

## TC ABSTRACT

### I. Basic Project Data

▪ Country/Region:	EL SALVADOR/CID - Isthmus & DR
▪ TC Name:	Promoting a Culture of Integration and Equal Opportunities for Youth Living in Poverty
▪ TC Number:	ES-T1260
▪ Team Leader/Members:	ZOIDO LOBATON, PABLO (SCL/EDU) Team Leader; GUTIERREZ RIVERA, AMINTA TERESA (SCL/EDU); CENTENO LAPPAS, MONICA CLARA ANGELICA (LEG/SGO); CONTRERAS GOMEZ, RAFAEL EDUARDO (SCL/EDU); YAMAGIWA ORELLANA, TAKAYOSHI JOSE (CID/CES); CRAUSAZ SARZOSA, ERNESTO PATRICIO (VPC/FMP); ALEMAN, MARCO ANDRES (VPC/FMP); MUNGUIA ALDANA, KAREN ELAY (CID/CES); PARODI, SANDRO (SCL/SPH); MOLINA DE DARDON, GABRIELA MARIA (CID/CES); MELERO GARCIA, ISABEL CRISTINA (SCL/EDU)
▪ Taxonomy:	Client Support
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	10 Oct 2017
▪ Beneficiary:	Youth population in vulnerable communities
▪ Executing Agency:	FUNDACION FUTBOL POR SIEMPRE
▪ IDB funding requested:	\$ 750,000.00
▪ Local counterpart funding:	\$ 3,475,174.00
▪ Disbursement period:	36 months
▪ Types of consultants:	Individuals
▪ Prepared by Unit:	Education
▪ Unit of Disbursement Responsibility:	Country Office El Salvador
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	Yes
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality

### II. Objective and Justification

- 2.1 The purpose of this technical cooperation is to promote equal opportunities and social integration for young people living in poverty through a comprehensive intervention that fosters educational and employment opportunities.
- 2.2 The interruption of the educational process depends on supply and demand factors. The former comprises limited access to secondary education, school curriculum inadequacy to labor market demands, and a low-quality education, among others. Demand factors encompass high opportunity costs to continue upper secondary studies, inaccurate perceptions about returns to education, lack of opportunities to high quality post-secondary public education, incomplete markets for higher education student loans, and the presence of gang's violence.
- 2.3 For a youth living in poverty conditions, all these factors generate a vicious circle of high secondary school dropout, truncated human capital accumulation, low labor market participation, and low paid or informal jobs. Worse still, facing this life prospect, they are more likely to engage in risky behaviors, such as teen pregnancy and local gang affiliation. In other words, they quit the education system early because they lack equal opportunities to escape poverty through education. Thus, intergenerational

transmission of poverty remains intact and the promise of education to effectively promote social mobility falls short.

- 2.4 To break with the vicious circle, interventions should be comprehensive. They must start early, before students drop out the education system; they must be long term, to provide continuous and personalized support so that students can commit to accumulate human capital until they successfully enter the labor market. The final goal is to equip them with the necessary skills for a knowledge economy and thus increase their chances to obtain highly paid and formal jobs. Finishing secondary education is not enough anymore. A comprehensive intervention implies addressing existing learning gaps in upper secondary, developing key socioemotional skills demanded by the private sector, familiarizing students with options and role models beyond their school and community so that they reinforce their long-term commitment to invest in education, building elements to deal with violence, and finally, providing post-secondary scholarships and professional opportunities through internships with the private sector.
- 2.5 This TC is consistent with the Update of the Institutional Strategy (UIS) 2016-2019 (AB-3008). It is aligned with the development challenge “social inclusion and equality by promoting inclusion among high school attendants” and with the Sector Framework Document of Education and Early Childhood Development (SFD) (GN-2708-3). It is particularly aligned with the SFD as the TC focuses on guaranteeing an improved transition from the school into the workplace. It is also consistent with the IDB's Strategy for a Social Policy Favorable to Equality and Productivity (GN 2588-4) in terms of promoting equity and productivity. Furthermore, the TC is aligned with the Bank's El Salvador Country Strategy 2015-2019 (ES-P1072), as it aims to improve the human capital of the country (par. 3.3). The bank's intervention will help Fundación Forever to scale up the number of beneficiaries and strengthen its organization. Beneficiaries are youth living in poor communities with a high prevalence of gang violence. Moreover, people with disabilities due to conflict and gang violence will have high priority to become beneficiaries of the project

### **III. Description of Activities and Outputs**

- 3.1 III.1 Component 1. Formative Process in upper secondary (US\$ 519,200). The objective is to reduce the student dropout rate in upper secondary school and provide students with a life project to escape poverty through education. This component will finance a comprehensive set of activities that includes: i) Academic reinforcement tutoring to foster human capital accumulation, ii) training for digital technology literacy, iii) visits to universities and private companies to reinforce commitment to studies, iv) sports activities to foster teamwork skills, promote health, and lower stress levels, and v) motivational workshops to develop grit and perseverance. These activities are implemented by partner universities. Academic reinforcement will be carried out by university students coming from the same communities and who are currently benefiting from Fundación Forever post-secondary scholarships. They play a key role model for younger kids. This component will benefit 3000 students throughout the duration of the project.
- 3.2 III.2 Component 2. Equal opportunities for post-secondary education and labor market insertion (US\$ 95,824). The objective is to foster post-secondary education for students that successfully complete the Formative Process and to improve their chances of getting into the labor market with formal and highly paid jobs. The component will finance the following: i) one-year technical formation courses on highly demanded skills, iii) academic support throughout university studies, iv) socioemotional skills workshops, and v) transportation and per-diem costs for beneficiaries participating in visits and internships at private companies. This

component will directly benefit 300 students throughout the duration of the project and 2550 student when considering counterpart resources.

- 3.3 **III.3 Component 3. Institutional Strengthening (US\$ 134,976).** The objective is to strengthen Fundación Forever so that it can successfully scale-up operations and increase its impact on equal opportunities and social integration in El Salvador. The component will finance the following activities: i) an institutional redesign which includes a new organizational chart, and an operations and functions manual, ii) preparation of a development and fundraising strategy that incorporates the latest and most innovative fundraising ideas, iii) technical assistance to continuously improve the intervention and to help implement the fundraising strategy, and iv) a program coordinator to monitor implementation and systematize the experience. This component is key to guarantee the sustainability of the initiative.
- 3.4 **Component I: Formative Process in upper secondary .** The objective is to reduce the student dropout rate in upper secondary school and provide students with a life project to escape poverty through education.
- 3.5 **Component II: Equal opportunities for post-secondary education and labor market insertion.** The objective is to foster post-secondary education for students that successfully complete the Formative Process and to improve their chances of getting into the labor market with formal and highly paid jobs
- 3.6 **Component III: Institutional Strengthening.** The objective is to strengthen Fundación Forever so that it can successfully scale-up operations and increase its impact on equal opportunities and social integration in El Salvador

#### IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Formative Process in upper secondary	\$ 519,200.00	\$ 1,070,200.00	\$ 1,589,400.00
Equal opportunities for post-secondary education and labor market insertion	\$ 95,824.00	\$ 2,350,950.00	\$ 2,446,774.00
Institutional Strengthening	\$ 134,976.00	\$ 54,024.00	\$ 189,000.00

#### V. Executing Agency and Execution Structure

- 5.1 The executing agency is Fundación Forever, a nonprofit based in El Salvador.
- 5.2 The institution has been operating in the country over the last 13 years with the mission of fostering social integration, so that Salvadorians from all levels of society can effectively contribute to the educational, social, and cultural transformation of their country. Fundación Forever manages its financial resources through a trust fund, in order to increase transparency. The financial vehicle has been set in Banco Agrícola, one of the two largest financial institutions in the country. This technical cooperation will take advantage of this institutional setting. It will coordinate technical issues and implementation with the Fundación Forever team and it will make payments through the trust fund.

#### VI. Project Risks and Issues

- 6.1 Student dropout. There is a moderate risk that several students might drop out of the program because of academic failure. To mitigate this risk, Fundación Forever will closely follow student performance and provide early academic and motivational support to vulnerable students.

- 6.2 Financial restrictions. Fundación forever has set high beneficiary targets in order to scale-up its impact, and there is a risk that a lack of financial resources becomes a bottle neck. To mitigate this risk, Fundación Forever will strengthen its organizational capabilities, develop a strong fundraising plan, and will also consider piloting a student loans scheme tailored to students' socioeconomic conditions.

## **VII. Environmental and Social Classification**

- 7.1 The ESG classification for this operation is "C".