

## TC Document

### I. Basic Information for TC

▪ Country/Region:	BRAZIL
▪ TC Name:	Improving Innovation, Efficiency and Equality on Educational Systems
▪ TC Number:	BR-T1475
▪ Team Leader/Members:	Cossi Fernandes, Joao Paulo (SCL/EDU) Team Leader; Duenas Herrera, Ximena (SCL/EDU) Alternate Team Leader; Morrison, Judith Anne (SCL/GDI) Alternate Team Leader; Blasco, Ivana (SCL/EDU); De Freitas Severino, Ligia (CSC/GBR); Duarte Salcedo, Catalina (SCL/EDU); Elacqua, Gregory Michael (SCL/EDU); Emilio Laguillo (SCL/EDU); Eschoyez, Guillermo Antonio (LEG/SGO); Mendez Vargas, Carolina Patricia (SCL/EDU); Perez Alfaro, Marcelo A. (SCL/EDU); Valente Lins, Paula (CSC/GBR) Duenas Herrera, Ximena (SCL/EDU); Blasco, Ivana (SCL/EDU); De Freitas Severino, Ligia (CSC/GBR); Duarte Salcedo, Catalina (SCL/EDU); Elacqua, Gregory Michael (SCL/EDU); Emilio Laguillo (SCL/EDU); Eschoyez, Guillermo Antonio (LEG/SGO); Mendez Vargas, Carolina Patricia (SCL/EDU); Perez Alfaro, Marcelo A. (SCL/EDU); Valente Lins, Paula (CSC/GBR)
▪ Taxonomy:	Client Support
▪ Operation Supported by the TC:	.
▪ Date of TC Abstract authorization:	11 Aug 2021.
▪ Beneficiary:	Direct Beneficiaries: Teachers and students mainly from the city of São Paulo, Brazil. Indirect beneficiaries: Teachers and students from other cities and states in Brazil will also benefit from approaches to be scaled and punctual interventions.
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	OC Strategic Development Program for Social Development(SOC)
▪ IDB Funding Requested:	US\$350,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	24 months
▪ Required start date:	December 15th, 2021
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	SCL/EDU-Education
▪ Unit of Disbursement Responsibility:	CSC/GBR-Country Office Brazil
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality; Diversity

### II. Objectives and Justification of the TC

2.1 The objective of this TC is to support the Municipal Department of Education in São Paulo (SME-SP) on the implementation of innovative approaches to improve quality of education and reduce inequalities, especially racial. The innovative approaches

designed and implemented mainly<sup>1</sup> at SME-SP may be replicated and scaled in other subnational Departments of Education (DoE). To meet this objective the TC will finance (i) technical assistance to overcome inefficiency, inequality and challenges worsened by the pandemic; (ii) the design, pilot and scale innovative solutions oriented towards learning recovery, efficiency, and equality; and (iii) knowledge dissemination regarding the abovementioned topics.

2.2 Educational quality is still a challenge for educational systems in Brazil. Even though IDEB, the national educational quality index, has been continuously improving at the elementary level, middle and high schools struggle to improve. The official targets for these stages have not been reached since 2011. In 2019 (IDEB-INEP, 2020), only 7 out of 27 state education systems achieved middle school targets, and only 2 out of 27 for high school. Pre-COVID-19 pandemic data demonstrate that by age 8, only half of all children regularly enrolled in elementary school can read words, let alone sentences or connected texts. The other half is either only reading words, or is illiterate (ANA-INEP, 2016). Even this basic literacy ability is not solved in middle or high school students: among teenagers, at least half of Brazilian adolescents are not able to read beyond the sentence level in international tests (PISA, 2018). In 2018, the Ministry of Education developed the National Literacy Policy, but with no programs to ensure its implementation. In this context, by the end of 2019, IDB initiated the adaptation of its early literacy initiative to Portuguese, *Vamos Todos Aprender a Ler*, and its materials for preschool and first grade will be launched in the second semester of 2021.

2.3 The country also faces high levels of inequality, which begins early on. While 54.3% of the wealthiest children up to 3 years old had access to nursery school early childhood development programs in 2019, only 27.8% of the poorest children did. Not surprisingly, the high school graduation rate is also unequal: while 92.6% of the wealthiest individuals up to 19 years had concluded the stage in 2020, the proportion for the poorest was 58.8% (OBSERVATÓRIO DO PLANO NACIONAL DE EDUCAÇÃO, 2021). Additionally, the pandemic may decrease the likelihood of completing high school for students with poorly educated parents. In Brasil this probability could decrease from 57% to 23% (Lustig et al, 2020).

2.4 According to IBGE in 2019, the black or brown population in Brazil has higher illiteracy rates (9.1%) than the white population (3.9%). Although, in 2018 there was no significant difference between the proportions of white and black or brown children aged 6 to 10 years in the first years of primary school (96.5% and 95.8%, respectively). The secondary school completion rate of black and brown students (61.8%) is still significantly lower than the rate for the white population (76.8%), despite recent gains. Furthermore, the proportion of white youth ages 18-24 who were in or already completed tertiary education (36.1%) was almost double that of black and brown youth (18.3%).

2.5 School environments are susceptible to exclusion of students based on race. The 2018 PISA show that internationally, about 14% of 15-year-old students reported that their teachers blame certain racial or ethnic groups for the problems of their country, and

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<sup>1</sup> Some interventions may be implemented in other Departments of Education so that there are different contexts to comparison or when SME-SP does not have the requirements or the institutional capacity to conduct them.

about 15% reported that their teachers have lower academic expectations for students based on race. Students from Brazil and Panama report a higher rate perception of discrimination in their school by teachers, compared to the rest of the Latin American countries that participate in PISA.

- 2.6 In the 2015 School Census, 24% of Brazil public-school teachers and administrators reported that they do not teach any aspect race, and 80% of Brazilian students have teachers that self-reported their need for further professional development teaching in multilingual and multicultural environments. This is the highest percentage of demonstrated need for training of all countries evaluated by PISA.
- 2.7 Various studies have shown that in Brazil teachers have negative biases towards Afro-Brazilians when assigning math grades (Botelho, Madeira, & Rangel, 2015), and there is racial segregation in student classroom assignments in schools where there is no student tracking system in place (Gagné, 2021).
- 2.8 The true impact of COVID-19 (CV) is still unknown, but it will decrease learning and increase inequality, particularly for the most vulnerable. In Brazil, 58 million students and 2.2 million teachers have been affected by school closures between March 2020 and February 2021 (UNICEF, 2021); education systems across the country have been struggling to meet growing needs under a scenario of resource scarcity. The state of SP, the only state which tried to measure the impact demonstrated that students learned about 1/3 of they had in the previous year (BID, 2021). The same study showed that the impact will be higher for black and browns, girls, and for students who attend schools in more vulnerable regions.
- 2.9 SME-SP has requested this TC so that the Bank can support them to fight inequality, which will increase as consequence of COVID-19. Additionally, the Bank is conducting a dialogue with SME-SP to develop a loan proposal for 2022 or 2023 with EDU and GDI.
- 2.10 This TC is aligned with IDB's 2025 vision to improve the strategic goal of "Promote social progress" by improving the quality and equality of education for Brazilian students, and with the immediate opportunity of "Gender equality and diversity" by tackling overall inequality in Brazilian educational systems, especially through reducing teachers' unconscious bias among white and non-white students.
- 2.11 In addition to being aligned with IDB 2025 vision, this TC is consistent with the 2010-2020 Institutional Strategy Update (UIS) (AB-3008) and is aligned with the development challenge of: (i) social inclusion and equality, by promoting equal access to better social services and decreasing inequality among and within education systems; and (ii) gender equality and diversity, by decreasing teachers' involuntary bias with black or brown students. The program is aligned with the crosscutting theme of diversity by targeting aspects of closing diversity gaps by race and strengthening the ability of the government to provide more equitable education to all students. Furthermore, it is also consistent with the Brazilian strategy for 2019-2022 (GN-2973), as it addresses issues to "Build a more effective public sector that promotes fiscal sustainability" and "Reduce social inequality and inequality of opportunity by enhancing public policy efficiency." Additionally, the program will contribute to the Corporate Results Framework (CRF) (GN-2727-12) since it seeks to improve the

indicator: (i) students benefited by education projects. Furthermore, this TC will benefit government entities to improve CRF indicators such as "Government agencies benefited by projects that strengthen technological and managerial tools to improve public service delivery" and "Projects supporting innovation ecosystems". The TC will also contribute to the following objectives of the Ordinary Capital Strategic Development Program for Social Development (GN-2819-1): "(i) enhance the relevance, quality, and volume of Bank lending in support of the social sector; (ii) strengthen public institutions' efforts to become more effective and efficient in social programming, group targeting, and social sector project execution." Moreover, it is framed within the priority dimensions of the Bank's intervention in education, according to the Sector Framework Document for Early Childhood Development (GN-2966) that draws three lines of action: (i) promote efficient management and well-informed public policy; (ii) implement development services or early infant programs with quality at scale; and (iii) strengthen the quality of the workforce and improve its working conditions. Finally, the program is consistent with the Skills Development Sector Framework Document (GN-3012-3) in Dimension 5 that "all children and young people acquire the necessary skills to be productive and contribute to society," and with the Labor Sector Framework Document (GN-2741-7) in every line of action, but specially in lines 1 "Ensure access to high-quality and relevant learning opportunities throughout life".

### **III. Description of activities/components and budget**

- 3.1 Component I: Design of Operations and Projects.** The objective of this component is to provide technical assistance to design, pilot and scale solutions which can improve equality and efficiency in the education sector. TC will finance (i) technical assistance (individual consultants or companies) to support the city of São Paulo to adapt ongoing operations and projects, or to design new operations and projects to (a) develop teacher training process and materials to fight inequality, especially persistent racial gaps; (b) manage and operate education systems more efficiently and inclusively; and (c) implement innovative solutions to fight inefficiency and inequality. Outputs will be "Policy briefs completed with policy recommendations".
- 3.2 Component II: Innovative solutions.** The TC will fund pilots to combat inefficiency, inequality and learning losses, such as: (i) innovative/technological solutions to improve efficiency and equity; (ii) adaptation of early literacy recovery and correction materials to complement the Let's All Learn to Read initiative; and (iii) teacher training materials to prevent unconscious biases. The main activities for the development of the pilots will be the design of the solutions, the preparation of the pilots, the tests execution and the pilots monitoring and evaluation. Outputs will be "Policy briefs completed on the learnings of innovation pilots", "Pilot interventions designed", "Pilot interventions implemented" and "Training products developed" to fight inequality.
- 3.3 Component III: Knowledge and strategy.** This component will finance studies, workshops and other events with authorities, researchers, and non-governmental organizations to support the local authorities in the process of designing, implementation and dissemination of policies to combat inefficiencies and racial inequalities in the São Paulo educational system. Outputs will be "Technical notes started" and "Policy dialogue events organized" regarding innovation and/or inequality.

### Indicative Budget

Activity/Component	IDB Fund	Total Funding
1. Technical Assistance	US\$ 80.000	US\$ 80.000
2. Pilot and scale of innovative and recovery actions	US\$ 180.000	US\$ 180.000
3. Knowledge Production and Dissemination	US\$ 90.000	US\$ 90.000
<b>TOTAL</b>	<b>US\$350,000</b>	<b>US\$350,000</b>

## IV. Executing agency and execution structure

- 4.1 This TC will be executed by the Bank through the Education Division (SCL/EDU), mainly for the following reasons. First, SME-SP does not have experience in carrying out innovation pilots and interventions regarding racial inequality, which could generate delays. Second, some of the interventions may be carried out or scaled in different DoE, and having SME-SP as the executing agency prevent that. Third, these pilots could be of great interest to other Brazilian states/municipalities and countries in the region. Thus, ensuring that the Bank is involved in the design and implementation process will increase the probability of replicability in other countries. Finally, SCL/EDU has experience carrying out successful innovation pilots, including behavioral nudges interventions and system adaptation, and will also ensure consistency with EDU's agenda in CBR. GDI is also part of the team to ensure that our pilots and projects are successful to reduce inequality, especially racial.
- 4.2 Fiduciary arrangements: All disbursements will be executed through the Bank's systems and will require approval from SCL/EDU. All activities to be executed under this TC have been included in the Procurement Plan (see Annex IV) and will be contracted in accordance with Bank policies as follows: (a) AM-650 for Individual consultants; (b) GN-2765-4 and Guidelines OP-1155-4 for Consulting Firms for services of an intellectual nature and; (c) GN-2303-28 for logistics and other related services.
- 4.3 Direct contracts. There will be one direct contract, marked as consultancy service in the procurement plan, which will not exceed US\$100,000. This contract will be with *Renan Sargiani: Educação Baseada em Evidências*, for the production and adaptation to Portuguese Vamos Todos Aprender a Ler materials. This is a continuation of previous services. As identified in the background, one of Brazil's National Education Plan objectives is early literacy, and during 2021 the Bank hired this firm under BR-T1447 to develop kinder and first grade materials, as well as teacher training for Vamos Todos Aprender a Ler strategy.

## V. Major issues

- 5.1 The risks associated with this operation are low. The Bank, through SCL/EDU, has extensive experience in the development of the issues requested by the Government of Brazil, in addition to maintaining a permanent dialogue with both local counterparts and organizations, and with local and international experts to obtain the technical assistance required. The Government has expressed interest in working specifically on race in the educational system and has requested this line of action through multiple

local government agencies. Additionally, given the COVID 19 pandemic and its unpredictable nature, some flexibility and adaptation to varying conditions should be expected which will require permanent supervision in contracts execution.

## **VI. Exceptions to Bank policy**

- 6.1 No required exceptions were identified.

## **VII. Environmental and Social Strategy**

- 7.1 This Technical Cooperation is not intended to finance pre-feasibility or feasibility studies of specific investment projects or environmental and social studies associated with them; therefore, this TC does not have applicable requirements of the Banks Environmental and Social Policy Framework (ESPF).

### **Required Annexes:**

[Request from the Client - BR-T1475](#)

[Results Matrix - BR-T1475](#)

[Terms of Reference - BR-T1475](#)

[Procurement Plan - BR-T1475](#)