

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

REPUBLIC OF PANAMA

**PROGRAM FOR THE IMPROVEMENT OF THE EFFICIENCY, QUALITY, AND
INCLUSIVENESS OF THE EDUCATION SECTOR IN PANAMA**

(PN-J0001)

GRANT PROPOSAL

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ABBREVIATIONS

ATAL	Aprendamos Todos a Leer [Let's all learn to read program]
DNEE	Dirección Nacional de Evaluación Educativa [National Educational Evaluation Office]
FLR	Fundamental learning rights
CQS	selection based on the consultants' qualifications
GRF	IDB Grant Facility
ICB	International competitive bidding
IOM	International Organization for Migration
MECSE	Program to Improve Efficiency and Quality in the Education Sector
N/A	Not applicable/no data
NCB	National competitive bidding
OEI	Organización de Estados Iberoamericanos para la Educación, la Ciencia y la Cultura [Organization of Ibero-American States for Education, Science, and Culture]
PISA	Programme for International Student Assessment
QCBS	Quality- and cost-based selection
SIACE	Sistema de Información del Centro Educativo [Education Center Information System]
SIMECE	Sistema Integrado de Mejora de la Calidad Educativa [Comprehensive System to Improve Quality in Education]
SINIP	National Public Investment System
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific, and Cultural Organization
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund

PROGRAM SUMMARY
REPUBLIC OF PANAMA
PROGRAM FOR THE IMPROVEMENT OF THE EFFICIENCY, QUALITY, AND INCLUSIVENESS
OF THE EDUCATION SECTOR IN PANAMA
(PN-J0001)

Financial Terms and Conditions				
Borrower:			Grant Facility (GRF) ^(a)	
Republic of Panama			Amortization period:	NA
Executing agency:			Disbursement period:	4 years
Ministry of Education			Grace period:	N/A
Source	Amount (US\$)	%	Interest rate:	N/A
IDB:	15 million	100	Credit fee:	N/A
Total:	15 million	100	Inspection and supervision fee:	N/A
			Weighted average life:	N/A
			Approval currency:	U.S. dollar
Program at a Glance				
Program objective/description: The general objective of this investment grant is to raise the learning and skill levels of students in Panama’s public education system by addressing the specific barriers faced by migrant and refugee children and adolescents and by children and adolescents in host communities. The specific objectives are: (i) to increase migrant and refugee children’s access to educational services; and (ii) to improve the integration of migrant and refugee students with students from host communities. This operation supports the formation of a more inclusive, intercultural educational system and contributes to the achievement of the objectives of the Program to Improve Efficiency and Quality in the Education Sector (loan 4357/OC-PN).				
Special contractual conditions precedent to the first disbursement: (i) the Ministry of Education will have sent the draft agreement with the specialized agency that is to be contracted to the Bank for its no objection; (ii) the technical and fiduciary teams of the execution unit for the Program to Improve Efficiency and Quality in the Education Sector will have been contracted; and (iii) updated program Operating Regulations will have entered into force (optional link 2) in accordance with terms previously agreed upon with the Bank, and the program will therefore have an appropriate regulatory framework (paragraph 3.3).				
Exceptions to Bank policies: None.				
Strategic Alignment				
Challenges: ^(b)	SI <input checked="" type="checkbox"/>		PI <input checked="" type="checkbox"/>	EI <input type="checkbox"/>
Crosscutting themes: ^(c)	GE <input type="checkbox"/> and DI <input type="checkbox"/>		CC <input type="checkbox"/> and ES <input type="checkbox"/>	IC <input checked="" type="checkbox"/>

(a) Nonreimbursable financing is provided by the IDB Grant Facility (GRF). In accordance with guidelines set out in document GN-2947-6, the grant funding for this operation supplements loan 4357/OC-PN. The funding for this operation is made up of a maximum of 20% of nonreimbursable financing from the GRF and 80% of reimbursable Ordinary Capital. Proportional disbursements of the GRF funding will be made at the same time as disbursements of loan 4357/OC-PN resources.

(b) SI (social inclusion and equality); PI (productivity and innovation); and EI (economic integration).

(c) GE (gender equality) and DI (diversity); CC (climate change) and ES (environmental sustainability); and IC (institutional capacity and rule of law).

I. DESCRIPTION AND RESULTS MONITORING

A. Background, problem addressed, and rationale

- 1.1 In November 2017, the Board of Executive Directors of the Inter-American Development Bank (IDB) approved the [Program to Improve Efficiency and Quality in the Education Sector](#) (generally referred to by its Spanish-language acronym, MECSE) (4357/OC-PN), which is providing US\$100 million in Ordinary Capital to support the education sector in Panama. The general objective of this investment loan is to raise the learning achievement levels and skills of Panamanian public school students through improved quality and efficiency in the provision of educational services. Its specific objectives are: (i) to improve efficiency in resource allocation and to guide education policy decisions through a digital transformation of the Ministry of Education's information systems; (ii) to strengthen the performance framework for quality in the education sector; (iii) to implement comprehensive pedagogical support for schools, with a focus on the lowest-performing schools; and (iv) to ensure that the four comprehensive schools are properly maintained and equipped. In March 2018, the operation was ratified, and its implementation began in August 2018.
- 1.2 Since the program's start-up, two additional challenges have exacerbated the educational gaps identified during its design. First, Panama is witnessing sudden, large-scale migration flows that are exerting pressure on educational service delivery and quality. Second, school closures in response to the COVID-19 pandemic have disrupted the education system in unprecedented ways that have had an adverse impact on the most vulnerable segments of the student body. In addition, changes in population flows have been triggered by border closures that have caused back-ups and by the greater numbers of people who are being driven by economic hardship to try to leave the country as the borders have gradually been reopened [\[17\]](#) [\[18\]](#).¹
- 1.3 **Request for support.** In light of the aforementioned challenges, which could limit the effectiveness of the MECSE program, the government has turned to the IDB and has requested funding from the IDB Grant Facility (GRF) to support countries with large and sudden intraregional migration inflows. The current operation is structured as an independent investment grant, taking into account the protracted administrative processes under way in the country to reformulate operations that are currently in execution. The investment grant will complement the MECSE program, making it possible to expand its scope and strengthen all of its components and thereby help address not only the needs of the migrant and refugee population but also those of the host educational communities of that population, with a view to shaping an inclusive, multicultural system. Pursuant to the Operational Guidelines for the Use of Resources from the IDB Grant Facility to Support Countries with Large and Sudden Intraregional Migration Inflows (document GN-2947-6), this operation has been classified as eligible for GRF resources ([optional link 3](#)). Based on those guidelines, the disbursements of this operation will be made *pari passu*, meaning that the GRF resources will be

¹ See [optional link 4](#).

disbursed simultaneously and proportionally with the disbursements of the MECSE program.

- 1.4 **Migration in Panama.** Between 2017 and 2019, more than 75,000 immigrants and refugees (equal to 1.8% of the country's entire population) came to Panama from elsewhere in Latin America and the Caribbean,² and there are now 241,092 foreign nationals from the region (nearly 6% of the country's total population) living in Panama. Most of these migrants are from Venezuela (50%), as their number has soared from 9,883 in 2015 to 121,598 in 2021. Colombian nationals make up 21% of the migrants, followed by those from Nicaragua, Costa Rica, and the Dominican Republic, at around 5% each ([optional link 3](#)). Moreover, the border closings and economic contractions due to the COVID-19 pandemic have prompted an increase in irregular migration and transit through the country. According to the National Migration Service, more than 91,300 migrants, mostly Haitians, have crossed the dangerous jungles of the Darién Gap—from Colombia into Panama—in 2021, with the aim of making it to North America. Migrants from Cuba (approximately 13,000); Venezuela (1,500); and from dozens of Asian and African countries have also crossed into the country [\[19\]](#).
- 1.5 **There are a considerable number of migrant and refugee children and adolescents in the country.** The International Organization for Migration (IOM) estimates that nearly 9% of the migrants and refugees from Venezuela are children and adolescents [\[3\]](#). These people are mainly residing in the provinces of Panama Centro, Colón, West Panama, Chiriquí, and Darién, where the number of foreign nationals enrolled in educational institutions doubled between 2014 and 2019. Some 70% of the registered migrant or refugee children are in public primary or lower secondary school. According to the United Nations Children's Fund (UNICEF), the migrant and refugee population crossing through the Darién Gap has increased to the point where more than 46,500 migrants have made that crossing over the last four years [\[4\]](#). There has also been a 15-fold increase in the number of children crossing the Darién Gap, with that number jumping from 109 in 2017 to 19,000 in 2021, half of whom were less than 5 years of age [\[20\]](#). Children accounted for just 2% of the migrant population in 2017 but in 2021 they made up more than 20% [\[19\]](#).
- 1.6 **Migrant and refugee children in Panama have the right to an education, but there are constraints on their access to the educational system.** Under [Panamanian law](#), all children, adolescents, and young people in the country (including migrants, refugees, and asylum-seekers, as well as those with permanent residency permits) have the right to a full education provided by the State, without discrimination of any kind.[\[5\]](#) Panama is also a signatory of the [Quito Declaration on Human Mobility](#) and has thereby ratified its commitment to provide migrant and refugee children with access to social services regardless of their migration status. It has also signed the [Andrés Bello Agreement](#), which guarantees students of member countries that their primary or basic and middle or technical

² Estimate computed by the Migration Unit based on information from the Department of Economic and Social Affairs of the United Nations and the Interagency Coordinating Platform for Refugees and Migrants of Venezuela.

school studies will be recognized by the other member countries' educational systems.³ The Ministry of Education has instructed teachers and school administrators to design simple placement tests for new foreign students. Nevertheless, surveys of migrant and refugee households conducted by United Nations agencies indicate that only 43% of migrant and refugee children between the ages of 4 and 5 and 79% of those between the ages of 6 and 11 are attending school, as compared with 65% and 87% of Panamanian children, respectively [6]. According to the Education Center Information System (SIACE), more than 17,000 foreign students, mainly from Venezuela, Colombia, and Nicaragua, are enrolled in the country's public schools (accounting for 70% of all foreign students).⁴ The Ministry of Education does not have systematized statistics on the migrant children and adolescents who are outside the public system.

- 1.7 **A lack of information and clarity about the relevant processes hinders the system from providing greater access to migrant and refugee children and adolescents.** Education authorities do not have up-to-date, reliable information on the migrant and refugee children who are in the public school system or on those who are outside that system. The fact that the existing education information and management systems are not interconnected, are using obsolete computer technologies that are incompatible with others in the system, and are incapable of compiling and generating information efficiently hinders the Ministry of Education from serving that segment of the population effectively.⁵ Because there are no standardized planning processes or intake protocols for the migrant population, schools apply standards and policies on an ad hoc basis as they go along, and there are no oversight mechanisms to ensure that the country is honoring its international commitments in this area or upholding migrant and refugee children's right to education [7], [8].⁶ The lack of an internal communication strategy for managing the flow of information among the various sections of the Ministry of Education or of an external one for providing information to all the different groups in the population makes it difficult to ensure that children and adolescents are able to avail themselves of their rights. Migrant families often do not know what their rights are and are unfamiliar with the workings of the educational system.

³ Bolivia, Chile, Colombia, Cuba, Dominican Republic, Ecuador, Mexico, Panama, Paraguay, Peru, Spain, and Venezuela.

⁴ There is a gender balance among the migrant children who are enrolled in school, with 50% of those students being female [8].

⁵ SIACE does not have information on the socioeconomic characteristics of foreign students because school administrators and teachers do not record that kind of information even though they normally do so in the case of Panamanian students. Nor does it serve as a platform for the identification of the unserved population because it is not linked with the databases of the National Migration Service or the Civil Registry, which provide a greater degree of traceability for the members of the national and foreign school-age population who are enrolled in school. Although it does collect information on scholastic performance, it does not have an early warning system for students at risk of dropping out.

⁶ The existence of many different systems and the lack of effective coordination among them are due to the fact that these systems have been set up by each school in response to the needs it encounters, without the benefit of an overarching vision of how the educational system should be managed.

- 1.8 Students' low levels of academic achievement are the main challenge facing the Panamanian educational system.** Progress has been made over the last decade in expanding educational coverage,⁷ but little has been accomplished in terms of the quality of education, and students' low levels of academic achievement and skills acquisition constitute the main challenge to be overcome in building up the country's stock of human capital.⁸ The fact that 67% of Panamanian students are unable to understand a simple text by age 10 is an indicator of the [learning poverty](#) crisis that is confronting the educational system [\[10\]](#). Learning poverty is 16 percentage points higher in Panama than the average for the Latin American and Caribbean region and 44 points higher than the average for high-income countries.⁹ The CRECER standardized national test results for 2018 show that over 50% of students in third grade did not have a basic level of proficiency in Spanish, with the results differing sharply by area of residence.¹⁰ Panama was also among the lowest-scoring countries in the region on the tests administered by the Programme for International Student Assessment (PISA) in 2018,¹¹ with 64% and 81% of the students of 15 years of age failing to demonstrate a minimum level of proficiency in reading and mathematics, respectively. Moreover, nearly half of the adolescents of that age are either not attending school at all or not attending on a regular basis or are in a much lower grade than the one that corresponds to their age and are performing poorly. According to the PISA for Development test, only 4% and 2% of these young people have reached a minimum level of proficiency in reading and mathematics, respectively. A comparison of the PISA results for 2009 and 2018 for 15-year-olds shows no improvement in either the quality of education or student progression and retention during that decade.
- 1.9 Although the standardized national tests do not provide any information on the relative performance of migrant and refugee students, all indications are that their levels of learning are lower than those of the local population.** The

⁷ Panama's net primary and secondary coverage rates are 97% and 86%, as compared to Latin American averages of 95% and 72%, respectively [\[9\]](#).

⁸ See the [Plan Estratégico del Ministerio de Educación 2014-2019](#) for a description of the legal and organizational framework for the strategic plan of the Ministry of Education.

⁹ This was Panama's ranking in 2019; because of the pandemic, that ranking is no longer current.

¹⁰ In the 2017 language section of the test, 84% of the students residing in indigenous regions scored below the basic proficiency level, compared with 52% of students residing in rural areas and 42% of those living in urban areas.

¹¹ On the reading comprehension test, Panama ranked 71st out of 79 countries and had the second-lowest rating in the region, with only the Dominican Republic scoring lower; 66% of the students scored below the minimum expected proficiency level in reading comprehension. The country's students ranked 76th on the mathematics test and 75th on the science test [\[8\]](#). Furthermore, after controlling for economic, social, and cultural indices, the average differential between the scores of students reporting that they spoke an indigenous language at home and those who spoke another language is around 80 points, which, according to the Organisation for Economic Co-operation and Development (OECD), is equivalent to nearly three years of schooling.

results of the 2013 Third Regional Comparative and Explanatory Study,¹² which compared the academic achievement levels of migrant and nonmigrant students in the region,¹³ reflect appreciable differentials between the two groups' performance on reading and mathematics tests. Only 27% of the migrant students in the third grade of primary school achieved a minimum proficiency level in reading versus 43% of local students. In mathematics, the corresponding figures were 26% and 36%, respectively. These gaps were evident in the scores of sixth-grade students as well. The CRECER tests do not provide disaggregated information on the performance of migrant and refugee children, but, as overall averages, migrant students' grades are lower than those of local students. SIACE data indicate that only 12% of enrolled migrant and refugee students had grades of over 4.5 on a grading scale of 1 to 5 at the primary school level and only 3% had grades above that level in lower secondary school [8] versus 54% and 24%, respectively, of Panamanian students at those levels.

- 1.10 **Migrant and refugee children are bullied more often than their Panamanian counterparts.** Panama is regarded as a “melting pot,” as it has been a crossroads for many different cultures owing to its geographic location, contemporary history, and its global logistical importance as a passageway for some 6% of the world's total trade flows. According to the 2010 population census, 67.5% of Panamanians are mestizos, 9.2% are of African descent, 10% are white, 12.3% are indigenous, and 1% are of Asian origin. This diversity has not engendered a welcoming environment for migrant and refugee children, however. Data from the Third Regional Comparative and Explanatory Study indicate that migrant and refugee children in Panama are bullied more at school than local students or students from their host communities are. This phenomenon is linked to various forms of xenophobia or violence in school settings that hinder the integration of the student body and the formation of good peer relationships among different groups at school. The Ministry of Education does not have tools for gauging the perceptions, prejudices, or attitudes toward foreign students in school communities that could help it to identify opportunities for improving the school environment. In the classroom, teachers lack pedagogical tools for fostering inclusive environments that would be conducive to learning and to the integration of local and migrant or refugee students. Creating an inclusive, intercultural atmosphere within school settings is an undertaking that requires targeted efforts on the part of school communities and other stakeholders in the educational system. The presence of migrant and refugee children and adolescents makes it all the more necessary to identify and alter any preconceptions or stereotypes that may persist within educational communities. It also underscores the challenge of diversifying educational practices to ensure their relevance for the students.

¹² Third-grade and sixth-grade students in Panama had below-average scores in all the subjects that were evaluated (reading, mathematics, and science). These test results confirmed that Panama is one of the countries with the largest differentials in academic achievement among students of differing places of residence and socioeconomic levels.

¹³ Of the participating countries, Panama had a larger percentage of migrant students (5%), followed by Argentina (2.1%), Costa Rica (2%), and Mexico (1.8%); the regional average was 0.9%.

- 1.11 **The impact of COVID-19 on education and on migrant and refugee children.** The problem of low skill and academic achievement levels has been exacerbated by pandemic-driven school closures. In Panama, schools closed their doors in March 2020, and children have been studying remotely since July 2020. Panama has had its schools closed longer than any other country in the world (16 months). This has had a direct impact on the education of 850,000 public and private school students at all levels.
- 1.12 **The group that has been hit the hardest by school closures has been the most vulnerable segment of the population, which includes migrant and refugee children.** The Ministry of Education has made an array of learning options available by developing a virtual remote learning platform (ESTER) and offering applications for use on electronic devices, television, and radio. Everything seems to indicate that these media do not fully take the place of in-person learning, however, and it appears likely that this situation will have an even greater impact on poor, extremely poor, and vulnerable middle-class students. These are the groups to which migrant and refugee children and adolescents belong, and they face formidable challenges in gaining access to virtual learning resources. According to UNICEF data, in 2020 the Ministry of Education succeeded in reaching 8 out of every 10 students through the Internet or by telephone; 60% used virtual platforms to attend classes, but 40% did not have access to the Internet. What is more, 70% of the students do not have access to a computer and, in low-income households, only 20% have access to a mobile device. Technological constraints are also a factor on the supply side of the equation, as only 54% of the country's schools have an Internet service provider, and only 11% of those in the indigenous regions do [\[11\]](#). The Ministry of Education does not have disaggregated information of this type on the migrant population, but it is thought that migrants face greater access barriers than the local population. A number of prospective studies have projected serious learning losses as a consequence of the health crisis. The most vulnerable students—who already had an extremely high learning poverty rate before the pandemic in a country where the schools have been closed for longer than anywhere else in the world—will be heavily impacted.
- 1.13 The pandemic has also had a devastating economic effect on households by driving up the unemployment rate and driving down household income levels [\[12\]](#). Unemployment is estimated to have climbed from 7.1% to 18.5% as a result of the pandemic, [\[13\]](#) and the increase in the poverty rate is estimated at 12.5 percentage points [\[14\]](#). According to the Ministry of Education, over 9,000 students did not attend school in 2020 because of the difficulties involved in remote learning and a lack of connectivity that prevented them from attending virtual classes. Most of these students live in the Ngäbe Buglé indigenous region, Panamá Centro, San Miguelito, and La Chorrera, where many migrants and refugees live.
- 1.14 **The migrant and refugee populations in Panama reside mainly in towns marked by sharp inequalities, preexisting socioeconomic lags, and poor school-facility infrastructure.** The return to in-person classes will require schools in Panama to employ biosafety measures (with one of the main measures being a sufficient supply of drinking water) to avoid the spread of COVID-19. Most migrants live in provinces where the schools have poor physical infrastructure and are not equipped to meet the new demands. For example, the schools in Darién Province,

where large numbers of migrants and refugees live in shelters, do not have sufficient lavatories, basic furnishings, or the digital infrastructure to support the use of electronic devices. In fact, the provinces of Darién and Bocas del Toro are among the five provinces in the country with the lowest rankings on the Human Development Index (the others are the Ngäbe-Buglé, Guna Yala, and Emberá Wounaan indigenous regions). These are also some of the provinces whose populations include the largest share of persons of African descent and members of indigenous peoples [16]. Using MECSE Program resources, the Ministry of Education has begun to install drinking water tanks and arrange for a supply of drinking water for the schools in these areas. Nonetheless, as is also true of other schools and educational institutions around the country, those that host migrant and refugee populations are in need of repairs and maintenance.¹⁴ In addition, restrictions on mobility and the closure of borders in response to the pandemic have left many migrant families trapped in shelters, primarily in Darién, that provide limited services, effectively transforming them from groups that were in transit to settled population clusters. Hundreds of children and young people are consequently living in these circumstances without access to educational resources. Under these conditions, their rights cannot be protected and their general needs as students and their specific needs as migrants and refugees cannot be fully met.

- 1.15 **Strategy for the operation.** The multidimensional factors influencing migrant and refugee children's access to education, integration, and learning can be summed up as follows: (i) a lack of procedural information and clarity that hampers the education system from ensuring migrant and refugee children's right to education; (ii) the generally low academic achievement levels of students in Panama's educational system and the even lower proficiency levels of migrant and refugee children; (iii) the lack of comprehensive pedagogical support to assist schools in properly managing multicultural environments; (iv) the challenges posed by COVID-19, particularly in the case of the most vulnerable students, who include migrant and refugee children and adolescents; and (v) the need for particular types of infrastructure for students in host communities and for migrant and refugee students. The aim of this operation is to see to it that, from the national level on down to individual classrooms, an inclusive educational system offering solutions adapted to the needs of migrant and refugee children provides a path toward integration and social cohesion in school communities and a way of overcoming cultural differences, closing learning gaps, and taking a first step toward the development of socio-emotional and citizenship skills.
- 1.16 **International experiences with the integration of statistical systems are available that can be used as sources of information to support decision-making regarding migration and educational issues.** For example, Kenya has made an effort to integrate information on migrants into its national statistical systems. The Kenyan Ministry of Education has set up the National Education Management Information System to compile and process information on

¹⁴ Including electrical work, plumbing, painting, roof repair, metalworking, cleaning, and work to ensure the facilities' safety and accessibility.

various indicators of young students' performance and participation in the educational system, including those of migrant and refugee children. This information is very useful in planning, evidence-based decision-making, monitoring, and development policy-making [\[16\]](#). In order to create inclusive educational systems, evaluation mechanisms are needed that can be used to compile comprehensive information on all members of the education community and to pinpoint gaps as a basis for the design of improvement plans for the community that they will serve ([optional link 7](#)).

- 1.17 The proposed interventions under this investment grant for increasing the efficiency, quality, and inclusiveness of education are relevant for Panama. First, prior experience in the country is available that will facilitate their implementation. For example, two of the three key information systems of the Ministry of Education are operative. Although there have been some problems with SIACE, it is widely accepted and used by teachers and school administrators.¹⁵ The country has also administered student examinations and has participated in regional and international testing initiatives. The pedagogical support that is being proposed has been adapted from initiatives undertaken in the country by various nongovernmental organizations and by specialized international agencies or organizations that are successfully working in other countries, such as Colombia and Brazil, in situations similar to those found in Panama. Second, there is a strong commitment to improving the areas focused on in this operation on the part of authorities at the highest level of government and continuing on down to the civil society level, and this commitment will ensure its sustainability over time. Third, technical capacity for the design, implementation, and sustainability of interventions of this type is being embedded in the Ministry of Education.¹⁶
- 1.18 **Bank support for the sector.** The Bank has been working closely with the government in the field of education for decades. Up to 2017, two large-scale loan operations in the sector—i.e. Educational Facilities and Learning Quality (2462/OC-PN) and Innovation in School Infrastructure (2734/OC-PN)—were focused on improving the quality of educational infrastructure, increasing access to education, and improving its quality in indigenous regions and periurban areas. In addition, technical assistance operations have been carried out in order to: (i) introduce an academic performance framework based on fundamental learning rights (FLRs); (ii) support the administration of the CRECER tests; (iii) develop a system for evaluating educational centers and the performance of teachers, school administrators, and supervisors; (iv) develop educational resources for use in providing culturally relevant instruction in mathematics in indigenous regions; and (v) undertake a diagnostic assessment of the education management and information systems of the Ministry of Education (see [optional link 6](#)).

¹⁵ One of the challenges involved in implementing information systems is securing users' acceptance and adoption of the cultural change that they entail.

¹⁶ The Ministry of Education has set up a digital innovation unit staffed with personnel who are highly trained in state-of-the-art digital technologies. Fundamental learning rights (FLR) evaluation and training systems are also being designed.

- 1.19 **The approval of the MECSE Program in 2017 marked a significant change in the way the Bank provides support in this sector.** Unlike earlier loan operations, most of which channeled the bulk of the funds into improving school infrastructure and access, the MECSE Program is using most of its resources to improve the efficiency, quality, and management of the educational system. Over 85% of the US\$100 million to be provided under that program is being used to introduce systemic reforms in the sector. Initially, the operation ran into difficulties owing to: (i) a low level of technical and fiduciary capacity on the part of the execution unit that was originally set up to run the program; (ii) a change in government that occurred less than a year after the operation became eligible; and (iii) the crisis caused by COVID-19.
- 1.20 In order to overcome these initial challenges and speed up program execution, the government agreed to a new arrangement for its implementation calling for the involvement of two specialized agencies in the program's technical and fiduciary management: the United Nations Development Programme (UNDP), and the Organization of Ibero-American States for Education, Science, and Culture (OEI). Thanks to this new arrangement, the program has made significant headway in carrying out the various reforms included in its four components.
- 1.21 Under Component 1 (US\$13.5 million), which deals with digital transformation and process reengineering, work has moved forward on the contracting of consultants to help improve the management of the educational system, and the specific needs of the Ministry of Education in terms of technological infrastructure and information systems have been determined. Under Component 2 (US\$25.7 million), which provides support for the evaluation system, reports were prepared to provide the information derived from the 2016-2018 CRECER tests to the schools. New formative assessments for students have been designed, and international examinations such as those designed by the Regional Comparative and Explanatory Study and PISA have been administered. The program has also worked with the Universidad de la Laguna to adapt and administer formative tests to track students' progress during the year in reading, writing, and mathematics, and the Early Grade Reading Assessment test was given to first-grade students. In addition, work to strengthen the capacity of the National Educational Evaluation Office (DNEE) has included the creation of a research group and the provision of university courses for staff in order to leave installed capacity in place.
- 1.22 Under Component 3 (US\$46.2 million), which focuses on improving student learning in the areas of reading, writing, and mathematics at the preschool and general primary levels, FLR materials have been rolled out for Spanish and mathematics for first through sixth grades. With support from the OEI, FLR materials are being developed for the social and natural sciences for those grades, and this framework is being expanded for use in seventh through ninth grades in the four basic areas of the curriculum. In addition, with the Bank and the OEI acting as intermediaries, the Ministry of Education has been able to reach an agreement for the adaptation of the ESMATE mathematics series developed by El Salvador for use in Panama's school curricula. The ESMATE series includes textbooks, workbooks, and teachers' guides for grades 1 through 12, and its adaptation will enable the country, for the first time ever, to distribute its own educational materials in the country's schools. For Spanish language courses, the materials prepared by the Bank's "Aprendamos Todos a Leer" (ATAL) [Let's all learn to read] initiative are

- being used as a basis for the development of first-grade textbooks. In addition, during the health emergency, this component has financed the printing of educational materials developed by the government for remote learning applications for the 2020 and 2021 school years. Funding is also being provided for the expansion of the Jadenkä Program¹⁷ for culturally relevant instruction in mathematics in the Ngäbe-Buglé indigenous region. The National Reading Plan, which is linked to the ATAL initiative, is now being designed. Under this plan, classroom libraries will be set up for kindergarten and primary grades in more than 3,000 schools throughout the country by the start of the 2022 school year.
- 1.23 Under Component 4 (US\$8.6 million), which deals with school infrastructure, a school maintenance plan is being drawn up along with a plan for piloting a mobile application for tracking the maintenance status of school infrastructure. Work is also underway to begin outfitting the comprehensive schools for the start of the in-person school year, and schools have been equipped for hook-ups to basic utilities, with emphasis being placed on the supply of drinking water. Arrangements for the provision of water tanks to 660 schools are being made by 280 community boards, and projects for harvesting rainwater for use in 32 schools are being pursued in partnership with multilateral agencies.
- 1.24 The Bank has disbursed 30% of the MECSE Program funds since the operation was declared eligible. Upon approval of the investment grant, the MECSE Program plans to disburse another US\$15 million, which will bring the operation's level of execution up to 45%. The components of these two programs are very closely related, as are the activities being conducted by the specialized agencies (see [optional link 8](#)).
- 1.25 **Lessons learned and coordination with other multilateral agencies.** The design of this operation has drawn on lessons learned in Bank operations in the region designed to support migrant and refugee children. For example, inputs, diagnostic assessments, and empirical evidence from programs 4923/OC-EC and 4798/OC-BL have been used in the design of Component 3 activities to promote integration and the formation of good peer relationships in schools through teacher training in multicultural education, tutorials for accelerated learning, parent involvement, and differentiated sports and artistic activities for migrant and refugee children. Operation ATN/CF-18346-CO was also used as a model for the integration of strategies for increasing access to educational resources for migrant and refugee children using easily deployable digital solutions.
- 1.26 In addition, the design of this operation has drawn on the experience gained by United Nations agencies working with migrant and refugee children and adolescents in Panama and other countries of the region. Information that should be gathered on a systematized basis has been identified by referring to the experiences of IOM and the Office of the United Nations High Commissioner for Refugees (UNHCR), and these inputs will be used to design the systems provided for under Component 1. The "[Somos lo mismo](#)" [We are all the same] campaign has been used as a model for the community sensitization effort that will be a

¹⁷ This intercultural, bilingual preschool program focuses on the early development of mathematics skills.

crosscutting element in all the components. The assessment framework employed in a project conducted by the United Nations Educational, Scientific, and Cultural Organization (UNESCO) in [Colombia](#) and [Chile](#) has been used for the teacher evaluations proposed as part of Component 2. Lastly, this operation is working with the UNDP and UNICEF to share information and experiences among these organizations and with nonprofit organizations working with migrant and refugee children in the country. For information on other lessons learned that have been drawn upon in the preparation of this operation, see [optional link 9](#).

- 1.27 **Challenges.** Given the challenges described above, there are issues that this operation will not be able to resolve. Although it will be working to promote the integration of migrant and refugee children in their host communities, it will be focusing on school-age children and will therefore not be dealing with adults or people who are in transit and are not enrolled in the educational system. In addition, while the operation will address migrant and refugee children's access to an education, their integration into the educational system, and the quality of the education that they receive, there are other challenges as well, such as the fact that migrant and refugee children and adolescents are not eligible for scholarships or other forms of government support to encourage them to stay in school and continue with their education after completing their lower secondary educations. There are other challenges as well, such as limitations on which courses of study can be chosen by foreign students.
- 1.28 **Strategic alignment.** The program is consistent with the second Update to the Institutional Strategy (AB-3190-2), as it is aligned with the following two development challenges: (i) social inclusion and equality, since it will promote the integration of migrant and refugee children and their peers in their host communities within the educational system on a comprehensive basis that will include the assessment and improvement of the school environment and teacher training to facilitate integration; and (ii) productivity and innovation, since it will introduce remote learning tools and develop inclusive multimedia content for promoting the integration of migrant and refugee students into their host communities. The program is also aligned with the crosscutting theme of institutional capacity and the rule of law, since it will strengthen the technological and administrative tools available to the Ministry of Education, as well as tools for managing migration flows. The program's contributions to the Corporate Results Framework (CRF) for 2020-2023 (document GN-2727-12) will be reflected in the following indicators: (i) student beneficiaries of educational projects; (ii) beneficiaries of initiatives that support migrants and their host communities; (iii) targeted beneficiaries of public services that have been adapted for diverse groups; and (iv) agencies with strengthened digital technology and managerial capacity. It is also consistent with the priority placed by the IDB Group Country Strategy with Panama (2021-2024) (document GN-3055) on combating poverty and inequality through education, science, technology, and culture, and specifically with the objective of improving quality and relevance in the educational system. The program is included in the Update of Annex III of the 2021 Operational Program Report (document GN-3034-2) in line with the first priority of promoting social progress by strengthening educational programs in the country with a view to alleviating poverty. Lastly, it is aligned with the Skills Development Sector Framework (document GN-3012-3) as it concerns the development of relevant and culturally

appropriate skills for addressing the specific needs of diverse populations such as the migrant and refugee population.

B. Objectives, components, and cost

- 1.29 The general objective of this investment grant is to raise the learning and skill levels of students in Panama's public schools by addressing the specific barriers faced by migrant and refugee children and adolescents and by children and adolescents in host communities. The specific objectives are: (i) to increase migrant and refugee children's access to educational services; and (ii) to improve the integration of migrant and refugee students with students from host communities. This operation supports the formation of a more inclusive, intercultural educational system and contributes to the achievement of the objectives of the Program to Improve Efficiency and Quality in the Education Sector (see [optional link 8](#)).
- 1.30 **Component 1. Digital transformation to strengthen the management of the inclusive educational system (IDB Grant Facility: US\$0.9 million).** The resources for this operation will be used to complement the MECSE Program activities that will finance various outputs (e.g. implementation and operation of SIACE, process reengineering for the education system, and the implementation of a system of education statistics). The investment grant will ensure that SIACE includes variables for the collection of information on migrant and refugee children in order to secure coverage and funding for this population group.¹⁸ Financing will be provided for the preparation of a diagnostic status assessment of the use of information systems in the educational system as a whole and at the school level in order to identify shortcomings in the processes involved in compiling information on migrant and refugee children and to pinpoint the areas that need to be strengthened. An effort will also be made to integrate SIACE with the records kept by government agencies such as the National Migration Service and other organizations that have databases on refugees and migrants (e.g. UNHCR, IOM, UNICEF). All the rules, processes, procedures, and forms used at the various levels of the migrant and refugee intake system will be fully mapped to provide a basis for the preparation of clear-cut protocols and procedures for serving this group. The component will also finance an in-house sensitization and communication strategy for the Ministry of Education aimed at improving the flow of information and services for migrant and refugee children.
- 1.31 **Component 2. Support for the National Educational Evaluation System (IDB Grant Facility: US\$1.82 million).** This operation's resources will be used in ways that complement the MECSE-financed activities, which include the nationwide implementation of standardized diagnostic assessments of all students in the third, sixth, and twelfth grades and of teachers at the primary, lower secondary, and upper secondary school levels. This component will focus on the design and implementation of formative assessments to determine where students, including migrant and refugee students, are on the learning curve. These assessments will

¹⁸ The necessary steps will be taken to ensure that, in keeping with the laws in force, the migration status of migrant and refugee children is not included in the Ministry of Education's administrative record-keeping systems.

make it possible to identify students who are falling behind or who have learning difficulties and channel them into the remediation programs provided for in Component 3 of this operation. Surveys on the school environment and on socio-emotional skill levels will be designed and conducted as part of the evaluations to be prepared under the Comprehensive System to Improve Quality in Education (SIMECE). These tools will be used to gather information on the presence of citizenship skills and inclusive education in the country's schools and on perceptions within the school community. That information will be used to determine the level of well-being in the student body and to identify risks and needs with a view to improving the environment for learning and for the formation of good peer relationships. These surveys will be used to canvas the opinions of students and other members of the education community. They will also include metrics for gauging the views of teachers and school administrators regarding inclusive education and the focus on protecting vulnerable population groups, including migrants, who will be provided with pedagogical support as part of Component 3. Based on these systems, this component will finance the development of a mechanism for monitoring the school environment. That mechanism will then serve as one of the education indicators in the system of indicators to be established under Component 1 of the MECSE Program. The country's cultural diversity, including the cultures of its indigenous and Afro-Panamanian peoples, will be taken into consideration in the design of these instruments.

- 1.32 **Component 3. Comprehensive and continuous pedagogical support (IDB Grant Facility: US\$8.68 million).** All the MECSE Program interventions will benefit both migrant and refugee children and students from their host communities; these interventions will, for example, include the outfitting of primary school classrooms with language and mathematics instructional materials and with in-class libraries, ongoing professional development training courses for school staff, and program activities aimed at improving primary schools that are found to be performing poorly. This component will finance activities that are specifically designed for schools with migrant and refugee students: (i) development and design of leveling materials for migrant and refugee children in core areas and in the social sciences, history, and civics; (ii) teacher training in inclusive, intercultural education; (iii) support for students in leveling up to their grade and materials to support inclusion, remediation, and accelerated studies in the core subjects of reading, writing, and mathematics; (iv) targeted interventions in poorly performing educational centers in areas with large migrant populations, including night schools and the training provided for under the Colmena Plan;¹⁹ (v) implementation of extracurricular activities (sports, art, science) to improve the school environment and promote the development of citizenship and socio-emotional skills by all members of the host, migrant, and refugee populations; (vi) sensitization campaigns and workshops in schools to improve the school environment, together with the dissemination of support channels for addressing gender-based violence while respecting cultural diversity; (vii) educational resources and tools for

¹⁹ The objective of the Colmena Plan is to improve the socioeconomic status of vulnerable households in the 300 *corregimientos* with the highest multidimensional poverty rates.

developing socioemotional skills that will help students to form good relationships with each other, with dedicated modules on strengthening gender equality and the inclusion of indigenous languages in the regions that are home to indigenous peoples; (viii) development of multimedia programs to help preschool children and children in the early grades of primary school to strengthen their foundational, social, and intercultural skills; and (ix) delivery of devices to schools and shelters serving migrants in transit and vulnerable members of host communities that can be used to transmit educational content using local WiFi access provided free of charge. These interventions will seek to secure family involvement in order to improve relationships and reduce discriminatory and xenophobic behaviors.

- 1.33 **Component 4. Equipping and maintenance of school infrastructure (IDB Grant Facility: US\$2 million).** The resources provided under this operation will complement the MECSE-financed activities, which include funding for the design of a maintenance plan that will set the standard for the schools served under this component. This program will finance: (i) the outfitting of the selected schools (including indigenous schools), which will have a large proportion of migrant students; and (ii) the outfitting and maintenance of migrant and refugee reception centers at critical points along migration routes in the country. This component will place priority on the provinces of Darién and Bocas del Toro and will invest in areas with indigenous populations to improve living conditions and access to education. Its interventions will include maintenance and minor repairs of lavatory facilities (to help prevent girls from dropping out of school), drinking water catchment and distribution, the provision of electrical power, and Internet connections. The methodology to be used will promote the participation and integration of foreign and host-community families in these interventions in order to enhance their relevance and sustainability.
- 1.34 **Administrative and other contingent expenses (IDB Grant Facility: US\$1.6 million).** The objective is to provide support to the Ministry of Education for other administrative expenses associated with the investment grant. Financing will be provided for the following activities: (i) the cost of contracting a specialized agency; (ii) technical coordination of the investment grant; (iii) monitoring and evaluation of the operation; and (iv) audit costs.
- 1.35 **Beneficiaries.** The main beneficiaries of the program will be migrant and refugee students and host-community students enrolled in Panama's public school system. There are 3,529 schools in the country, 3,118 of which are public schools; the 268 of these schools that will be program beneficiaries have been selected on the basis of the number of enrolled students and the number of foreign enrolled students (see [optional link 5](#)). The project will directly benefit an estimated 25,000 students and will indirectly benefit over 200,000 students enrolled in these schools (88% of the migrant and refugee children enrolled in the public school system). Within this group, priority will be placed on schools located along the border in the provinces of Darién and Bocas del Toro. The teachers, administrators, and Ministry of Education staff who participate in these interventions will also benefit. The operation's beneficiaries will also include migrant and refugee children, their families, and members of their host communities who do not have access to a formal education but who do have access to services in community centers and shelters.

- 1.36 **Eligibility.** In accordance with the guidelines set out in document GN-2947-6, this operation is eligible for GRF financing via a complementary investment grant, inasmuch as: (i) the original scope of the components of this operation can be scaled up in order to directly benefit migrant and refugee children and their host communities; (ii) the operation meets all the [eligibility criteria](#); and (iii) not more than 30% of the original loan has been disbursed.
- 1.37 The unprecedented nature of current migration flows poses a new challenge in Latin America and the Caribbean and could potentially have adverse effects on host communities if they are not addressed appropriately as a matter of urgency. In order to deal with these exceptional circumstances, the Bank's Board of Governors has approved the use of up to US\$100 million of Ordinary Capital through the IDB Grant Facility to Support Countries with Large and Sudden Intraregional Migration Inflows (documents GN-2947-1 and AB-3199). This facility is intended to help countries develop interventions for providing migrants, refugees, and their host communities with access to basic services, social services, and economic opportunities. These interventions are to be designed to benefit both migrants and the local population so that they will be conducive to an inclusive development process and to the formation of positive relationships between the two communities.
- 1.38 **Eligibility criteria for the use of the GRF (document GN-2947-6).** The program meets the five eligibility criteria for the use of GRF resources. The annex to the document on migration eligibility ([optional link 3](#)) provides more detailed information on the fulfillment of the criteria, which will be summarized here. First, migration increased Panama's population by 1.8% between 2017 and 2019, which is far greater than the 0.5% threshold set for the first criterion (paragraph 4). Second, the investment grant cites shortcomings in the management of education-related information, limitations on access to education, learning differentials between migrant and refugee students and host-community students, and inadequate infrastructure as the main barriers to the integration of migrant and refugee children (paragraphs 1.5-1.14). Third, this operation will increase access to social services by encouraging people to continue their educations, training teachers as a means of supporting improved learning and the integration of migrant and refugee children, and generating more and better-quality data that can contribute to the development of an intercultural, inclusive educational system (paragraphs 1.29-1.33). Fourth, the operation's beneficiaries are migrant and refugee students, host-community students, and geographic areas with large migrant populations (paragraph 1.34). Fifth, the Government of Panama requested that the Bank prepare an investment grant to provide nonreimbursable resources and scale up the MECSE Program in order to provide support to migrant and refugee students and their host communities (paragraph **Error! Reference source not found.**).

C. Key results indicators

- 1.39 **Expected results.** The indicators for this investment grant are aligned with those of the MECSE Program and will therefore contribute to the general development objective of raising students' learning levels as measured by the following specific indicators: third-grade students at insufficient achievement levels in reading; third-grade students at insufficient achievement levels in mathematics; and

students between 6 and 11 years of age who are not promoted to the next-highest grade at the end of the school year. In addition, new indicators have been formulated in order to identify the results of this operation's interventions targeting host communities and migrant and refugee children. The main outputs that will be sought are: (i) schools reporting their full school enrollment figures in SIACE at the end of the first quarter of the school year, including complete enrollment data for migrant and refugee children; (ii) migrant and refugee children of 4-5 years of age and of 6-11 years of age enrolled in the school system; and (iii) migrant and refugee students and nonmigrant/nonrefugee children who are bullied in school. The indicators for the general development and specific development objectives and for the operation's outputs are listed in Annex II.

- 1.40 **Economic analysis.** An ex ante economic cost-benefit analysis was undertaken ([optional link 1](#)). Using a 45-year time horizon, this study assessed project costs and four types of benefits associated with the immigrant population: (i) increased access to the educational system and completion of secondary education. In this case, the study estimated the foreign population outside of the educational system and the benefits of the increase in income associated with having completed secondary school. In order to make this assessment, income profiles by level of education were estimated on the basis of household survey results; (ii) an increase in the transition to higher education. The number of persons graduating from secondary school who would go on to seek a university education was projected, and the benefits were estimated as the income differential between the completion of a secondary education and the completion of a tertiary education; (iii) reduction in school failure rates. A projection of how much an improvement in the quality of education would reduce school failure rates (failure to be promoted to the next grade and dropping out) was prepared, and the savings for the public school system were estimated based on the system's per-student expenditure; and (iv) improved quality. The income differential between the Panamanian population and the immigrant population was estimated, and the benefit for the immigrant population was defined as the increase needed to reach the income level of Panamanians (10%). The cost-benefit analysis yielded an internal rate of return of 15.3%, which demonstrates the project's economic viability.

II. FINANCING STRUCTURE AND MAIN RISKS

A. Financing instruments

- 2.1 This operation is based on the provision of nonreimbursable financing (an investment grant), of a total of US\$15 million that is to be drawn from the GRF for countries hosting large-scale, sudden intraregional inflows of migrants. The estimated cost of each component is shown in Table 1. The disbursements are to take place over a four-year period and scheduled as shown in Table 2. The GRF funds will be disbursed at the same time and in proportion to the MECSE Program resources.

Table 1. Estimated program costs (US\$)

Components	IDB Grant Facility	%
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Components	IDB Grant Facility	%
Component 1. Digital transformation to strengthen the management of the inclusive educational system	900,000	6.00
1.1 Diagnostic status assessment of information systems' inclusion of data on migrant and refugee students	20,000	0.13
1.2 Process reengineering and development of access protocols	210,000	1.40
1.3 Information and communications technology infrastructure for educational centers having a migrant population	670,000	4.47
Component 2. Support for the National Educational Evaluation System	1,820,000	12.13
2.1 Formative assessments and surveys on the school environment	1,270,000	8.47
2.2 Assessment of teachers' multicultural and intercultural education skills	550,000	3.67
Component 3. Comprehensive and continuous pedagogical support	8,630,000	57.53
3.1 Teacher training in multicultural and intercultural education	430,000	2.87
3.2 Leveling and remedial instructional materials for students	4,149,000	27.66
3.3 Support for early childhood development and extracurricular activities	2,800,000	18.67
3.4 Activities to improve the school environment	1,071,000	7.14
3.5 Entry kit for migrant and refugee children	180,000	1.20
Component 4. Equipping and maintenance of school infrastructure	2,000,000	13.33
4.1 Outfitting (furnishings, solar panels, connectivity)	708,575	4.72
4.2 Basic utilities and school maintenance	1,291,425	8.61
Administrative and other contingent expenses	1,650,000	11.00
5.1 Technical coordination of the grant	1,110,000	7.40
5.2 Audits and monitoring and evaluation	540,000	3.60
Total	15,000,000	100.00

Table 2. Disbursements (in U.S. dollars)

	Year 1	Year 2	Year 3	Year 4	Total
GRF	2,653,000	6,490,000	4,538,000	1,319,000	15,000,000
%	17.69	43.27	30.25	8.79	100

B. Environmental and social risks

- 2.2 In accordance with the Environment and Safeguards Compliance Policy (OP-703), this is a Category "C" operation because the actions involved in outfitting schools and improving their drinking water supply—the provision of water tanks and rainwater harvesting—will have minimal environmental and associated social impacts. The social and environmental risks associated with the program and the

mitigation measures that it takes will be in keeping with the guidelines established under the MECSE Program.

- 2.3 To safeguard the communities and personnel during the work involved in outfitting the schools and their maintenance, basic plans for managing those minimal environmental and social impacts will be prepared. These plans will also include specific measures related to COVID-19. All components of the project will take the importance of diversity into consideration and will help to ensure the inclusion of migrant and refugee children and their host communities. In view of the Ministry of Education's lack of experience in applying the Bank's social and environmental safeguards, the project will seek to ensure that the specialized agency to be contracted for this operation will have personnel who have experience in these areas.

C. Fiduciary risks

- 2.4 The institutional evaluation indicates that the Ministry of Education has a limited institutional capacity for assuming the responsibilities of an executing agency, as its scope is confined to coordination and accountability. Fiduciary risks are assessed as being of a medium level: (i) delays in the execution of the MECSE Program (4357/OC-PN) could have an impact on the use of the investment grant funds because there is a *pari passu* clause; and (ii) the budget allocation is not enough for both programs.
- 2.5 The following steps will be taken to mitigate these risks: (i) the operation will work in close coordination with the Ministry of Economic Affairs and Finance to analyze the budget allocations from year to year along with the execution paths for the MECSE Program and this investment grant; (ii) a specialized agency will be contracted to support execution (along the same lines as the plan for the execution of the MECSE Program); and (iii) the Ministry of Education should include the necessary funds for program execution in the sum cited in the draft proposal that it is to submit to the Ministry of Economic Affairs and Finance each year by 30 April. The Ministry of Economic Affairs and Finance prepares and verifies the budget and submits a proposal by 31 July of each year to the National Assembly, which is then responsible for approving the budget and any budget increases. Arrangements will be made for the program's inclusion in the national project bank, the assignment of the codes for the Standards and Procedures of the National Public Investment System (SINIP) of Panama, and the issuance of a favorable technical ruling by the Investment Programming Office of the Ministry of Economic Affairs and Finance with a view to the allocation of the budgetary funds in 2022.

D. Other risks and key issues

- 2.6 Two factors entailing a high level of social risk have been identified: (i) possible tensions among the host communities owing to the large percentage of migrant and refugee students in some schools; and (ii) possible constraints on program execution depending on the course taken by the pandemic. In order to mitigate these risks, all of the operation's outputs will benefit both the migrant and refugee children and their host communities, and funding will be made available for the implementation of a sensitization and communication strategy within the Ministry of Education and for the school community. The Ministry of Education will remain in constant contact with the Ministry of Health in order to be prepared for any

pandemic-related mobility restrictions, and steps are being taken to be ready to conduct interventions virtually in the event of school closures.

- 2.7 **Sustainability.** The resources to be provided under this operation will make it possible to reinforce the functionality of the relevant information systems, develop new and better educational materials, and cover the cost of outfitting the schools and maintaining the school infrastructure. By adapting the corresponding systems and tools, the Ministry of Education will be able to prioritize and optimize resource allocations in accordance with the commitment assumed by the Government of Panama as a signatory to the Quito Process. These changes will significantly improve the budgetary planning and allocation capacity of the Ministry of Education over the medium and long terms in the areas of intervention of this investment grant by enabling it to arrive at informed decisions based on statistical data pertaining to the education sector.

III. IMPLEMENTATION AND MANAGEMENT PLAN

A. Summary of implementation arrangements

- 3.1 **Execution.** The Ministry of Education will be the executing agency for the GRF funds; in that capacity, it will act through the execution unit of the MECSE Program. The MECSE execution unit will contract the services of a specialized agency in accordance with the Policies for the Selection and Contracting of Consultants financed by the Inter-American Development Bank (document GN-2350-15). This specialized agency, which will be chosen from among the two that are already working with the MECSE Program, will be responsible for fiduciary matters and for the delivery of technical support to the Ministry of Education in line with the objectives of the MECSE Program and this investment grant. The work of the specialized agency will be coordinated and guided by the MECSE technical team, which will also give its no objection for the materials received by the agency. The GRF resources will be disbursed *pari passu* (document GN-2947-6) with the MECSE Program funds, and the two programs' management tools have been linked and updated accordingly. The execution periods for the GRF and MECSE funds will overlap, and, with IDB support, both operations' budgetary allocations will be closely coordinated with the Ministry of Economic Affairs and Finance (see [optional link 8](#)).
- 3.2 **Program Operating Regulations ([optional link 2](#)).** The GRF program's execution will be governed by the Operating Regulations of the MECSE Program, which will be updated in order to link them with this grant operation. The Operating Regulations establish operational guidelines and procedures regarding: (i) the structure for the execution of both programs and the responsibilities of the various offices of the Ministry of Education; (ii) the responsibilities of other units and specialized agencies in connection with the implementation of the various components; (iii) procedures for planning and programming the activities to be financed; (iv) technical management, financial administration, and procurement procedures and processes; (v) procedures for the program's environmental and social management; and (vi) operating instructions for the implementation of impact monitoring and evaluation activities.

- 3.3 **Special contractual conditions precedent to the first disbursement:** The executing agency shall submit evidence that: (i) the Ministry of Education has sent the draft agreement with the specialized agency to the Bank for its no objection; (ii) the technical and fiduciary teams of the execution unit for the MECSE Program have been contracted; and (iii) the updated program Operating Regulations have entered into force ([optional link 2](#)) in accordance with terms previously agreed upon with the Bank, and the program will therefore have the appropriate regulatory framework for coordination between the MECSE Program and this investment grant.
- 3.4 **Procurement.** The Policies for the Procurement of Goods and Works financed by the Inter-American Development Bank (document GN-2349-15) and the Policies for the Selection and Contracting of Consultants financed by the Inter-American Development Bank (document GN-2350-15) will be applied. The type of review to be undertaken will be determined on a case-by-case basis in the procurement plan ([required link 3](#)). The Procurement Plan Execution System, or an updated version of this computer application if one is issued, will be used to keep track of procurement operations.
- 3.5 **Auditing.** An independent auditing firm that is acceptable to the Bank will be called on to prepare yearly audited financial statements for the project within 120 days of the end of each fiscal year or the date of the last disbursement. These audits and the audits for the MECSE Program will be performed by the same firm, but separate auditing reports will be submitted.

B. Summary of arrangements for monitoring results

- 3.6 **Monitoring arrangements.** The executing agency and the Bank have agreed to monitor the program's progress closely using the results matrix, the program execution plan, the annual work plans of the MECSE Program (while adjusting them as needed to include the investment grant resources) ([required link 1](#)), and semiannual program monitoring reports. To facilitate program monitoring, insofar as possible, the Education Division (SCL/EDU) and/or the Migration Unit (SCL/MIG), in cooperation with the Country Office in Panama, will periodically visit the operation in the field and meet with the project team to discuss any needs that are brought to light in these reports. Upon the completion of program execution, the Project Completion Report will be prepared. The monitoring and evaluation plan details the actions to be taken to monitor the operation ([required link 2](#)).
- 3.7 **Evaluation arrangements.** A semi-experimental methodology will be used to evaluate the impact that the four-year interventions targeting schools in Panama with large migrant student populations have on students' learning and citizenship skills development at the primary-school level. To identify these schools, a minimum standard of learning will be defined based on the scores on a standardized reading test taken by all third-grade students in the school system. A total of around 268 schools will be selected for this intervention. This semi-experimental assessment will compare how the scores in this group of schools changes relative to the scores in other similar schools ([required link 2](#)). The funding for these assessments is included in the program budget.

Development Effectiveness Matrix		
Summary		PN-J0001
I. Corporate and Country Priorities		
Section 1. IDB Group Strategic Priorities and CRF Indicators		
Development Challenges & Cross-cutting Issues	-Social Inclusion and Equality -Productivity and Innovation -Institutional Capacity and the Rule of Law	
CRF Level 2 Indicators: IDB Group Contributions to Development Results	-Students benefited by education projects (#) -Beneficiaries of initiatives that support migrants and their host communities (#) -Targeted beneficiaries of public services that have been adapted for diverse groups (#) -Agencies with strengthened digital technology and managerial capacity (#)	
2. Country Development Objectives		
Country Strategy Results Matrix	GN-3055	Improve quality and relevance in the educational system
Country Program Results Matrix	GN-3034-2	The intervention is included in the 2021 Operational Program
Relevance of this project to country development challenges (If not aligned to country strategy or country program)		
II. Development Outcomes - Evaluability		Evaluable
3. Evidence-based Assessment & Solution		8.7
3.1 Program Diagnosis		2.0
3.2 Proposed Interventions or Solutions		3.2
3.3 Results Matrix Quality		3.5
4. Ex ante Economic Analysis		10.0
4.1 Program has an ERR/NPV, or key outcomes identified for CEA		1.5
4.2 Identified and Quantified Benefits and Costs		3.0
4.3 Reasonable Assumptions		2.5
4.4 Sensitivity Analysis		2.0
4.5 Consistency with results matrix		1.0
5. Monitoring and Evaluation		9.5
5.1 Monitoring Mechanisms		4.0
5.2 Evaluation Plan		5.5
III. Risks & Mitigation Monitoring Matrix		
Overall risks rate = magnitude of risks*likelihood		Medium Low
Environmental & social risk classification		C
IV. IDB's Role - Additionality		
The project relies on the use of country systems		
Fiduciary (VPC/FMP Criteria)	Yes	Financial Management: Budget, Treasury, Accounting and Reporting, External Control. Procurement: Information System.
Non-Fiduciary	Yes	Strategic Planning National System, Monitoring and Evaluation National System.
The IDB's involvement promotes additional improvements of the intended beneficiaries and/or public sector entity in the following dimensions:		
Additional (to project preparation) technical assistance was provided to the public sector entity prior to approval to increase the likelihood of success of the project		

Evaluability Assessment Note: The main challenge faced by the educational system in Panama is the low level of learning displayed by its students, in a context where children and adolescents (i.e., minors) who are migrant or refugees (MMR) face important restrictions accessing the educational system.

The general objective of this operation is to increase the students' levels of learning and skills in the public system of education in Panama, addressing the specific barriers faced by children and adolescents who are migrant or refugees and their receiving communities (CR). At the specific level, the objectives are (i) increase MMR's access to the educational services; and (ii) enhance the integration of MMR and the CR in schools. This operation contributes to a more inclusive and intercultural educational system.

The project considers four components, of which the most importance in terms of monetary resources is the one dedicated to providing integral and continuous pedagogical support (US\$8.68 million). The remaining components provide equipment and maintenance of educational infrastructure (US\$2 million), support the Nacional System of Educational Assessment (US\$1.82 million) and support a digital transformation to strengthen the management of the educational system ((US\$0.9 million).

The program is designed to benefit 268 schools (of a total of 3118 official schools in the country), that gather the ones with high rates of enrollment of national and foreign students. The project is estimated to benefit 25 thousand students directly, and indirectly, more than 200 thousand students enrolled in these schools (88% of the total MMR enrollment in official schools).

The vertical logic of the program is consistent with the general and specific objectives, and the DEM has indicators. The development matrix includes indicators for products, outcomes, and impacts, and satisfy the SMART criteria.

To establish attribution of the results to the program intervention, the proposed evaluation plan proposes a randomization of educational centers to a treatment and a control group. The intervention is designed to be implemented gradually, in such a way that during the first year some schools receive the intervention (treated schools) and other not (control schools); during the following years the control schools will also receive the intervention. The Project also implemented a cost-benefit analysis that delivered an internal rate of return of 15.3%, suggesting that the Project is economically viable.

One of the main risks faced by the operation is the tension within receiving communities due to the high percentage of MMR students in some schools. To mitigate this risk, all products of the operation are designed to benefit both MMRs and their CRs, and the operation also funds an awareness and communications strategy with the educational community.

RESULTS MATRIX

PROGRAM OBJECTIVE:	The specific objectives of this operation are: (i) to increase migrant and refugee children's access to educational services; and (ii) to improve the integration of migrant and refugee students with students from host communities. The achievement of these objectives will contribute to the achievement of the general objective of raising the learning and skill levels of students in Panama's public education system by addressing the specific barriers faced by migrant and refugee children and adolescents and by children and adolescents in host communities.
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GENERAL DEVELOPMENT OBJECTIVE

Indicators	Unit of measurement	Baseline	Baseline year	Expected year achieved	Target	Means of verification	Comments
General development objective: Raise the learning and skill levels of students in Panama's public education system							
Girls in third grade who have not reached a sufficient level of proficiency in reading	Percentage	51.8	2018	2025	48.8	Data from the third-grade survey test Source: SIMECE	Number of children in third grade who have not reached a sufficient level of proficiency as a percentage of the total number of children who take the reading test
Boys in third grade who have not reached a sufficient level of proficiency in reading	Percentage	51.8	2018	2025	48.8	Data from the third-grade survey test Source: Comprehensive System to Improve Quality in Education (SIMECE)	
Girls in third grade who have not reached a sufficient level of proficiency in mathematics	Percentage	51	2018	2025	48	Data from the third-grade survey test Source: SIMECE	Number of children in third grade who have not reached a sufficient level of proficiency as a percentage of the total number of children who take the mathematics test
Boys in third grade who have not reached a sufficient level of proficiency in mathematics	Percentage	53.5	2018	2025	50.5	Data from the third-grade survey test Source: SIMECE	
Students between 6 and 11 years of age who fail ¹	Percentage	12	2016	2025	9.5	Ministry of Education bulletin Source: Ministry of Education	Number of students between 6 and 11 years of age who fail the school

¹ "Fail" is defined as the difference between the total number of students who completed the school year and the number who were promoted to the next grade level.

Indicators	Unit of measurement	Baseline	Baseline year	Expected year achieved	Target	Means of verification	Comments
at the end of the school year							year as a percentage of the students between 6 and 11 years of age who successfully complete the school year

SPECIFIC DEVELOPMENT OBJECTIVES

Indicators	Unit of measurement	Baseline	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of program	Means of verification	Comments
Specific development objective 1: Increase migrant and refugee children's access to educational services											
1.1 Schools reporting their full school enrollment figures in the Education Center Information System (SIACE) at the end of the first quarter of the school year, including complete enrollment data for migrant and refugee children	Percentage	TBD	2021	0	0	10	40	60	60	Reporting of all data, including new indicators, that the Ministry of Education requires schools to report Independent report	Number of schools reporting their full enrollment figures in the SIACE, including enrollment data for migrant and refugee students, as a percentage of the total number of schools
1.2 Migrant and refugee children of 4-5 years of age enrolled in the educational system	Percentage	43%	2019	-	-	-	-	-	46%	SIACE and databases of the National Migration Service	Total number of migrant and refugee children of 4-5 years of age enrolled in the educational system as a percentage of the total number of migrant and refugee children of 4-5 years of age registered in the National Migration Service databases

Indicators	Unit of measurement	Baseline	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of program	Means of verification	Comments
1.3 Migrant and refugee children between 6 and 11 years of age who are enrolled in the educational system	Percentage	65%	2019	-	-	-	-	-	68%	SIACE and databases of the National Migration Service	Total number of migrant and refugee children between 6 and 11 years of age who are enrolled in the educational system as a percentage of the total number of migrant and refugee children between 6 and 11 years of age who are registered in the National Migration Service databases
Specific development objective 2: Improve the integration of migrant and refugee students with students from host communities											
2.1 Nonmigrant primary-school students who are bullied	Percentage	31%	2013	-	-	-	-	-	28%	Report on the school environment survey to be conducted by the National Educational Evaluation Office. The baseline and targets will be recalculated in 2023 when the new measures for improving the school environment are applied. The results of the Third Regional Comparative and Explanatory Study were used to set the baseline.	Number of nonmigrant primary-school students who are bullied as a percentage of the total number of nonmigrant primary-school students

Indicators	Unit of measurement	Baseline	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of program	Means of verification	Comments
2.2 Migrant and refugee primary-school students who are bullied	Percentage	45%	2013	-	-	-	-	-	42%	Report on the school environment survey to be conducted by the National Educational Evaluation Office. The baseline and targets will be recalculated in 2023 when the new measures for improving the school environment are applied. The results of the Third Regional Comparative and Explanatory Study were used to set the baseline.	Number of migrant and refugee primary-school students who are bullied as a percentage of the total number of migrant and refugee primary-school students

OUTPUTS

Indicators	Unit of measurement	Baseline	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of program	Means of verification	Comments
Component 1: Digital transformation to strengthen the management of the inclusive educational system											
1.1 Diagnostic status assessment of information systems' inclusion of data on migrant and refugee students and areas that need to be strengthened	Document	0	2021	0	0	1	0	0	1	Diagnostic assessment document	
1.2 Training course on procedures and protocols relating to migrant and refugee students	Course	0	2021	0	1	0	0	0	1	Report and course materials designed	
1.3 Teachers and administrators trained in procedures and protocols relating to migrant and refugee students	Number of teachers and administrators	0	2021	0	1,500	5,250	5,250	0	12,000	Corporate Results Framework (CRF) indicator Training report	
Component 2: Support for the National Educational Evaluation System											
2.1 Formative student assessments have been designed	Instrument	0	2021	0	1	0	0	0	1	Evaluation tool	

Indicators	Unit of measurement	Baseline	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of program	Means of verification	Comments
2.2 Formative student assessments have been conducted	Report	0	2021	0	0	0	1	1	2	Implementation report	
2.3 School environment survey has been designed	Survey	0	2021	1	0	0	0	0	1	Survey designed	
2.4 School environment survey has been conducted	Report	0	2021	0	1	0	1	0	2	Survey report	
2.5 Assessment of teachers' inclusive and multicultural instructional skills has been designed	Instrument	0	2021	0	1	0	0	0	1	Evaluation tool	
2.6 Assessment of teachers' inclusive and multicultural instructional skills has been implemented	Report	0	2021	0	0	1	1	0	2	Assessment implementation report	

Indicators	Unit of measurement	Baseline	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of program	Means of verification	Comments
Component 3: Comprehensive and continuous pedagogical support											
3.1 Implementation of intervention packages ² in schools with a large number of migrant and refugee students	Schools in which the intervention is implemented	0	2021	0	25	50	50	0	125	Report on results validated by school directors and the Ministry of Education	
3.2 Students benefited by socioemotional skills development programs	Students	0	2021	0	0	10,000	25,000	25,000	25,000	CRF indicator. Report by schools participating in these activities (e.g. civics workshops, sports, and school environment workshops)	
3.3 Teachers trained in inclusive, multicultural education	Teachers	0	2021	0	0	6,000	6,000	0	12,000	CRF indicator. Lists of teachers who have received training that are validated by the Ministry of Education and the specialized agency.	

² The intervention package includes instructional materials for Panamanian history and civics courses for migrant and refugee students, reading and writing reinforcement for the first cycle using materials from the Aprendamos Todos a Leer (ATAL) initiative, leveling and remediation materials, extracurricular activities (art, sports) for the development of socioemotional and citizenship skills, workshops designed to improve the school environment, devices for transmitting educational content, and informational materials to facilitate the inclusion of migrant and refugee students.

Indicators	Unit of measurement	Baseline	Baseline year	Year 1	Year 2	Year 3	Year 4	Year 5	End of program	Means of verification	Comments
Component 4: Equipping and maintenance of school infrastructure											
4.1 Schools with migrant and refugee students outfitted with physical and digital infrastructure	Schools outfitted	0	2021	0	0	25	0	0	25	Proof of receipt signed by school director and validated onsite by a member of the intervention team	
4.2 Migrant and refugee children provided with access to early childhood digital resources each year	Children	0	2021	0	0	500	500	500	500	CRF indicator and report on use of digital resources	

Country: Panama **Division:** EDU **Project number:** PN-J0001 **Year:** 2021

FIDUCIARY AGREEMENTS AND REQUIREMENTS

Executing agency: Ministry of Education

Name of operation: Program for the Improvement of the Efficiency, Quality, and Inclusiveness of the Education Sector in Panama

I. FIDUCIARY CONTEXT OF THE EXECUTING AGENCY

1. Use of country systems in the operation¹

<input checked="" type="checkbox"/> Budget	<input checked="" type="checkbox"/> Reports	<input type="checkbox"/> Information system	<input type="checkbox"/> National Competitive Bidding
<input checked="" type="checkbox"/> Cash flow	<input type="checkbox"/> Internal control	<input checked="" type="checkbox"/> Shopping	<input type="checkbox"/> Other
<input checked="" type="checkbox"/> Accounting	<input type="checkbox"/> External oversight	<input type="checkbox"/> Individual consultants	<input type="checkbox"/> Other

2. Fiduciary execution mechanism

<input checked="" type="checkbox"/>	Special conditions	The Ministry of Education will contract a specialized agency to support program execution.
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3. Fiduciary capacity

Fiduciary capacity of the executing agency	Although the Ministry of Education has recent experience in the execution of IDB-financed international cooperation projects (4357/OC-PN), its performance level has, on average, been classified as medium-low. In addition, the executing unit has not been fully established. A specialized agency will therefore be engaged to support execution.
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¹ Any system or subsystem that is subsequently approved may be applicable to this operation under the terms of its validation by the Bank.

4. Fiduciary risks and risk responses

Risk category	Risk	Risk level	Risk response
Fiduciary	Delays in the execution of the MECSE Program (4357/OC-PN) could have an impact on the use of the nonreimbursable funds provided by the IDB Grant Facility (GRF) because there is a <i>pari passu</i> clause.	Medium	Close coordination with the Ministry of Economic Affairs and Finance is proposed so that the budget appropriations and execution paths for the loan operation and this investment grant can be analyzed on a yearly basis.
Budget	The budget is insufficient.	Medium	The Ministry of Education should include the necessary funds for project execution in the sum cited in the draft proposal that it is to submit to the Ministry of Economic Affairs and Finance each year by 30 April. The Ministry of Economic Affairs and Finance prepares and verifies the budget and submits a budget proposal by 31 July of each year to the National Assembly, which is then responsible for approving the budget and any budget increases. Arrangements will be made for the project's inclusion in the national project bank, the assignment of the codes for the Standards and Procedures of the National Public Investment System (SINIP) of Panama, and the issuance of a favorable technical opinion by the Investment Programming Office of the Ministry of Economic Affairs and Finance with a view to the project's inclusion in the Budget Act for the 2022 fiscal year.

5. Applicable policies and guidelines: Access to Information Policy (Operational Policy OP-102), Financial Management Guidelines (OP-273-12), Disaster Risk Management Policy (Operational Policy OP-704), and Procurement Policies (documents GN-2349-15 and GN-2350-15).

6. Exceptions to policies and guidelines: None.

II. CONSIDERATIONS FOR THE SPECIAL PROVISIONS OF THE LOAN CONTRACT

Special conditions precedent to the first disbursement: There are no fiduciary conditions.
The applicable exchange rate for the justification of expenditures is the legal tender of Panama, which is the balboa. That currency is equivalent and freely exchangeable with the U.S. dollar.
Type of audit: The Ministry of Education is to submit a financial report within 120 days of the end of each fiscal year during the original disbursement period and its extensions and within 120 days of the date of the last disbursement. The financial reports must be certified by an independent audit firm acceptable to the Bank.

III. AGREEMENTS AND REQUIREMENTS FOR PROCUREMENT EXECUTION

<input checked="" type="checkbox"/>	Bidding documents	The Bank's standard bidding documents will be used for the procurement of works, goods, and nonconsulting services subject to international competitive bidding (ICB) in accordance with the relevant procurement policies (document GN-2349-15). The selection and contracting of consultants will be carried out in accordance with the Policies for the Selection and Contracting of Consultants financed by the Inter-American Development Bank (document GN-2350-15). The Bank's standard request for proposals (RFP) is to be used. The review of technical specifications and of the terms of reference for procurement operations during the preparation of the corresponding selection processes will be the responsibility of the Project Team Leader. This technical review may be ex ante and is independent of the procurement review method used.
<input checked="" type="checkbox"/>	Use of country systems	The framework agreement subsystem may be used for the procurement of goods and nonconsulting services of up to US\$250,000 pursuant to the approval of the IDB Board of Executive Directors. The procurement plan for the operation will indicate what contracting processes will be conducted using the country system up to the approved amount. In the event that the Board increases the approved amount for the use of the country system, that increase will be applicable to this operation.
<input checked="" type="checkbox"/>	Supplementary procurement support	Project procurement arrangements will be supported by a specialized agency.
<input checked="" type="checkbox"/>	Recurring expenses	Recurring expenditures required for project start-up for which there is funding and which have been approved by the Project Team Leader will be processed using the executing agency's administrative procedures. These procedures will be reviewed and accepted by the Bank provided that they do not run counter to the principles of economy, efficiency, and competition: Guidelines for the Eligibility of Expenditures (document GN-2331-5 and its updates).

<input checked="" type="checkbox"/>	Procurement supervision	The supervision of procurement operations will be based on ex post reviews except in the case of international procurement procedures (international competitive bidding and international shortlist procurement procedures). Panama's national supervisory system will be used for procurement procedures conducted under the country system. The use of: (i) ex ante methods; (ii) ex post methods; or (iii) the national supervisory system will be stipulated in the project procurement plan for each procurement operation and selection process. Ex post reviews will be conducted every 12 months in accordance with the project's supervisory plan, subject to changes made during execution. Ex post review reports will include at least one onsite inspection to verify the existence of the procured goods and/or services; the Project Team Leader will be responsible for verifying quality and fulfillment of the specifications. The percentage of contracts subject to onsite review will be no less than 10%. The thresholds for ex post reviews are as follows:		
		Works	Goods/services	Consulting services
		250,000	50,000	Individual consultants
<input checked="" type="checkbox"/>	Records and files	The program Operating Regulations will include procedures and instructions for ensuring proper record-keeping.		

Main procurement items

Description	Selection method	New procedures/ tools	Estimated date	Estimated amount (US\$ thousands)
Goods				
Procurement and installation of solar panels	ICB	N/A	May 2022	475
Furnishings for schools in Darién (13 schools) and in the migration corridor (12 schools)	NCB	N/A	June 2022	183.57
Entry kit for migrant students	NCB	N/A	June 2022	180
Information technology team	ICB	N/A	May 2022	670
Printing and introduction of procedures and protocols (electronic media and hard copy)	Shopping	N/A	June 2022	10
Procurement of teacher	Shopping	N/A	June 2022	50

Description	Selection method	New procedures/ tools	Estimated date	Estimated amount (US\$ thousands)
support and/or reference books for different subjects for use in the classroom				
Local WiFi access free of charge for the migrant and vulnerable host-community populations; Internet service	Shopping	N/A	October 2022	50
Works				
Equipping and maintenance of schools in Darién Province (13 schools) and the migration corridor (12 schools)	NCB	N/A	January 2022	250
Construction of separate lavatory facilities for girls and boys (gender perspective), including septic tanks, water tanks, four toilets, and four wash basins	NCB	N/A	January 2022	875
Nonconsulting services				
Printing of packets of accelerated learning materials for teachers	NCB	N/A	July 2022	258
Support for community management	NCB	N/A	January 2022	91.42
Printing of sensitization materials for improving the school environment	NCB	N/A	March 2022	100
Creation and maintenance of school gardens	NCB	N/A	January 2022	75
Firms				
Design and implementation of formative assessments for determining students' (including migrant and refugee students') academic	QCBS	N/A	November 2022	550

Description	Selection method	New procedures/ tools	Estimated date	Estimated amount (US\$ thousands)
level as a means of identifying students who are lagging behind or who have learning difficulties so that remedial programs can be defined or developed				
Survey on the school environment (citizenship skills and inclusive education in schools)	QCBS	N/A	February 2022	720
Inclusive education metrics for teachers with a view to safeguarding vulnerable members of the population, including migrants	QCBS	N/A	August 2022	550
Online inclusive multicultural education teacher training course	QCBS	N/A	September 2022	430
Design, editing, layout, and printing of history and civics course materials for leveling up migrant students	QCBS	N/A	February 2022	603
Reading and writing skill reinforcement for the first cycle using ATAL materials	QCBS	N/A	November 2022	636
Design of accelerated learning materials	QCBS	N/A	March 2022	440
Actions to combat gender-based and domestic violence (13 schools in Darién and 12 schools in the migration corridor)	QCBS	N/A	August 2022	500
Teacher training in the use of socioemotional tools and orientation for lower secondary school students	QCBS	N/A	June 2022	300
Evaluation of	QCBS	N/A	May 2022	300

Description	Selection method	New procedures/ tools	Estimated date	Estimated amount (US\$ thousands)
interventions targeting schools included in the program				
In-school sensitization activities for students and teachers	CQS	N/A	May 2023	150
Design and virtualization of material on procedures and protocols for migrant students. Online teacher training on procedures and protocols for facilitating the inclusion of migrant and/or refugee students in the school system	CQS	N/A	September 2022	140
Application of an external curricular evaluation of the progress made by students in accelerated learning modules (semiannual evaluations)	CQS	N/A	January 2023	60
Definition of profiles, selection, training, and certification of tutors to support remedial studies of students in accelerated learning modules, by subject area	CQS	N/A	December 2022	32
Sports/art programs and use of sports/art as tools for the development of good interpersonal relationships	QCBS	N/A	June 2022	1,000
Contracting of an institution specializing in the development and dissemination of educational audiovisual content and materials for preschool and primary-school children	QCBS	N/A	June 2022	1,800

Description	Selection method	New procedures/ tools	Estimated date	Estimated amount (US\$ thousands)
Contracting of a specialized agency	QCBS	N/A	February 2022	900
Individuals				
Informational and sensitization workshops for the staff of the various sections or offices of the Ministry of Education at the central and regional levels concerning new procedures for improving the flow of information and services for the migrant population	Individual consultant (open invitation)	N/A	May 2022	40
Administrative/financial officer	Individual consultant (open invitation)	N/A	March 2022	105
Technical personnel to monitor the interventions (two individual consultants)	Individual consultant (open invitation)	N/A	March 2022	210
Design, validation, and approval of flexible, efficient procedures and protocols for enrollment, administration of proficiency tests, development of leveling plans for each student, and certification of placement levels for migrant students	Individual consultant (open invitation)	N/A	January 2022	20
Design of an in-school sensitization campaign to improve the school environment	Individual consultant (open invitation)	N/A	January 2023	20
Supervision and monitoring of the accelerated learning modules (5 supervisors)	Individual consultant (open invitation)	N/A	November 2022	150
Diagnostic status assessment of	Individual consultant	N/A	December 2022	20

Description	Selection method	New procedures/ tools	Estimated date	Estimated amount (US\$ thousands)
information systems' inclusion of data on migrant and refugee students and areas that need to be strengthened	(open invitation)			
Contracting of tutors to support the remedial studies of students in accelerated learning modules, by subject area	Individual consultant (open invitation)	N/A	January 2023	1,920

To access the procurement plan, click [here](#).

IV. FINANCIAL MANAGEMENT AGREEMENTS AND REQUIREMENTS

☒	Programming and budget	<p>The Ministry of Education should include the necessary funds for project execution in the sum cited in the draft proposal that it is to submit to the Ministry of Economic Affairs and Finance each year by 30 April. That ministry prepares and verifies the budget and submits a budget proposal by 31 July of each year to the National Assembly, which is then responsible for approving the budget and any budget increases. The budget is established on an annual basis and includes all public sector investments, revenues, and outlays. Arrangements are being made for the project's inclusion in the national project bank, the assignment of the codes for the Standards and Procedures of the National Public Investment System (SINIP) of Panama, and the issuance of a favorable technical ruling by the Investment Programming Office of the Ministry of Economic Affairs and Finance with a view to the project's inclusion in the Budget Act for the 2021 fiscal year.</p>
☒	Cash flow and disbursement management	<p>The effective exchange rate on the date of payment in the borrower country's local currency will be used. The legal tender of Panama is the balboa. That currency is at par and freely exchangeable with the U.S. dollar.</p> <p>Disbursements will be made using the advance of funds and reimbursement method.</p> <p>The mechanism used for disbursements will be the submission of hard-copy disbursement requests. During the COVID-19 health emergency, signed, scanned disbursement request forms may be sent by email from an institutional email account; each signatory must authorize the request via email.</p> <p>Bank account: The Ministry of Education is to open a subaccount of the Treasury Single Account (TSA) with the prior approval of the Ministry of Economic Affairs and Finance.</p> <p>Financial plan: Advances will be made during a six-month period as dictated by demand.</p> <p>Accountability percentage: 80% of the balances pending justification.</p> <p>The advance of funds modality will be the mechanism used for disbursements.</p> <p>As a general rule, the operation will be conducted on the basis of financial periods of 180 days in duration.</p>
☒	Accounting, information systems, and reporting	<p>Specific accounting standards: Financial statements will be prepared in accordance with the International Financial Reporting Standards (IFRS 9-15-16, among others).</p> <p>Accountability reports: cash flow and disbursement statements and cumulative investment statements.</p> <p>Accounting methods and currency: A combination of accounting methods will be used depending on the heading or category involved. The currency of account will be the balboa, which is equivalent and freely exchangeable with the U.S. dollar.</p>

		<p>The country's Technological Integration and Solutions Operational Management Model (ISTMO) accounting system will be used for record-keeping purposes.</p> <p>As a complement to the applicable policies and guidelines, the program Operating Regulations and the documented definition of work flows and internal controls will be used.</p>
<input checked="" type="checkbox"/>	External control and financial reports	<p>The Ministry of Education will select and contract external audit services in accordance with the terms of reference previously agreed upon by the borrower and/or the executing agency and the Bank. The type of reviews, their timing, and their scope will be established in the terms of reference.</p> <p>The external auditor to be selected and the auditing standards to be applied will be acceptable to the Bank.</p> <p>Type of audits for the program financial reports: The executing agency is to submit audited financial reports on the program within 120 days of the end of each fiscal year during the original disbursement period and its extensions and within 120 days of the date of the last disbursement. These audited annual financial reports must be certified by an independent audit firm acceptable to the Bank.</p>
<input checked="" type="checkbox"/>	Financial supervision of the operation	<p>The operation's financial supervision will be performed on the basis of visits to the executing agency, working meetings, and desk reviews of audited financial reports.</p>