

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

SURINAME

BASIC EDUCATION IMPROVEMENT PROJECT

(SU-0023)

LOAN PROPOSAL

This document was prepared by the project team consisting of: Jesús Duarte (RE3/SO3) Project Team Leader; Jaime Vargas (RE3/SO3); Dougal Martin (RE3/OD6); Marcelo Pérez Alfaro (COF/CSU); Diego Sebastian Buchara (LEG/OPR); and Angela Cuesta (RE3/SO3).

CONTENT

EXECUTIVE SUMMARY

I.	FRAME OF REFERENCE	1
A.	The education sector.....	1
1.	Low internal efficiency and quality of education.....	2
2.	Institutional, organizational, operational and management problems of the system	6
B.	The country's sector strategy.....	7
C.	Bank country strategy.....	8
D.	Previous Bank's sector assistance	8
E.	Coordination with other development agencies	9
F.	The program strategy.....	9
II.	THE PROGRAM	12
A.	Objectives and description	12
B.	Program components	12
1.	Component I. Support the establishment of a revised basic education cycle and quality improvement (US\$ 4,245,000).....	12
2.	Component II. Renovation of school and MOECD infrastructure (US\$ 3,500,000)	16
3.	Component III. Strengthening of management capacities at the school level (US\$ 2,150,000)	16
4.	Component IV. Modernization and strengthening of the MOECD and the school system (US\$ 1,450,000).....	19
5.	Project administration (US\$ 900,000).....	21
C.	Cost and duration.....	21
D.	Terms and conditions of the loan	23
III.	PROGRAM EXECUTION	24
A.	The borrower and executing agency.....	24
B.	Program execution and administration.....	25
C.	Accounting and internal control	26
D.	Procurement of goods and services	27
E.	Execution and disbursement schedule.....	27
F.	Advance of funds, recognition of local counterpart and retroactive financing.....	27
G.	Monitoring and evaluation	28

H.	Financial statements and auditing	29
IV.	VIABILITY AND RISKS	30
A.	Institutional viability	30
B.	Financial viability	30
C.	Environmental and social impact	30
D.	Benefits	31
E.	Risks	32

ANNEXES

ANNEX I	Logical Framework
ANNEX II	Procurement Plan

BASIC SOCIOECONOMIC DATA

The basic socioeconomic data for Suriname available on the Internet at the following address:

<http://www.iadb.org/RES/index.cfm?fuseaction=externallinks.countrydata>

INFORMATION AVAILABLE IN THE FILES OF RE3/SO3

PREPARATION:

- Supporting Primary Education In Suriname through Curriculum and Teacher Development. Jan van den Akker and Susan McKenney. Consultancy Report for the Inter-American Development Bank.
- Renovation and Rehabilitation of School Infrastructure of Primary Education in Suriname. Roberto Wong Loi Sing. Consultancy Report for the Inter-American Development Bank.
- Institutional Reform of the Ministry of Education and Community Development and Strengthening of School Management. Claudia Uribe. Consultancy Report for the Inter-American Development Bank.
- Provision of Learning Support Materials and Curriculum Development in Primary Education in Suriname. E. Marshall and J. Greven. Consultancy Report for the Inter-American Development Bank.
- Suriname Basic Education Improvement Program: Action Plan. Nathalie Cely. Consultancy Report for the Inter-American Development Bank.
- Suriname Basic Education Improvement Program. Marie Levens. Consultancy Report for the Inter-American Development Bank.
- Suriname: Institutional Strengthening of the MOECD. Diagnosis and Recommendations. Claudia Uribe. Consultancy Report for the Inter-American Development Bank.
- Preparation of an Investment Project in Basic Education in Suriname. Technical Cooperation Plan of Operations (ATN/JF-6999-SU).

EXECUTION:

- Operational Manual (OM).

ABBREVIATIONS

CARICOM	Caribbean Community
GDP	Gross Domestic Product
IDB	Inter-American Development Bank
IFF	Intermediate Financing Facility
LAN	Local Area Network
MIS	Management Information System
MOECD	Ministry of Education and Community Development
MPW	Ministry of Public Works
NCE	National Congress of Education
NGO	Non-Governmental Organization
OC	Ordinary Capital
OM	Operational Manual
PCR	Project Completion Report
PCU	Project Coordination Unit
TC	Technical Cooperation
TOR	Terms of Reference
TTC	Teacher Training Colleges



SURINAME

IDB LOANS

APPROVED AS OF OCTOBER 31, 2003

	US\$Thousand	Percent
TOTAL APPROVED	77,287	
DISBURSED	53,159	68.78 %
UNDISBURSED BALANCE	24,128	31.21 %
CANCELATIONS	5,207	6.73 %
PRINCIPAL COLLECTED	10,946	14.16 %
APPROVED BY FUND		
ORDINARY CAPITAL	75,257	97.37 %
FUND FOR SPECIAL OPERATIONS	2,030	2.62 %
OTHER FUNDS	0	0.00 %
OUTSTANDING DEBT BALANCE	42,213	
ORDINARY CAPITAL	40,804	96.66 %
FUND FOR SPECIAL OPERATIONS	1,409	3.33 %
OTHER FUNDS	0	0.00 %
APPROVED BY SECTOR		
AGRICULTURE AND FISHERY	30,321	39.23 %
INDUSTRY, TOURISM, SCIENCE AND TECHNOLOGY	5,956	7.70 %
ENERGY	0	0.00 %
TRANSPORTATION AND COMMUNICATIONS	0	0.00 %
EDUCATION	4,130	5.34 %
HEALTH AND SANITATION	7,767	10.04 %
ENVIRONMENT	0	0.00 %
URBAN DEVELOPMENT	9,800	12.67 %
SOCIAL INVESTMENT AND MICROENTERPRISE	10,300	13.32 %
REFORM AND PUBLIC SECTOR MODERNIZATION	9,013	11.66 %
EXPORT FINANCING	0	0.00 %
PREINVESTMENT AND OTHER	0	0.00 %

* Net of cancellations with monetary adjustments and export financing loan collections.



SURINAME

STATUS OF LOANS IN EXECUTION AS OF OCTOBER 31, 2003

(Amount in US\$ thousands)

APPROVAL PERIOD	NUMBER OF PROYECTS	AMOUNT APPROVED*	AMOUNT DISBURSED	% DISBURSED
<u>REGULAR PROGRAM</u>				
1999 - 2000	1	10,300	991	9.62 %
2001 - 2002	3	18,065	3,357	18.58 %
TOTAL	4	\$28,365	\$4,348	15.33 %

* Net of cancellations. Excludes export financing loans.



Inter-American Development Bank
Regional Operations Support Office
Operational Information Unit

Suriname

Tentative Lending Program

2003

Project Number	Project Name	IDB US\$ Millions	Status
SU0023	Basic Education Improvement Project	12.5	
SU0027	Strengthening of Public Sector Management	5.0	
SU0028	Health Sector Facility	5.0	
Total - A : 3 Projects		22.5	
TOTAL 2003 : 3 Projects		22.5	

2004

Project Number	Project Name	IDB US\$ Millions	Status
SU0024	Financial Reform Program	10.0	
Total - A : 1 Projects		10.0	
TOTAL - 2004 : 1 Projects		10.0	

Total Private Sector 2003 - 2004	0.0
Total Regular Program 2003 - 2004	32.5

* Private Sector Project

BASIC EDUCATION IMPROVEMENT PROJECT

(SU-0023)

EXECUTIVE SUMMARY

Borrower:	Republic of Suriname		
Executing agency:	Ministry of Education and Community Development (MOECD)		
Amount and source:	IDB: (OC/IFF)	US\$	12,500,000
	Local:	US\$	1,500,000
	Total:	US\$	14,000,000

Financial terms and conditions: The interest rate, credit fee, and inspection and supervision fee mentioned in this document are established pursuant to document FN-568-3 Rev. and may be changed by the Board of Executive Directors, taking into account the available background information, as well as the respective Finance Department recommendation. In no case will the credit fee exceed 0.75%, or the inspection and supervision fee exceed 1% of the loan amount¹.

Amortization Period:	25	years
Grace Period:	5	years
Disbursement Period:	maximum	5 years
	minimum	3 years
Interest Rate:	Adjustable option/LIBOR-based option	
Supervision and Inspection:	0.0	%
Credit Fee:	0.25	%
Currency:	US dollars from the Single Currency Facility	

Objectives: The goal of the program is to contribute to the development of human capital in Suriname. The objective of the project is the improvement of the quality and internal efficiency of basic education by means of updating the educational contents and processes, providing inputs to schools and supporting institutional reforms to strengthen the MOECD and build-up management capacities at the school level.

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

Description:

The proposed program comprises the following components: support for the establishment of a revised basic education cycle and quality improvement; renovation and rehabilitation of school infrastructure in basic education; strengthening of management capacity at the school level; and modernization and strengthening of the MOECD.

1. Component I. Support the establishment of a revised basic education cycle and quality improvement

This component is aimed at supporting the MOECD with the establishment of a basic education cycle and improving the quality and efficiency of basic education, through the development of a new curriculum, a better provision of textbooks and teaching materials, and an improved teacher education and training, all consistent with the new basic education cycle. Major lines of action include: a redesigned curriculum for basic education (grades 1 to 10); increased links with the two existing years of preprimary education; reform of the existing examination system to make it consistent with the new basic education cycle; moving up the tracking system to the end of basic education cycle; reorganization of schools in tune with the new cycle; provision of textbooks and teaching materials for basic education schools and training of teachers in the revised curriculum; and design and introduction of a multi-grade model of education for the interior. By the end of the program, a decrease in 20% of drop-out and repetition rates, and an increase of 10% in students finishing the 6th grade are expected.

2. Component II. Renovation of school and MOECD infrastructure

The goal of this component is to improve the condition of school infrastructure in Suriname, by renovating primary and junior secondary schools that are in poor condition and rehabilitating those that are in unacceptable conditions and are considered unsafe. The project will assist the MOECD in the reorganization of school infrastructure to implement the new basic education cycle. The program will also fund small renovations and minor repairs to schools that are in good or reasonably good condition (transferring responsibility to the school level), but this work will be done under component III. The activities for this component are as follow: (i) renovation and rehabilitation of schools; and (ii) renovation of certain MOECD units that are also in bad shape and need repairs.

3. Component III. Strengthening of management capacities at the school level

Through this component, the program seeks to build management capacities and autonomy at the school level, which will enable the transferring of functions and resources to schools. For this purpose, actions will be taken in order to: strengthen the leadership capacity of school principals; give better access to teachers and schools to educational resources; support school improvement initiatives and build school-level autonomy, decision making and planning capacity; strengthen the administrative capacity within schools; and develop a management model for schools in the Interior consistent with its geographical and cultural characteristics.

4. Component IV. Modernization and strengthening of the MOECD and the school system

This component is aimed at the modernization of the MOECD and the adjustment of the present institutional setting to make it consistent with the new basic education cycle. It involves the financing of consulting services and the provision of equipment and software in order to strengthen identified areas within the Ministry. This component requires the development of the following activities: (i) institutional reorganization of the MOECD which consists of reforming its structure, strengthening its personnel management capacity and strengthening and upgrading its Management Information System (MIS); (ii) provision and rehabilitation of equipment for the modernization of the MOECD; and (iii) outcome evaluation and studies in selected areas.

Bank's country and sector strategy:

As articulated in the 2000 Country Paper (GN-2080-1), the goal of the Bank's country strategy is to support policy and institutional reforms in order to provide institutional and incentive frameworks. The principal areas of focus are: private sector development; modernization of the state; human resource development, and environmental management. The proposed program would contribute to human resource development by improving quality and increasing efficiency in basic education. It would also contribute to modernization of the state by strengthening the institutional capacity of the Ministry of Education.

Coordination with other development agencies:

The major international donors to education in Suriname are the Netherlands and Belgium. During the preparation of the present operation, the project team has maintained constant communication and sharing of information with them in order to ensure coordination and consistency of policies being implemented in the education sector (see ¶ 1.38).

**Environmental/
social review:**

This program will finance actions that can be classified in three main areas, technical assistance for components such as the establishment of a basic education cycle, strengthening of school management capacity and modernization of MOECD, provision of textbooks and teaching materials and construction activities for the component of renovation and rehabilitation of school infrastructure. No negative environmental impacts are expected from technical assistance (which represents the majority of financed actions) due to the nature of these activities. As for school renovation and rehabilitation activities, the Operational Manual (OM) of the program will include technical and environmental mitigation criteria for all construction activities, in order to comply with environmental protection standards. No adverse long-term impact is envisaged.

Benefits:

The program will have a positive impact on the education sector. The establishment of a 10-year basic education cycle along with the updating of the curriculum is a major step in the direction of modernizing the education system in Suriname. The combination of a new basic education cycle and curriculum, better trained teachers and more and better educational materials will result in higher levels of internal efficiency (higher promotion rates, lower repetition and dropout rates and a higher proportion of children remaining during and finishing the whole basic education cycle) and an increased quality of education. These changes will increase the human capital of the children of the poorest segments of the population, which are the ones who are primarily affected by the present shortcomings of the education system in Suriname (see ¶ 4.5 to ¶ 4.8).

Risks:

Transparency in the use of funds. A previous IDB loan on education was canceled because of irregularities found in the civil works component. To diminish the risk of this situation happening again, several aspects have been put in place in the execution strategy of the project (see ¶ 4.9).

**Special
contractual
clauses:**

Conditions prior to first disbursement:

Evidence that the MOECD has established the Project Coordination Unit (PCU), appointed its director and hired necessary personnel (see ¶ 3.7)

Evidence that the MOECD has contracted the external auditing firm (see ¶ 3.24).

Entry into effect of the OM of the program (see ¶ 3.8)

**Poverty-targeting
and social equity**

This operation qualifies as a social equity enhancing project, as described in the indicative targets mandated by the Bank's Eighth

classification:	Replenishment (document AB-1704). Furthermore, this operation qualifies as a poverty targeted investment (PTI) (see ¶ 4.4). The borrowing country will be using the 10 percentage points in additional financing (see ¶ 4.4).
Exceptions to Bank policy:	None.
Procurement:	The procurement of all civil works, goods, and related services will follow the Bank's procurement rules. (see ¶ 3.14 to 3.16). A detailed procurement plan for the operation is in Annex II.

I. FRAME OF REFERENCE

A. The education sector

- 1.1 The educational system of Suriname is comprised of pre-primary, primary (grades 1 to 6), junior secondary (grades 7 to 9-10), senior secondary (grades 11 to 13), and tertiary schooling. In the 1999-2000 school year, there were approximately 73,700 students enrolled in pre-primary and primary education, 28,000 in junior secondary, 8,600 in senior secondary and 2,600 in tertiary education.
- 1.2 Coverage indicators for the first cycles of education are high: net enrollment rate for preprimary education is about 82% and for primary education 90.4%. The adult literacy rate in Suriname is above the average for Latin America and the Caribbean: 93% compared to the average of 88% for Latin America and the Caribbean in 1999.
- 1.3 Education is coordinated, managed, regulated, and financed by the Ministry of Education and Community Development (MOECD). The MOECD is responsible for the provision of public education throughout the country. The ministry is represented in each of the 10 administrative districts by a district inspector. The district inspector reports to the Chief Inspector in the ministry, who then reports to the Assistant Permanent Secretary for Education.
- 1.4 There are 306 primary schools, 117 junior secondary schools, 22 senior secondary schools, 3 higher vocational schools and one university in Suriname. Roughly half of all of primary and junior secondary schools in the country are operated by religious organizations that are mostly financed and regulated by the MOECD. They have the same national curriculum and use the same textbooks as in public schools, depending on the MOECD for the delivery of textbooks and learning materials. Although each religious organization is responsible for the recruitment of teachers, these must be selected from the same pool of teacher training college graduates. Their salaries are also predetermined by the government using the same scale used for government teachers.
- 1.5 The education system uses tracking based on students' performance on national and school tests to determine their progress within the school system. Once tracks are determined in early stages of students' lives, they do not have a second chance to take alternative paths. At the end of the primary education cycle, students that are awarded with a Primary School Leaver's Certificate are sent into one of six streams in junior secondary school, according to their scores on the sixth grade examination. This tracking process is repeated at the end of junior secondary school for those students enrolled in the general stream of junior secondary school. Those students who pass that test can then enter one of six more streams in senior secondary school; again their options are determined according to their test results. Finally, at the end of the senior secondary education cycle, students graduating from senior secondary academic school may enter University of

Suriname, while those graduating from senior secondary vocational school go on to higher vocational education.

- 1.6 Suriname invests a larger share of national resources in education than many countries in Latin America and the Caribbean Region: in 1998, public education amounted to more than 5% of Gross Domestic Product (GDP), roughly 30% of total government employment, and 20% of total government budget. This is higher than most countries in the region, where 3 to 4% of GDP is typical. Over the last five years, the total budget for the MOECD has averaged US\$ 37 million per year. Of this, roughly 80% went to primary and junior secondary education, 7% to senior secondary, and 13% to tertiary education. Approximately 90% of the total budget is allocated to personnel expenditures. Despite of the amount of resources allocated to education, the sector suffers serious problems in at least two areas: (i) the low quality of the service provided; and (ii) institutional, organizational, operational and management problems in the system.

1. Low internal efficiency and quality of education

- 1.7 Despite high enrollment ratios, primary and secondary education in Suriname shows unsatisfactory results. Internal efficiency of the education system is problematic: promotion rates are inadequate and student dropout and repetition rates are high. This implies that a large amount of resources is either being wasted or inefficiently used at schools².
- 1.8 Most children begin primary school, but only a third finish the primary education cycle without repeating a grade, and only about 50% of those who start primary education receive a Primary School Leaver's Certificate. Repetition rates range from 25% in first grade to 18% in sixth grade. Dropout rates are 7% to 8% in primary education. In junior secondary education repetition and dropout rates are higher in all tracks: between a quarter and a third of all students either repeat each grade or drop out each year.
- 1.9 Although there are no studies on school failure particular to Suriname, studies in other countries have found a direct link between school quality and grade repetition. Inadequate teacher preparation, an outdated curriculum, and the lack of learning materials contribute to high levels of grade repetition and dropout rates. On the other hand, the tracking system, which assigns students at a very early stage on to dead-end options, often unrelated to student's interests and expectations, is also likely to affect students' motivations to remain in school.
- 1.10 Those students who do eventually graduate from secondary school lack many of the skills necessary to meet the labor market requirements. The usefulness of technical/vocational training appears extremely limited since there is little articulation between the offered skills training and the needs of local employers. Besides, in the last two decades education research has found that both private

² More information can be found in IDB's *Suriname Education Sector Study*, February 1998.

and social returns from general education exceed those from technical/vocational education.

- 1.11 The unemployment rate for youths between the ages of 15 and 24 ranged from 22% to 31% in the years 1993 to 1997. Among this age group, the unemployment rate was especially high for graduates of technical/vocational schools.³ Given that situation, there is an absolute lack of interest and commitment for students in those tracks to perform well in their studies.
- 1.12 **Outdated curriculum.** The Surinamese curriculum was developed based on the Dutch curriculum. Although the original Dutch curriculum went through multiple transitions and improvements, Surinamese curriculum hardly changed since its initial adoption from the Netherlands in the 1970s.
- 1.13 During the past 15 years, there have been only two attempts to revise and update the curriculum, with mixed results. The first attempt was funded by the Dutch government in the early 1980s. This initiative was particularly concerned with the development of textbooks and training of teachers. However, the resulting curriculum was not in line with the students' environment and experiences. The second attempt was part of a 1987 Inter-American Development Bank (IDB) project, which began to develop new curricular materials that paid special attention to Surinamese culture and emphasized active student participation. Although employing a better pedagogical approach, these materials introduced a new problem: while the old textbooks had been reusable, the new materials had to be replaced each year. When the project was terminated early and the government was unable to assume the recurrent cost for producing and distributing the new materials, subsequent students had no texts or instructional materials⁴.
- 1.14 Language poses a key problem with regard to the curriculum in Suriname. A critical issue is the language of instruction in schools. Because of Suriname's great ethnic diversity with 26 spoken languages within the country, many students do not speak Dutch at home; the current curriculum, however, does not take that into account. It was developed with the underlying assumption that the students have complete fluency in Dutch by the 4th year of primary education. However, this assumption does not match the reality of an important group of disadvantaged students, hindering their ability to succeed academically and increasing their dropout and repetition rates.
- 1.15 Another related language issue has to do with Suriname's linguistic isolation within the region. The current foreign language instruction system is not sufficient

³ More information about youth unemployment can be found in Institute of Social Studies' *Social Development and Poverty Reduction Strategy for Suriname*, Hague and Paramaribo, August 1999.

⁴ *The Program to Improve the Quality of Primary Education* was cancelled before the completion of the project because financial irregularities were found in the school construction component (see paragraphs 1.35 and 1.36). More information can be found in IDB's *Suriname Country Paper 1999-2001*, March 1999.

to keep pace with Suriname's increasing economic links with English-, Portuguese- and Spanish-speaking countries. Especially as a member of the Caribbean Community (CARICOM) as well as the global economy, it is essential for Surinamese nationals to have a good command of English. Yet the current curriculum does not offer extensive and inclusive language instructions to enable students to reach this minimum level of English proficiency.

- 1.16 **Tracking system.** The way in which the tracking system operates is problematic for at least four reasons: (i) the tracking system is based on a single measure of student achievement and ignores students' preferences; (ii) the examination system to rank and track students is not completely standardized across all students and schools; (iii) the tracking of students occurs at an early age; and (iv) once the students have been channeled into the different streams, the system does not allow them to transfer among the streams in the context of a modular system.
- 1.17 Until 1994 the tracking of students depended exclusively on a national exam. However, due to the low passing rates of the national exams, in 1994 individual schools were entitled to provide their own end-of-cycle examinations, which were later combined with the national exams to determine students' final academic standing. Individual school tests do not follow any specific procedures, thus hindering objective evaluation and comparison of student performance and undermining the effectiveness of the examination system.
- 1.18 Furthermore, the system is over-reliant on a single test at the end of each education cycle as the basis for allocating further educational options. As mentioned earlier, tracks are determined for all students depending solely on the end-of-cycle examination scores. Additionally, the results of the national examinations are not currently used as a guideline for educational policy. Although these national examination scores may yield some useful information to improve the educational quality, combining them with the individual school examination scores makes it practically impossible for the Ministry of Education to conduct effective evaluations and assessments. Suriname does not participate in the Caribbean Examination Council, which makes their examinations incompatible with other Caribbean nations.
- 1.19 Secondary and tertiary education also suffer from the aforementioned problems, but these levels must also deal with an educational tracking system that assigns many students to educational streams that are not in line with their interests. There is no interaction between students in technical/vocational courses and those in academic courses. Credits are incompatible and thus there is absolutely no opportunity for either group of students to get experiences in the other areas once their stream is determined.
- 1.20 **Poor teaching.** Low standards and poor quality characterize teaching. Very often the least qualified junior secondary students enter the Teacher Training Colleges (TTCs), which are the institutions responsible for pre-service training for primary

and junior secondary teachers in Suriname. Although the MOECD occasionally offers special courses for teachers, there is no in-service teacher training program in place to permanently upgrade the qualifications of the teaching force.

- 1.21 Most often, students enroll in TTCs not because they are interested in teaching, but because they are weaker academically and their test scores do not allow them a better option within the secondary education tracking system. According to school officials, a minor proportion of the students enrolled in TTCs show interest in teaching. This can be blamed partly on the low salaries and status of teachers in general. Many teachers from primary to higher vocational levels frequently have a job aside from their teaching profession.
- 1.22 TTCs have insufficient instructional resources and are inadequately staffed and maintained. The TTCs existing facilities are in very poor condition, creating a negative environment for learning.
- 1.23 **Shortage of teaching materials.** At present, schools are desperately short of textbooks and other learning materials to support quality education. Although it is the responsibility of the MOECD to provide the resources, shortage of funding to purchase and reproduce learning materials, and an inadequate management of the process of distribution prevents schools from receiving enough of these essential supplies in a timely manner. Insufficient learning support materials and their poor quality do not only have a negative effect in teaching, but contribute to student failure and low quality of education.
- 1.24 **Poor school facilities.** Education facilities are also in need of attention. As stated earlier, only less than 5% of the education budget is allocated for equipment and facility maintenance. A recent study on school infrastructure in Suriname found that only 10% of schools were in good condition, 40% needed painting and minor repairs, 35% were in bad shape and needed moderate renovation, and 15% needed major renovation and rehabilitation. Several new school constructions are being planned by the government to replace schools that have deteriorated beyond repair. However, the progress has been slow without sufficient government's financial support. The funding of a program to rehabilitate schools in the worst conditions is being negotiated with the Dutch Government.
- 1.25 **Education in the Interior.** There are approximately 70 schools, 9,500 pupils and 490 teachers in the interior region of the country. Education in the interior clearly lags behind education in the coastal areas. All educational indicators in terms of access, promotion and achievement are below national averages. Repetition and dropout rates are at least 50% higher than in the coastal region. Teacher shortage is not uncommon in the interior because working there is seen to be undesirable. Great distances to be traveled, difficult and expensive transportation, inappropriate housing for teachers, risk of tropical diseases and social isolation combined with poor school infrastructure and lack of materials and training complicate the problem. All this poses a significant challenge to the MOECD and

suggests the need to seek alternative methods for providing services in that region.

2. Institutional, organizational, operational and management problems of the system

- 1.26 The institutional structure of the education system reduces the ability of schools to perform efficiently and prevents good sectoral performance. The institutional concentration of responsibilities in the MOECD (financier, purchaser, employer, regulator, and manager of the providers) over-burdens the Ministry with too many functions leaving it with few possibilities to address the strategic issues of the sector or to deliver good quality service. Moreover, such institutional structure leaves schools without the means, authority and incentives to improve.
- 1.27 Expenditure on education is almost entirely controlled by the MOECD and schools have no control or discretion over resources or staff. Under the current budget allocation system, allocations for each school are determined almost completely by inputs, e.g. payroll, expenses and running costs, with little consideration for the number of pupils or educational achievement. As a result, schools have few incentives to improve their performance or to develop better ways of resource usage. This situation is aggravated by low parental involvement in local schools, which in turn, leads to scarce accountability of teachers and principals' performance.
- 1.28 The functioning of the MOECD is negatively affected by a number of problems. Among the more salient are the following: heavy structure; lack of formal horizontal communication channels among the bureaus; and duplication of tasks, and poor development of strategic tools such as management information systems, which hinders MOECD's capacity to perform and deliver. In addition, the public education system has one non-instructional staff member for every 2.5 teachers, which suggests that administration absorbs an inordinate and unjustifiable amount of resources from the sector⁵.
- 1.29 A high proportion of the MOECD financial resources is devoted to personnel expenditures. This leaves insufficient funding for complementary inputs including supplies, equipment and school maintenance. On average, less than 5% is set aside to cover the costs of equipment, supplies and maintenance fees, in a situation where nearly 60% of schools need maintenance repairs to fulfill the most basic services including water, toilets, and blackboards. This acute shortage of supplies and maintenance not only deprives students of their fundamental academic environment, but also reduces the effectiveness of teachers, thereby lowering educational quality and reducing efficiency. This problem is aggravated by the poor distribution system that connects the central ministry to individual schools. Although lack of money to finance transportation is a contributing

⁵ See D. Chapman and M. Levens. Suriname Education Sector Study, mimeo, 1997.

factor, the major problems seem to lie in the ordering procedures of materials and in their storage environment at central and school levels.

- 1.30 Teachers are selected, appointed and paid by the MOECD and monitored by school inspectors. This leaves school principals with little authority over teachers. Moreover, since on-site school visits are rarely conducted by school inspectors, teachers do not have any incentives to improve their performance or ultimately to comply with their duties. Teachers' pay is not dependent on their performance output at all; due to the high degree of unionization in Suriname, the only significant influence in government's wage setting process is the collective bargaining initiated by the teachers' trade unions.⁶

B. The country's sector strategy

- 1.31 Currently, the MOECD is finalizing a process of defining a long-term plan (15 to 20 years) of education development in Suriname with the participation of key stakeholders through a National Congress of Education (NCE), which has held several meetings during the 2001-2003 period. The final policy document from the NCE is currently being revised by the MOECD.
- 1.32 The NCE policy document is based on a previous MOECD document called "Strategic Plan for the period 2000-2005" written at the beginning of the current government. Some of the major issues that have been discussed and approved at the NCE are the transformation of existing 6-year primary education level and 4-year junior secondary education level into a 10-year basic education level and the strengthening of the links with preprimary education⁷. This will reduce the rigidity of the education system and allow all students to be provided with a single general/academic track up to at least 10th grade, after which there will be the first end-of-cycle examination.
- 1.33 Other areas of policy related to the afore mentioned problems that are addressed by the MOECD Strategic Plan and the NCE are: revision of the general curriculum for basic education; reform of the existing examination system to link it to quality improvement; moving up of the tracking of students to senior secondary education and adjustment of its criteria and tools; reform of the system of teacher education and training; establishment of multi-grade schools in the interior; decentralization of responsibilities to school districts and school level; improvement of education statistics and school information systems; establishment of a comprehensive monitoring and inspection network; and renovation and upgrading of school building facilities. Although the details of the proposed policies are yet to be determined, this is a very notable initial step toward the improvement of education in Suriname.

⁶ More information about the importance of trade unions in determining teacher salaries can be found in Institute of Social Studies' *Social Development and Poverty Reduction Strategy for Suriname*, Hague and Paramaribo, August 1999.

⁷ 95% of primary education schools offer 2 years of preprimary education.

C. Bank country strategy

- 1.34 As articulated in the 2000 Country Paper (GN-2080-1), the goal of the Bank's country strategy is to support policy and institutional reforms in order to provide institutional and incentive frameworks. The principal areas of focus are: private sector development; modernization of the state; human resource development, and environmental management. The proposed program would contribute to human resource development by improving quality and increasing efficiency in basic education. It would also contribute to modernization of the state by strengthening the institutional capacity of the Ministry of Education.

D. Previous Bank's sector assistance

- 1.35 Assistance in education from the Bank has been limited to the Program to Improve the Quality of Education (SU-0006), initiated in 1987 for a total of US\$10 million. That project provided for: (i) development of curriculum and improvement of instructional materials in order to encourage more active student participation and make the content and examples more relevant to Surinamese students; (ii) provision of instructional materials; (iii) production and distribution of instructional materials and supplies; and (iv) construction and operation of a Learning Resource Center. The Bank canceled the project in 1993 due to problems in local oversight and follow-through in the construction of the Learning Resource Center, which was a responsibility of the Ministry of Public Works (MPW). The MOECD was responsible for the other components through a project executing agency. Only some materials for the first three primary grades had been developed and distributed by the time the project was canceled.
- 1.36 The Project Completion Report (PCR) stated the following to be the main reasons for the difficulties in the execution of the project: (i) The project executing agency had great difficulties to monitor the construction of the Learning Resource Center which was a responsibility of the MPW. The involvement of two ministries in the execution of that component (with little coordination between them) resulted in long delays and poor control and supervision of the activities and expenses made, which ultimately led to the cancellation of the project. (ii) The executing agency had little experience in multilateral projects and did not have the necessary administrative and technical personnel for the execution of the operation. Local counterpart personnel was scarce or most of the time not available. (iii) The Bank's field office was small at that time and did not have enough personnel to assist the executing agency. (iv) Political instability of the country (there was a military coup in 1989).
- 1.37 The Bank has recently financed two social sector studies in Suriname. In 1997 and early 1998 the Bank prepared an education sector study that evaluated the situation and performance of the sector and recommended a number of ways to improve it. The Bank also financed the "Suriname Social Development and Poverty Reduction Strategy," which made a number of recommendations for

improvement of the sector. This project has taken the recommendations of both of these studies into account.

E. Coordination with other development agencies

- 1.38 The major international donors to education in Suriname are the Netherlands and Belgium. Dutch support has been focused on providing instructional materials and supplies at the primary level –particularly in the interior; developing apprenticeship programs in vocational/technical education; supporting higher education; and currently it is preparing and negotiating with the government a package of actions that complement the present operation (including a crash school building program to rehabilitate schools in the worst condition). Belgian assistance has been in the form of Belgian advisors to the MOECD and university scholarship programs. There are also several direct university-to-university collaborative projects between Dutch and Belgian universities and the University of Suriname. During the preparation of the present operation, the project team has maintained constant communication and sharing of information with the mentioned donors in order to ensure coordination and consistency of policies being implemented in the education sector.

F. The program strategy

- 1.39 Solving the multiple problems of Surinamese education requires a long-term process. Some issues, such as the transformation of the curriculum into a basic education cycle, the gradual transfer of some responsibilities from the MOECD to the schools, and the reform of the teacher training system, have been raised during the discussions of the NCE and are now part of the long-term plan of education development. On the other hand, some other issues, such as the guidelines for upper secondary education, are not as developed as the latter and there is still need for additional studies and discussions in order to reach a national policy agreement. Other aspects, especially those related to teacher working conditions and incentives, are part of an agenda that requires a civil service reform, which is beyond the scope of the MOECD and of this project⁸.
- 1.40 Given the duration of this operation and the level of consensus and agreement among different stakeholders, the program will focus on supporting the government in taking the first steps towards the solution of some of the problems mentioned in the diagnosis section, aiming to set the stage for additional reforms in the future. The program will assist the MOECD to improve the quality and internal efficiency of basic education, to gradually transfer some functions to the local and school levels, and to strengthen key areas of the ministry in order to improve its performance as the director of the whole system.

⁸ At current stage, studies are being prepared with financial assistance from the Bank in order to support the government with the necessary studies and inputs for a civil service reform (“Strengthening of public sector management” SU-0027).

- 1.41 To deal with the problems of quality and low internal efficiency of basic education, the project will help the MOECD in the following areas:
- a) Transform the existing 6-year primary education level and 4-year junior secondary education level into a 10-year basic education level. This will imply: (i) revising and updating the current curriculum; (ii) reorganizing school infrastructure, administrative staff, and teachers; (iii) phasing out the different junior secondary streams into general education; and (iv) retraining basic education teachers in the revised curriculum.
 - b) Special attention will be given in the new basic education curriculum to find ways to tackle problems related with the language issue described in paragraph 1.14, which is one of the causes of the low promotion rates in the first grades of primary education.
 - c) Provision of textbooks and teaching materials and teacher training consistent with the revised curriculum.
 - d) Support government efforts to reform pre-service and in-service teacher training.
 - e) Reform the existing examination system, which is solely linked to tracking, to make student assessment a tool for education policy and improvement of learning; and moving-up and adjustment of the tracking of student to senior secondary education.
 - f) Support renovation and rehabilitation of school infrastructure in basic education.
- 1.42 The combination of a revised curriculum, more and better teaching materials and textbooks for pupils and teachers, better trained teachers and upgraded school infrastructure with remedial courses for disadvantage students, will help the MOECD in improving the promotion rates in the first grades of the new basic education cycle. The elimination of tracking examinations at the end of 6th grade will result in more children remaining at and finishing basic education.
- 1.43 The project will assist the MOECD in transferring some administrative responsibilities to the school level (maintenance and minor repairs of school infrastructure, security and cleaning services, and the administration of school improvement projects prepared by parents, teachers and principals), strengthening school capacity, encouraging greater parental involvement in school management and training school personnel to perform the new duties.
- 1.44 The project will introduce institutional adjustments at the central level to respond to the new basic education cycle and will modernize key units of the MOECD (statistical and information systems, education planning, curriculum development, inspectorate, and examination, among others), in order to strengthen its role in

policy making, coordination and supervision. The project will also assist the MOECD in outsourcing some tasks, which currently are inefficiently done by the ministry. These institutional changes at central and school levels will have a positive impact on the quality and efficiency of education in the mid and long term.

- 1.45 Since many of the problems affecting the quality of basic education are related to other levels of the system, the project will also involve studies and technical assistance to explore and introduce more flexibility in the present senior secondary education level, better coordination between labor market demands and technical and vocational education, and new ways of financing tertiary education.
- 1.46 The execution design of the program has taken into account the lessons learned in the previous education loan in Suriname to avoid past mistakes (see paragraph 1.36): (i) the whole responsibility of the program will rest in the MOECD through an executing agency; (ii) the civil works activities of the program will consist of renovation or rehabilitation of existing infrastructure rather than new constructions; (iii) a proper inspection and supervision system will be established to monitor the civil works activities; (iv) the executing agency will have, since the beginning of the implementation, the necessary technical and administrative staff and also a great proportion of the execution activities will be hired externally; and (v) the Bank's field office is now better equipped to assist the executing agency in the implementation of the program.

II. THE PROGRAM

A. Objectives and description

- 2.1 The goal of the program is to contribute to the development of human capital in Suriname. The objective of the program is the improvement of the quality and internal efficiency of basic education by means of updating the educational contents and processes, providing inputs to schools and supporting institutional reforms to strengthen the MOECD and build-up management capacities at the school level.
- 2.2 This objective will be achieved through the following components: support for the establishment of a revised basic education cycle and quality improvement; renovation and rehabilitation of school infrastructure in basic education; strengthening of the management capacity at the school level; and modernization and strengthening of the MOECD.

B. Program components

- 2.3 The structure of the proposed program comprises the following components:

COMPONENT I	COMPONENT II	COMPONENT III	COMPONENT IV
Support the establishment of a revised basic education cycle and quality improvement	Renovation and upgrading of school and MOECD infrastructure	Strengthening of management capacities at the school level	Modernization and strengthening of the MOECD and the school system
Total: 4.2 million	Total: 3.5 million	Total: 2.1 million	Total: 1.5 million

1. Component I. Support the establishment of a revised basic education cycle and quality improvement (US\$ 4,245,000)

- 2.4 This component is aimed at supporting the MOECD with the establishment of a basic education cycle and improving the quality and efficiency of basic education, through the development of a new curriculum, a better provision of textbooks and teaching materials, and an improved teacher education and training, all consistent with the new basic education cycle. Major lines of action include: a redesigned curriculum for basic education (grades 1 to 10); increased links with the two existing years of preprimary education; reform of the existing examination system to make it consistent with the new basic education cycle; moving up the tracking system to the end of basic education cycle; reorganization of schools in tune with the new cycle; provision of textbooks and teaching materials for basic education schools and training of teachers in the revised curriculum; and design and introduction of a multi-grade model of education for the interior. By the end of

the program, a decrease in 20% of drop-out and repetition rates, and an increase of 10% in students finishing the 6th grade are expected.

**a) Redesign of the curriculum for the new basic education cycle
(US\$ 1,225,000)**

- 2.5 The aim of this subcomponent is to revise and redesign the existing curriculum of primary and junior secondary education to make it consistent with the new basic education cycle of ten grades, and to design and adjust all the necessary teaching and learning materials and tools to implement it. The program will finance international and national technical assistant and other services to assist the MOECD in the following activities: (i) establishment of attainment standards, grades and subjects for the curriculum of the new cycle, which will take place during the first year of the program; (ii) based on the work done by the ministry in the last two years to update the contents of the curriculum for grades 1st to 5th, further adjustments will be done to the curriculum of these grades to make them aligned with the requirements of the new cycle, during the first year of the program; (iii) the curriculum contents of grades 6th to 10th will be redesigned during the years 2 to 5 of the program⁹; and (iv) testing of the new curriculum along with textbooks, learning and teaching materials and will be carried out through validation considering a sample of teachers and students, before their implementation. The curricular adjustments will pay particular attention to problems of low-performing pupils, and challenges related to the language background of an important part of children (see paragraph 1.14), and will include strategies to deal with the differentiated learning needs of an ethnically diverse population.

**b) Reform of the existing examination and tracking system
(US\$ 150,000)**

- 2.6 As a result of the new 10-year basic education cycle, the tracking system will be moved up to senior secondary education (grades 11th to 12th) and the existing examination system will be reformed. The program will finance the following activities: (i) technical assistance and support for the MOECD to study and adjust the tracking system beyond basic education based on a standardized test for all schools; (ii) based on the existing examination system the MOECD will have technical assistance and support for establishing a student assessment and testing system aimed to evaluate academic progress in selected grades and subjects; and (iii) dissemination of test information among schools, teachers and parents, and use of test results to guide school quality improvement efforts and policy purposes.

⁹ It should be noted that not all the areas of the curriculum need adjustment. The activities under this component will focus on the areas needed for the establishment of a basic education cycle. In the redesign of the curriculum, special attention will be given to the issues of Dutch competency of children and teachers, school-home language gap and the teaching of English as a second language.

c) Reorganization of primary and secondary schools, teachers and management (US\$ 250,000)

- 2.7 Due to the consolidation of primary and junior secondary levels into a 10-year basic education cycle, it will be necessary to reorganize the management of primary and junior secondary schools. The main activities will be: (i) technical assistance for the analysis of the current school infrastructure, teachers, and administrative personnel, at these levels in order to design a strategy to use them efficiently for the new basic education cycle; (ii) a communication campaign among teachers, parents and other stakeholders to explain the new arrangement; (iii) technical assistance to the MOECD to implement the reorganization; and (iv) technical assistance and support for the MOECD for the phasing out of the non-academic junior secondary education schools and their reform into basic education schools.

d) Provision of textbooks and teaching materials for basic education (US\$ 1,670,000)

- 2.8 The program seeks to assist the MOECD in the provision of textbooks, learning materials and teacher guides for approximately 100.000 students and 5,000 teachers in basic education. The activities financed by this subcomponent will be complemented by MOECD and Dutch Treaty funds that are under discussion between the government and the Dutch Embassy. During the first two years of the project, the MOECD will print and distribute books and teaching materials for grades 1st to 5th, which have been recently updated and will need few additional adjustments given the new basic education cycle. In years 3 to 5 of the program, the MOECD will bid the printing and distribution of the textbooks and materials designed under the first activity of the present component.

e) Teacher training in the new curriculum (US\$550,000)

- 2.9 The implementation of the new curriculum will take place gradually according to the outputs of the activities described in paragraph 2.5. Approximately 5,000 teachers and MOECD officials will be trained in the new curriculum contents, in the use of the new or adjusted materials, guides and textbooks, and in the new assessment approach. In addition, the program will assist the MOECD to reform its in-service and pre-service teacher training. First, the component will finance a policy dialogue between the different actors involved in teacher education and training to reach a consensus on a plan to reform the existing arrangements; and second, it will finance technical assistance to implement the reform.

f) Design of a multi-grade schools strategy for basic education in the Interior (US\$ 300,000)

- 2.10 The program will assist the MOECD in design and testing of a multi-grade strategy for schools in order to respond to the special challenges and needs of education in the *Interior*. This approach has the advantage that schools can offer

all basic education grades with fewer teachers, using semi-individualized and cooperative learning methods. The instructional mechanisms will allow teachers to guide the learning process through heterogeneous grouping, breaking the rigidity of fixed grades and allowing students to move according to their own pace. The school pedagogically will orient teachers and will establish an interactive field between the teacher and the student. Curricular materials will indicate the time for teacher intervention, individual/group study, and the use of support materials. In addition, the school will develop forms of social interaction that promotes children's responsibility, and will engage teachers and students in the production of some support materials, increasing the relevance of education, incorporating the needs of the community into school activities, and promoting the use of materials from the region.

- 2.11 The main activities of this subcomponent are: (i) technical assistance to develop a multi-grade education model for the interior, based on the international experience; (ii) a pilot project on at least ten schools to test the pedagogic model, learning materials, teacher training approach and management strategy; and (iii) based on the results of the pilot experiences, a plan of implementation to expand the new model to the rest of the *Interior* schools will be designed and executed. The expansion of the model will be financed as follows: textbooks, teaching materials and teacher training will be provided by the program as part of the activities explained in paragraphs 2.8 and 2.9; some of the multi purpose resource centers financed in component III will be located in the *Interior* (see paragraphs 2.22 and 2.23); some of the school infrastructure needs will be covered by a special project currently in discussion with the Dutch Embassy under the activities to be financed by the Dutch Treaty Fund. Once the new approach is put in place, it is expected that the operational cost of education in that region will decrease, due to the fact that schools will operate with less teacher to cover the same number of pupils. These savings could be used to increase coverage and/or improve quality.

g) Social marketing of the new basic education cycle (US\$100,000)

- 2.12 Notwithstanding the general consensus on the need to establish a new ten-year basic education cycle, it is necessary to explain to key stakeholders (teachers, administrative personnel, parents, etc.) the implications of the reform in order to facilitate its implementation. Most of the activities will be carried out during the first year of the program through workshops and communication campaigns. Toward the end of the program, technical assistance will be necessary to help the MOECD review and propose adjustments to existing education legislation, and to include the changes in the curriculum. Concurrently, the MOECD will perform social marketing activities to secure the support of political parties and key stakeholder for the legal adjustments needed.
- 2.13 The curriculum of the new basic education cycle, the new textbooks and teaching materials and the activities of teacher training will take into account the richness

of Suriname ethnical diversity and the co-existence of multiple languages and will promote social inclusion and gender equality.

**2. Component II. Renovation of school and MOECD infrastructure
(US\$ 3,500,000)**

- 2.14 The goal of this component is to improve the condition of school infrastructure in Suriname, by renovating primary and junior secondary schools that are in poor condition and rehabilitating those that are in unacceptable conditions and are considered unsafe. The project will assist the MOECD in the reorganization of school infrastructure to implement the new basic education cycle. The program will also fund small renovations and minor repairs to schools that are in good or reasonably good condition (transferring responsibility to the school level), but this work will be done under component III. The activities for this component are as follow: (i) renovation and rehabilitation of schools; and (ii) renovation of certain MOECD units that are also in bad shape and need repairs.

a) Renovation and rehabilitation of schools (US\$ 2,600,000)

- 2.15 Based on a recent survey of school infrastructure, the MOECD has identified 68 primary and junior secondary schools that are in poor condition and will be the priority of this subcomponent. During the first year of the program, eight schools needing urgent repair will be rehabilitated or renovated. During the second and third year, 60 additional schools will benefit from program funds.

**b) Renovation and upgrading of certain MOECD units
(US\$ 900,000)**

- 2.16 The program will finance the renovation and upgrading of the following units within the MOECD: research and educational planning, curriculum development; inspectorate, examination bureau and learning support materials. This subcomponent will also finance the renovation and rehabilitation of pre-service and in-service teacher training facilities.
- 2.17 The technical unit of the MOECD will be responsible for the planning and contracting of civil works under this component. A monitoring commission with two members of the MOECD and two from the Ministry of Public Works will supervise the execution of the contracts.

3. Component III. Strengthening of management capacities at the school level (US\$ 2,150,000)

- 2.18 Through this component, the program seeks to build management capacities and autonomy at the school level, which will enable the transferring of functions and resources to schools. For this purpose, actions will be taken in order to: strengthen the leadership capacity of school principals; give better access to teachers and schools to educational resources; support school improvement

initiatives and build school-level autonomy, decision making and planning capacity; strengthen the administrative capacity within schools; and develop a management model for schools in the *Interior* consistent with its geographical and cultural characteristics¹⁰.

- 2.19 In order to accomplish these goals, this component comprises the following activities: (i) training of 500 principals and school administrators in school management; (ii) creation of 25 multi-purpose teacher resource centers, which will allow teachers to have better access to educational resources. Each center will be equipped with a basic library of teacher guides, professional journals and curriculum materials, a copy machine, five computers with multimedia and internet and a printer; (iii) establishment of a mechanism to fund approximately 65 school improvement projects, developed by each school community with the involvement of parents, teachers, and principals; and (iv) development of a school cluster system for the interior, in order to bring support and resources to remote and isolated schools.

a) Training of school principals (US\$ 150,000)

- 2.20 This activity is aimed at providing school principals with tools to efficiently manage their schools and to be able to assume new responsibilities. In order to accomplish this, the project will take action in two complementary areas, the design of a professional development program for school managers, and the actual implementation of the training sessions. The design phase will take place the first year of the program and will have a duration of approximately 4 months. It will include the design of an in-service professional development program, the design of a pre-service certification, the organization of a workshop to discuss these designs, and the adjustment of the programs, if necessary. The training phase (seminars) will have a duration of approximately 6 months and will also take place during the first year of the program, while an evaluation of this experience and the dissemination of lessons learned will be done during the second year.
- 2.21 In order to strengthen the administrative capacity within schools, the MOECD will also establish administrative positions at the school level, where necessary. Personnel for these positions will result from the relocation of available human resources, consequence of the modernization of personnel management procedures foreseen in Component IV, and the reorganization of primary and secondary schools resulting from the implementation of the new basic education cycle (Component I). The redistribution of personnel from the MOECD to the schools will take place after the personnel audit is completed and the functions to be outsourced are defined (see paragraph 2.31).

¹⁰ It should be noted that the measures proposed for the strengthening of management capacity at local and school levels do not require changes in the legislation. The education act of 1960 (and the amendments made in 1965 and 1971) delegated to the MOECD the power to regulate the administration of the school system.

b) Multi purpose teacher resource centers (US\$ 650,000)

- 2.22 The goal is to give better access to educational resources to teachers and schools through the establishment of 25 facilities for teacher and principal training activities and other community activities. These centers will serve clustered schools and will be located in existing school buildings for management purposes and in order to avoid the additional costs of a stand-alone facility.
- 2.23 The set up of the teacher resource centers involves actions in three main areas: analysis and planning, design and implementation, and evaluation and revision. During the analysis and planning, which will take place during the first year, the program will identify specific school cluster needs, select the most promising sites, personnel and organizations to be involved, and assess the most sustainable financial planning structure. For the design and implementation part, three pilots will be established during the first year and the other 22 centers will be established from the second year, taking into account experiences from the pilots. Implementation of the centers includes rehabilitation of existing facilities, purchase of equipment and furniture, training, and management and maintenance. Finally, the evaluation and revision refers to the documentation of experiences, findings and potential solutions, as well as lessons learned, especially from the pilot centers.

c) School improvement and innovation fund (US\$ 1,350,000)

- 2.24 The establishment of a school improvement innovation fund is a crucial element within the strategy of improving local school ownership, particularly within a context of a very centralized education system, which prevents schools from making decisions that better meet their particular problems. Through this approach it is expected that schools will be able to diagnose problems, set priorities, and develop time-bound action plans for achieving their individual school goals.
- 2.25 Through the establishment of a school improvement innovation fund, the program seeks to support 65 school improvement initiatives as a way to strengthen school-level autonomy, decision-making and planning capacity. The objective is to establish a mechanism within the MOECD to directly fund school-level projects that aim to address problems identified by the school community. The fund will allow schools to make small investments in supporting teacher innovations and student initiatives, in purchasing learning equipment, and in upgrading the school's facilities. Given that funds will not be available for all basic education schools, this mechanism will be competitive and reward quality of the proposals and co-financing. Projects may be funded for up to US\$20,000 for individual schools and proportionally for projects presented by groups of schools, and can have up to 40% infrastructure improvement activities and 60% or more of innovation activities.

- 2.26 Two main actions need to be taken toward the implementation of this activity. The first action is the design and establishment of the fund, which includes the definition of procedures, the set up of the fund and the monitoring of school projects. School improvement projects will consist of an action plan, with specific goals, implementation strategy and budget, developed by each school with the participation of the school principal, teachers, students and parents. Ideally it should be preceded by a needs assessment and follow guidelines and national goals established by the MOECD. The second action is the design of a plan to strengthen MOECD capacity to support schools in developing, evaluating and implementing their projects. The MOECD should assign a unit to coordinate and monitor this initiative with the support of all other relevant units within the Ministry and Non-Governmental Organizations (NGOs) working in the educational field. This program should be accompanied by a strong social marketing strategy to encourage schools to participate and to inform them of the education reform goals.

4. Component IV. Modernization and strengthening of the MOECD and the school system (US\$ 1,450,000)

- 2.27 This component is aimed at the modernization of the MOECD and the adjustment of the present institutional setting to make it consistent with the new basic education cycle. It involves the financing of consulting services and the provision of equipment and software in order to strengthen identified areas within the Ministry.
- 2.28 This component requires the development of the following activities: (i) institutional reorganization of the MOECD which consists of reforming its structure, strengthening its personnel management capacity and strengthening and upgrading its Management Information System (MIS); (ii) provision and rehabilitation of equipment for the modernization of the MOECD; and (iii) outcome evaluation and studies in selected areas.

a) Institutional reorganization of the MOECD (US\$ 600,000)

- 2.29 As mentioned in the frame of reference chapter of this document, the MOECD centralizes management, funding and decision-making of the educational system, which over-burdens the Ministry with too many non-core functions, allows few possibilities to address strategic issues of the sector, and leaves schools with no authority or resources to cope with their needs. In order to overcome the identified problems, the program foresees actions in three major areas: (i) improvement of MOECD's efficiency by streamlining its structure and by decentralizing and outsourcing non-core tasks; (ii) improvement of the system's administrative capacity by strengthening and reforming personnel management procedures; and (iii) improvement of MOECD's planning and policy-making capabilities through the upgrading of the information management system.

- 2.30 **Functional reorganization.** The goal is to retain within the MOECD only functions regarding policy making, planning and budgeting, standard setting, procurement, monitoring and evaluation. In order to attain this goal the program will include the following actions:
- a. Design and execution of a plan to outsource all tasks regarding direct provision/administration of services (e.g. textbook production and distribution, student services such as housing and transportation, school construction/repairation). Other functions, such as curriculum and school guidance should be coordinated by MOECD but developed/provided by the TTCs, NGOs and other professional institutions. Notwithstanding, the Ministry should continue to define policies and standards for the provision of these services, carry out yearly planning and budgeting of these areas, contract service providers, and provide oversight and monitoring. To perform these functions, the staffing of the bureaus that currently provide these services will need to change radically. These offices should be small and staffed by people who have higher technical capabilities.
 - b. Design of a plan to decentralize to the school level minor school repairs and maintenance, security and cleaning. This decentralization effort must be accompanied by the appropriate transfer of funds and administrative support. In the second year of the program, the MOECD will implement on a pilot basis the decentralization of the mentioned functions to schools in 2 districts. In the years 3 and 4 there will be an expansion to at least five more districts.
- 2.31 **Strengthening of the personnel management capacity of the MOECD.** Based on the reorganization of the MOECD functions described above (paragraph 2.30), the program will modernize and professionalize MOECD's personnel management procedures and regulations in order to identify and correct inefficiencies. Three steps will be taken in this direction (i) during the first year, execution of an internal personnel audit (functional analysis) to define the scope of personnel inefficiencies which, accompanied by the definition of job descriptions, will help consolidate all personnel information into a single database; (ii) during the second year, design of a strategy plan to relocate a number of personnel to schools, provide training and upgrade personnel, establish a single personnel management unit for teaching and non-teaching personnel, and carry out a technological upgrade of personnel management procedures; and (iii) implementation of the strategy described above. By the end of the program, it is expected that at least 20% of the personnel identified in the audit has been relocated. All steps will require the services of a local or international organizational management firm that will work jointly with MOECD staff in designing and monitoring the process.
- 2.32 **Strengthening and upgrading of the Management Information System.** Through the improvement of the management information system, the program wants to make sure that reliable and timely information is available for decision-making at all levels of the system, that the ability to utilize this information is

strengthened, and that the capacity of the research and planning unit of the MOECD is increased. This activity requires the contracting of international and local consultants or firms to work with the staff of the Ministry to coordinate the following tasks: (i) analysis of information needs for planning, administration, and monitoring at all levels of education system; (ii) analysis of planning cycles and information flows within the system; (iii) design and set-up of the information system and purchase of equipment; (iv) piloting of the system; (v) training of its potential users; and (vi) monitoring and follow-up. By the end of the third year of the program the management information system will be fully operational.

b) Equipment for the modernization of the MOECD (US\$ 500,000)

- 2.33 The purpose of this activity is to provide the MOECD with an information system network. This includes the upgrading of the existing telephone network, the establishment of a Local Area Network (LAN) and the construction of a basic Intranet and Internet infrastructure, as well as the strengthening of communications both inside and outside the MOECD, allowing the sharing of data and information about the project and about education in general. In order to achieve this purpose the program will finance: (i) the renovation of current MOECD communication installations; (ii) the establishment of an information system network, to facilitate personnel communication and support staff to run common office applications; (iv) the training of personnel in basic information technology issues; and (v) the design of a website to provide data and information about the process.

c) Evaluation and studies (US\$ 350,000)

- 2.34 This subcomponent will finance an outcome evaluation at the end of the program and studies and technical assistance in the following areas: reform of the examination and the secondary education tracking system, technical and vocational education and financing of tertiary education.

5. Project administration (US\$ 900,000)

- 2.35 The project will also finance direct costs associated with project administration, monitoring, mid-term evaluation, auditing, supervision and coordination, and indirect costs related to contingencies. The estimated cost of the external auditing is US\$200,000.

C. Cost and duration

- 2.36 The cost of the project is US\$14 million. The Bank's financing is US\$12.5 million and the local counterpart is US\$1.5 million. The project will have a five-year execution period.

Table II.1 Program Costs (US\$ 000)			
Categories	BID	Local	Total
1. Component I. Curriculum and quality	4,245		4,245
1.1 Curriculum redesign	1,225		1,225
1.2 Reform of tracking and examination system	150		150
1.3 Reorganization of schools, teachers, management	250		250
1.4 Provision of textbooks and teaching materials	1,670		1,670
1.5 Teacher education and Training	550		550
1.6 New educational model for the interior	300		300
1.7 Social marketing of the new cycle	100		100
2. Component II. School and MOECD infrastructure	3,500		3,500
2.1 Renovation and rehabilitation of school infrastructure	2,600		2,600
2.2 Renovation of MOECD units	900		900
3. Component 3. School management capacity	2,150		2,158
3.1 Training of school principals and administrators	150		150
3.2 Teachers resource centers	650		650
3.3 School improvement and innovation fund	1,350		1,350
4. Component 4. Modernization of MOECD	1,450		1,450
4.1 Institutional reorganization of MOECD	600		600
4.2 Equipment for modernization of MOECD	500		500
4.3 Evaluation and studies	350		350
5. Project administration	530	370	900
5.1 PCU Administration	330	370	700
5.2 Auditing	200		200
6. Contingencies	625		625
7. Financial costs		1,130	1,130
7.1 Commitment fees		230	230
7.2 Interests		900	900
Total	12,500	1,500	14,000
Percentage	90%	10%	100%

D. Terms and conditions of the loan

2.37 The terms and conditions of the loan are the following:

The interest rate, credit fee, and inspection and supervision fee mentioned in this document are established pursuant to document FN-568-3 Rev. and may be changed by the Board of Executive Directors, taking into account the available background information, as well as the respective Finance Department recommendation. In no case will the credit fee exceed 0.75%, or the inspection and supervision fee exceed 1% of the loan amount¹¹.

Amortization:	25 years
Grace period:	5 years
Disbursement:	maximum 5 years; minimum 3 years
Interest rate:	Adjustable option/LIBOR-based option
Supervision and inspection:	0.0%
Credit fee:	0.25%
Currency:	US dollars from the Single Currency Facility

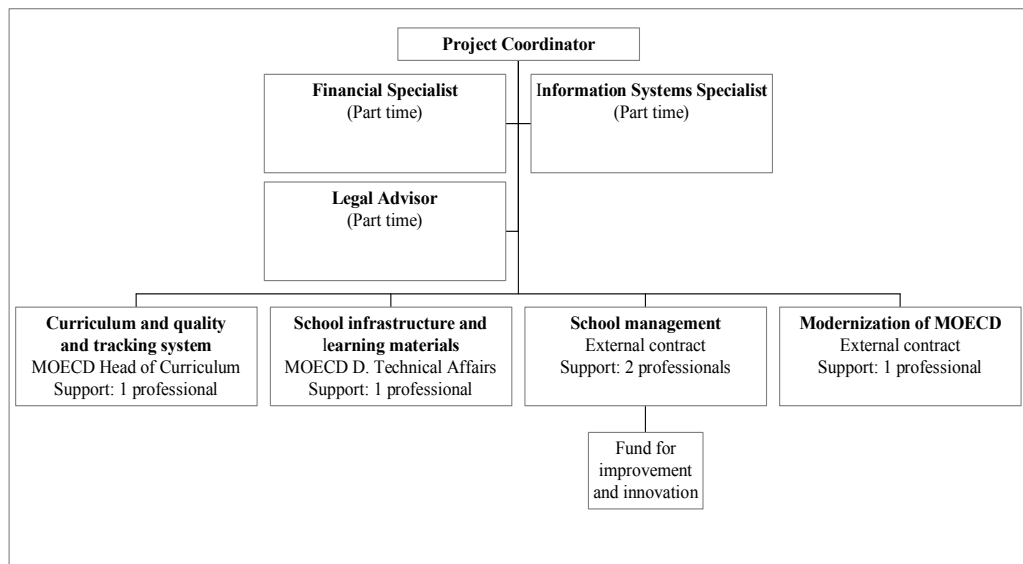
¹¹ With regard to the inspection and supervision fee, in no case will the charge exceed, in a given six-month period, the amount that would result from applying 1% to the loan amount, divided by the number of six-month periods included in the original disbursement period.

III. PROGRAM EXECUTION

A. The borrower and executing agency

- 3.1 The borrower is the Government of Suriname, and the executing agency is the Ministry of Education and Community Development through the Project Coordination Unit (PCU). Due to current institutional weakness and lack of expertise on the implementation of programs of this type within the Ministry of Education and Community Development, a Program Coordination Unit will be established to be responsible for the execution of the program. The PCU will report directly to the Director of Education of the MOECD, and its main responsibilities will be the execution of program components, the coordination with MOECD, the coordination with other donor funded projects –mainly by Dutch Treaty Funds-, other ministries (e.g. Ministry of Finance) and the Bank, and the supervision of all Program activities.
- 3.2 The PCU will have an organizational structure of 10 people, and will be headed by a Unit Coordinator, who will be responsible for its operation. The Coordinator will be assisted directly by a financial specialist (full time), a legal advisor (part time) and an information systems specialist (part time). In addition, there will be coordinators and professional personnel for the following units: curriculum reform and quality improvement, school and MOECD infrastructure, school autonomy, and MOECD's modernization. In order to guarantee the needed coordination within the ministry and to foster ownership of the institutional activities of the program, the coordinators for curriculum reform and quality improvement and for infrastructure will be the MOECD's head of the curriculum department and the MOECD's director of the technical affairs division. The coordinators for the school management capacity and modernization of the MOECD components will be full time long-term consultants hired under the program. Administrative and office support staff will be provided by the MOECD. An organization chart for the PCU is presented in figure III.1.

Figure III.1
PCU Organizational Structure



- 3.3 The specific functions of the PCU are the following: (i) elaborate a plan for the implementation of the activities of all program components; (ii) contract of technical assistance and purchase of equipment identified as necessary by the program; (iii) manage the fund for school improvements created under the component of school autonomy; and (iv) present periodic reports to MOECD and the Bank on the progress of the execution. These responsibilities and functions will be described in detail in the Operational Manual (OM) for the program.
- 3.4 The curriculum reform and quality improvement unit will be responsible for: (i) redesign of the curriculum for basic education (grades 1 to 10); (ii) the design of textbooks and teaching materials needed in the context of the revised basic education curriculum; (iii) reform of the existing examination and tracking system; (iv) reorganization of primary and junior secondary education schools, teachers and management; (v) design and introduction of a multi-grade model of education for the interior; (vi) training teachers in the new curriculum; (vii) design and implementation of an pre-service and in-service education program (including the reforms of the TTCs); and (viii) social marketing of the curriculum reforms.
- 3.5 The school and MOECD infrastructure and learning materials unit will be responsible for: (i) bidding, purchase, reproduction and distribution of textbooks and other necessary materials for pupils and teachers; (ii) renovation and rehabilitation of schools, MOECD units and pre-service and in-service teacher training facilities; and (iii) establish teacher resource centers. The school management unit will be responsible for: (i) training of principals and school administrators in school management; and (ii) establishment of a mechanism to fund school improvement projects.
- 3.6 The modernization of the MOECD unit will be responsible for: (i) modernization and strengthening of certain areas within the MOECD, educational planning, curriculum development, teacher and personnel management, and education assessment; (ii) institutional adjustment of MOECD in order to outsource certain tasks and transfer some functions to the school level; (iii) strengthening of MOECD's personnel management capacity; and (iv) design of Terms of Reference (TOR) for all the needed studies and evaluations.

B. Program execution and administration

- 3.7 The establishment of the PCU, the appointment of its director and the hiring of its necessary personnel will be a condition prior to the first disbursement. Some of the PCU personnel will be external to the MOECD, while others will come from MOECD personnel. The whole team will work in close coordination with Ministry units involved in the execution of specific activities for the different components. The PCU will also have to coordinate with other projects financed by external sources, especially those funded by Dutch Treaty Funds. Halfway through the execution of the program, the PCU will progressively transfer accumulated expertise and responsibilities to relevant MOECD units, which by that time would have been reformed and strengthened by the program itself.

- 3.8 The logical framework of the program (Annex I) contains performance based outcome and output indicators to facilitate the execution and follow-up of the program. The MOECD and the Bank have already agreed upon an action plan describing in detail all components and the activities involved in each one. This action plan also provides output indicators that are reflected in the logical framework. The OM will describe in depth the processes, procedures, responsibilities, timetables, and costs for the activities of the program. The entry into effect of the OM is a condition prior to the first disbursement of loan resources.
- 3.9 **Civil Works.** All infrastructure work will be contracted out to private building companies through a competitive process. The technical unit of the ministry will assist the infrastructure unit of the PCU in designing the civil works activities and especially setting the minimum standards and supervising the works. The Monitoring Commission conformed by 3 members of the Ministry of Education and 2 members of the Ministry of Public Works will decide and supervise the bidding and contracting process and civil works inspection and supervision.
- 3.10 **School improvement and innovation fund.** The school improvement projects to be approved by the board of the fund, would consist of an action plan, with specific goals, implementation strategy and budget, developed by each school with the participation of the school principal, teachers, students and parents. The proposals should follow guidelines explained in detail the OM. The board of the fund will have five members: the program coordinator, the school management unit coordinator, one MOECD's official in representation of the Director of Education of the MOECD and one representative of the NGOs working in the education sector. The PCU and the MOECD will provide technical assistance to schools for the design of the proposals and will carry out activities to promote the goals of the fund and encourage schools to submit proposals.

C. Accounting and internal control

- 3.11 For the management of the project's financial resources, the PCU will open separate and specific accounts at the Central Bank of Suriname for managing the Bank's loan and local counterpart funds. The PCU will maintain adequate financial and accounting records of the project funds and internal control systems to allow for verification of transactions, identification of the sources and uses of project funds, provide documentation to verify transactions and to facilitate timely preparation of financial statements and reports.
- 3.12 Project financial and accounting records will be arranged so that: (i) the amounts received from the various sources can be easily identified; (ii) project expenses are reported in accordance with the chart of accounts approved by the Bank, with distinction made between the Bank loan and funds from other sources; and (iii) the necessary details are included to identify goods acquired and services contracted, as well as their use.

- 3.13 The PCU will be responsible for: (i) preparing and submitting disbursement requests to the Bank and the corresponding justification of expenses; (ii) preparing and submitting to the Bank the annual financial statements regarding project's expenses, and the semi-annual Revolving Fund Status Reports; and (iii) maintaining an adequate disbursements support documentation filing system.

D. Procurement of goods and services

- 3.14 The procurement of all civil works, goods, and related services will follow the Bank's procurement rules. The thresholds above which procurement will be subject to international competitive bidding are US\$200,000 for consulting services, US\$350,000 for goods and related services, and US\$2,000,000 for civil works.
- 3.15 Procurement below the above amounts will also be carried out in accordance with Bank procurement procedures. For purchases of goods between US\$100,000 and US\$350,000, national public procurement will be used, for those below US\$100,000, public price comparison will be used, and for amounts below US\$20,000, three price proposals will be reviewed. These procedures will be detailed in the OM of the program.
- 3.16 For consultancy services below US\$200,000, procurement will be carried out in consistency with Bank procedures, which permits publication of consultancy opportunities at the national level and allows the establishment of a short list of qualified firms invited to present proposals. A detailed procurement plan for the operation is found in Annex II.

E. Execution and disbursement schedule

- 3.17 Loan proceeds are expected to be disbursed according to the following schedule:

Table III.1						
Calendar of disbursements						
(US\$ 000)						
Source	Year 1	Year 2	Year 3	Year 4	Year 5	Total
IDB	1,750	2,150	2,700	2,550	3,350	12,500
Local	200	250	300	380	370	1,500
Total	1,950	2,400	3,000	2,930	3,720	14,000

F. Advance of funds, recognition of local counterpart and retroactive financing

- 3.18 The Bank will establish a revolving fund to pay for projected expenditures of 5% of the amount of the loan. Replenishment and reporting on the revolving fund will follow Bank procedures. The PCU will prepare and submit to the Bank, within a period of sixty (60) days after the closing of each semester, a semi-annual report showing the use of the annual loan funds as of June 30 and December 31. The Bank will reimburse up to US\$1 million of loan financing

retroactively for eligible expenses, such as the cost of the baseline study, the expenses related to the establishment of the executing unit, and some activities of the curriculum reform, incurred from January 1st, 2003. Up to US\$0.5 million may be recognized as counterpart contribution for eligible expenses (hiring of PCU personnel and PCU operational costs) incurred from January 1st, 2003.

G. Monitoring and evaluation

- 3.19 Monitoring and reporting will be the responsibility of the PCU. Specific tasks include: (i) preparing semi-annual progress reports documenting project implementation, outcomes, and outputs; (ii) preparing and administering the program budget; (iii) updating implementation schedules and expenditure plans; (iv) documenting the bidding and contract administration processes; (v) monitoring indicators and compliance with technical and contractual standards established in loan documentation, including performance targets; (vi) monitoring training programs; (vii) monitoring budgetary allocations; (viii) monitoring institutional reforms at the MOECD and TTCs; and (ix) keeping the Ministry of Finance informed about project execution and related matters. The OM will describe in more detail the PCU responsibilities for project monitoring and reporting.
- 3.20 The PCU will track all project tasks and deliverables with a permanent reporting mechanism, with linkages to budgets, baseline data and the logical framework. At the beginning of the program, the MOECD will contract a consultancy to prepare a baseline for the program with information on students, teachers, schools, administrative personnel, budget, and academic performance disaggregated by ethnic, gender, age, geographic, and socio-economic groups. The reporting mechanism will generate data on sector performance and track loan execution and will be operational during the first six months of the program. The baseline data set will serve for the annual reviews, the midterm evaluation, the external evaluation at the end of the program, and the ex-post evaluation two to three years after the end of the program.
- 3.21 Loan resources will finance the midterm and the end of the program evaluations, which will be carried out by external firms. The midterm evaluation will focus on: (i) the outputs of the different components; (ii) an assessment of the capacity built at the MOECD to perform some tasks under the responsibility of the PCU; and (iii) the effectiveness of the auditing arrangements. The results of the mid-term evaluation will give inputs to introduce modifications to the program based on lessons learned during the first years of execution.
- 3.22 The evaluation at the end of the program, after 90% of loan funds are executed, will assess outcome indicators and performance of the program in terms of its purpose and development objectives. Such evaluation is important due to the fact that the reforms proposed by program and their expected results will surpass the execution period of the operation. The evaluation will allow the country to make any necessary adjustments beyond the program. Due to the fact that the program will build a permanent monitoring mechanism for the sector, and that the end-of-

program-evaluation will provide the MOECD with inputs to adjust policies, the country has decided not to conduct an ex post evaluation. However, the MOECD is committed to collect all necessary information at the level of goal, purpose and development indicators included in the logical framework of the program, and consistent with the new Bank policy (OP-305) for an ex post evaluation, in case the Bank considers it necessary.

H. Financial statements and auditing.

- 3.23 The PCU will prepare and submit to the Bank, within 120 days after the closing date of each fiscal year and within 120 days after the date of the last disbursement of the financing, the financial statements of the project, audited by a firm of independent auditors acceptable to the Bank, based on the terms of reference previously approved by the Bank (Document AF-400). The private audit firm will be selected and contracted in accordance with the Bank's bidding procedures for audit firms (Document AF-200), and will be paid with the Bank's financing.
- 3.24 The external audit of the program will have a financial and operational character, requiring the presentation of quarterly reports of "intermediate nature", which will be presented within 60 days of the closing of each quarter. The report corresponding to the fourth quarter will be part of the annual report of the financial statements of the program, which will be presented within 120 days of the closing of the fiscal year. The costs of the audit are included in the cost table of the program and will be financed with loan resources. Evidence that the MOECD has initiated the process for contracting the external auditing firm will be a condition for the first disbursement of the program.

IV. VIABILITY AND RISKS

A. Institutional viability

- 4.1 A series of activities have contributed to the design of the program and will help to assure its institutional viability. First, once the present government took office in May 2000, the MOECD presented a policy document summarizing the plans and goals of the government in the education sector. Second, based on the policy document, the MOECD organized a consultation process, called National Education Congress (see paragraphs 1.31 to 1.33), aimed at defining with a wide range of stakeholders a long term plan for education development. The results of that process have been important inputs for the present program. Third, a non-reimbursable Technical Cooperation (TC) (ATN/JF-6999-SU) has helped in the analysis and specific proposals in key areas of the program, such as curriculum development, school management, and institutional strengthening of the MOECD. Fourth, the program has benefited from lessons learned in the previous education loan, which had been included in the execution strategy of the program. In addition, the TC outputs and further assistance from the Bank have provided the MOECD with tools to facilitate a rapid start-up of the program and the necessary back-up from the MOECD's technical and administrative units. Institutional viability is also ensured by the program support to the improvement of the MOECD's administrative capacity through technical assistance in key areas, which will be implemented during the first year of the program.

B. Financial viability

- 4.2 The counterpart funds for the Bank loan represent approximately 10% of the total cost of the program and are mainly related to the financial costs of the loan (interests, commitment fees and supervision and inspection). The additional recurrent costs generated by the program (renewal every 4-5 years of textbooks and teaching materials) are estimated in between 1-2% of the current sector education budget. This level is considered to be sustainable in the context of macroeconomic and fiscal projections of the country.

C. Environmental and social impact

- 4.3 This Program will finance actions that can be classified in three main areas, technical assistance for components such as the establishment of a basic education cycle, strengthening of school management capacity and modernization of MOECD, provision of textbooks and teaching materials and construction activities for the component of renovation and rehabilitation of school infrastructure. No negative environmental impacts are expected from technical assistance (which represents the majority of financed actions) due to the nature of these activities. As for school renovation and rehabilitation activities, the OM of the program will include technical and environmental mitigation criteria for all construction activities, in order to comply with environmental protection standards. No adverse long-term impact is envisaged.

- 4.4 This program automatically qualifies as a Poverty Targeted Investment (PTI) for supporting activities in the primary education sector. Furthermore, the social impact of the program will be significant as reforms to basic education, especially public education, will benefit the poorest populations. Additionally, this program includes actions targeted to improve education conditions in the interior of the country, benefiting minority groups and indigenous communities living in the area. The borrowing country will be using the 10 percentage points in additional financing.

D. Benefits

- 4.5 The program will have a positive impact on the education sector. The establishment of a 10-year basic education cycle along with the updating of the curriculum is a major step in the direction of modernizing the education system in Suriname. The combination of a new basic education cycle and curriculum, better trained teachers and more and better educational materials will result in higher levels of internal efficiency (higher promotion rates, lower repetition and dropout rates and a higher proportion of children remaining during and finishing the whole basic education cycle) and an increased quality of education. These changes will increase the human capital of the children of the poorest segments of the population, which are the ones who are primarily affected by the present shortcomings of the education system in Suriname.
- 4.6 The aforementioned positive impact will be limited by the impossibility to introduce changes in the incentive structure regarding teacher's career. It is expected that the issue of incentive structure will be taken into consideration by an operation currently under discussion between the government and the Bank, aimed at assisting the government with the necessary studies and inputs for a future civil service reform ("Strengthening of public sector management" SU-0027).
- 4.7 As a consequence of a higher quality of basic education it is expected that repetition and dropout rates will be reduced. The baseline for repetition and dropout rates as well as the estimated cost per pupil of these events will be defined at the beginning of the program for evaluation purposes. Based on these figures, the estimated savings resulting in the reduction of both repetition and dropout rates will be calculated.
- 4.8 The program will contribute to the modernization and institutional strengthening of the MOECD, building-up the necessary capacity to direct, plan and supervise the development of the education system, and setting-up a favorable ground to future transfers of functions to district and school level authorities. The program will also contribute to the improvement of the physical infrastructure of schools and MOECD facilities. The multigrade school intervention, tailored to students in rural areas as opposed to the one-size-fits-all strategy, will provide learning opportunities to the most disadvantaged students and will improve the equality of the education system.

E. Risks

- 4.9 **Transparency in the use of funds.** As mentioned in paragraph 1.35, a previous IDB loan on education was canceled because of irregularities found in the civil works component. To diminish the risk of this situation happening again, the following aspects have been put in place in the execution strategy of the project: (i) the whole responsibility of the program will rest in the MOECD through the PCU; (ii) the civil works activities of the program consist of renovation or rehabilitation of existing infrastructure rather than new constructions) and will be contracted through a competitive process; (iii) the executing agency will have, since the beginning of the implementation, the necessary technical and administrative staff (one condition prior to the first disbursement is that the MOECD will present evidence of the establishment of the PCU); (iv) the monitoring of the financial and operational aspects of the program will be strengthened (see paragraph 3.24); and (v) a great proportion of the execution activities will be hired externally.

**BASIC EDUCATION IMPROVEMENT PROJECT
(SU-0023)
Logical Framework**

SUMMARY OF OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>GOAL:</p> <p>Contribute to the development of human capital in Suriname.</p>	<ul style="list-style-type: none"> Number of pupils completing the 6th grade increases from 50% in 2001 to 55% in 2008. 	<ul style="list-style-type: none"> HDI/UNDP and MOECD statistics 	<ul style="list-style-type: none"> Macroeconomic and fiscal stability
<p>PURPOSE:</p> <p>Improved quality and increased efficiency of the basic education system.</p>	<ul style="list-style-type: none"> By the end of the program coverage of basic education (in grades 6 to 10) increases from 45% to 50%. By the end of the 5th year of the program, drop-out rates for students in grades 1, 2 and 3* are reduced by 20%. Baseline: drop-out rates Grade 1: 7%, Grade 2: 7%, and Grade 3: 8%. By the end of the 5th year of the program, the number of repeaters in grades 1, 2 and 3* is reduced by 30%. Baseline: repetition rates Grade 1: 25%, Grade 2: 20%, and Grade 3: 22%. 	<ul style="list-style-type: none"> Information System of the MOECD. Information System of the MOECD. Information System of the MOECD. 	<ul style="list-style-type: none"> Adequate financial resources allocated to the MOECD Different donor agencies working on education in Suriname coordinate their activities.

* Students in these grades will be the first to be affected by the activities of the program.

SUMMARY OF OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>Component I Basic education cycle established and quality improved</p> <p>1. Improved curriculum for the basic education system</p> <p>2. Examination and tracking systems reformed</p> <p>3. Educational tools sufficiently available in schools</p>	<ul style="list-style-type: none"> ▪ Update of curriculum for grades 1-5 completed by the end of the 1st year of the program. ▪ Revision and update of curriculum for grades 6-10 completed by the end of the 5th year of the program. ▪ Design of math and reading exams for 3rd and 7th grade students completed by the end of the 3rd year of the program. ▪ Math and reading test to 3rd and 7th grade students at least once before the end of the program and disseminated among schools. ▪ Tracking system reformed and implemented by the end of the program. ▪ 100,000 pupils in basic education with textbooks and teaching materials consistent with the new curriculum by the end of the program. ▪ 5,000 basic education teachers receive teacher guides that are consistent with the new curriculum by the end of the program 	<ul style="list-style-type: none"> ▪ Project progress reports. ▪ Project progress reports. ▪ Project progress reports. ▪ Project progress reports. ▪ Project progress reports. ▪ Project progress reports. ▪ Project progress reports. 	<ul style="list-style-type: none"> ▪ Human resources (local and international) available to provide technical assistance to the MOECD ▪ Public and political support for the establishment of the new basic education cycle does not change ▪ MOECD and other governmental agencies and NGOs working in the Interior coordinate their actions

SUMMARY OF OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>4. Improved teacher training</p> <p>5. Multigrade school strategy designed for the interior</p> <p>6. Social marketing</p>	<ul style="list-style-type: none"> ▪ Design of pre-service and in-service teacher training programs completed by the end of the 3rd year. ▪ 5,000 teachers trained in the content of the new curriculum by the end of the program. ▪ Pilot of the multigrade school system in place in 10 schools in the interior by the end of the program. ▪ 5 workshops completed by the end of the 1st year of the program. 	<ul style="list-style-type: none"> ▪ Project progress reports. ▪ Project progress reports. ▪ Project progress reports. ▪ Project progress reports. 	
<p>Component II Improved physical infrastructure for public basic education.</p> <p>1. Renovation and rehabilitation of schools</p> <p>2. Renovation and upgrading of MOECD units</p>	<ul style="list-style-type: none"> ▪ 8 schools repaired and renovated by the end of the 1st year. ▪ 60 additional schools renovated and/or rehabilitated by the end of the 3rd year. ▪ 4 units of the MOECD renovated by the end of the program ▪ Pre-service and in-service teacher training facilities renovated and or rehabilitated by the end of the program. 	<ul style="list-style-type: none"> ▪ Project progress reports. ▪ Project progress reports. ▪ Project progress reports. ▪ Project progress reports. 	<ul style="list-style-type: none"> ▪ School renovations and/or rehabilitation are completed in accordance with established regulations

SUMMARY OF OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>Component III: Increased school management capacity</p> <p>1. Training of school principals</p> <p>2. Teacher resource centers</p> <p>3. School improvement and innovation fund</p>	<ul style="list-style-type: none"> ▪ 500 principals and school administrators trained in school management by the end of the 1st year. ▪ 3 pilot teacher resource centers established by the end of the 1st year. ▪ 23 additional teacher resource centers established by the end of the second year. ▪ 65 school improvement projects executed by the end of the program. 	<ul style="list-style-type: none"> ▪ Project progress reports. ▪ Project progress reports. ▪ Project progress reports. ▪ Project progress reports. 	<ul style="list-style-type: none"> ▪ Parental involvement in school affairs increases ▪ MOECD commitment to transfer some of its functions
<p>Component IV: Modernized and strengthened MOECD</p> <p>1. Institutional reorganization of the MOECD</p>	<ul style="list-style-type: none"> ▪ Personnel audit and database completed by the end of the 1rd year. ▪ Decentralization of maintenance, minor repairs, cleaning and security on a pilot basis in schools in two districts, by the end of the 2nd year. ▪ Decentralization of maintenance, 	<ul style="list-style-type: none"> ▪ Project progress reports ▪ Project progress reports. 	<ul style="list-style-type: none"> ▪ Political support for public sector reform, including revision of incentive system

SUMMARY OF OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>2. Equipment and supplies for the modernization of the MOECD</p>	<p>minor repairs, cleaning and security expanded to 5 more districts by the end of the 4th year.</p> <ul style="list-style-type: none"> ▪ Relocation of 20% of personnel identified in the audit by the end of the 5th year. ▪ Information system network of the MOECD established by the end of the 2nd year. ▪ Training of MOECD personnel on the use of the information system by the end of the 3rd year. 		

**BASIC EDUCATION IMPROVEMENT PROJECT
(SU-0023)
Procurement plan**

MAIN PROCUREMENT NEEDS OF THE PROJECT	Source of financing % IDB	Source of financing % LOCAL	Budget	Method ¹	Pre- qualification Requirements	Publication SPN Semester/year
A. Procurement of goods						
Computer Equipment – hardware, software, integration) <i>Component III. Strengthening of School Management</i> - Computer Equipment for Teacher Resource Centers	100	-	150	NCB	Yes	2/2004
<i>Component IV. Modernization of MOECD</i> - Computer Equipment for MOECD	100	-	350	ICB	Yes	2/2004
Office equipment (furniture, materials, books and communication) <i>Component I. Support for Basic Education and Quality</i> - Printing of textbooks - Provision of textbooks and teaching materials new curriculum - Provision of textbooks and teaching materials new curriculum	100 100 100	- - -	120 610 940	NCB ICB ICB	Yes Yes Yes	2/2004 2/2005 1/2007
<i>Component III. Strengthening of School Management</i> - Provision of office equipment for Teacher Resource Centers	100	-	60	NCB	Yes	2/2004
<i>Component IV. Modernization of MOECD</i> - Provision of office equipment for MOECD	100	-	150	NCB	Yes	2/2004
B. Civil Works (including supervision)						
<i>Component II. School and MOECD Infrastructure</i> - Renovation of Schools - 8 Schools (2 Bids) - 30 Schools (3 Bids) - 30 Schools (3 Bids) - Renovation of MOECD units	100 100 100 100	- - - -	800 900 900 500	NCB NCB NCB NCB	Yes Yes Yes Yes	2/2004 2/2005 2/2006 2/2004
<i>Component III. Strengthening of School Management</i> - Civil Works for Teacher Resource Centers	100	-	305	NCB	Yes	1/2005
C. Consulting Services						
International Consultants <i>Component I. Support for Basic Education and Quality</i> - Curriculum Development Specialist and Curriculum Specialist (3 International Consultants) - Reform of Teacher Training Specialist (6 International Consultants) - Multi Grade School Specialist (1 International Consultant)	100 100 100	- - -	402 150 30	NCB NCB DC	Yes Yes No	1/2004 & 1/2005 1/2005 1/2005
<i>Component III. Strengthening of School Management</i> - Individual Consulting Services for the development of the School Innovation and the Infrastructure Fund (3 International Consultant)	100	-	36	DC	No	1/2006
<i>Component IV. Modernization of MOECD</i> - Baseline of the Program - Consulting Firm Services for institutional reorganization (2 Contracts) - Individual Consulting Services for MIS implementation (2 International Consultants)	100 100 100	- - -	40 278 100	NCB ICB NCB	Yes Yes Yes	1/2004 2/2004 1/2005
<i>Other:</i> - External auditing	100	-	200	ICB	Yes	1/2004

MAIN PROCUREMENT NEEDS OF THE PROJECT	Source of financing % IDB	Source of financing % LOCAL	Budget	Method ⁱ	Pre- qualification Requirements	Publication SPN Semester/year
Local Consultants						
<i>Component I. Support for Basic Education and Quality</i>						
- Individual Consulting Services for Curriculum Development (17 Local Consultants)	100	-	823	DC	No	1/2004 & 1/2005
- Individual Consulting Services for Redesign of Exams (7 Local Consultants)	100	-	35	DC	No	1/2005
- Individual Consulting Services for Reforming Teacher Training (4 Local Consultants)	100	-	54	DC	No	1/2005
<i>Component IV. Modernization of MOECD</i>						
- Individual Consulting Services for MIS implementation (3 Local Consultants)	100	-	72	DC	No	1/2005
D. Training Requirements						
<i>Component I. Support for Basic Education and Quality</i>						
- Training of teachers in the new curriculum	100	-	100	NCB	Yes	2/2004
- Training of teachers in the new curriculum	100	-	100	NCB	Yes	1/2005
- Training of teachers in the new curriculum	100	-	100	NCB	Yes	1/2006
- Training of teachers in the new curriculum	100	-	100	NCB	Yes	1/2007
<i>Component III. Strengthening of School Management</i>						
- Training of School Principals	100	-	145	NCB	Yes	1/2005
- Training for Teacher Resource Center	100	-	12	DC	No	1/2005
<i>Component IV. Modernization of MOECD</i>						
- Other Training: MIS, ICT	100	-	50	DC	No	1/2006
- Training of MOECD personnel	100	-	100	NCB	Yes	1/2006

ⁱ Notes

ICB – International Competitive Bidding

NCB – National Competitive Bidding

DC – Direct Contracting.