, countries like Cuba and El Salvador focus their subjects better, while in the Dominican Republic the spread of subjects is too broad.
- 1.22 **Although textbooks were developed, the lack of materials to support the teacher is widespread.** Students and teachers resent the lack of resources and teaching aids in the classrooms. Although textbooks have been developed and distributed, delivering the curriculum to students correctly also requires study guides and work guides for the students, specific teaching letters (to develop particularly difficult content) for teachers, class notebooks, laboratory equipment, etc.

### **c. Teacher training, instruction and qualification**

- 1.23 **Training is directed to obtaining an academic degree.** The remedial training programs implemented starting in the second primary education program did not allow for the development of differentiated training and instruction systems. External financing prioritized activities the objective of which was to reduce empiricism in the system and thus most of the teachers in service are attending training coursed in special periods.
- 1.24 **Training is not linked to an initial diagnosis or subsequent evaluation.** The only indicator used is the academic level of the teacher and the attainment of a degree higher than the previous degree is the measure of the success of the investment.
- 1.25 **Training has no support in the classroom, nor is it developed at the center level.** Because of the focus on the granting of degrees and because training activities are introduced through the universities, training is not supplemented with follow-up in the classroom or in the center.
- 1.26 **There are no minimum standards for entering the teaching profession.** Various countries in the region have teaching certification systems that make it possible to evaluate the quality of the initial training of those exiting teaching programs and training institutions. Appointments to teaching positions in the Dominican Republic are not subject to certification processes.

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<sup>6</sup> Castrillo, J. and Darlyn Meza. (2000). "La Transformación Curricular en el Nivel Medio".

### 3. Equity: the failure of youth

- 1.27 **Being overage increases the chances that young people will fail.** The increase in school attendance in recent years has led to a high percentage of students who are overage and fail in the system, particularly at the secondary level. It is imperative that mechanisms be established to correct flows, whether these are academic reinforcement programs or acceleration programs for adults. Given that two-thirds of the poor do not manage to complete secondary school, these interventions increase equity to the extent that they improve the chances of graduating from secondary school and participating in the labor market. In addition, the mechanisms to correct flows also make possible greater efficiency in the use of public resources. The Dominican government loses approximately US\$2.3 million each year, solely due to students who repeat the ninth grade.
- 1.28 **Secondary students are exposed to social risks in the centers they attend to pursue their studies.** A survey of young people identified the most important risks to which they are exposed in the high schools as violence, overage and economic problems. Of the problems that they experience personally, students identify adolescent pregnancy, the need to work and economic problems.

#### E. Experience of the Bank and other financing agencies in the sector

- 1.29 The Bank has supported the GDR by means of two operations for modernization of basic education (859/SF and 897/OC). The Bank approved a loan for the first project for Improvement of the Primary Education System (859/SF) in 1991 for approximately US\$30 million. The lessons learned in this project include<sup>7</sup>: (i) in the context of school infrastructure, the actions of the academic planning agencies must be defined and in the execution of projects, these should be limited to implementing a control mechanism to prevent the overlapping of activities carried out by the various state units charged with rehabilitating and constructing school buildings; (ii) in terms of maintaining the infrastructure, a percentage amount of the budget allocated to the SEE should be established to guarantee support of the National School Maintenance Program and an executing unit with appropriate personnel; (iii) it is important to delve further in the institutional analysis of the curriculum transformation processes so as to identify conflicts, operating capacities and the actors involved, before carrying out the bidding procedures for texts and workbooks; (iv) regarding the training and instruction of professors, it is necessary to recover the socializing experience of the normal schools that was lost under the university providers.
- 1.30 In 1995, the Bank approved a loan for a second project for Improvement of Basic Education, II (897/OC), for US\$52 million, about 52% of which has been disbursed. At the same time, the World Bank approved IBRD loan 3951-DO for

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<sup>7</sup> Inter-American Development Bank. Project Completion Report, PCR. Loan 859-SF-DR.

US\$37 million, which has disbursed approximately 47%. The program experienced delays in parliamentary approval and in fulfilling the preconditions for disbursement. However, execution has been highly satisfactory since the initial start-up problems were resolved (paragraph 4.1). The program has succeeded in achieving most of its goals in terms of: (i) curriculum transformation, (ii) teacher training, (iii) community participation, (iv) infrastructure, and other aspects.<sup>8</sup> Based on the investments in both operations, the Dominican Republic has managed to increase the internal efficiency of basic education and increase the grade promotion of the cohorts. The sustainability of the PDE has been achieved in part through the investments from the Banks and in part through the budget increase at this level that the GDR has managed to achieve in recent years.

**F. Strategy of the government and of the Bank in the sector**

- 1.31 This program reflects the overall strategy of improving the country's educational level and responding to increased demand at the secondary level due to investments made at the primary level. The program was included in the Bank's programming (GN-1958) and is consistent with the Bank's strategy for primary and secondary education. The strategy of the Bank and that of the country with respect to secondary education is consistent with the following critical areas: (i) focusing actions to increase training in the areas of mathematics, sciences and languages, and (ii) reforms in school management.<sup>9</sup> Finally, the viability of reforms in technical-vocational education will be studied through a future operation that includes links with the private sector and labor demand.

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<sup>8</sup> IDB. Mid-Term Evaluation. March 2000.

<sup>9</sup> IDB, Secondary Education in Latin America and the Caribbean: The Challenge of Growth and Reform. IDB, Reform of primary and secondary education in Latin America and the Caribbean. Sustainable Development Department, Education Unit.

## **II. THE PROGRAM, ITS COST AND FINANCING**

### **A. Objectives**

- 2.1 The general objective of the program is to improve access to and increase the quality of secondary education.
- 2.2 The specific objectives are to: (i) reorganize the supply and optimize the use of infrastructure; (ii) promote efficiency in school management; (iii) revise secondary level plans and programs for appropriate distribution and hourly load; (iv) ensure the availability of educational inputs; (v) modernize human resources training policies in the sector; and (vi) reduce the risks of academic failure among youth.

### **B. Structure of the program**

- 2.3 The program is defined as an operation to support the secondary education sector in two phases. In the first phase, the financing for which is proposed in this document, the management model and the teacher training system will be reformed and access to the secondary education level will be improved by reducing overage and improving the use of infrastructure. Rapid growth in enrollment is expected at the end of the first phase. Therefore, the objective of a possible second phase would be to maintain during a period of rapid growth the policy reforms achieved in the first phase.
- 2.4 The first phase will last three years and will focus its efforts on reorganizing the secondary education system and correcting the under-investment that led to the proliferation of schools that are inadequate for the secondary level. During this period the aim is to consolidate the following reforms in the secondary education model: (i) installation of a center-based secondary education model with greater autonomy in its management as well as in its capacity for pedagogical innovation, (ii) transformation of the teacher training system from a system based on degrees to a model based on classroom performance, (iii) introduction of models to optimize the use of physical space, (iv) dramatic reduction in overage students within the secondary education system and (v) promotion of incentives at the academic center level to reduce violence and substance abuse in at-risk areas.
- 2.5 A possible second phase would last four years and ensure that the quality improvements achieved during phase I are maintained during a period of rapid growth in demand. The activities to be carried out during phase II would be a continuation of phase I activities and would represent the consolidation and expansion of the new secondary level model. Each phase would constitute a separate loan operation subject to the approval of Bank authorities. The possibility that the Management of the Bank will consider proposing to the Board of Executive Directors that it approve a loan to finance the second phase of the program will be



subject to an evaluation of progress made in achieving the indicators included in Annex III.

- 2.6 The indicators to be evaluated in making a decision on the possible processing of a loan for Phase II are indicated in Annex III and include quantitative and qualitative elements in the following areas: (i) that rational and effective use of transfers to the School Boards has been confirmed, (ii) that the new teacher training model has been implemented satisfactorily in accordance with the guidelines in component 2.c, (iii) that the certification process for new secondary teachers to enter the system has been introduced, (iv) that at least 50% of the goals of the flow correction programs has been achieved; and (v) that at least 60% of all first phase funds have been disbursed.

<b>Table II-1. Correspondence between problems identified and the strategies of the program</b>	
<b>Diagnosis</b>	<b>Strategies</b>
<ul style="list-style-type: none"> <li>• Secondary enrollment overcrowded and concentrated in night shifts</li> </ul>	<ul style="list-style-type: none"> <li>• Physical investment prioritizes providing relief for overcrowding and night shifts.</li> </ul>
<ul style="list-style-type: none"> <li>• School management is incipient and fragmented by shifts</li> </ul>	<ul style="list-style-type: none"> <li>• Unified management through School Boards and Board Education Plans (PLADEJs)</li> </ul>
<ul style="list-style-type: none"> <li>• Limited school autonomy</li> </ul>	<ul style="list-style-type: none"> <li>• Center-based pedagogical projects</li> </ul>
<ul style="list-style-type: none"> <li>• Subjects dispersed and heavy hourly load</li> </ul>	<ul style="list-style-type: none"> <li>• Reallocation of hourly load and consolidation of subjects</li> </ul>
<ul style="list-style-type: none"> <li>• Teacher training focused on obtaining degrees</li> </ul>	<ul style="list-style-type: none"> <li>• Teacher training based on the needs of the center and focused on teacher performance in the classroom</li> </ul>
<ul style="list-style-type: none"> <li>• Absence of teacher certification</li> </ul>	<ul style="list-style-type: none"> <li>• Certification System</li> </ul>
<ul style="list-style-type: none"> <li>• Young adults represent nearly one-third of secondary enrollment (overage)</li> </ul>	<ul style="list-style-type: none"> <li>• Accelerated secondary program and strengthening of summer program for entering secondary school</li> </ul>
<ul style="list-style-type: none"> <li>• Increased violence and substance abuse in schools</li> </ul>	<ul style="list-style-type: none"> <li>• Primary and secondary risk reduction interventions</li> </ul>

## C. Components

### 1. Component 1. Access to and internal efficiency of secondary level (US\$28.2 million)

#### a. Optimization of infrastructure (US\$24.2 million)

- 2.7 Under-investment in the infrastructure of secondary education has led to a situation where more than 60% of secondary enrollment is crowded into primary schools. One-third of them are in night shifts where the lack of electricity, and other limitations, makes development of learning impossible. Correcting these distortions

means more than building new infrastructure. On the one hand, it means having a strategic vision of secondary education in terms of the environment that should be fostered in the high schools or future secondary schools. On the other hand, at the central level it is imperative to coordinate the various databases (mapping, statistics, construction projects) so that the Under-Secretariat for Planning, along with the secondary and primary education Directorates, can respond appropriately to geographic distribution by level.

- 2.8 **Infrastructure planning.** Technical assistance will be financed to develop architectural programs that are adequate to the needs of secondary education and to strengthen the planning system for physical investment by integrating it with the SEE database. Reliable data on demand projections will make it possible to ensure rational planning of investment so as to guarantee the quality and equity of secondary education.
- 2.9 **Physical investment.** The analyses of demand projections and the installed capacity of the infrastructure indicate that an investment of approximately US\$200 million is needed over a period of eight years. Annex IV shows the distribution of the required investment by type of intervention. This is divided into approximately 2,700 new classrooms, representing close to US\$109 million, and 4,000 rehabilitated classroom for approximately US\$84 million.
- 2.10 The program will finance the rehabilitation and complementarity of physical spaces in approximately 300 classrooms, for a total of US\$9.6 million. In addition, approximately 450 classrooms will be expanded and replaced for a total of US\$14.4 million. It is estimated that a possible second phase would include the expansion and replacement of 1,000 classrooms and the rehabilitation and complementarity of 750 additional classrooms. This investment would benefit 160,000 students in the system.
- 2.11 The physical investment of the program will place priority on three principal areas: (i) reassigning night shifts; (ii) reducing crowding; and (iii) expanding the supply of secondary education in areas with high demand. Therefore, the opening of new classrooms will be given priority in sectors where is a greater concentration of night students and shared-use schools.
- 2.12 To prioritize physical investments under the program, a school rating system will be used that takes into account at least the following criteria: (i) secondary school enrollment in the night shift; (ii) secondary school enrollment as a percentage of total enrollment in all shared-use schools; (iii) class overcrowding; and (iv) the state of repair of the buildings. To target and optimize the physical investments, micro-planning will be carried out to determine the most cost-effective solution for that school, taking into account the supply of nearby secondary schools and immediate and projected enrollment.

- 2.13 Investment costs include adapting the distribution spaces in the school, bathrooms, as well as furniture and equipment, and other items. It is expected that the GDR will use other sources (such as PROCOMUNIDAD and others) to finance the investment not covered by the program through the same planning system to be introduced in the SEE.

**b. Correction of flows (US\$4 million)**

- 2.14 The objective is to reduce the number of overage students who attend the regular secondary education program. It is estimated that there are more than 97,000 students who are not the appropriate age for the fourth year of secondary school. The program will provide a model for accelerated education based on secondary-level achievement. The two-year curriculum will allow students to complete their studies faster than in the traditional model. The design, printing and distribution of self-learning guides, technical assistance for the design, supervision and evaluation of the model will be financed. Program resources will be used to finance the salary costs of the instructors needed for proper implementation of the program. During program execution, the financing for those costs will be gradually phased out until they are fully covered by the local counterpart.
- 2.15 The program will finance technical assistance to develop a review modality in summer courses prior to students' admission to the ninth grade. The program will cover schools with a grade repetition rate of no less than 5% in the first grade of secondary school. Approximately 15,000 students will benefit. The program will finance the design, production and distribution of special materials. The additional salaries incurred for these actions will be recognized as part of local counterpart funding.

**2. Component 2. Three axes of quality (US\$22.8 million)**

**a. Educational management (US\$12.7 million)**

- 2.16 **Implementation of a new model of school management.** The implementation of a new model for the management of secondary education requires centers that are capable of managing their own development. In order to provide incentives for efficiency in school management, it is necessary to streamline the system's decentralization policies and the internal organization of the centers. In accordance with Education Law 66/97, Decentralized School Boards must be created. Technical assistance, training and materials will be financed for the creation of approximately 521 boards as established by the Law. To that end, the school oversight institutions (at the district and departmental levels) will be trained and strengthened so that they can better support and coordinate the activities described below.

- 2.17 **Decentralized management and educational planning.** The new model of unified management will be promoted through the preparation of **board development plans (PLADEJs)** to be designed by the boards through a participatory process. The plans will identify the general needs of the school and will define priority intervention strategies.
- 2.18 The PLADEJ is an action plan designed for each academic center on the basis of the curriculum and standards guidelines of the SEE with the participation of the school community. The PLADEJ has four purposes: (i) to reflect, in integrated fashion, the needs for teacher training, texts and materials, infrastructure and other center investment requirements; (ii) to establish basic internal efficiency and performance goals that each academic center agrees to develop; (iii) to create management capability in the academic center through application of an academic planning practicum and ongoing follow-up of the practicum; and (iv) to establish concrete activities to provide pedagogical and logistical support to the centers.
- 2.19 The priority intervention strategies identified in the PLADEJ will be financed in two ways. First, a **basic education** package will be financed for all schools that includes educational material (teaching materials, equipment and furniture), operating expenses (materials and/or services associated with operations, logistics and paperwork for administering funds), and maintenance of infrastructure, furniture and equipment to make proper operation of the school possible. The amount to be transferred to each school will be determined on the basis of the number of sections in that school.
- 2.20 Second, support will be provided for the design and implementation of **pedagogical projects** through competitions open to all schools. Approximately 300 projects will be financed during the first phase. The amounts to be allocated for implementing the projects will be between US\$1,000 and US\$4,000 per project, with an average of US\$3,000 per project. The best-designed and executed projects will be presented in a national educational achievement fair.

#### **b. Curriculum development (US\$6.5 million)**

- 2.21 **Guides for defining curriculum content.** Technical assistance will be provided to determine secondary-level skills. A guide will be prepared for each grade of secondary education. The guides will reflect the core skills of the various subjects at the respective level. The course load will thus be redistributed so as to ensure a greater number of hours in the four basic areas of knowledge (Spanish language, mathematics, natural sciences and social sciences). Follow-up activities will also be financed to support the application of these skills by the teachers in the classroom.
- 2.22 Support will be provided for the design, preparation, printing and distribution of instruction guides for teachers. The guides will be directed to: (i) class planning, (ii) classroom evaluation and (iii) other subjects needed to achieve effective

implementation of the curriculum. Approximately 50,000 guides will be prepared and distributed.

- 2.23 Financing will be provided for the production and distribution of close to 1,789,000 textbooks in packets of approximately five books per grade and for approximately 520 libraries at the secondary school level. The textbooks will be available to students who must be responsible for taking care of them during the year and replacing them if they are lost or destroyed. The textbooks will be opened for bidding at the beginning of the program's first phase and it is expected that they will be replaced four years later.
- 2.24 **National testing.** Financing will be provided for a study on the correlation between the design of the test and the content of the reformulated curricula and a study on evaluation of the current system for measuring quality proposing alternative methodologies for quality assessment. Funding will be provided for technical assistance, materials and equipment for administering, processing, and disseminating the results of testing, which will include annual academic achievement testing of approximately 90,000 students.
- 2.25 **National science, mathematics, and Spanish language fairs and other events.** Financing will be provided to organize three national fairs, competitions, or other events designed to promote the teaching of science, mathematics, and the Spanish language. These events will highlight the most outstanding projects by students or experiments relating to content. At the end of each fair, there will be awards for the three best projects, with recognition awarded to the school.

**c. Human resources (US\$3.7 million)**

- 2.26 The teacher training developed over the last ten years in the Dominican Republic suffered from the same classical problems that beset most Latin American countries. Such problems include the fact that: (i) teachers receive training courses in order to move up on the teaching salary scale (they receive both scholarships and a salary bonus for attendance), (ii) the effectiveness of the programs is not evaluated in terms of practice in the classroom, (iii) there is no clear link between a deficiency identified at the center or teacher level and the training provided, and (iv) the training given is based in provider universities and there is no requirement to use a comprehensive approach in the classroom or a tutorial approach for the students.
- 2.27 The program will support a training system to be developed according to the criteria described in this paragraph. Training must respond to the needs of each of the centers based on the analysis and studies to be carried out by the National Institute for Teaching Training and Instruction (INFOCAM), which will be created as the agency guiding training and instruction. Teaching training will include a new tutorial model at the classroom level, the purpose of which is to provide monitoring

and reinforcement as part of an ongoing process throughout the school year. The technical team of INFOCAM will be responsible for monitoring and evaluating the training courses conducted through the agencies providing such services. To this end, financing will be provided for equipment, instructional materials, a reference library and trips to visit similar international experiments. In addition, INFOCAM will develop a widely distributed magazine for teachers that will promote the pedagogical innovations of the program as well as others.

- 2.28 Support will be provided for 100 hours of training each year for approximately 3,500 teachers in the subject matter of the basic disciplines, teaching methodologies and the use of diversified educational materials. In addition, training in educational management will be provided to approximately 520 center directors and 560 district office experts who will conduct follow-up of the teachers. In the first phase, the training will give priority to those secondary schools that have the greatest deficiencies in terms of the following indicators: (i) rate of grade repetition, (ii) low performance on national tests, and (iii) lowest level of teaching preparation. Consulting assignments will be financed to evaluate the impact of training activities on student learning, the extent and depth of the changes in teaching practices in the classroom, the development of curriculum content, and other aspects. The recommendations from the evaluation will be used to define teacher training activities that could be carried out during the second phase of the program.
- 2.29 The proliferation of institutions providing teacher training has led to a plethora of pedagogical programs of varying quality in their supply. In order to ensure the quality of teachers entering the system, a teaching certification program for secondary education will be designed and implemented. In the first phase, the design of an initial pilot training program for teachers specializing as secondary teachers will be financed. In the second phase, the viability of the proposed model will be evaluated.

### **3. Component 3. Increased equity and reduction of youth risk (US\$1 million)**

- 2.30 Two pilot programs will be implemented in critical areas, seeking out the local capacity of civil society organizations (CSOs) that specialize in service, training and social development programs, under the direct coordination of the SEE. A primary care pilot program will be implemented (information and training in the treatment of the subjects in the center) in the prevention of violence and substance abuse. The activities to be developed by the centers could include the areas of recreation, extracurricular activities and sports, as well as others (art, music, theater). The second pilot program includes the design and application of interventions at the secondary level (including referrals to the health sector and psychological guidance) with respect to youth violence and substance abuse. The pilot programs will include various intervention modalities, such as education, dissemination and information on sensitive subjects, guidance for students, parents

and teachers, care targeting adolescents and youths who require the second level of prevention (referrals to the health sector not financed under the program), recreation and sports and other areas identified as priorities based on the evaluation of the pilot experiments. Funding will be provided to produce a magazine for youth that presents the results of international experiments; this will be distributed in the secondary schools.

- 2.31 The evaluation of the pilot projects must include a review of the performance indicators, suggested adjustments based on results, the definition of the target population, the sequence for implementing activities, and a determination of the parameters and phases for extending the program at the national level. In the second phase, these activities will be expanded in those urban or rural areas that are most troubled or most in need.

#### **D. Cost and financing**

- 2.32 Table II-2 shows the breakdown of program costs by source and investment category.

**Table II-2. Cost and financing (in millions of US\$)**

Categories	Phase I		
	IDB	Local	Total
1. Access to and efficiency of secondary level	<b>24.8</b>	<b>3.4</b>	<b>28.2</b>
1.1 Infrastructure	20.8	3.4	24.2
1.2 Correction of flows	4.0		4.0
2. Quality	<b>21.3</b>	<b>1.5</b>	<b>22.8</b>
2.1 Educational management	12.7	1.5	12.7
2.2 Curriculum development	6.5		6.5
2.3 Human resources	2.2		3.7
3. Equity and risk reduction	<b>1.0</b>		<b>1.0</b>
4. Operating costs	<b>1.0</b>	<b>0.5</b>	<b>1.5</b>
4.1 Project management and follow-up	0.7	0.5	1.2
4.2 Audits and concurrent evaluation	0.3		0.3
<b>Subtotal</b>	<b>48.1</b>	<b>5.4</b>	<b>53.5</b>
5. Financial costs	<b>3.9</b>	<b>0.6</b>	<b>4.5</b>
5.1 Interest	3.3		3.3
5.2 FIV	0.6		0.6
5.3 Credit fee		0.6	0.6
<b>Total</b>	<b>52.0</b>	<b>6.0</b>	<b>58.0</b>
<b>Percentage</b>	<b>90%</b>	<b>10%</b>	<b>100%</b>

- 2.33 Total cost is estimated at US\$58 million, broken down in Table II-2, and divided into: (i) US\$52 million in United States dollars from the Ordinary Capital (OC) of

the Bank under the Single Currency Facility and; and (ii) US\$6 million from the Government of the Dominican Republic. Loan funds in the amount of US\$8.4 million will be eligible for financing from the Intermediate Financing Facility. Given that the program qualifies as a poverty-targeted investment (PTI), 10 additional percentage points will be added to the financing from the Bank. Also included and charged against the loan are US\$520,000 for supervision (FIV) and US\$3.3 million in interest, which will be compounded. The loan conditions are detailed below:

**Table II-3. Loan Conditions**

Source of financing	Ordinary Capital (OC)
Currency	US\$ Single Currency Facility
Conditions:	
Amortization	25 years
Grace period	3.5 years
Disbursement period	3.5 years
Interest rate	Variable (IFF applicable to US\$8.4 million)
Supervision and inspection	1% of loan total
Credit fee	0.75% of balance not disbursed



### III. INSTITUTIONAL FRAMEWORK AND PROGRAM EXECUTION

#### A. The borrower and the executing agency

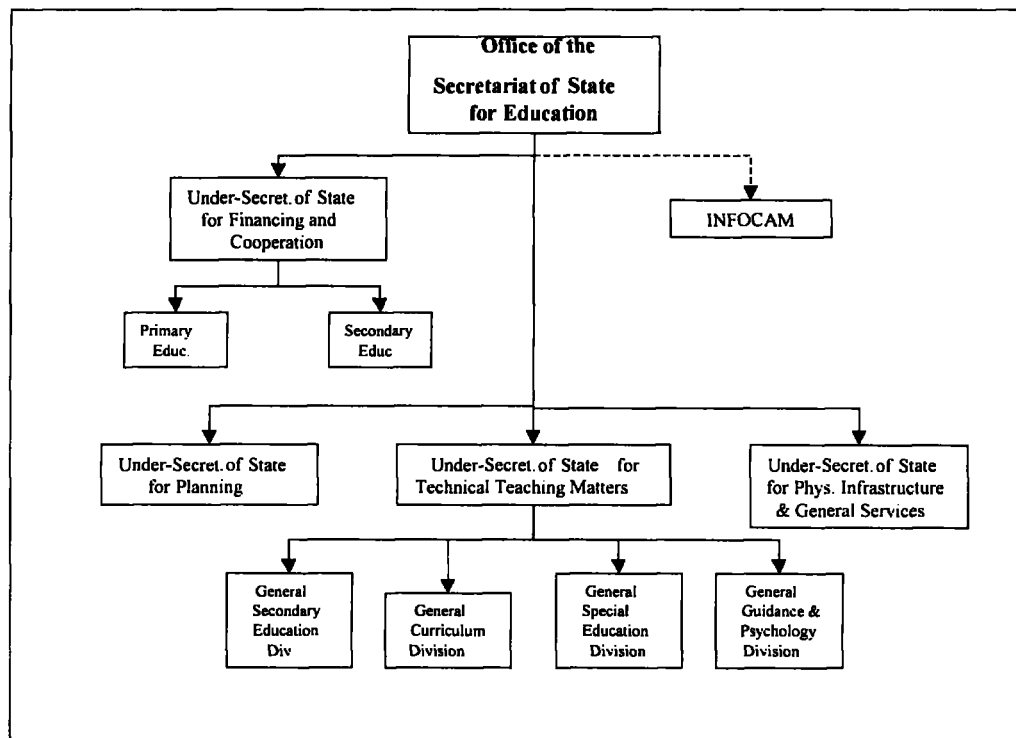
- 3.1 The borrower will be the Dominican Republic. The Executing Agency will be the Secretariat of State for Education (SEE) through the Program Coordinating Unit (PCU) and with the cooperation of the SEE line Divisions. The SEE has experience in executing programs financed by international donors. Its ability to perform has been demonstrated in projects financed with funds from the Bank and the IBRD (see paragraphs 4.1 and 4.2).

#### B. Execution period and disbursements

- 3.2 The disbursement period for the financing funds will be 3.5 years, starting with the effective date of the loan contract, with the exception of the funds for the audit and final evaluation, in which case the disbursement period will be four years.

#### C. Project management

- 3.3 The program will be executed through the Program Coordinating Unit (PCU), supported by the SEE divisions and departments. The general responsibility for execution will lie with the PCU. A special precondition for the first disbursement will be submission by the Executive Agency, to the Bank's satisfaction, of evidence that the PCU has been created and that it has been given the physical space, equipment and minimum staff necessary to begin executing the program.



- 3.4 In order to develop the activities of the program, the PCU, which answers directly to the Under-Secretariat of State for Financing and Cooperation, will rely on the corresponding line units. The SEE under-secretariats and line divisions will assume technical responsibility for developing the activities included in each of the program's components and subcomponents.
- 3.5 The program will have a general coordinator who will manage the PCU and coordinate preparation of the Annual Operating Plans (AOPs) and Terms of Reference (TORs) needed to carry out the program's actions. Through the PCU, the SEE has responsibility for: (i) coordinating program execution; (ii) hiring consultants; (iii) supervising contract bidding and award procedures; (iv) preparing and administering the program budget; (v) monitoring compliance with the standards established in the loan contract; (vi) submitting to the Bank the audited monitoring and financial reports; (vii) maintaining a standard accounting system at the level of the PCU and of the School Boards that receive funds from the financing; (viii) the fund transfer mechanism that will operate for the program; (ix) the reporting scheme that will operate between the School Boards and the PCU; and (x) preparation and submission of disbursement requests.
- 3.6 Technical responsibility for *subcomponent 1.a., optimization of infrastructure*, will fall to the Under-Secretariat for Physical Infrastructure and General Services, in coordination with the Division of Statistics and Mapping and additional staff to be hired by the PCU. The program for *correction of flows* will fall to the Special Education Division with support from the General Division for Adults and the program coordinator.
- 3.7 Technical responsibility for *subcomponent 2.a., educational management*, will fall to the PCU coordinator who will coordinate his or her actions with a committee made up of the Educational Supervision Division, the Budgetary Execution Division, the Projects Division (Under-Secretariat for Planning), the Under-Secretariat for Administrative Support and the General Secondary Education Division.
- 3.8 *Subcomponent 2.b., curriculum development*, will be the technical responsibility of the General Curriculum Division and the Educational Resources Division. *Subcomponent 2.c.* will be the technical responsibility of INFOCAM. *Component 3., increased equity and reduction of youth risk*, will be the responsibility of the Department of Guidance and Psychology, in coordination with the General Adult Education Division.

#### **D. Program Execution**

- 3.9 Most of the program's funds will be executed through three large lines: 1) transfers to centers, 2) bidding on rehabilitation, expansion or replacement of infrastructure and 3) teacher training activities. Rapid execution of these lines is anticipated in

that all the legal and operational documentation for transfers to the Boards has been prepared; priority is given to schools and infrastructure investments; and the training providers have been experimenting with the new modality under other pilot programs (Falconbridge Foundation).

- 3.10 Program execution will be governed by the Operating Regulations (ORs), which shall contain the rules and procedures needed to execute each of the components and subcomponents, as well as the functions of the executing agency. The ORs establish specific eligibility criteria for actions that can be financed and criteria for executing all the components, with particular emphasis on innovative aspects. In addition, the ORs contain procedures and specific instructions for: (i) PLADEJs, (ii) innovative projects, and (iii) the education package. Detailed below are notable aspects of the execution mechanisms and eligibility criteria for the following program activities:
- 3.11 **School boards:** Article 93 of the Law<sup>10</sup> establishes the administrative structure of the Secretariat of State for Education and Culture (SEE) as follows: (i) central structure; (ii) regional structure; and (iii) attached decentralized structures. This latter structure includes: (i) the Decentralized Institutes; (ii) the Regional Boards of Education and Culture; (iii) the District Boards of Education and Culture; and (iv) the School Boards.
- 3.12 For its part, Article 95 of the Law establishes that the functions of the SEE and its decentralized agencies include, “executing policies indicated by the National Council on Education ... executing and promoting programs designed to facilitate the well-being of educators ... and legally representing the educational system in its relations with other institutions, State agencies, organizations of any type, in the national and international arena.”
- 3.13 Article 105 of the Law creates the Regional and District Boards and the School Boards as decentralized educational management agencies the function of which will be “to monitor the application of educational policies emanating from the National Council on Education and the Secretariat of State for Education within their own sphere and jurisdiction.”
- 3.14 The Regulations of the Decentralized Boards<sup>11</sup> are covered by Chapter IV, “On the School Boards,” Article 39 of which indicates that “In each school a school committee (*junta escolar*) will be set up and conceived as the organ for participatory representation, charged with acting as liaison between the community, the school and its stakeholders, so that the school can successfully carry out its functions.”

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<sup>10</sup> General Education Law. No. 66/97

<sup>11</sup> Decree No. 3/2000 of the National Council on Education.

- 3.15 Article 40 of the Regulations refers to the functions of the School Boards and mentions the following as well as other functions: (i) administering the budgets allocated to them by the Secretariat for Education and other required funds; and (ii) applying the school's development plans, framed by the policies defined by the National Council on Education and others.
- 3.16 In order to obtain financial resources, the Boards must complete the following steps: (i) approve draft budgets for submission to the SEE; (ii) within the budget, the School Boards must allocate the expenditures relating to preventive maintenance, corrective maintenance and minor repairs, purchase of expendable material and instructional material; and (iii) the SEE, through the Regional Director of Education will in turn prepare a general consolidated budget that must be adapted to the budgetary possibilities and availabilities of the Government. These funds will be allocated in the Budget and Public Spending Law.
- 3.17 In addition, the School Boards may manage funds for specific projects of national and international institutions and individuals and legal entities, and must allocate the appropriations captured in the corresponding plans and budgets.
- 3.18 **Education package:** the transfer of funds to the School Boards will be governed by the program's Operating Regulations, which will regulate eligible elements covered by the financing and the reporting mechanism that the School Boards must maintain, as well as other elements.
- 3.19 **Training.** The implementers, who will be responsible for conducting the training planned in the program, will be selected through competition or public bidding. Prequalification will be conducted for selecting the providers of training services.
- 3.20 **School infrastructure.** The infrastructure works must respond to the following criteria: (i) all centers must have legal ownership title, adequate land and space for future expansions if necessary; (ii) for each classroom the student-classroom ratio should be no more than 40 or the ratio established by the SEE in its internal regulations; (iii) building projects must include water and sewer services, a perimeter fence and recreational space according to the rules of the SEE works division.

**E. Procurement of goods, contracting of works and consulting services**

- 3.21 The use of international public bidding will be required for: (i) construction of works valued at US\$1,000,000 or more; procurement of related goods and services valued at US\$250,000 or more; and (iii) contracting of consulting services valued at more than US\$200,000. Goods, works and consulting services contracted for lesser amounts will be subject to the simplified procedures mentioned in the Procurement Plan and detailed in Annex D to the loan contract. The Bank may agree to allow books to be purchased for school libraries to be procured through direct contracting

in proven cases of sole providers (Procurement Policy GS-311), provided that such purchases do not exceed US\$2 million equivalent during the life of the program.

- 3.22 The Bank will supervise the procurement of goods and works in amounts below US\$25,000 and consulting services below US\$10,000 on an ex post basis, pursuant to Bank policy.

**F. Revolving fund**

- 3.23 In accordance with the Bank's current policy, the revolving fund mechanism will be used; this will be limited to 5% of the total amount of the loan.

**G. Recognition of expenses and retroactive financing**

- 3.24 Retroactive recognition of expenses against the national counterpart or against the financing is not suggested.

**H. Disbursements**

- 3.25 The Bank's funds and the government's counterpart funds will be deposited in a special account administered by the SEE. Payments to procure goods and services will be made by the executing agency. The cumulative figures for expenses or investments, reflected in the periodic accounting reports will exclusively consider spending on those items that have been previously agreed to with the Bank. The PCU will keep originals and/or copies in its files of contracts, orders, invoices, receipts, payment vouchers, provider certificates and any other document necessary to corroborate the information provided in the reports submitted to the Bank. The documentation must be duly identified and filed and must be provided upon request to the authorized officials of the IDB and the outside auditors for their examination.
- 3.26 The Bank's Country Office will conduct ex-post technical and financial inspections to examine the supporting documentation on disbursements, including the files and receipts from a random sample of 10% of the projects. The examination must make it possible to corroborate that the PCU keeps in its files the supporting documents on disbursement requests indicating that the funds were used in accordance with the provisions of the loan contract. If discrepancies with the agreed procedures are found, a broader sample will be examined and the PCU will be notified of the amounts deductible from future orders. If the amount of individual expenses does not exceed the equivalent of US\$1,000, the Borrower may submit a list of expenses only, in which case, at the discretion of the Country Office, at least 15% of the corresponding invoices and vouchers should be reviewed in the offices of the Borrower. If errors are detected, the percentage of the documentation reviewed should be increased at the discretion of the Country Office staff.
- 3.27 The disbursement schedule for the program will be as follows:

**Table III-1. Proposed distribution of program resources**

Source	First year	Second year	Third year	Total
IDB	11.5	17.3	19.3	48.1
Local	1.2	1.9	2.2	5.3
Total	12.7	19.2	21.5	53.4

**I. Accounting and external audit**

- 3.28 The SEE will establish a standard accounting system for the program's accounts that must be implemented at the SEE level and at the level of the School Boards. The accounting system must make it possible to maintain adequate accounts and records, in accordance with generally accepted international accounting principles, that reflect the funds received by source of financing and the use of funds at the central level and at the level of co-implementers by investment category. The implementer will submit the program's annual financial statements to the Bank, audited according to the terms of reference approved by the Bank. A firm of independent public accountants acceptable to the Bank will perform the audit. The financial statements must be submitted 120 days after the end of the fiscal year. Payment for annual audits will be included in the cost of the program to be financed with funds from the Bank financing.

**J. Bank follow-up during execution: reports, annual reviews and review for a possible second phase**

- 3.29 A start-up program workshop will be held no later than three months after the loan is declared eligible for disbursements.
- 3.30 During the execution period, the SEE and the Bank will perform joint annual reviews during the first quarter of each year to provide an opportunity to evaluate program performance and reach agreements on necessary adjustments. Each year, during the second quarter, the executing agency will submit a report to the Bank detailing the progress made in the execution of each of the components and subcomponents and the status of the annual goals established for the program's components. There are plans to hold annual meetings with the Bank within two months of submission of the report.
- 3.31 The annual review will pay particular attention to: (i) progress made during the preceding year; (ii) review and approval of the annual work plan proposed for the next year; (iii) budgetary requirements for implementing the annual program for the next year; (iv) an evaluation of the efficiency of program management and coordination and the adjustments proposed for introduction in the program; and (v) maintenance of the works and their environmental feasibility (paragraph 4.20). The supervisory team will be made up of the Project Team, the specialist from the Country Office and consultants as needed.

- 3.32 At the annual reviews, the benchmarks established by the Bank to determine the feasibility of supporting a second phase of the program will be evaluated. A tentative schedule will be established during these meetings to prepare an evaluation report for phase 2.

**K. Special conditions for disbursements**

**Table III-2. Special conditions**

Condition	Completion date	Verification
Evidence that the program's PCU has been created	Prior to first disbursement	SEE decree
Evidence that the program's Operating Regulations have taken effect. Among other things, these regulations should include administrative procedures for education package transfers to the School Boards and procedures for pedagogical projects.	Prior to first disbursement	SEE decree putting Operating Regulations into effect
Evidence that a special bank account for the project has been opened up.	Prior to first disbursement	
Evidence that legislation establishing that the program to correct flows can be carried out in less than four years has entered into force.	Prior to first disbursement for component 1. Access	SEE decree
Evidence that the respective school committees have been created and that the respective School Board or school committee has been set up.	Prior to a center's participation in subcomponent 2 "education package"	SEE decree

**L. Concurrent evaluation**

- 3.33 Within six months after the effective date of the loan contract, consulting services will be hired using program resources to conduct a concurrent evaluation on the following aspects of the program: (i) the training provided to the decentralized Boards, and the use of transferred funds, (ii) operational implementation and efficiency of the new program to correct flows covering, among other things: (a) the quality of the materials produced, (b) the training given to program instructors, (c) the teachers' classroom performance, (d) the students' learning level and (e) the progression of students in the program; (iii) the efficiency and impact of the training program considering: (a) the impact of training activities on the teachers' mastery of content areas, (b) the extent and depth of changes in teaching practices in the classroom, (c) changes in the use of time and pedagogical resources in the classroom, (d) the expansion of opportunities for students to participate in the development of classes, (e) the operation of the training strategy introduced in each of its steps, and (f) the alignment between needs detected in each school and the design of the training course to meet said needs.

**M. Ex post evaluation**

- 3.34 The SEE has indicated that an additional ex post evaluation for the first phase of the program is not considered necessary because the first phase contains evaluations of the impact of interventions and indicators of the progress of the program.



## **IV. VIABILITY AND RISKS**

### **A. Institutional viability**

- 4.1 The institutional capacity of the SEE has evolved along with the external financing programs of both the Bank and the IBRD. The First Primary Education Program (859/SF-DR) was executed through an executing unit in the SEE. At the start of the decade, the Secretariat's performance capacity was relatively low and the choice of an executing unit made it possible to start on reform of the PDE. The performance capacity of important cadres of the Secretariat began under this first program. It is important to emphasize that this first phase was implemented slowly and required follow-up, particularly in the audit area. The Second Program to Modernize Basic Education (897/OC-DR) was approved five years later. This program made it possible to go from an executing unit to integrated execution by the technical line divisions of the Secretariat through a coordinating unit.
- 4.2 During the development of the second program, the institutionalization of program execution made it possible to create a solid implementation capacity in terms of keeping records, contracting firms and individuals, etc. and generally to fulfill contractual commitments. The process entailed a learning curve that delayed the start-up of various activities. However, the time invested means that the SEE is now capable of advancing rapidly in the implementation of programs with international financing. From late 1998 to the present, the SEE has executed 52% and has committed another US\$18 million of loans IDB No. 897/OC-DR and IBRD No. 3951-DO.
- 4.3 Therefore, it is expected that this program can be implemented by the normal line agencies of the SEE. The old coordinating unit will be transformed into a unit that coordinates international financing with the SEE for most external financing programs. The SEE's role will be to support its offices in carrying out the program in accordance with the Bank's procedures.

### **B. Socioeconomic viability**

- 4.4 Table IV-2 shows the savings created by gains in the system's internal efficiency. The assumptions of the simulations depend on the combination of effects and are as follows. The effects of a reduction in the grade repetition rate are: (i) a reduction in total cost (student-years) required for a cohort to graduate; (ii) a freeing up of places in the first year that can be used to increase coverage; (iii) an increase in the number of graduates; (iv) a reduction in the amount of inputs per graduate. The effects of a reduction in the dropout rates are: (i) an increase in the number of student years needed for graduation of a cohort; (ii) an increase in the number of

graduates; (iii) a reduction in the amount of inputs per graduate.<sup>12</sup> The combination of both effects reinforces the increased numbers of graduates and the reduction in the number of years per graduate. The total savings in terms of costs depends on the relative magnitude of the initial levels of the repetition and dropout rates, as well as the size of the expected reduction.

- 4.5 The program's investment in improving quality as well as specific interventions to improve internal efficiency will create an increase in the rate of graduation from the 12<sup>th</sup> grade and a decrease in the average number of years invested per graduate. This savings is estimated by using a model with the parameters included in Table IV-1. The parameters of the model are taken from an estimate in which the 9<sup>th</sup> grade repetition rate and the 10<sup>th</sup> and 11<sup>th</sup> grade dropout rates decline at the average internal efficiency of the system at the end of the first phase of the program. These changes will have an effect on the estimated savings of US\$88 million during the program execution period.

**Table IV-1. Parameters of the simulation**

	<b>Student -Years</b>	<b>% Variation</b>	<b>Graduates</b>	<b>% Variation of Graduates</b>	<b>Number of Years per Graduate</b>	<b>% Variation Years / Graduate</b>	<b>Cost per Graduate</b>	<b>% Variation in Cost per Graduate</b>
<b>Without program</b>	3345		276		12.12		1163.6519	
<b>With program</b>	3230	-3.43	321	16.3	10.07	-17.0	966.31768	-17.0

<sup>12</sup> E. Cuadra and B. Fredriksen, (1992). Scope for Efficiency Gains Resulting from Reduction in Repetition and Drop-Out. PHREE Background Paper Series. The World Bank.

**Table IV-2. Gains in internal efficiency. Combined simulation of reduced drop-out and repetition rates**

	Without program	Year of execution								Total
		1	2	3	4	5	6	7	8	
Enrollment Grade 1 secondary (projected)	277,570	265,071	252,717	240,174	227,522	214,861	202,275	189,728	177,187	
12 Graduates	76,596	76,052	75,324	74,307	73,011	68,948	64,909	60,883	56,859	
Graduation Rate	0.28	0.29	0.30	0.31	0.32	0.32	0.32	0.32	0.32	
Years per Graduate	12.12	11.49	11.01	10.52	10.07	10.07	10.07	10.07	10.07	
Cost w/o variations in the number of years per graduate (millions of US\$)	89	88	88	86	85	80	76	71	66	640
Cost w/ variations in the number of years per graduate (millions of US\$)	89	84	80	75	71	67	63	59	55	552
Savings in millions of US\$		5	8	11	14	14	13	12	11	88

### C. Financial viability

- 4.6 The program will generate annual recurring expenses of approximately US\$14 per student in addition to secondary level spending per student today (US\$97), which represents total annual spending of approximately US\$4.7 million. This represents a feasible fiscal effort considering that the GDR has been increasing the SEE's real spending per capita at an approximate rate of 23% in the last five years (Table I-2). With respect to fiscal spending in the sector, the projections indicate that public spending on education would maintain its increasing pace and for the current year will amount to approximately 19% of total public spending, and approximately 3.3% of GDP.
- 4.7 The program would have a moderate fiscal impact due to the two sources of savings: (i) stabilization and subsequent reduction (as of the year 2004) of recurring expenses at the primary level due to stabilized enrollment. It is estimated that sectoral spending will fall by 5%; and (ii) attainment of the goals included in the logical framework with respect to correcting flows and reducing overage. The financial gains derived from the system's increased internal efficiency are highly significant as shown in the preceding section's socioeconomic analysis. Furthermore, given that the increase in secondary enrollment will be approximately 90,000 students more after counting the savings generated by primary education, it is essential to reduce overage and correct the progression of academic cohorts so as to maintain quality in sectoral financing as a whole.

- 4.8 In the first phase, the program will generate recurring expenses of approximately US\$11.5 million. Most of the recurring expenses generated by the program (87%) represent transfers to the Decentralized School Boards and school committees. Although the GDR will initially use the program financing, these funds will increasingly be allocated under the Budget and Public Spending Law, as established by the General Education Law.

#### D. Social impact

- 4.9 **At-risk youth.** Adolescents and youth in secondary education in the Dominican Republic, particularly those from poor sectors in urban and rural areas, are more vulnerable than the average to contingencies such as adolescent pregnancy, substance abuse and violence. These risks seriously compromise their expectations of inclusion and social mobility, in that they increase the likelihood that they will drop out of the school system early. A recent qualitative study conducted among secondary students and dropouts indicated that the problems that affect them most include the three problems noted above as well as low performance in their studies and economic need.

**Table IV-3. Youths' opinions regarding the higher risks to which they are exposed**

Risks in school		Risks at the personal level	
Violence	28.2	Pregnancy	30.9
Overage	21.8	Need to work	16.4
Economic risks	17.6	Economic problems	13.4

Source: IDB, Jóvenes y Educación Media en República Dominicana: Una aproximación cualitativa desde las percepciones juveniles.

- 4.10 The recommendations suggested for dealing with these problems include providing more information and guidance on sensitive topics, including information for professors and parents; expanding the supply of recreation; and developing academic and economic support programs. For their part, teachers agree with this assessment, pointing to the same problems as the fundamental reasons why young people leave the system. In that the Program's primary objective is to increase the quality of the supply of education and reduce dropout, attention targeting these contingencies will contribute to mitigating their associated risks, increasing thereby the years of schooling of adolescents and youth. For a comprehensive approach to these problems, it is suggested that preventive strategies be adopted at three levels: the first more general level is designed to prevent risk behaviors and foster behavior leading to continued education and social inclusion; the second level is designed to identify, diagnose and provide early treatment for cases susceptible of developing risk behaviors; and the objective of the third level is to treat or reduce the consequences of risk behavior, promoting mechanisms for reincorporation within the system.

- 4.11 **Youth at economic risk** How important is poverty as a factor limiting access to secondary education? It has traditionally been felt that in the Dominican Republic poverty and rural character have been the factors that most affect access to secondary education. However, data from household surveys as well as qualitative evidence from focus groups indicate that poverty and rural character are merely indicators of other more structural causes. In the case of poverty, the principal cause is the lack of money to finance the direct costs of education. This means that *poor families support their children's attendance at school provided they can finance the direct costs*.
- 4.12 At first glance, the failure of poor parents to finance the direct costs of secondary education for their children would seem to be a lack of desire that they continue their education. However, if we consider that the return on secondary education is only 6% higher than the return on primary education, the decision of poor parents not to "invest" in their children's secondary education is quite logical. As a result, there are great difference in the levels of per capita spending on education between households with students in secondary school and households whose children of secondary school age do not attend school. In the poorest quintile of the population (quintile I), monthly per capital consumption in households with youth who attend secondary school is RD\$621. This amount is 34% higher than the RD\$462 per capita consumed by families in the same quintile whose youth do not attend school. This difference could be a barrier to school attendance among families that have secondary school aged children but a very low level of income.
- 4.13 Attendance at school is also highly associated with youth labor—which is consistent with the economic needs of the poorest families. According to data from the 1998 household survey, if a youth between the ages of 15 and 20 works, there is a 70% probability that he or she will not attend secondary school. The negative impact of work on school attendance is so great that it outweighs the other factors in the environment that have positive effects. For example, if a youth belongs to a family in quintile I, his or her probability of attending a secondary center is nearly 25% lower. On the other hand, although living in a rural area also has a negative effect on attendance at secondary schools, its impact is low. The most important of the positive effects is being female, followed by belonging to a household headed by a woman. Both factors increase the probability of attending the secondary level between 25% and 30%.
- 4.14 The evidence from focus groups indicates that poor families support their children's secondary school enrollment provided they can obtain the funds needed to pay the direct costs of their education.<sup>13</sup> For their part, the poor students interviewed feel that the money generated by employment could be used on education if there were

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<sup>13</sup> Sanjuán, Ana Marfa, 2000. "Jóvenes y educación media en República Dominicana: Una aproximación cualitativa desde las percepciones juveniles." Consulting Report, Region II, Inter-American Development Bank.

better conditions in the supply of education and if they had employment and better preparation for the ninth grade.

- 4.15 **PTI Classification.** The program targets its investment on the supply of night shift secondary education and on marginal urban sectors. As shown in Table IV-5, the lower income quintiles are concentrated in these shifts. Thus, the program qualifies as an investment targeting the country's lower income sectors.
- 4.16 The project specifies explicit performance indicators to measure the reduction in poverty and the improvement in social equity (see Annex III).
- 4.17 **Gender Aspects.** Educational statistics do not show significant gender differences in access or in the rates of grade repetition and dropout. In aggregate terms, females tend to be at less risk of dropout than males. However, individual rates of return, i.e., the benefits in terms of additional salary of completing twelve versus eight years are nearly twice as high for females as for males (11% vs. 6%). This means that the impact on increased quality and internal efficiency of the system will provide a greater return for females than for males.
- 4.18 We find that poor males in the urban sectors are at high risk for dropout, because it is they who tend to work and thus attend the poorer quality night shift.

Table IV-4 Youth who attend secondary school and work, 1996									
	Total	by sex		by area		by income quartile			
	%	Males	Females	Rural	Urban	1st.	2nd.	3rd.	4th.
Morning									
Doesn't work	92.67	87.47	97.15	89.37	94.74	93.01	90.85	94.41	92.37
Works	7.33	12.53	2.85	10.63	5.26	6.99	9.15	5.59	7.63
Evening									
Doesn't work	92.16	84.76	95.64	95.47	89.57	95.21	91.39	91.97	89.64
Works	7.84	15.24	4.36	4.53	10.43	4.79	8.61	8.03	10.36
Night									
Doesn't work	62.8	47.22	81.03	70	58.08	81.75	76.65	56.36	43.96
Works	37.2	52.78	18.97	30	41.92	18.25	23.35	43.64	56.04

<b>Table IV-5 Youth who attend and who work, by income quintile and sex</b>								
	1st. Q., Males	1st.Q., Females	2nd. Q., Males	2nd.Q., Females	3rd. Q., Males	3rd.Q., Females	4th. Q., Males	4th.Q., Females
<b>Morning</b>								
Doesn't work	85.59	100	83.04	98.24	90.16	97.95	90.42	93.9
Works	14.41		16.96	1.76	9.84	2.05	9.58	6.1
<b>Evening</b>								
Doesn't work	90.54	97.59	84.78	94.32	83.89	95.61	78.25	95.26
Works	9.46	2.41	15.22	5.68	16.11	4.39	21.75	4.74
<b>Night</b>								
Doesn't work	72.35	91.82	69.22	85.48	31.2	90.08	29.29	59.3
Works	27.65	8.18	30.78	14.52	68.8	9.92	70.71	40.7

4.19 As for secondary level teachers, we find that women lose their preponderance in total employment. In effect, while among primary school teachers somewhat more than 8 out of every 10 teachers is a woman, among secondary teachers – both public and private – the percentage is nearly equal for both sexes. In addition, there are no significant differences in the marital status of secondary and primary school teachers. Although most of them are married, households headed by woman are concentrated in primary education.

#### **E. Environmental impact**

4.20 Based on the experience in the two previous primary education projects, the work is not expected to have an adverse effect on the environment.<sup>14</sup> During the preparation of the operation, the environmental rules applied by the Project Coordinating Unit (PCU) were reviewed and it was concluded that the environmental feasibility of each project should be applied ex ante the award of the work. In addition, the works feasibility studies will be included in the annual reviews of the program. Also, the activities developed in the primary level on environmental education and protection will be extended.

#### **F. Risks**

4.21 **Degree of school autonomy.** The program delegates a series of functions to the schools in order to provide incentives for pedagogical innovation and the optimum use of educational inputs at the school level. Despite a high degree of community participation in the schools in the Dominican Republic, the schools have had partial access to management processes at the center level. In order to mitigate this risk, the program plans to strengthen the capacity of parents' associations through technical assistance and training.

<sup>14</sup> Mid-Term Evaluation. Loan No. 897/OC-DR. Draft for discussion.

- 4.22 **Incentives for innovation.** The introduction of incentives for pedagogical and management innovation in the schools will be carried out through a competitive mechanism for financing the projects. This competitive modality can create risks of inequity, in that the schools most in need of strengthening probably do not have an equal ability to submit and design proposals. In order to ensure greater equity of opportunities, the program will provide specific training in the preparation of proposals. In addition, the program for innovation in sciences and mathematics for marginal areas is targeted and complementary to the innovation projects.



**SECONDARY EDUCATION PROGRAM  
LOGICAL FRAMEWORK**

<b>NARRATIVE SUMMARY</b>	<b>PERFORMANCE BENCHMARKS (by program completion)</b>	<b>VERIFICATION METHODS</b>	<b>IMPORTANT ASSUMPTIONS</b>
<p><b>GOAL</b></p> <p>Improve access and efficiency in the management of improved secondary education</p>	<p>1.1 The dropout rate for grades 10 and 11 falls by 20% as of the end of the first phase (base year 13%).</p> <p>1.2 The repetition rate for the 9<sup>th</sup> grade falls by 15% by the end of the first phase (base year 20%).</p> <p>1.3 The results on standardized tests in 12<sup>th</sup> grade improve by 30% by the year 2004.</p> <p>1.4 70% of night shifts are eliminated.</p> <p>1.5 The average high school graduation rate increases to 31% of the cohort.</p>	<p>Data published by the Statistics and Mapping Division</p>	
<p><b>Component 1. Access to and internal efficiency of secondary level</b></p>			
<p>Plan to improve access and internal efficiency of secondary level carried out.</p> <p>Infrastructure optimized</p>	<p>1.a.1. An architectural program adequate to the needs of secondary development has been developed</p> <p>1.a.2. 480 classrooms have been rehabilitated and supplemented</p> <p>1.a.3. 360 classrooms have been expanded.</p>	<p>Program reports that include micro-planning processes.</p>	<ul style="list-style-type: none"> <li>• Lands with legal title available</li> <li>• Efficient performance of construction by contractor companies</li> <li>• Availability of furniture and rapid procurement at the time of need</li> <li>• Integration of communication systems with parents to support maintenance</li> <li>• Telecommunications systems operating correctly</li> </ul>

NARRATIVE SUMMARY	PERFORMANCE BENCHMARKS (by program completion)	VERIFICATION METHODS	IMPORTANT ASSUMPTIONS
ows corrected	1.b.1. 15,000 students have benefited from with special materials and/or summer courses in educational centers with repetition rates no lower than 5% for the first grade of secondary school	Program reports that benefit attendance and repetition rates by center.	<ul style="list-style-type: none"> <li>• There is institutional capacity and desire to support the project.</li> <li>• The training, instruction and evaluation policies have been established.</li> </ul>
Component 2. Plan with three axes carried out			
Educational Management	2.a.1. 521 decentralized boards have been created and are in operation.  2.a.2. Preparation and distribution of 521 Educational Center and School Development plan (PLADEJs) for each decentralized board.  2.a.3. Financial transfers to 521 boards for the purchase of educational materials, equipment and furniture, operating expenses, and for infrastructure maintenance.  2.a.4. 300 pedagogical projects carried out and evaluated.	Copy of the minutes from regular meetings of each board in the files of the SSE.  Copy of the PLADEJs   Accounting records specifying the boards' disbursements.   Copies of evaluation reports for each project.	<ul style="list-style-type: none"> <li>• Institutional support from the union in the performance of the project.</li> <li>• Counterpart funds disbursed at proper time</li> <li>• Commitment to participate by members of the Boards of Education by Law 66/97 and other participants in the educational community.</li> <li>• Timely delivery of good services by providers.</li> <li>• Subjects reorganized on the basis of the capabilities that students have developed in students, in order to achieve integration of subjects and are repeated in areas with similar purposes.</li> </ul>
Curriculum Development	2.b.1. 4 guides corresponding to each grade of secondary school have been prepared.  2.b.2. 50,000 instructional guides printed and distributed for teachers  2.b.3. 1,789,000 textbooks produced and distributed.	Reports on preparation of guides and textbooks.   Results of national performance tests.	<ul style="list-style-type: none"> <li>• All secondary teachers trained in the use of textbooks.</li> <li>• Training and instruction are carried out in coordination with the curriculum areas and educational resources.</li> </ul>

NARRATIVE SUMMARY	PERFORMANCE BENCHMARKS (by program completion)	VERIFICATION METHODS	IMPORTANT ASSUMPTIONS
	2.b.4. Performance tests administered to 90,000 students per year 2.b.5. 3 national sciences and literature fairs carried out		<ul style="list-style-type: none"> <li>The ordinance putting ID into operation is issued</li> </ul>
Human Resources trained	2.c.1. 6,300 teachers trained for a minimum of 100 hours per year in the content area of the basic disciplines. 2.c.2. 470 center directors trained in educational management. 2.c.3. 560 experts from district offices trained to provide follow-up of teachers.	Evaluation by INFOCAM technical team. Record of recommendations resulting from the evaluation.  Registry of personnel trained	
Component 3. Equity			
Pilot projects to increase equity and reduce youth risk carried out.	3.1. A primary care pilot project (information and training on handling of center topics) carried out. 3.2. A pilot project for secondary level design and application (including referrals to the health sector and psychological guidance) with respect to youth violence and substance abuse.	Evaluation reports from pilot projects.	<ul style="list-style-type: none"> <li>Targeting mechanisms for support from parents and other beneficiaries.</li> <li>Incorporation and support of professors and directors; autonomy to develop initiatives;</li> <li>c) support from the community</li> <li>d) high institutional commitment</li> <li>Increase professorial capacity:               <ul style="list-style-type: none"> <li>a) institutional support to develop networks; b) active inter-institutional agreements;</li> <li>c) available capacity of health workshops.</li> </ul> </li> </ul>

**PROCUREMENT PLAN**  
**MULTI-PHASE SECONDARY EDUCATION PROGRAM – PHASE 1**

Main Contracts	Financ.	Procurement Method (thousands)	Prequalif.	Expected publication date of SPN
<b>1. Program Execution</b>				
Transfers – US\$10,045,095 million	100% IDB	CB from US\$100 to US\$0.5 DC less than US\$0.5	No	
Technical Assistance – US\$4,619,550 million		ICB above US\$200 NCB from US\$200 to US\$100 CB less than US\$100		
Services – US\$4,828,050 million Teacher training Training for decentralized Boards Training for parents' associations	60% IDB 40% GDR	ICB above US\$200 NCB from US\$200 to US\$100 CB less than US\$100	Yes (1) No	
Instructional Material – US\$ 7,998,557 million Curriculum Development Instructional Guides	85% IDB 15%	ICB equal to or more than US\$250 NCB from US\$249 to US\$100 CB less than US\$100	No	
Equipment and Furniture – US\$4.0 million	90% IDB 10% GDR	ICB equal to or more than US\$250 NCB from US\$249 to US\$100 CB less than US\$100	No	
Infrastructure – US\$20.3 million	90% IDB 10% GDR	ICB above US\$1,000 NCB from US\$250 to US\$1,000  CB less than US\$250	Yes (2) No	
<b>1. Program Management</b>				
Short- and long-term consulting assignments – US\$1.0 million	70% IDB 30% GDR	ICB more than US\$200 NCB from US\$200 to US\$100 CB less than US\$100	No	N/A

ICB – International Competitive Bidding

NCB – National Competitive Bidding

CB – Closed Bidding

DC – Direct Contracting

SPN – Special Procurement Notice

II-01 – Second half of 2001

I - 03 - First half of 2003

1/ Prequalification applies to teacher training

2/ Prequalification for large, complex projects for amounts over US\$1,000

## PROJECT BENCHMARK INDICATORS FOR PROCESSING THE PROGRAM'S SECOND PHASE

The project's benchmark indicators that will trigger the processing of the second phase of the program are both quantitative and qualitative. They include the following: (i) that the use of funds transferred to the school's administrative committees, is done effectively and efficiently; (ii) verification that the new teacher training model is being implemented adequately and in accordance with the principles outlined in component 2.c; (iii) the new teacher certification system is operating for all new teachers entering the system; (iv) that the student's flow correction program has benefitted at least 50% of the total target for the first phase; and (v) that the program has reached at least 60% of total disbursements.

Benchmark indicator	Justification for selecting the indicator
<p><b>School Management:</b></p> <ol style="list-style-type: none"> <li>At least 500 school administrative committees have been created.</li> <li>The program transferred the financial resources provided under the "education basket" at least two times during the first phase.</li> <li>An evaluation of the training provided to the school management committees and of the use of funds by the committee has been carried out and recommendations are available.</li> </ol>	<p>The effective implementation of the school management committees and the decentralization of financial resources to them are the core of the new model of decentralized school management.</p>
<p><b>Student's Flow Correction:</b></p> <ol style="list-style-type: none"> <li>The program has provided coverage for at least 10.000 overage students (more than 20 years old) that today are being served by the regular shifts.</li> <li>The program provided tutoring for at least two cohorts enrolling in the ninth grade.</li> <li>Process evaluation of the program has been carried out, and it includes at least the following: <ul style="list-style-type: none"> <li>The quality of the educational inputs developed</li> <li>The quality of the training being provided to teachers of the program.</li> <li>Teacher's classroom practices</li> <li>The level of student achievement</li> <li>The graduation rate of students in the program</li> </ul> </li> </ol>	<p>The student flow correction program reduced the inefficient use of financial resources, and reduces system wastage. Today the system is losing large amount of resources given the high repetition and desertion rates related to the large proportion of overage student population.</p>
<p><b>Teacher Training:</b></p> <ol style="list-style-type: none"> <li>At least 2.500 secondary education teachers and principals have been trained.</li> <li>A process and impact evaluation of the teacher training program has been carried out, and includes recommendations for adjusting the implementation of teacher training in the second phase. The evaluation should include the following: <ul style="list-style-type: none"> <li>The impact of the training activities in the mastering of new curricula by the teachers.</li> <li>The extent and depths of changes in classroom practices.</li> </ul> </li> </ol>	<p>The new teacher training model is geared toward shifting the interventions from a model based on acquiring an academic degree to a model that diagnoses the school's specific needs and tailors the training provided to meet that need. The new model includes 1) an evaluation of the needs and difficulties at the school level and of individual teachers, 2) a tailor made intervention to target those identified needs, and 3) a follow-up of each of the interventions in the classroom.</p>

Benchmark indicator	Justification for selecting the indicator
<ul style="list-style-type: none"> <li>• Changes in the use of time and pedagogical inputs in the classroom.</li> <li>• The extent to which there is greater student participation in the classroom.</li> <li>• The operational implementation of the new model</li> <li>• The match between needs detected initially in each school and the design of the training cours to meet that need.</li> </ul>	
<p><b>Infrastructure:</b></p> <ol style="list-style-type: none"> <li>1. At least 80 schools have been rehabilitated, substituted or new classroom built.</li> <li>2. The above mentioned schools have been selected by the targeting criteria included in chapter 3 and in the Operatation Manual.</li> </ol>	<p>The reduction of the overcrowding is essential to increase the quality of the educational services offered. The student's flow correction program and the adequate use of infrastructure are both essential elements to reach the above mentioned objective.</p>

RGII-DR148P  
DR-0112  
Original: Spanish  
Appendix I

## **PROPOSED RESOLUTION**

**REPUBLICA DOMINICANA. LOAN No. \_\_\_\_/OC-DR TO THE REPUBLICA DOMINICANA  
Multiphase Program for the Modernization of Secondary Education - Phase I**

**The Board of Executive Directors**

### **RESOLVES:**

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 República Dominicana, as Borrower, for the purpose of granting it a financing to cooperate in the execution of the first phase of a Multiphase Program for the Modernization of Secondary Education. Such financing will be for the amount of up to US\$52,000,000, from the resources of the Single Currency Facility of the Bank's Ordinary Capital, and will be subject to the "Special Contractual Conditions" and the "Financial Terms and Conditions" of the Executive Summary of the Loan Proposal.

RGII-DR149P  
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Original: Spanish  
Appendix I

## **PROPOSED RESOLUTION**

**REPUBLICA DOMINICANA. PARTIAL PAYMENT OF INTEREST ON LOAN No.  
\_\_\_\_/OC-DR TO THE REPUBLICA DOMINICANA  
Multiphase Program for the Modernization of Secondary Education - Phase I**

**The Board of Executive Directors**

### **RESOLVES:**

That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, as administrator of the Intermediate Financing Facility Account, hereinafter referred to as the "account", to enter into such contract or contracts as may be necessary with the República Dominicana, as Borrower, and to adopt such other measures as may be necessary to utilize the resources of the account to pay a part of the interest due by the Borrower on outstanding balances of up to US\$8,400,000 of the loan authorized by Resolution DE-\_\_\_/00, in accordance with applicable Bank policy.