

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PARAGUAY

**BASIC EDUCATION STAY-IN-SCHOOL SUPPORT FOR OFFICIAL SCHOOLS
PARTICIPATING IN THE PROJECT TO SUPPORT EXTENDED SCHOOL DAYS**

(PR-G1002)

GRANT PROPOSAL

This document was prepared by the project team consisting of: Marcelo Perez-Alfaro (EDU/CUR), Project Team Leader; Pablo Zoido, Alternate Project Team Leader, Gonzalo Almeyda, Soledad Bos, Emilio Laguillo, Ivana Blasco, and Alejandra Forero (SCL/EDU); Cecilia Rodriguez Alcalá (VPS/VPS); Rocío Acosta (CSC/CPR); Jorge Luis Gonzalez and Jorge Seigneur (VPC/FMP); Maria Fernanda Garcia and Vitoria Lima (ORP/REM); Claudia Oglialoro and Mariana Mendoza (ORP/GCM); Javier Ignacio Jiménez-Mosquera (LEG/SGO); and Mariana Alfonso (CSD/CCS).

In accordance with the Access to Information Policy, this document is being released to the public and distributed to the Bank's Board of Executive Directors simultaneously. This document has not been approved by the Board. Should the Board approve the document with amendments, a revised version will be made available to the public, thus superseding and replacing the original version.

CONTENTS

PROJECT SUMMARY

I.	DESCRIPTION AND RESULTS MONITORING	1
A.	Background, problem addressed, and rationale	1
B.	Objectives, components, and costs	8
C.	Key results indicators	11
II.	FINANCING STRUCTURE AND MAIN RISKS	12
A.	Financing instruments	12
B.	Environmental and social risks.....	13
C.	Fiduciary risks	14
D.	Other key issues and risks	14
III.	IMPLEMENTATION AND MANAGEMENT PLAN	14
A.	Summary of implementation arrangements	14
B.	Summary of arrangements for monitoring results	17

APPENDICES

Proposed resolution

ANNEXES	
Annex I	Summary Development Effectiveness Matrix
Annex II	Results Matrix
Annex III	Fiduciary Agreements and Requirements

LINKS
REQUIRED: <ol style="list-style-type: none">1. Multiyear Execution Plan2. Monitoring and Evaluation Plan3. Procurement Plan OPTIONAL: <ol style="list-style-type: none">1. Program Operating Regulations2. Climate change annex3. Gender and diversity annex4. Educational pathways protection system5. Tutorials6. Learning spaces7. Economic analysis8. Vertical logic9. Framework agreement with “Education Above All” and administrative agreement for the project-specific grant10. Safeguards Policy Filter

ABBREVIATIONS

DGP	Dirección General de Planificación [General Planning Directorate]
EAA	Education Above All
ENA	Estrategia de Nivelación de los Aprendizajes [Strategy to level-up learning]
ICB	International competitive bidding
ICT	Information and communications technology
MEC	Ministry of Education and Science
MEP	Monitoring and evaluation plan
NCB	National competitive bidding
OEI	Organización de Estados Iberoamericanos [Organization of Ibero-American States]
PAE	Plan de Acción Educativo [Educational Action Plan]
PNE	Plan Nacional de Educación [National Education Plan]
PSG	Project specific grant
QCBS	Quality- and cost-based selection
RUE	Registro Único de Estudiantes [Unified Student Register]
SIGED	Sistema de Información y Gestión Educativa [Educational information and management system]
SIGMEC	Sistema de Gestión e Información del Ministerio de Educación y Ciencia [Ministry of Education and Science management and information system]
SPTE	Sistema de Protección de Trayectorias Educativas [System to protect educational pathways]
UEPP	Unidad Ejecutora de Programas y Proyectos [Programs and Projects Execution Unit]

PROJECT SUMMARY

PARAGUAY

BASIC EDUCATION STAY-IN-SCHOOL SUPPORT FOR OFFICIAL SCHOOLS PARTICIPATING IN THE PROJECT TO SUPPORT EXTENDED SCHOOL DAYS (PR-G1002)

Financial Terms and Conditions			
Beneficiary:	Nonreimbursable		
Organization of Ibero-American States (OEI) (paragraph 3.1)	Source	Amount (US\$)	%
	Project-specific grant (PSG) (Education Above All): ¹	10,000,000	100
Executing agency:	Total:	10,000,000	100
OEI	PSG fee:	500,000	5
	Total available for the project:	9,500,000	95
Disbursement period:	4 years		
Currency of approval:	U.S. dollar		
Project at a Glance			
Project objective/description: The general objective of this operation is to contribute to improving education and reducing the dropout rate in the 1st and 2nd cycles of primary school. The specific objectives are to: (i) strengthen the capacities of the Ministry of Education and Science (MEC) to administer a quality public education service; (ii) improve access to personalized instruction; and (iii) expand effective access to teaching and learning resources.			
Special contractual conditions precedent to the first disbursement of the grant: (i) the OEI will have designated the project's general coordinator to be responsible for operational and administrative management; (ii) the OEI will have approved the project Operating Regulations under the terms and conditions previously agreed upon between the Bank and the MEC; and (iii) an institutional cooperation agreement will have been signed between the MEC and the OEI, under the terms agreed upon with the Bank, specifying items including the parties' obligations in project implementation (paragraph 3.5).			
Special contractual conditions of execution: Before the start of activities, the following will be submitted to the Bank's satisfaction: (i) the composition of the project committee; (ii) the terms of reference for contracting entities to support Component 2 implementation; and (iii) the mechanism for gaining access to learning spaces and the terms of reference for contracting entities to support Component 3 implementation (paragraph 3.6).			
Exceptions to Bank policies: None.			
Strategic Alignment			
Challenges: ^(a)	SI <input checked="" type="checkbox"/>	PI <input type="checkbox"/>	EI <input type="checkbox"/>
Crosscutting themes: ^(b)	GE <input checked="" type="checkbox"/> and DI <input type="checkbox"/>	CC <input checked="" type="checkbox"/> and ES <input checked="" type="checkbox"/>	IC <input checked="" type="checkbox"/>

^(a) SI (Social Inclusion and Equality); PI (Productivity and Innovation); and EI (Economic Integration).

^(b) GE (Gender Equality) and DI (Diversity); CC (Climate Change) and ES (Environmental Sustainability); and IC (Institutional Capacity and Rule of Law).

¹ The term "PSG" refers to nonreimbursable funding for specific Bank projects. The grant in question will come from Education Above All (EAA) and is subject to approval. The proceeds will be made available once the Government of Qatar and the Bank have signed the administration agreement and the Bank has received the EAA funds. The Bank will charge an administration fee of 5% on the amount of the grant, pursuant to its current policy on fees for administering donor contributions to trust funds and project-specific contributions.

I. DESCRIPTION AND RESULTS MONITORING

A. Background, problem addressed, and rationale

- 1.1 Despite the progress made by Paraguay in expanding access to education, its quality and equity pose a challenge. According to the regional comparative and explanatory study (ERCE 2019), published by the United Nations Educational, Scientific and Cultural Organization (UNESCO), 51.5% of 3rd grade students do not attain the minimum proficiency level in reading, and 61.7% fall short of the equivalent in mathematics. In 6th grade, however, these figures rise to 81.2% in reading and 94.4% in mathematics. Moreover, at the high school level, the Programme for International Student Assessment for Development (PISA-D, 2017) reports that 68%, 92%, and 76% of 15-year-old Paraguayan students are below the minimum proficiency levels in reading, mathematics, and science, respectively. When student performance was analyzed in greater detail, taking account of school characteristics such as location and size, students who attended small public schools in rural Paraguay were found to be more likely to repeat grade levels than their counterparts (Zoido et al., 2019). In addition, students often drop out of the system before completing secondary education: of the students who entered 1st grade in 2005, only 41% graduated from high school in 2016. In the latter year, the primary school dropout rate in Paraguay was 3.7%, with rates above 4% after 7th grade.²
- 1.2 Students in rural schools are more likely to repeat a grade and drop out than their counterparts in urban schools. For example, in 2016, the dropout rate in 1st to 3rd grades was 2% in urban schools and 4.2% in rural ones. The reasons for school dropout include poverty, and the disconnect between what happens in school, on the one hand, and students' expectations and the demands of the real world, on the other. Additional reasons cited include the poor quality of instruction, which does not have a practical orientation; the lack of support services (such as pathway protection and school reintegration) and tutoring (especially programs to level-up learning), compounded by economic factors.³ According to the 2017 Permanent Household Survey, 3% of primary-age children (6-12 year-olds) were not attending school; and 30% of the families that participated in the survey explained their absence from school by the lack of special services needed for their education, such as learning support, diagnostic assessments, and tutoring. The underlying causes of the gaps in grade completion differ between girls and boys in several ways (World Bank, 2021). Data from the aforementioned survey show that, while the majority of boys (under 26 years of age) report their main reasons for dropping out of school as the need to work (33%) or lack of financial resources (23%), girls of the same age cite family reasons first (26%), followed by the lack of financial resources (25%) and then the need to work (16%). Although the survey did not offer reply alternatives such as pregnancy or home/family care responsibilities, these factors are likely to be significant drivers of female dropout. Traditional girls' and boys' roles are often key factors underlying the differences between girls' and boys' in grade completion across countries (World Bank, 2021).

² Ministry of Education and Science (MEC), 2019.

³ MEC, 2019.

- 1.3 Education in the midst of the COVID-19 pandemic.** Paraguay had to meet the challenge of providing emergency remote education following one of the most widespread school closures in compulsory education,⁴ under adverse conditions.⁵ The digital divide in education hindered students' continued access to educational experiences and impaired quality: 92% of students in 1st-6th grades and 85% of those in 7th-12th grades do not have a computer available at home. Access to other information and communication technology (ICT) devices is also limited: just 48% of 1st-6th grade students have access to a smartphone at home; only 37% have access to a TV; and a mere 18% have access to a radio. Compounding the lack of devices is poor connectivity: just one in four students has WiFi or wired internet access at home. As a result, in 2020 only 15% of 1st-6th graders in urban areas received classes either in real-time or virtually, and the proportion was half of that (7.8%) in rural areas. Moreover, only 12% of parents reported that their children had been taught in real time. The lack of access to ICT devices, compounded by the poor quality and high cost of Internet provision, contributed to these indicators.⁶ As is true elsewhere in Latin America and the Caribbean, the problem of educational exclusion will be aggravated by high dropout rates. The attendance rate among 6-17 year-old students is estimated to have dropped by 0.7 percentage points—in other words, 12,000 young people abandoned the classroom between 2019 and 2020, mainly from poor sectors and the vulnerable middle class. Other indicators of the economic impact of the pandemic point to a higher dropout rates in 2021 and 2022.⁷ A breakdown between girls and boys shows that the dropout rate in basic education doubled for girls between 2015 and 2020 (from 2% to 4%) while for boys it remained stable around 3%.⁸ This underscores the urgency of protecting educational pathways, to identify and support students with greater difficulties or those who have dropped out, while offering curricula that prioritize core content, and reflect skill development across the curriculum and the use of digital tools in the learning process.
- 1.4 Information systems for educational management (SIGED).** The management and information system used by the Ministry of Education and Science (MEC), known as SIGMEC, is at an incipient level of development,⁹ with a few processes

⁴ Compulsory or general education is organized in three levels: the first level comprises initial education (ages 4-5 years) and basic school education (1st-6th grade); the second comprises lower secondary, or middle school (7th-9th grade); and the third level is upper-secondary (10th-12th grade).

⁵ 32 weeks of total closure, among the 16 countries with the longest duration, and 42 weeks of partial opening in 2020-2021. UNESCO, COVID-19 Education Response, 2022.

⁶ OEI, *Factores determinantes del aprovechamiento de las TIC en instituciones oficiales de Paraguay* (2021).

⁷ Gonzalo, A; Zoido P., et al. *Hablemos de Política Educativa: Estudiantes desvinculados: Los costos reales de la pandemia* (2021).

⁸ World Bank, *Two years after, saving a generation.* (2022).

⁹ SIGED rates the processes on a four-point scale, as follows: 1. Latent (does not cover the processes and structural conditions that define it); 2. Incipient (partially covers the processes and structural conditions that define it, but is not oriented toward efficient management); 3. Emerging (partial approach to the processes and is oriented toward efficient management); and 4. Established (scope covers more than 80% of the processes and structural conditions and is oriented toward efficient management). Arias Ortiz, E; Pérez Alfaro, M; et al.; *Los Sistemas de Información y Gestión Educativa (SIGED) de América Latina y el Caribe* (2021) and Eusebio, J.; *Análisis del funcionamiento del SIGED de Paraguay. Fortalezas, desafíos y propuesta para el fortalecimiento* (2019).

that perform relatively well, such as those that handle information on students and learning and educational institutions,¹⁰ In contrast, others have yet to be implemented (e.g., physical infrastructure and tools for strategic management). The system's main shortcomings include the following: (i) there is a need to incorporate additional subprocesses with unique identifiers, as was done by the Unified Student Register (RUE), to exploit the RUE's progress in monitoring students' educational progression and provide information and early warnings to teachers and families; and to include functions that track items such as daily absences, partial grades, online enrollment and health records; (ii) lack of connectivity between the MEC and schools, and the lack of interoperability and integration between the RUE and SIGMEC. To provide the MEC with a high-impact management and information system, it is urgent to upgrade processes and systems and improve their mutual compatibility; (iii) the physical infrastructure and equipment module is the process that is least developed. An up-to-date unified register of physical facilities and their characteristics (size, occupancy, etc.) has not been implemented. This makes it impossible to determine the level of occupancy of each building. There is no global indicator of the conservation status of the infrastructure that would make it possible to prioritize building improvements. Nor is there a centralized and up-to-date inventory of all assets in each school building, with details of furniture, equipment and laboratories, or reliable records on the existence and type of connectivity available in the schools.¹¹ In brief, this module requires a comprehensive upgrade to provide up-to-date information on buildings and their occupancy, school equipment and materials, and school maintenance actions, both scheduled or completed; (iv) SIGMEC has just started to include digital content and platforms for teachers and students; (v) in terms of decision-making tools, progress is being made in integrating statistical reports, with dashboards implemented, mainly targeted to the central areas but not reaching the school or classroom level; and (vi) staffing processes are separate from the other SIGED processes and even internally with respect to budget and payroll. Recently, a higher layer was implemented that provides some degree of visual integration of student, teacher, and section data.

- 1.5 **Strategy to level-up learning (ENA).**¹² The MEC uses this strategy to support students who have learning deficits and are over-age for their grade. The program offers educational opportunities to students from 1st to 6th grade who have fallen behind in school, implementing temporary actions to eradicate the phenomenon of over-age students, and preventive measures to combat grade repetition and school dropout. The results of the ENA program show improvements in the internal efficiency of basic school education. The over-age prevalence rate between 1st and 6th grades was reduced in both urban schools (from 19% to 12%) and in rural ones (from 28% to 16%). The ENA is an important compensatory policy with both symbolic and educational value that needs to be nurtured and strengthened; but it

¹⁰ The processes linked to schools and students show progress: the implementation of the Unified Student Register (RUE), which assigns a unique identifier to each student, resulted in substantial improvements in the processes. This crosscutting information-technology support solution, which has a positive impact on management, covers 100% of the schools and enjoys a high level of acceptance and use in the schools.

¹¹ Various estimates indicate that only 1,039 official schools (12%) have some type of connectivity service.

¹² Muñoz, G. *Sistematización de las experiencias previas de programas para estudiantes con sobre edad en Paraguay* (2020).

is insufficient for the challenge it faces. The strategy requires significant improvements to enhance its effects in preventing dropout, reducing the over-age phenomenon, and making sure educational pathways are continuous and complete. Such improvements would include: (i) evaluating alternative designs that enable the program to be applied universally as a “guarantee,” and ultimately as a right, for all students who are potential subjects of this program; (ii) establishing an explicit model for harmonization with other education policies, especially follow-up of the educational pathways of students who graduate from the ENA, with a view to reducing the probability of over-age and dropout recurring in high school; (iii) introducing an explicit approach for girls and boys in the program, and actions consistent with this, since the evidence shows that this is one of the challenges of the strategy in terms of its effect on educational pathways; (iv) developing a student information system, which enables detailed tracking of the situation of each of the children and young people who go through the ENA, and incorporating monitoring practices, currently non-existent, that make it possible to track the progression of over-age students; (v) enhancing the flexibility of the strategy, especially in rural and multi-grade contexts; and (vi) developing a relevant model for application of the strategy in emergency situations such as that caused by the pandemic.

- 1.6 In this context, the implementation of remote tutoring programs, via telephone, is seen as an opportunity to speed up learning on a large scale.¹³ In its initial version, the intervention consists of sending weekly math problems via text message (SMS), followed up with personalized support through weekly 20-minute telephone tutorials. Because they are based on phone calls, the tutorials do not require access to the Internet or smart devices; it suffices to have a phone that can receive calls. These types of programs have shown good results internationally, achieving impacts of up to 0.37 standard deviation in student learning, if conducted in small groups and with professionals or volunteers supported by highly structured guidance material.¹⁴ In Latin American and Caribbean countries, it has been shown that tutoring keeps young people in school, promotes attendance, and improves grades, especially among students at risk of dropout.¹⁵ The lessons learned from the tutorials being conducted with Bank support in El Salvador, Mexico, Guatemala, and Argentina can be leveraged to design a telephone tutoring and mentoring intervention that responds to the needs of Paraguayan students. In addition, a rigorous evaluation of the pilots will garner further evidence on the impact, feasibility, and scalability of this

¹³ Carvalho et al., Planning for school reopening and recovery after COVID-19. An Evidence Kit for Policymakers (2020); Robinson and Loeb, High-Impact Tutoring: State of the Research and Priorities for Future Learning (2021).

¹⁴ Angrist et al., Stemming learning loss during the pandemic: A rapid randomized trial of a low-tech intervention in Botswana (2020); Angrist et al., Practical lessons for phone-based assessments of learning (2020); Nickow et al., The impressive effects of tutoring on pre-K-12 learning: A systematic review and meta-analysis of the experimental evidence (2020); Dietrichson et al., Academic interventions for elementary and middle school students with low socioeconomic status: A systematic review and meta-analysis (2017); and Fryer and Howard-Noveck, High-dosage tutoring and reading achievement: evidence from New York City. *Journal of Labor Economics* (2020).

¹⁵ Barrera-Orsorio and Lagos, Tutoring, Professional Development, and Educational Improvement: Evidence from Cali, Colombia, Pilot Study Results and Next Steps (2018); Cabezas et al., Does Short-Term School Tutoring have Medium-Term Effects? Experimental Evidence from Chile (2021).

type of intervention, with a view to consolidating it as a strategy complementary to the ENA.

- 1.7 **Spaces and resources for learning.** Schools in Paraguay lack resources that would enable them to use digital tools for the teaching-learning process. As noted above, connectivity is inadequate, in terms of both coverage and bandwidth. Since the pandemic, platforms with content and diagnostic evaluations, such as [Paraguay Aprende](#) [Paraguay learns], have been developed and are in use; but physical infrastructure is deficient. Schools lack materials and specific spaces that are suitable for developing collaborative learning, logical thinking, disciplinary integration, and creativity, with concrete materials, sensors, smart whiteboards, and tools for the teaching of educational robotics, programming, physicochemical sensors, and 3D modeling, among other things. Of the 300 schools that are participating in the extended school day program, 30% have a space theoretically set aside for a library; but all require suitable furniture and adaptations to serve as a collaborative workspace. Their playgrounds are not suitable for developing new learning experiences as part of a culture of doing: 30% of the schools do not have adequate playgrounds, and 70% need improvements.¹⁶
- 1.8 **Context of climate vulnerability.** Paraguay is exposed to multiple hydro-meteorological and climatological hazards (storms, fires, droughts, and extreme temperatures), which cause economic and human losses. In its updated Nationally Determined Contribution (NDC), Paraguay committed to reducing greenhouse gas emissions. Climate vulnerability requires actions to increase the population's resilience to climate change. A key action is the development of green skills¹⁷ among school-age students to enable them to overcome technical challenges related to climate change, and to adopt more environmentally sustainable behavior patterns (see [optional link 2](#)).
- 1.9 **The Bank's experience in Paraguay.** During the last decade, the Bank supported the education sector through various operations, including the following: the "Escuela Viva I and II" Educational Reform Programs (loans [1254/OC-PR](#); [1880/BL-PR](#)), and the Preschool and Early Education Improvement Program (loan [1467/OC-PR](#)). Several lessons gleaned from the experience of these previous operations have been harnessed for this operation, which will complement the Project to Support Extended School Days and Improved Transportation Conditions for Students Attending Rural Official Schools (loan [PR-L1097](#); [3660/OC-PR](#)). The lessons learned include: (i) the need to ensure effective coordination and efficient processes, given the existence of a multiplicity of actors within the MEC at both the central and the local levels, and greater harmonization between the different projects being implemented. This was particularly helpful in designing the governance structure described in paragraph 3.2; (ii) the need to strengthen programming and monitoring capacity to integrate technical

¹⁶ Infrastructure survey of schools in the extended school day project, 2022.

¹⁷ Green skills, such as the specific, generic, and transformative capabilities needed to contribute to a more socially, economically, and environmentally just society that reduces the impact of human activities on others. There are three types: (i) green job skills; (ii) green life skills, which are generic or crosscutting skills that, together with increased knowledge of climate change, environmental issues, and pro-environmental attitudes, enhance an individual's capacity to solve practical issues, make decisions, and behave in a more sustainable and environmentally friendly manner; and (iii) green transformation skills, which are adaptive skills that seek to transform social and economic structures.

and operational issues and develop a set of practices and a monitoring system for school management, which was included in the pathway protection component; and (iii) the way loan [3660/OC-PR](#) unfolded, which took three years to start implementation, also shows the need to strengthen project management in all aspects: managerial, coordination, planning, monitoring, decision-making, and administration, which was considered in the governance and coordination arrangements. The technical cooperation operation, Supporting the development of 21st century skills through coding education (operation ATN/KP-16937-PR), piloted coding education in 104 schools out of the 300 participating in the extended school day project; and it provided valuable suggestions for the strategy of using specialized organizations to implement the activities included in Component 2.

- 1.10 **Lessons learned.** Various Education Division (EDU) operations will inform this initiative, in addition to those of Paraguay as already mentioned; for example: (i) in the case of Component 3-Learning spaces and Component 2-Remote tutoring, the operations carried out with Ceibal in Uruguay, such as Plan Ceibal II – Support for Primary and Secondary Math and English Education (loan [3225/OC-UR](#), for a total of US\$6.9 million, including a US\$6 million contribution from the Bank's Ordinary Capital), which was executed between 2014 and 2018. This program aimed to harness new technologies to improve learning in mathematics and English at primary and lower-secondary levels; and, lastly, the project Generation C: Consolidating Educational Innovations for 21st Century Skills and Competencies (loan [4290/OC-UR](#) for US\$30 million from the Bank's Ordinary Capital), which aims to improve learning and skills among primary and lower-secondary students; (ii) both the results of the SIGED studies under the technical cooperation operation Strengthening Management and Educational Information Systems for a Better Performance of the Education System (operation [ATN/OC-16379-RG](#)) and the specific studies undertaken by SCL/EDU, provided evidence-based inputs for the monitoring and protection of pathways in Component 1 of this operation;¹⁸ (iii) strategies for extending the school day require sufficient depth to improve learning indicators, enhance persistence, and ensure timely progression; and curricular change and school management processes require coordination and leadership, and they need to be sustained over time,¹⁹ issues that were considered throughout the operation; and (iv) in addition to the studies conducted in Paraguay, noted above, and the tutoring experiences reported in paragraph 1.6, the activities to level up learning in Component 2 will draw on the rich experience of the Ayrton Senna Institute in Brazil, whose programs were implemented in the city of Manaus under loan [3397/OC-BR](#) (operation [BR-L1392](#)).
- 1.11 **Strategy of the operation.** With the foregoing as backdrop, this operation will complement the Project to Support Extended School Days and Improved Transportation Conditions for Students Attending Rural Official Schools (loan 3660/OC-PR: US\$20 million from the Bank's Ordinary Capital), which seeks to

¹⁸ The road to educational inclusion: four steps to develop systems to protect educational pathways: [Step 1: Educational exclusion in Latin America and the Caribbean: how systems to protect educational pathways can help](#); and [Step 2: How to design early warning systems: from systems based on expert knowledge and indicators to artificial intelligence](#).

¹⁹ Education systems require at least five years to implement simple innovations, and from 10 to 20 years for longer-term transformations. See Fullan, Michael (2001), *Los nuevos significados del cambio en educación*. Barcelona: Octaedro.

offer an attractive curriculum and resources to motivate students to attend school, improve their learning, and complete their schooling on time. This project involves 300 schools considered as “reinforced,” which offer the first two cycles of basic education. Reinforced schools are geographically located within the radius of smaller schools that have fewer physical and human resources. These schools are expected to progressively absorb the demand of the smaller schools. The activities of operation [3660/OC-PR](#) are implemented by the MEC’s Programs and Projects Execution Unit (UEPP). Following delays to the start of its implementation owing to the change of government in August 2018, which led to a decision to focus interventions and reduce the number of schools to 300, and the formation of the execution unit which was finalized in November 2019, loan [3660/OC-PR](#) is now in full execution, having reached 50% disbursement in November 2022. The extended school day project launched in March 2022 and is progressively adding new content and practices. Although the project to keep students in basic education, which is the subject of this Proposal for Operation Development, is financially and operationally independent, it is designed to complement the latter operation’s innovations. The tutoring programs and new learning spaces that will be provided with this new operation for the 300 schools in the extended school day project are complementary to Component 1 of operation [3660/OC-PR](#) (Development and implementation of pedagogic innovations, US\$13.4 million); and the additional investment of US\$10 million to strengthen the management capacity of the system and schools, through the system to protect educational pathways to be executed in Component 1 of this new operation, augments Component 2 of operation [3660/OC-PR](#) (Strengthening of school autonomy, US\$1.8 million). The proceeds of loan [3660/OC-PR](#) are wholly complementary to the new operation.

- 1.12 **Strategic alignment.** The program is consistent with the second Update to the Institutional Strategy (document AB-3190-2) and is aligned with the following development challenges: (i) Social Inclusion and Equality, by improving the quality of public education provided to students from lower income households, and enhancing their educational opportunities. It is aligned with crosscutting themes such as: (i) Gender Equality, by promoting activities to level-up learning that incorporate a girls and boys perspective in Component 1; (ii) Institutional Capacity, through the automation and improvement of processes, SIGED strengthening to enable it to provide timely information for decision making and monitoring of student progression; and (iii) Climate Change and Environmental Sustainability (document GN-2835-8), by setting up creative spaces (“maker” classrooms) that will make it possible to develop projects to overcome climate change and environmental sustainability challenges. [According to the multilateral development banks’ joint methodology for estimating climate finance](#), an estimated 2.85% of the resources of this operation contribute to the Bank’s target for climate finance (30% of the annual volume of approvals). In addition, the project will contribute to the Corporate Results Framework (CRF) 2020-2023 (document GN-2727-12) through the following indicators: Students benefited by education projects; and Agencies with strengthened digital technology and managerial capacity. In relation to the Skills Development Sector Framework Document (GN-3012-3), the project contributes to Challenge 2: Ensure that children and preadolescents develop the basic cognitive and socioemotional skills that will allow them to keep learning. It is also consistent with the IDB Group Country Strategy with Paraguay 2019-2023 (document GN-2958), in the strategic objective of: Improve the coverage and quality of social services; and in following two strategic areas: Public

management and institutions; and Human capital and living conditions, to improve student learning and promote high-level professionalization.

- 1.13 At the country level, the program is aligned with Paraguay's Education Action Plan (PAE) 2018-2023 and National Education Plan (PNE) 2024. These plans seek to prevent students from falling behind in their learning and help them to complete their schooling on time, particularly in the case of students from low socioeconomic or indigenous backgrounds and those with different educational needs. To that end, the MEC is promoting the extended school day; and it is offering programs that include the provision of free lunches and school supplies, along with other complementary programs such as arts, sports, and accelerated learning, and the use of technology through the possibility of accessing content on a MEC platform (MEC, 2019). Technology use in the classroom will be promoted, making learning relevant and interesting, and thereby fostering student retention and engaging their interest (Winner, Goldstein, and Vincent-Lancrin, 2013). However, many schools lack materials and specific or suitable spaces to engage in collaborative learning, logical thinking, disciplinary integration, and creativity; and/or they do not have suitably trained teachers (MEC, 2019). Support is therefore needed to ensure that schools have the necessary materials and staff to implement these programs that make education more relevant, and execute the PAE and the PNE successfully.

B. Objectives, components, and costs

- 1.14 The general objective of this operation is to contribute to improving education and reducing the dropout rate in the 1st and 2nd cycles of primary school. The specific objectives are to: (i) strengthen the capacities of the MEC to administer a quality public education service; (ii) improve access to personalized instruction; and (iii) expand effective access to teaching and learning resources. The operation has the following three components:
- 1.15 **Component 1. System to protect educational pathways (SPTE) (US\$1.8 million).** In order to strengthen the MEC's capacities to administer a quality public education service, this component will finance the implementation of an SPTE that includes the following (see [optional link 4](#) for further details): (i) adjustments to the functions of the application associated with the digital management of student records through the RUE system, to exploit its data with the aim of protecting and monitoring students' educational pathways; (ii) the implementation of an Internet and mobile application in schools of the 1st and 2nd cycle of basic education to record students' daily attendance; (iii) the design and implementation of an early warning system,²⁰ encompassing conceptual design, development and implementation of the software, the design of protocols for monitoring interventions with special attention to girls and

²⁰ Students at risk of dropout will be identified on the basis of indicators such as being over-age for their grade, absenteeism (an attendance rate of less than 30%), behavior (number of suspensions and disciplinary referrals), academic performance (below average performance in reading and math), and socioeconomic status (parents' occupation, their education level, and whether they are eligible for social benefits). The information will be obtained from the RUE, which, once upgraded, will be used as a monitoring tool, with special emphasis placed on the monitoring of boys and girls. The General Planning Directorate (DGP) will send the information to the municipios, regions, and schools to check on the families through home visits. Once the families have been located, they will be helped to enroll in nearby schools. The schools will track the students' educational pathways through their attendance and school performance, with information provided by the DGP at the school and classroom levels.

boys,²¹ and the use of historical records for predictive analysis; (iv) the optimization of information management, through the creation of technical validation teams, the implementation of quality alerts in relation to the relevant basic information (missing or inconsistent data), the design of data usability strategies and the implementation of a project follow-up tool; and (v) updating of the school infrastructure register managed in the RUE system, through data collection in schools and the supervision of the actions included in this component. These actions will be implemented as a pilot project in the 300 schools participating in the extended school day project and will later be rolled out to the remainder of schools in the 1st and 2nd cycle of basic education (5,600 schools).

- 1.16 **Component 2. Tutoring program to speed up learning (US\$3.1 million).** To improve access to personalized instruction, this component will deploy programs to level-up essential learning in mathematics and other MEC priority disciplines for students in the second cycle (4th-6th grade) of schools participating in the extended school day project. This will be done through remote and semi-face-to-face tutoring in the schools in question. These programs will be complementary to the ENA described above (paragraph 1.5) and will target the most vulnerable population groups, with the greatest learning deficits. Activities will include: (i) the training and certification of tutors from the implementing entities, to develop the protocols, didactic materials, telephony, navigation, and methodology that will be used in the leveling-up tutorials and hybrid education; (ii) the service support package (fees for the tutors, student quotas, cell phone balance, pedagogical material, etc.) that will enable students to access phone-based or semi-face-to-face tutorials; (iii) implementation of the tutorials, which starts with an initial assessment of the gaps in learning and continues with the confirmation of participants, delivery of the tutorials, weekly follow-up monitoring by the tutors, and the corresponding progress report; (iv) evaluation of impact and processes, to monitor progress, results with a breakdown of girls and boys, satisfaction levels, and the development of learning, attitudes, and well-being among both tutors and students; and (v) capacity building, equipment and human resources, and change management for the MEC technical staff in the different directorates involved, e.g. the curriculum, technology, and basic education evaluation directorates and those related to monitoring project execution (see [optional link 5](#) for further details).
- 1.17 The tutoring program will be run by implementing entities,²² with the MEC tasked with providing strategic definitions, monitoring, and quality control, as well as serving as liaison with the education system and dissemination of the results to all stakeholders. In the first year, a proof of concept and pilot program will be implemented for the intervention in mathematics, based on an adaptation of materials and processes used in other countries. In the second year, the

²¹ To implement timely support and remedial actions, it is essential to develop action protocols to enable system actors to deploy a set of interventions, programs, and/or services in risk situations. These protocols address the various situations, differentiated between boys and girls, leading to appropriate interventions for effective protection of education pathways.

²² The entities in questions may be foundations or universities with experience in implementing educational programs, for example. They will participate in both Component 2 and Component 3 and will be selected competitively on the basis of their experience, implementation teams, and capacity for interaction with the MEC.

mathematics program will be scaled up, and the science intervention will be piloted. New materials aligned with the contents of the extended school day project will be developed for this purpose. In the third year, the mathematics and science programs will be scaled up, and the literacy pilot will be rolled out, also with new specially designed content developed. The objective is to reach 20% of the most vulnerable population, including students at high and very high risk of dropout, based on both sociodemographic and academic data among the second cycle schools in the extended school day project. The fact that the implementation universe coincides with the aforementioned schools will make it possible to explore ways to make the most of the additional instruction time, including the provision of in-school tutoring, both remote and semi-face-to-face; for example, through the development of in-school experiments with supplementary calls to provide conceptual reinforcement.

- 1.18 **Component 3. Learning spaces (US\$4.2 million).**²³ In order to expand effective access to teaching and learning resources in the 300 schools of the extended school day project, this component will finance the following (see [optional link 6](#) for further details): (i) the implementation of dynamic activity zones (*rincones dinámicos*) and playgrounds for 1st and 2nd cycle schools and the provision of a starter kit containing practical materials; (ii) the implementation of thematic classrooms for schools in the second cycle of basic education, through physical adaptation of classrooms and the provision of furniture, equipment, and materials; (iii) the implementation of creative “makerspaces” by physically adapting spaces in schools and providing furniture, energy-efficient equipment, and materials. These “makerspaces” will work on projects related to climate change and environmental sustainability challenges, among other topics;²⁴ (iv) curricular alignment of pedagogical materials for use by the different learning spaces and their provision to the participating schools; (v) implementation of a mechanism for accessing the thematic classrooms and makerspaces in which schools and their teaching and management teams will participate in successive calls for proposals, presenting projects that describe how access to such spaces relates to their institutional educational project, and what activities and objectives they plan to achieve. Teacher training institutes could participate, with a view to generating capacities related to the culture of learning by doing, together with science, technology, engineering, and mathematics (STEM) practices; and (vi) training and monitoring of their teachers, school directors, and students, pedagogical and technical support in the field for the implementation of the pedagogical proposal through implementing entities. Work will also be done with MEC management teams, supervisors, and technical teams to build capacities at both the central and school levels; and a qualitative assessment of the uptake of the technologies in the education community will be conducted. The supervision and monitoring actions included in this component are also considered.

²³ None of the three types of learning spaces involve construction activities. but merely adaptation of existing spaces.

²⁴ Ceibal’s experience with the Ceilab laboratories program—creative spaces that are the model for this intervention—shows that 23% of the projects implemented by the schools that receive makerspaces aim to overcome climate change and environmental sustainability challenges. See <https://ceilab.ceibal.edu.uy/proyectos/buscar/?c=2>.

- 1.19 **Project administration (US\$900,000).** This will finance the procurement of goods and the contracting of consulting and nonconsulting services, as needed for the operation of the project's execution unit. It will also cover the costs of the external audit, monitoring, and follow-up expenses, and the evaluations provided for in the monitoring and evaluation plan (MEP) (see [required link 2](#)). The grant resources will be used to contract a technical coordinator for project execution.
- 1.20 **Beneficiaries.** The main beneficiaries will be the students of the first two cycles (1st-6th grades) of basic education, who will be supported with the SPTE and will have access to tutoring and new learning spaces. Qatar's "Educate a Child" program takes a holistic approach to addressing the various barriers that restrict access to and participation in the right to education. The operational definition of students at risk of school dropout is based on the fact that there are a variety of supply and demand factors that interact to influence how and why students drop out of school. These include, first, economic or social disadvantages arising from children's backgrounds (living in poverty, coping with a disability); and second, factors within the school (lack of safety, inadequate school infrastructure, and the quality or relevance of the instruction). A number of academic indicators predict school dropout, such as poor academic performance, failure to attain expected levels of learning, insufficient attendance (lack of attendance or regular absenteeism), and other patterns of behavior in school such as lack of interest in class. Thus, dropout risk factors stem from preexisting disadvantages compounded by difficulties faced in school. Before dropout occurs, children start to show signs of withdrawal and disengagement. The following indicators for the first two cycles of basic education (1st-6th grades) will be taken as a basis for determining the project's beneficiary population, according to the Educate a Child-Qatar criteria:²⁵ (i) Primary school repetition rate (1st-6th grade): 4.56%; (ii) Survival rate to the last grade of primary school: 84.15%; and (iii) Percentage of over-age students in 6th grade: 13.4%. As these indicators represent many of the characteristics of students at high and maximum risk, this program will be able to benefit close to 150,000 students, who are at risk of dropping out of primary education.

C. Key results indicators

- 1.21 At project completion, improvements should be visible in the dropout rate in the 1st and 2nd cycle of primary school and in mathematics learning in the 2nd cycle. The outcome indicators are as follows: (i) for Component 1, the percentage of schools that report individualized information on their students and have relevant data on school infrastructure and equipment; and the percentage of students in 1st-6th grade with monitored attendance and supported by the SPTE; (ii) for Component 2, 17,000 students benefited by tutoring programs; and (iii) for Component 3, the percentage of students in extended day schools that have access to new learning spaces (see [Annex II](#)).
- 1.22 **Cost-benefit evaluation.** This method estimates the project's economic return, by comparing the costs and benefits resulting from its actions. The total cost of the project is US\$10 million, which will be executed over a four-year period. The benefits are measured by the indicator "Learning improvement of 0.15 standard deviation."

²⁵ Educate A Child, Key Performance Indicators: Technical Guidelines (2021).

The program is shown to generate a return, with a positive net present value of US\$11.12 million over the entire period under consideration, and an internal rate of return of 17.1%, which is higher than the rate used to discount the net benefit flow, relative to the base case scenario to be evaluated. Several scenarios confirm the project's economic viability under more conservative assumptions than the base case scenario (7).

- 1.23 **Institutional analysis.** An institutional capacity analysis confirmed that the executing agency has fiduciary capacity commensurate with the dimensions of the project. Minor improvement needs were identified in the fiduciary area, to update the OEI on the use and application of the Bank's financial guidelines and procurement policies (paragraph 2.7).

II. FINANCING STRUCTURE AND MAIN RISKS

A. Financing instruments

- 2.1 This operation is an investment grant for a total amount of US\$10 million, which will be financed from the Education Above All (EAA) Fund. The disbursement period will be four years, which seems plausible given the pace of execution achieved by loan 3660/OC-PR and the management and coordination capabilities of the OEI, which will execute the operation.
- 2.2 Education Above All is a foundation that was created in Qatar in 2012. It seeks to build a global movement that contributes to human, social, and economic development through quality education. The foundation targets persons affected by poverty, conflicts, and disasters; and it advocates for the needs of out-of-school children and youth. It supports the Sustainable Development Goals related to quality education. EAA will provide US\$10 million to independently finance activities complementary to loan 3660/OC-PR. The funding for this project will be received through a project specific grant (PSG). The Bank will administer the PSG in accordance with the "Report on COFABS, Ad-Hocs and CLFGS and a Proposal to Unify Them as Project Specific Grants" (document SC-114). As envisaged in these procedures, EAA's commitment will be specified in an administration agreement, the general content of which has already been agreed with EAA as an annex to the framework agreement signed with the Foundation in November 2019. The funds for this project will be administered by the Bank, for which it will charge an administration fee of 5% of the grant amount, pursuant to the Bank's current policy on administration fees for donor contributions to trust funds and project-specific contributions, which is itemized in the project budget. The Board of Executive Directors is requested to authorize distribution of the proceeds of the administration fee among the relevant departments supporting the operation, to enable them to cover the costs of preparing and executing the EAA contribution (see paragraph 2.1).
- 2.3 All project costs, including taxes arising from procurement and contracting processes, will be eligible for financing from the proceeds of the PSG. [Required link 3](#) contains itemized budget data.

Table 1. Project cost (US\$)²⁶

Components	Total	%
Component 1: System to protect educational pathways (SPTE)	1,809,300	18.1
Software for the RUE system module optimized to support the protection of pathways	317,800	
Software for the daily student attendance application implemented	356,500	
Early warning system software designed and implemented	739,600	
Software for the optimized information management and project tracking module implemented	230,400	
Software for the RUE school building records and administration module implemented	165,000	
Component 2: Tutoring program to speed up learning	3,067,500	30.7
Content and awareness materials developed for tutoring in schools	175,000	
Students with personalized tutoring services implemented	2,025,000	
Diagnostic studies and evaluations developed	627,500	
Technical consulting services developed	90,000	
Monitoring system software developed and operational	150,000	
Component 3: Learning spaces	4,163,200	41.6
Dynamic activity zones (playgrounds) for the 1st and 2nd cycle, adapted and equipped	1,163,400	
Thematic classrooms for the 2nd cycle, adapted and equipped	1,125,000	
Creative spaces for 1st and 2nd cycle (makerspaces) adapted and equipped	1,125,000	
Pedagogical proposal document and access mechanisms developed and implemented	749,800	
Administration and supervision	460,000	4.6
PSG commission	500,000	5.0
Total PSG	10,000,000	100

2.4 The operation's estimated disbursement schedule will be as follows:

Table 2. Disbursement schedule (US\$)

Funds	Year 1	Year 2	Year 3	Year 4	Total
IDB	3,279,130	3,594,780	3,124,160	1,930	10,000,000
Percentage	32.79	35.95	31.24	0.02	100.0

B. Environmental and social risks

2.5 According to the Bank's Environment and Safeguards Compliance Policy (Operational Policy OP-703), this project is classified as a Category "C" operation ([optional link 10](#)), since the playground and classroom renovation works are of low complexity.

²⁶ The costs per subcomponent or main activity are indicative.

C. Fiduciary risks

- 2.6 A medium-low level of risk was identified, given the classification obtained in the institutional capacity assessment (see paragraph 1.23). This risk will be mitigated by providing the OEI with training on the Bank's fiduciary and procurement processes.

D. Other key issues and risks

- 2.7 Two high-level risks were identified: (i) Political environment. If the new authorities that take office in August 2023 wish to revise the scope of the project, this could affect fulfillment of the schedule. As the activities are linked to the start of the school year in March, priority will be given to starting the project at that time and presenting it to the new authorities as soon as they take office; and (ii) Project. If the MEC does not have sufficient technical staff to prepare the terms of reference/technical specifications, follow up on deliverables, and coordinate with the schools, fulfillment of the schedule could be impacted, which would affect project startup. This risk will be mitigated through interaction with the extended school day program; the hiring of a technical specialist for the program, and other MEC coordination and follow-up actions. In addition, four medium-high risks were identified: (i) Sustainability. The schools benefiting from the project may not have the necessary connectivity and/or equipment. This risk will be mitigated through coordination with the extended school day program and other MEC actions that will provide the services needed; (ii) Sustainability. Teachers might not take ownership and school communities may not be sufficiently aware of the nature of the project and resist implementation of Components 2 and 3. In order to mitigate this risk, both components include awareness-raising and training activities; and (iii) Potential turnover among school staff teams and directors, which could weaken the program and affect the Component 3 targets. To mitigate the two latter risks, the involvement of most of the teaching community will be prioritized as a school selection criterion.
- 2.8 **Sustainability.** The project is coordinated with the MEC's structural actions, such as information systems upgrading, leveling-up of learning, and improvement of learning spaces. These are included in the PNE, which has consensus and broad social and political support. The SPTE will not require major resources for its maintenance once its use has been extended, which is the focus of this operation. Moreover, everything points to an increase in resources for the education sector, which will reinforce the maintenance of learning spaces and the tutorials.

III. IMPLEMENTATION AND MANAGEMENT PLAN

A. Summary of implementation arrangements

- 3.1 **Beneficiary and executing agency.** The beneficiary and executing agency will be the Organization of Ibero-American States (OEI), of which the Republic of Paraguay is a member. The OEI is an international governmental organization for cooperation among Ibero-American countries in the fields of education, science, technology, and culture with a view to comprehensive development. Its current by-laws, which were signed on 2 December 1985, give it the mandate and capacity to execute the project. According to the institutional capacity analysis, the OEI satisfies the Bank's requirements and applicable standards to be a beneficiary of the proposed grant and to execute the project: (i) it has fiduciary capacity commensurate with the dimensions of the project to be executed and has experience working on Bank

- programs or those of similar multilateral agencies; (ii) it is able to apply the Bank's financial and procurement procedures; (iii) it has project cycle experience with a focus on procurement and financial management; and (iv) it does not have any legal impediment for participation as executing agency of the Qatar grant. It also has: (i) technical capacity, with institutional capital that makes it a valid reference for the education community, with human resources that provide technical and operational knowledge and experience; and (ii) previous experience with public administration projects in Paraguay, particularly in education and with education specialists, with emphasis on the implementation of pedagogical innovations. The governance framework of loan 3660/OC-PR, adapted as necessary, will be used to ensure close coordination with the MEC since this operation is aligned with its education strategy. The OEI will be responsible for technical and operational implementation for the execution of activities, including administrative tasks, procurement, and financial management. The project team will prepare and submit reports to the donor, based on OEI reports, pursuant to the provisions of the administrative agreement.
- 3.2 As execution unit, the OEI will be in charge of coordination, operations, and administration. This will involve the following tasks: (i) managing and monitoring the contracting and procurement of works, goods, and services; (ii) processing grant disbursements with the Bank; (iii) contracting the evaluations; (iv) making arrangements for the external audit; (v) preparing and submitting work plans to the Bank (including the financial plan, procurement plan, and annual work plan); (vi) submitting reports to the Bank (including audit, progress, evaluation reports) and other documents; and (vii) monitoring the supervision and oversight of works and service contracts. Each MEC mission unit will designate a technical liaison officer to coordinate with the execution unit on the issues for which it is responsible in the project, such as technical areas responsible for the activities and outputs. In addition, working committees will be organized for each line of action.
- 3.3 A project committee will be formed to support project execution, composed of a member of the Directorate General of Basic School Education and another member of the Programs and Projects Execution Unit (UEPP) linked to the extended school day program (both from the MEC), and the project's General Coordinator. The project committee will be established within three months following the date on which the grant agreement takes effect. Its main purpose will be to support the executing agency, and thus ensure adequate execution of the project's proposed interventions. Its functions will be to: (a) monitor the project implementation strategy with a view to minimizing execution delays; (b) evaluate and propose actions to achieve solutions and/or improvements in project management and implementation, validating their consistency with the project objectives; and (c) support coordination between the program execution unit and the national public agencies involved in implementation of the proposed interventions.
- 3.4 The project's Operating Regulations ([optional link 1](#)) will specify the execution mechanism, based on the activities needed to achieve the results and the operation's implementation strategy, and will include the following: (i) a description of the expected outputs, both quantitative and qualitative; (ii) the organizational arrangement and functions to be performed by the execution unit and other MEC internal areas; (iii) the key technical and operational arrangements for implementation, including eligibility criteria and expenditure targeting; (iv) arrangements for programming, monitoring, and evaluating outcomes; (v) financial, audit, and procurement procedures;

- (vi) mechanisms for updating the project Operating Regulations; and (vii) annexes that facilitate project implementation and monitoring, such as the Results Matrix ([Annex II](#)); risk analysis; Fiduciary Arrangements and Requirements ([Annex III](#)); the monitoring and evaluation plan ([required link 2](#)); and the project's multiyear execution plan ([required link 1](#)).
- 3.5 **Special contractual conditions precedent to the first disbursement of the grant:** (i) the OEI will have designated the project's general coordinator to be responsible for the project's operational and administrative management; (ii) the OEI will have approved the project Operating Regulations under the terms and conditions previously agreed upon with the Bank and the MEC; and (iii) an institutional cooperation agreement will have been signed between the MEC and the OEI, under the terms agreed upon with the Bank. This will specify the parties' obligations and commitments in project implementation, including the formation of technical committees to manage the project. These conditions are intended to ensure that the operating procedures are appropriate from the start of execution.
- 3.6 **Special contractual conditions of execution:** Before the start of activities, the following will be submitted to the Bank's satisfaction: (i) the composition of the project committee; (ii) the terms of reference for contracting the entities to support Component 2 implementation; and (iii) the mechanism for gaining access to learning spaces and the terms of reference for contracting the entities to support Component 3 implementation. These are necessary to ensure an adequate start of the main activities.
- 3.7 **Procurement.** The procurement of works and goods and the selection and contracting of consultants will adhere to the Policies for the Procurement of Works and Goods financed by the Inter-American Development Bank (document GN-2349-15) and the Policies for the Selection and Contracting of Consultants financed by the Inter-American Development Bank (document GN-2350-15) ([Annex III](#)). Tenders will be administered by the executing agency, with details to be defined in the grant agreement and the procurement plan. These documents will specify supervision modalities for the procurement of goods and nonconsulting services, and the contracting of works and consulting services financed by the Bank. In December of each calendar year, as of the date on which the grant agreement takes effect, the execution unit will submit the procurement plan, according to previously agreed upon guidelines, together with an annual work plan ([required link 1](#)).
- 3.8 **Disbursements.** Disbursements will be released mainly in the form of advances of funds to meet the project's actual liquidity needs, preferably semiannually, once at least 80% of the funds already advanced have been accounted for. Documentation requirements include the submission of expense justification forms and the financial planning spreadsheet. The documentation will be subject to ex post review.
- 3.9 **Audit.** The OEI will submit audited program financial statements to the Bank within 120 days after each fiscal year-end, pursuant to the Financial Management Guidelines for IDB-financed Projects (document OP-273-12). The final audited financial statements will be submitted within 120 days after the date of the final disbursement. The audit will be performed by an independent audit firm acceptable to the Bank.

B. Summary of arrangements for monitoring results

- 3.10 **Monitoring arrangements.** The project will adopt the Bank's supervision and monitoring arrangements, which will include: (i) at least two annual meetings to make a technical-operational review of progress, and for problem solving and risk mitigation (including updating of the risk analysis at the last meeting of each year). The institutional stakeholders and the Bank will participate in these meetings, and any management agreements reached will be duly disseminated; (ii) the implementation of a project management system for financial record-keeping and production of the semiannual report; (iii) semiannual progress reports on the achievements and problems faced in each component, and performance measured against the agreed-upon Results Matrix ([Annex II](#)); and (iv) use of the management tools referred to in the MEP ([required link 2](#)) and agreed upon in the launch workshop and the multiyear execution plan, as necessary to plan activities and processes to achieve the physical outputs, and midterm and final outcomes.
- 3.11 The agreement with EAA for execution of the funding for this project requires fulfillment of certain provisions agreed upon with the donor in the framework agreement ([optional link 9](#)) and in the administrative agreement that is expected to be signed after this document has been approved. The project team of the Education Division (EDU) is responsible for fulfilling these requirements, which include: (i) semiannual progress reports sent to the donor, which in addition to what is outlined in paragraph 3.9, will include the indicators requested by the EAA, as specified in the MEP ([required link 2](#));²⁷ (ii) timely preparation of the financial statement required for each tranche request (since the agreement states that up to 75 days may elapse between submission of these documents and payment by the EAA); and (iii) assurance of donor visibility as specified in the agreement, by displaying the EAA logo on project documents.
- 3.12 **Arrangements for evaluating results.** The following evaluations are envisaged ([required link 2](#)): (i) experimental evaluation of the pilot tutoring programs (in mathematics, science, and reading-writing); (ii) evaluation of management system processes, human resources, and infrastructure; and (iii) qualitative evaluation of the uptake of technologies in the education community. The first of these will use an experimental methodology with 3,600 students²⁸ from schools in the extended school day project, 1,200 assigned to the treatment group and 1,200 assigned to the control group in each case. The impact will be measured by the change in standard deviations in a test of the corresponding discipline. The evolution of management systems will be measured by the Bank's SIGED tool. A midterm and a final evaluation will be performed by contracted external consultants, when 50% and 80% of the funds have been executed, respectively.

²⁷ These reports will also incorporate the financial and physical progress of loan PR-L1097.

²⁸ Considering the dropout or possible loss of students between the baseline and follow-up surveys.

Development Effectiveness Matrix		
Summary		PR-G1002
I. Corporate and Country Priorities		
Section 1. IDB Group Strategic Priorities and CRF Indicators		
Development Challenges & Cross-cutting Issues	-Social Inclusion and Equality -Gender Equality and Diversity -Climate Change -Institutional Capacity and the Rule of Law	
CRF Level 2 Indicators: IDB Group Contributions to Development Results	-Students benefited by education projects (#) -Agencies with strengthened digital technology and managerial capacity (#)	
2. Country Development Objectives		
Country Strategy Results Matrix	GN-2958	Improve the coverage and quality of social services, Improve student learning and promote high-level professionalization.
Country Program Results Matrix		The intervention is not included in the 2022 Operational Program.
Relevance of this project to country development challenges (If not aligned to country strategy or country program)		
II. Development Outcomes - Evaluability		Evaluable
3. Evidence-based Assessment & Solution		8.9
3.1 Program Diagnosis		2.5
3.2 Proposed Interventions or Solutions		3.5
3.3 Results Matrix Quality		2.9
4. Ex ante Economic Analysis		6.5
4.1 Program has an ERR/NPV, or key outcomes identified for CEA		1.5
4.2 Identified and Quantified Benefits and Costs		3.0
4.3 Reasonable Assumptions		0.0
4.4 Sensitivity Analysis		2.0
4.5 Consistency with results matrix		0.0
5. Monitoring and Evaluation		8.8
5.1 Monitoring Mechanisms		2.8
5.2 Evaluation Plan		6.0
III. Risks & Mitigation Monitoring Matrix		
Overall risks rate = magnitude of risks*likelihood		Medium High
Environmental & social risk classification		C
IV. IDB's Role - Additionality		
The project relies on the use of country systems		
Fiduciary (VPC/FMP Criteria)		
Non-Fiduciary	Yes	Strategic Planning National System, Monitoring and Evaluation National System.
The IDB's involvement promotes additional improvements of the intended beneficiaries and/or public sector entity in the following dimensions:		
Additional (to project preparation) technical assistance was provided to the public sector entity prior to approval to increase the likelihood of success of the project		

Evaluability Assessment Note:

The general objective of this operation is to contribute to improve education and reduce the dropout rate in the 1st and 2nd cycle of primary education. To achieve this objective, the project proposes to work in three areas: (i) the capacities of the Ministry of Education and Science (MEC) to manage a high quality public education; (ii) access to personalized instruction; and (iii) effective access to resources for teaching and learning.

The diagnosis identifies that 62% of students have poor performance at the basic level in mathematics (ERCE, 2019). In 2016, the dropout rate was 4% in primary school (MEC, 2019). Thirty percent of the families absent from the school attributed it to a lack of services such as support, diagnosis, and tutoring (EPH, 2017). Ninety two percent of students do not have access to a device in their home (OEI, 2021). No school has space or furniture for collaborative work and at least 70% require improvements (JEE, 2022). The MEC faces connectivity deficiencies with schools and information (Eusebio, 2019). The evidence on the proposed solutions is based on Angrist et al. (2020), Fryer and Howard (2020) and Barrera-Osorio and Kagos (2021) among others.

The economic analysis is based on a cost-benefit analysis. It considers all the costs. The benefits are estimated through the returns to education in a working life between 15 and 60 years of age. This assumption is not justified, and points are deducted. A sustainability analysis is carried out, but it is not related to the main risks.

Monitoring is based on reports from the Iberoamerican States Organization (Organización de Estados Iberoamericanos) and the DGPE. The mechanisms to verify the delivery of some component 3 products are not specific enough, for which points are deducted. The evaluation plan proposes an experiment on the tutoring program in 142 schools to determine its impact on learning. The rest of the indicators will be evaluated with a reflexive methodology.

The proposal identifies eight risk out of which two are classified as high: request for adjustments by the new authorities in 2023 and that there is not enough human resources to follow up on deliverables. The mitigation measures proposed include the presentation of the project to the new authorities and allocate a technical specialist to follow up on deliverables.

RESULTS MATRIX

Program objective:	The general objective of this operation is to contribute to improving education and reducing the dropout rate in the 1st and 2nd cycles of primary school. The specific objectives are to: (i) strengthen the capacities of the Ministry of Education and Science (MEC) to administer a quality public education service; (ii) improve access to personalized instruction; and (iii) expand effective access to teaching and learning resources.
---------------------------	--

GENERAL DEVELOPMENT OBJECTIVE

Indicators	Unit of Measure	Baseline value	Baseline year	Expected year achieved	Cumulative year 4 target	Means of verification	Comments
General development objective: To contribute to improving education and reducing the dropout rate in the 1st and 2nd cycles of primary school							
1. Dropout rate in 1st-2nd cycle of primary school.	Students / Students	3.7%	2022	2025	3.4%	Unified Student Register (RUE), MEC-DGPE	The dropout rate will be reported and monitored for girls/boys.
2. Difference between treatment and control group in standardized 2nd cycle mathematics scores.	Standard deviation	0	2022	2025	0.10	Evaluation conducted by the program, Organization of Ibero-American States (OEI)	The indicator is calculated for a representative population of students participating in tutoring. Learning outcomes will be reported and monitored for each gender.

SPECIFIC DEVELOPMENT OBJECTIVES

Indicators	Unit of measure	Baseline value	Baseline year	Year 1	Year 2	Year 3	Year 4	Project completion	Means of verification	Comments
Specific development objective 1: Strengthen the capacities of the Ministry of Education to administer quality public education										
1.1 Percentage of 1st and 2nd cycle basic education schools that reported relevant information on students, and on their family structure and socioeconomic conditions, for girls/boys in the last year.	Schools / Schools	0	2022	5%	30%	60%	90%	90%	RUE system report, SPTE module OEI	To be reported through an RUE module.
1.2 Percentage of 1st-6th grade students subject to attendance monitoring.	Students / Students	0	2022	5%	30%	60%	90%	90%		This will be obtained through the attendance monitoring application. A student is considered under control if he/she has daily records during the school year.

Indicators	Unit of measure	Baseline value	Baseline year	Year 1	Year 2	Year 3	Year 4	Project completion	Means of verification	Comments
1.3 Percentage of students monitored for the protection of pathways with protocols differentiated for girls/boys.	Students / Students	0%	2022	5%	30%	60%	100%	100%		The indicator is calculated for female/male students who attend 1st-2nd cycle basic education schools, and are registered for tracking in the system to protect educational pathways (SPTE) module, monitoring frequent attendance, grades, socioeconomic status.
1.3.1 Percentage of high-risk and very high-risk students monitored for pathway protection, with protocols differentiated for girls/boys.	Students / Students	0%	2022	5%	30%	60%	90%	90%		<i>The indicator is calculated for students attending 1st-2nd cycle basic education schools. It is proposed that high and very high risk be defined according to the Educate a Child-Qatar criteria.¹</i>
1.4 Percentage of school buildings registered and administered in the RUE.	Buildings / Buildings	0%	2022	80%	90%	90%	90%	90%	RUE system report, Infrastructure module, MEC-General Directorate of Economic Policy (DGPE)	The indicator is calculated for buildings belonging to schools participating in the extended school day project. These schools should have up-to-date information on building infrastructure, classrooms, offices, and other spaces such as laboratories, toilets, and workshops (quantities and dimensions). A building is considered registered and administered when such data is updated in the RUE system.
Specific development objective 2: Improve access to personalized instruction										
2.1 Students benefiting from the tutoring programs.	Students	0	2022	1,000	5,850	10,600	0	17,450	Semiannual report (OEI)	"Benefiting" assumes participation in at least half of the face-to-face tutoring sessions during the school year.

¹ Educate A Child, Key Performance Indicators: Technical Guidelines (2021).

Indicators	Unit of measure	Baseline value	Baseline year	Year 1	Year 2	Year 3	Year 4	Project completion	Means of verification	Comments
Specific development objective 3: Expand effective access to teaching and learning resources										
3.1 Percentage of students with access to learning spaces.	Students / Students	0	2022	7%	23%	31%	0	31%	Execution report -OEI	The indicator is calculated for students of schools participating in the extended school day project. Access is verified through the use of learning spaces. For the definition of learning spaces (see Optional link 4, VI, A, B, and C).

OUTPUTS

Indicators	Unit of measure	Baseline value	Baseline year	Year 1 2023	Year 2 2024	Year 3 2025	Year 4 2026	Project completion	Means of verification	Comments
Component 1: System to protect educational pathways (SPTE)										
1.1 Software for the RUE system module optimized to support the protection of educational pathways.	Software	0	2022	0	1	1	1	1	Semiannual report (OEI), based on the RUE, MEC-DGPE	The system is considered optimized when it records complementary data associated with the student's social status and family background.
1.2 Software for the daily student attendance monitoring implemented.	Software	0	2022	0	1	0	1	1	Semiannual report (OEI)	The system is considered implemented when the application is available to teachers and they have received training.
1.3 Early warning system software differentiating girls/boys designed and implemented.	Software	0	2022	0	1	0	1	1	Semiannual report, (OEI)	Module implementation is verified by the first external consultation by end users.
1.4 Software for the information management module optimized and project tracking implemented.	Software	0	2022	1	0	0	1	1	Semiannual report, (OEI)	Module implementation is verified by the first external consultation by end users.
1.5 Software for the RUE school buildings registration and management module implemented.	Software	0	2022	0	1	1	1	1	Semiannual report, (OEI)	This module provides comprehensive support to educational infrastructure management processes. Module implementation is verified by the first external consultation by end users.

Indicators	Unit of measure	Baseline value	Baseline year	Year 1 2023	Year 2 2024	Year 3 2025	Year 4 2026	Project completion	Means of verification	Comments
Component 2. Tutoring program to speed up learning										
2.1 Packages of materials for tutoring content, awareness-raising, and promotion in schools, developed with a girl/boy, diversity, and climate change perspective.	Materials	0	2022	1	3	4	1	9	Materials received from tutors, (OEI)	The packages include: (i) teacher training contents; (ii) contents of the three disciplines in which tutoring is offered; and (iii) promotion of the program in the tutorials (users). Pro-girls/boys indicator
2.2 Students with personalized tutoring services implemented.	Students	0	2022	1,000	5,850	10,600	0	17,450	Semiannual report, (OEI)	Students are deemed to receive the services when they have access to materials and tutors.
2.3 Diagnostic studies and evaluations conducted.	Studies	0	2022	1	3	4	1	9		Studies and consulting services are considered completed when their final reports have been approved.
2.4 Technical consulting service reports approved.	Reports	0	2022	2	2	2	0	6		
2.5 Tutoring monitoring system software developed and operational.	Software	0	2022	0	1	1	1	1	Reports issued from the RUE system, and OEI	The software is considered operational when: (i) dropout alerts based on artificial intelligence are introduced; (ii) a system to monitor students at risk of dropout is implemented to protect educational pathways, based on the risk factors detected; and (iii) new functions, such as roll call, are implemented.
Component 3. Learning spaces										
3.1 Dynamic activity zones (playgrounds) for the 1st-2nd cycle, suitable and equipped.	Dynamic activity zones	0	2022	33	67	0	0	100	Semiannual report (OEI)	A dynamic activity zone is considered adapted and equipped with the playground upgraded according to project plans, and teaching materials are in place (certificate of receipt) and teachers have been trained (training report).

Indicators	Unit of measure	Baseline value	Baseline year	Year 1 2023	Year 2 2024	Year 3 2025	Year 4 2026	Project completion	Means of verification	Comments
3.2 Thematic classrooms for the 2nd cycle suitable and equipped.	Classrooms	0	2022	5	15	25	0	45		They are considered suitable and equipped when their physical adaptation is completed, and they receive equipment and technology and teaching materials (certificate of receipt) and the teachers have been trained (training report).
3.3 Creative spaces for 1st-2nd cycle (makerspaces) suitable and equipped.	Spaces	0	2022	5	15	25	0	45		
3.4 Pedagogical proposal documents and access mechanisms developed and implemented.	Document	0	2022	1	1	0	0	2		Pedagogical proposals developed and aligned to the curriculum. Among other things, these will make it possible to develop projects to solve climate change and environmental sustainability challenges, using the different learning spaces and making them available to participating schools, based on a defined access mechanism.

Country: Paraguay

Division: EDU

Operation No.: PR-G1002

Year: 2022

FIDUCIARY AGREEMENTS AND REQUIREMENTS

Executing agency: Organization of Ibero-American States (OEI)

Operation name: Basic Education Stay-in-School Support for Official Schools Participating in the Project to Support Extended School Days

I. FIDUCIARY CONTEXT OF THE EXECUTING AGENCY

1. Use of country systems in the operation¹

<input type="checkbox"/> Budget	<input type="checkbox"/> Reports	<input type="checkbox"/> Information system	<input type="checkbox"/> National Competitive Bidding (NCB)
<input type="checkbox"/> Treasury	<input type="checkbox"/> Internal audit	<input type="checkbox"/> Shopping	<input type="checkbox"/> Other
<input type="checkbox"/> Accounting	<input type="checkbox"/> External control	<input type="checkbox"/> Individual consultants	<input type="checkbox"/> Other

2. Fiduciary execution mechanism

<input checked="" type="checkbox"/>	Particularities of fiduciary execution	<p>The executing agency will be the Organization of Ibero-American States (OEI). The OEI is an international governmental organization for cooperation among Ibero-American countries in the fields of education, science, technology, and culture, in the context of comprehensive development.</p> <p>The funds to be executed by the OEI will come from the Education Above All (EAA) Foundation and will be transferred to the OEI account. The grant proceeds will be used to independently support activities that are complementary to grant PR-L1097 - Project to Support Extended School Days and Improved Transportation Conditions for Students Attending Rural Official Schools.</p>
-------------------------------------	--	--

3. Fiduciary capacity

Fiduciary capacity of the executing agency	Analysis performed through the institutional capacity analysis platform (ICAP) found that the OEI satisfies the Bank's requirements and applicable standards for executing grant funds. However, the strengthening and updating of staff on the Bank's operating policies and procedures will be monitored.
--	---

¹ Any system or subsystem that is subsequently approved may be applicable to the operation, in accordance with the terms of the Bank's validation.

4. Fiduciary risks and risk response

Risk taxonomy	Risk	Risk level	Risk response
Systems	The main areas of improvement are focused on: (i) adaptation of the OEI management system to handle the project and issue financial reports; and (ii) training for the OEI fiduciary team in the use and application of the Financial Management Guidelines for IDB-financed Projects (documents GN-2811-1; OP-273-12).	Medium-low	Adaptation of the system to the project structure. Training.
Institutional	The main area of improvement is focused on: (i) Training for the OEI fiduciary team in the use and application of the Bank's procurement policies (documents GN-2349-15 and GN-2350-15).	Medium-low	Mitigation will be provided through: (a) training in the use and application of the new procurement policies; and (b) the project Operating Regulations, approved by resolution, will indicate the different types of procurement processes with their estimated timeframes.
Technical design	The Ministry of Education and Science (MEC) will prepare terms of reference and technical specifications; and the OEI will receive these technical documents and use them to prepare the documents for the bidding or procurement process. Procurement delays could occur if coordination between the MEC and the OEI in preparation of bidding documents does not function properly, and if the MEC does not have sufficient capacity to produce the technical documents.	Medium-High	The project Operating Regulations should indicate responsibilities, deadlines, and coordination mechanisms for the preparation of the different technical and fiduciary inputs for bidding and contracting. In addition, the capacity of the MEC will be strengthened to formulate terms of reference, technical specifications, and other technical inputs for project procurement.

5. Policies and guidelines applicable to the operation: Document GN-2811-1 (document OP-273-12). Procurement: Documents GN-2349-15 and GN-2350-15. In both cases, any subsequent update thereof.

6. Exceptions to policies and guidelines: None.

II. CONSIDERATIONS FOR THE SPECIAL PROVISIONS OF THE GRANT AGREEMENT

For the purposes indicated in Article 4.10 of the General Conditions, the Parties agree that the applicable exchange rate shall be as indicated in paragraph (b)(i) of said Article. To determine the equivalence of expenses incurred in local currency charged against the local contribution, or of the reimbursement of expenses charged to the grant, the agreed-upon exchange rate shall be the rate in force on the date on which the borrower, the executing agency or any other natural or legal person to whom the authority to make expenditures has been delegated, actually makes the respective payments to the contractor, supplier, or beneficiary.
The OEI will submit annual financial statements, with specific terms of reference acceptable to the Bank, within 120 days after each fiscal year-end. The final audit report will be submitted within 120 days after expiration of the current deadline for the last disbursement.

III. AGREEMENTS AND REQUIREMENTS FOR PROCUREMENT EXECUTION

<input checked="" type="checkbox"/>	Bidding documents	The procurement of works, goods and nonconsulting services, executed in accordance with the Bank's procurement policies (document GN-2349-15) and subject to international competitive bidding (ICB), will use the Bank's standard bidding documents (SBDs), or those agreed upon between the executing agency and the Bank for the procurement in question. Similarly, consulting services will be selected and contracted pursuant to the Bank's consultant selection policies (document GN-2350-15), using the standard request for proposals (SRP) issued by the Bank, or as agreed upon between the executing agency and the Bank for the selection in question. The technical specifications and the procurement terms of reference will be reviewed by the project sector specialist during the preparation of selection processes. This technical review may be performed ex ante and is independent of the procurement review method.								
<input checked="" type="checkbox"/>	Procurement supervision	<p>Supervision will be performed ex post, except in cases where ex ante supervision is warranted. The country system will not be used, owing to the nature of the OEI. The supervision method—(i) ex ante or (ii) ex post—will be decided for each selection process. Ex post reviews will be conducted annually in accordance with the project supervision plan, which may be changed during execution. Ex post review reports will include at least one visit to perform a physical inspection, selected from the procurement processes subject to ex post review [at least 10% of contracts will be physically checked]. The inspection verifies the existence of the procurement, while verification of quality and compliance with specifications is left to the sector specialist. The threshold amounts for ex post review are as follows:</p> <table><tr><th>Executing agency</th><th>Works</th><th>Goods / services</th><th>Consulting services</th></tr><tr><td>OEI</td><td>US\$5 million</td><td>US\$ 500,000</td><td>Firms: US\$ 200,000 Individual consultants: 100,000</td></tr></table>	Executing agency	Works	Goods / services	Consulting services	OEI	US\$5 million	US\$ 500,000	Firms: US\$ 200,000 Individual consultants: 100,000
Executing agency	Works	Goods / services	Consulting services							
OEI	US\$5 million	US\$ 500,000	Firms: US\$ 200,000 Individual consultants: 100,000							

<input checked="" type="checkbox"/>	Records and files	The executing agency will maintain filing systems to store complete and orderly documentation of all stages of procurement processes (precontract, contract, and postcontract). The provisions on filing provide for documents to be stored in accordance with the Bank's procurement policies.
-------------------------------------	-------------------	---

Main procurement items

Description of procurement	Selection method	New procedures / tools	Estimated date	Estimated amount (US\$)
Goods				
Equipment for dynamic activity zones (makerspaces)	ICB		20 August 2023	675,000
Equipment for thematic classrooms, 2nd cycle	ICB		20 August 2023	675,000
Works				
Adaptation of school buildings	Shopping		27 July 2023	1,800,000
Nonconsulting services				
Events and printing costs	Shopping		16 June 2024	179,800
Firms				
Awareness-raising on learning spaces and participation mechanisms, training for the education community and follow-up of the pedagogical proposal	Quality- and cost-based selection (QCBS)		12 May 2023	540,000
Hiring of consulting firms to implement literacy tutorials	QCBS		16 August 2025	225,000
Hiring of consulting firms to implement science tutorials	QCBS		31 August 2023	675,000
Hiring of a consulting firm to implement math tutorials	QCBS		12 April 2023	1,125,000
Hiring of consulting firm to assist in intervention and change management processes	QCBS		29 April 2024	345,600

Description of procurement	Selection method	New procedures / tools	Estimated date	Estimated amount (US\$)
Hiring of a consulting firm for the development of training, awareness, and implementation of the mobile and web application	QCBS		1 April 2024	202,500
Contracting of a consulting firm to develop and implement the alert system, data analytics, and prediction and monitoring of cases and interventions	QCBS		29 November 2023	384,000
Individual consultants				
Contracting of individual consultants	Selection of individual consultants (3 CVs)		30 September 2023	264,000

The 18-month procurement plan can be consulted [here](#).

IV. FINANCIAL MANAGEMENT AGREEMENTS AND REQUIREMENTS

<input checked="" type="checkbox"/>	Programming and budget	The OEI will centralize the coordination of execution. The budget will be programmed, managed, and executed by the OEI under the zero-based budgeting system. No execution challenges are foreseen.
<input checked="" type="checkbox"/>	Treasury and disbursement management	<p>Program disbursements will be made through advances of funds, which will be corroborated by the presentation of a detailed monthly financial plan for up to six months, and another of longer duration, making it possible to determine the program's actual demand as derived from the multiyear execution plan, the annual work plan, and the procurement plan. The second and subsequent disbursements will require justification of at least 80% of the funds previously advanced. A special bank account will be opened for the exclusive use of the program. The disbursement mechanism will be electronic and the currency for managing the operation will be the U.S. dollar.</p> <p>The exchange rate agreed upon by the executing agency for the rendering of accounts will be the rate prevailing on the date on which the respective payments are made, unless the borrower decides otherwise during the negotiation of the grant. The operation will work mainly with a financial period of six months.</p>
<input checked="" type="checkbox"/>	Accounting, information systems, and reporting	Although the modified cash accounting principle is used in Paraguay, IDB-financed project accounts will be kept on a cash basis. The OEI will use its own system.

		As a complement to the policies and guidelines applicable to the operation, the project Operating Regulations will be used with the documented definition of workflows and internal controls.
<input checked="" type="checkbox"/>	External control and financial reports	The OEI will select and contract external audit services pursuant to terms of reference previously agreed upon with the Bank. These will specify the type, timing, and scope of the audit. The executing agency will submit annual audit reports for the program, with financial statements that include: a statement of cash received and disbursements made, a statement of cumulative investments, notes to the financial statements, and a project management statement by the executing agency. The audit report will include an evaluation of the internal control system. The project will require the selection of an independent audit firm, of eligible or eligible plus level, which will be financed from program funds. The selected external auditor and the auditing standards to be applied will be acceptable to the Bank. The cut-off date will be 31 December and the deadline for submission will be 120 days thereafter.
<input checked="" type="checkbox"/>	Financial supervision of the operation	The Bank's financial specialist will conduct at least one "on-site" review each year, as well as "desk" reviews. The auditor will verify that program funds are being executed in accordance with the Bank's fiduciary rules and policies and conditions, as set forth in the project Operating Regulations. Fiduciary supervision visits for financial management will include verification of the fiduciary arrangements used for project administration, and follow-up on the implementation of recommendations issued by the IAF when applicable.

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-___/22

Paraguay. Nonreimbursable Investment Financing GRT/ ___-_____. Basic
Education Stay-in-School Support for Official Schools Participating
in the Project to Support Extended School Days

The Board of Executive Directors

RESOLVES:

1. That the President of the Bank ("Bank"), or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such agreement or agreements as may be necessary with the *Organización de Estados Iberoamericanos* (OEI), for the purpose of granting it a nonreimbursable investment financing for a sum of up to US\$10.000.000 chargeable to the resources granted by Education Above All Foundation, pursuant to the agreement or agreements specified in paragraph 2 below, and to adopt any other measures as may be pertinent for the execution of the project proposal contained in document PR-_____.

2. 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 agreement or agreements with Education Above All Foundation as may be necessary to receive and administer resources for the purposes described in the project proposal specified in paragraph 1 above, and to adopt any other measures as may be pertinent for the execution of said agreement or agreements.

3. That the President of the Bank, or such representative as he shall designate, is authorized to distribute the administrative fees received by the Bank among the relevant departments for which additional workload is generated by virtue of the resources granted by Education Above All Foundation.

4. That the authorization granted in paragraph 1 above will be effective once the Bank and Education Above All Foundation have entered into the corresponding agreement or agreements to which reference is made in paragraph 2.

(Adopted on ___, _____, 2022)