

# TECHNICAL COOPERATION PROFILE

MAY 22, 2008

## I. BASIC PROJECT DATA

**Country:** Brazil

**Project name:** Support for the Design and Implementation of the Social Reform Program in Ceará, Second phase. (PROARES-II, BR-L1053) BR-T1093

**Project team:** Mónica Rubio (SCL/SPH); Claudia Pévere (SCL/SPH); Erik Alda (ICF/FMM); Jose Cuesta (RES/RES); Rita Sorio (SPH/CDR); Maria Ariano (SCL/SPH); and Martha Guerra (SCL/SPH)

**Date of request:** October 29, 2007

**Beneficiaries:** At-risk children and youth in Ceará, Secretaria de Trabajo y Desarrollo Social (STDS) de Ceará

**Contracting agency:** SCL/SPH

**Financing plan:** IDB (JSF/JCF): US\$560,000  
Local: US\$140,000  
Total: US\$700,000

**Execution period:** 24 months

**Disbursement period:** 36 months

## II. BACKGROUND AND PROBLEM STATEMENT

### A. Situation of children, adolescents and their families in Ceará

- 2.1 Despite important achievements in terms of economic growth, poverty reduction and social development, Ceará is still one of the poorest states in Brazil, and most of its social indicators are well below the national average. More than one third of Ceará's 8.2 million people live in extreme poverty; while poverty is more extended and more severe in rural areas. With many migrating from the countryside, the largest numbers of the poor live in urban areas, particularly in metropolitan Fortaleza, which is home to almost one-third of the state's population. Two thirds of the families with children below 7 years of age and 62% of households with children below 15, are poor. This relative high incidence of poverty among Ceará's children makes it all the more difficult for the State to break the intergenerational cycle of poverty, and justifies the high priority assigned to investments reducing the vulnerability of children and adolescents.<sup>1</sup>

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<sup>1</sup> Ceará has made substantive progress in health, education and social development, but important challenges remain. In health, advances in preventive health services have been a factor in the reduction of infant mortality from 39,8 in 1998 to 33,2 per 1,000 live births in 2004. However, great disparities

- 2.2 Being poor, undernourished and frequently out of school, children and adolescents can, from an early age, become involved with violence, drugs, robbery and prostitution in the streets of Fortaleza and the urban centers in the state's interior. The individual and social costs associated with these risks are notoriously high. This is why, investing in youth –especially those considered “at risk”– will be much more beneficial both socially and financially than facing the consequences of not investing. These costs are not only costs for the government, which allocates resources to help (or punish) these youth and protect society from their behavior (mainly violence), but also result in impacts on youth and their families like lost income or increased cash expenses.
- 2.3 The state's very young demographic profile is an enormous challenge but also an opportunity for its sustainable and equitable development. Today's inequality and poverty can only be reversed through comprehensive interventions that seek to cultivate children's and adolescents' human capital, while averting the perils that malnutrition, violence and dropping out of school can mean for children and youth, and the serious social problems created when children end up on the street, engage in antisocial behavior or commit crimes. For this reason, investing in its children and youth is a key priority in Ceará's sustainable development plan, a priority that the Bank supports, in particular through PROARES interventions.

#### **B. The experience of PROARES I**

- 2.4 Ceará's state government has demonstrated its commitment to channel public resources into investments in human capital investments -- particularly those targeting children and adolescents-- while at the same time, strengthening social service provision capabilities at the municipal level. An important pillar of these efforts has been, since 1997, the Programa de Apoio as Reformas Sociais para o Desenvolvimento de Crianças e Adolescentes (PROARES-I). Approved by the Bank in 1996 (955-OC/BR, US\$42 million in IDB financing, and a total cost of US\$70 million), PROARES-I contributed to the implementation and strengthening of the social development strategy of the State of Ceará through a program of targeted social investments in early childhood development, in primary education, primary health care and social assistance. These investments were selected through Participatory Municipal Plans (PMP) in 53 municipalities, and were based on a predetermined menu of social services and infrastructure. The Program benefited more than 766,000 children and adolescents in the State.

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heterogeneity is observed for nutrition, maternal mortality and risk indicators. While malnutrition affects 8.9% of children under 2, in some municipalities it reaches 28%. Reported maternal mortality rates have increased from 73,6 per 1,000 live births to 85,9 between 2001 and 2002. Similarly, pregnancy rates for girls between 15 and 19 years of age has increased from 12.3% in 1998 to 21.3% in 2004. In education, illiteracy in the group 10 to 19 years old is high at 6.4%, and reaches 10.1% in rural areas. One out of five youths (20.3%) between the ages of 18-24 is still in primary school, and at the municipal level between 16.9% and 48.4% of children at the primary level have a delay of two years on average in relation to the grade they should be attending, according to their age. The inefficiency of the school system is one of the underlying causes of child labor and street children.



- 2.5 PROARES-I intermediate and final evaluations and its Project Completion Report (PCR) highlight important achievements and suggest a positive impact of the Program on beneficiary municipalities. The PROARES-I PCR in particular, deems that the implementation of this operation was successful. The Program achieved and exceeded its original targets and more than doubled the original number of participating municipalities. Unfortunately, an important shortcoming of PROARES-I was its inability to implement in a timely manner an effective system for monitoring project outcomes. Not only was PROARES-I slow in implementing a planned project planning, monitoring and evaluation system (SIPMA), but measurement of project outcomes was hampered by a number of factors including a protracted period of State Government reorganization; the lack of precise baseline data at the municipal level at the inception of each PMP; and a still incipient and deficient monitoring and evaluation culture on the part of many municipalities. These shortcomings unfortunately hinder the ability to show hard evidence of program impact for PROARES-I, and emphasize the need to ensure the establishment of an effective project monitoring and evaluation system in the following phases of PROARES.

### **C. Country Strategy in the Sector**

- 2.6 Ceara's State government has requested IDB support for a second phase of PROARES. PROARES-II. The objective of PROARES-II is to contribute to the implementation and strengthening of the social development strategy of the State of Ceará, through a program of targeted social investments in children and youth belonging to the poorest segment of the population. Tentatively, the program has three main components: (i) Municipal Participatory Plans that would finance eligible municipal investments for children and youth in the areas of education, culture, sports, labor and social assistance; (ii) Support to the Strategic Statewide Plan for delinquent youth rehabilitation, that would assist the design of a State-wide plan for delinquent youth rehabilitation as well as finance strategic services for rehabilitating youth; (iii) Institutional Strengthening, aimed at improving the public sector's capacity to design, support and supervise decentralized, cross-sectoral interventions planned in coordination with civil society to assist children and adolescents at risk; See ([PROARES II Project Profile](#)); and (iv) Monitoring and Evaluation, that will finance the implementation of PROARES-II information, monitoring and evaluation systems.

## **III. PROGRAM OBJECTIVE AND DESCRIPTION**

- 3.1 The objective of the proposed TC is to support PROARES-II design and implementation, in two specific areas: (i) Capacity strengthening of the STDS in key areas for project implementation; and (ii) Monitoring and Evaluation of PROARES II.
- 3.2 In order to support the design and implementation of PROARES-II, the following two areas have been identified as needing additional external support, and are the proposed components of this TC operation:

- 3.3 *Component I: Capacity strengthening of the STDS in key areas for project implementation.* This component will finance consulting services in the following areas: (i) participatory planning methodology for PRORES-II; (ii) labor market participation of youth at-risk; (iii) support for strategic planning of the STDS for the next 18 months; and (iv) design of a statewide plan for the rehabilitation of delinquent youth, among others.
- 3.4 *Component II: Design and Implementation of Monitoring and Evaluation Systems for PROARES-II.* This component will: (i) design and collect a baseline for the Program; (ii) define and implement instruments and methodologies for a monitoring system to track the management of services and their outputs and outcomes; (iii) finance a management, monitoring and evaluation system of PROARES-II; and (iv) finance training to keep the information, monitoring and evaluation systems updated and operational.

#### IV. COST AND FINANCING

- 4.1 A preliminary budget can be found below:

Table IV-1 Budget

Type of Expense	Number of Months	Cost per Month	JSF/JCF Total	Local Counterpart*	TOTAL
<i>Capacity strengthening of the STDS, in key project areas</i>			100,000	65,000	165,000
Consultant, Participatory Planning	5	3,000	15,000		15,000
Consultant, Labor market participation and at-risk youth	5	3,000	15,000		15,000
Consultant, Strategic planning STDS	10	4,500	25,000	20,000	45,000
Consultant, Rehabilitation of delinquent youth	20	4,500	45,000	45,000	90,000
<i>Design and Implementation of Monitoring and Evaluation</i>			460,000	75,000	535,000
Baseline		--	185,000		185,000
Information, Monitoring and Evaluation Systems: design, implementation, training and support		--	275,000	75,000	350,000
<b>TOTAL</b>			<b>560,000</b>	<b>140,000</b>	<b>700,000</b>

\*Counterpart financing usually requires minimum of 20% of total cost of the TC. It can be "in-kind".

#### V. EXECUTING AGENCY AND EXECUTION STRUCTURE

- 5.1 The proposed project would be executed in 24 months with a disbursement period of 36 months, on-site in the State of Ceará. Project execution will be under the responsibility of SCL/SPH.

#### VI. MAJOR ISSUES

- 6.1 A key issue to be considered during project preparation and implementation is the generation of a culture receptive to monitoring and evaluation, essential for successful operation of planned monitoring and evaluation systems. This issue will receive special attention during project execution.



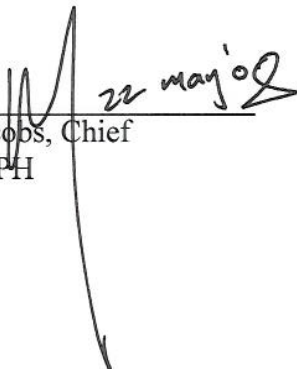
## VII. SOCIAL AND ENVIRONMENTAL STRATEGY

- 7.1 Given that most of the proposed investments are mainly institutional strengthening activities (evaluations, technical studies, or training), the proposed technical cooperation will not cause negative environmental or social impacts. This operation has been categorized as a "C" category project.

## VIII. ACTION PLAN

- 8.1 This project is complementary to and essential for the successful implementation of PROARES-II, since it attempts to provide technical support in critical areas as well as address a major shortcoming of the first phase: the absence of information systems and of a M&E strategy that would allow for monitoring and impact evaluation of Program interventions. The PROARES-II POD is scheduled for approval on July 2008. The Plan of Operations of this technical cooperation will be validated during the PROARES-II Analysis Mission (May 26th-June 6th, 2008), and it should be approved by the end of July.

## IX. APPROVAL

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