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DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

SURINAME

CONSOLIDATING ACCESS TO INCLUSIVE QUALITY EDUCATION IN SURINAME

(SU-L1059)

LOAN PROPOSAL

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ABBREVIATIONS	
AOP	Annual Operational Plan
BEIP	Basic Education Improvement Program
CENASU	Suriname Teacher Training Institute
CLASS	Classroom Assessment Scoring System
ECE	Early Childhood Education
EMIS	Education Management Information System
ESMP	Environmental and Social Management Plan
ESS	Environmental and Social Strategy
FIBOS	Federation of Denomination Institutions of Suriname (FIBOS in Dutch)
GDP	Gross Domestic Product
GLO6	Getuigschrift Lager Onderwijs (Dutch acronym – Basic Education Certificate)
ICAS	Institutional Capacity Assessment System
IDB	Inter-American Development Bank
LAC	Latin America and the Caribbean
MOESC	Ministry of Education, Science and Culture
M&E	Monitoring and Evaluation
OC	Ordinary Capital
PMU	Program Management Unit
POM	Program Operation Manual
PS	Permanent Secretary
SPF	Safeguard Policy Filter
SRD	Suriname dollar
SSF	Safeguard Screening Form

PROJECT SUMMARY
SURINAME
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(SU-L1059)

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<tr><td colspan="5">Special Contractual Clauses prior to the first disbursement: (i) evidence that the Program Manager and the Procurement and Financial officers are selected, in accordance with the terms of references previously agreed upon between the Executing Agency and the Bank; and (ii) approval of the Program Operation Manual, in accordance with the terms and conditions previously agreed upon between the Executing Agency and the Bank. (¶3.3).
Special Contractual Clauses of execution, prior to executing Component 3 (iv): The implementation of the Denomination Schools' Quality Improvement Program (Component 3 (iv)) will be contingent upon the approval of the new regulatory framework by the Council of Ministers or a body of equal or higher hierarchy described under Component 3 (iii) (¶ 3.4).</td></tr>
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[a] Under the Flexible Financing Facility (document FN-655-1), the borrower has the option to request modifications to the amortization schedule, as well as currency, interest rate and commodity conversions. In considering such requests, the Bank will take into account operational and risk management considerations.

[b] Under the flexible repayment options of the Flexible Financing Facility (FFF), changes in the grace period are possible as long the Original Weighted Average Life (WAL) and the last payment date, as documented in the loan agreement, are not exceeded.

[c] The credit fee and inspection and supervision fee will be established periodically by the Board of Executive Directors during its review of the Bank's lending charges, in accordance with the relevant policies.

[d] Pursuant to AB-2990, the disbursement of Bank resources (OC) will be subject to the following maximum limits: (i) up to 15% during the first 12 months; (ii) up to 30% during the first 24 months; and (iii) up to 50% during the first 36 months. All these periods will be counted from the time the loan operation is approved by the Board of Executive Directors (¶2.2).

[e] SI (Social Inclusion and Equality); PI (Productivity and Innovation); and EI (Economic Integration).

[f] GD (Gender Equality and Diversity); CC (Climate Change and Environmental Sustainability); and IC (Institutional Capacity and Rule of Law).

I. PROJECT DESCRIPTION AND RESULTS MONITORING

A. Background, problem addressed, and justification

1.1 **Economic context**. Suriname is a small open economy that is heavily dependent on gold and crude oil exports, jointly accounting for 71% of total exports (Central Bank of Suriname, 2018). In 2001-2014, the country experienced strong economic performance due mainly to favorable commodity prices and investments in the mining sector: economic growth averaged 4.4%, with relatively small fiscal deficit (1.5% of GDP) (Central Bank of Suriname, 2018). However, a decline in gold and oil prices contributed to large fiscal deficit which pushed the economy into a deep recession in 2015. Since 2017 there has been a recovery in the real sector (increase in gold production). Nevertheless, the fiscal and debt positions remain important challenges, and reforms to strengthen those areas are ongoing.

1.2 **Overview of the education system**. In Suriname, pre-primary education starts at age 4 and includes grades 1 and 2, primary includes grade 3 to 8 (ages 6-12), lower secondary covers grades 9 to 12 and higher secondary grades 13 to 15. Compulsory education goes until age 12 (grade 8) (MOESC, 2019). In 2018, 518 schools were distributed across levels: 373 primary and 145 lower secondary (MOESC, 2019). There were 8,695 teachers in the system (919 pre-primary, 5,054 primary, 2,722 lower secondary). In 2018, there were 123,712 students enrolled, the majority at the primary level (67,269 students), followed by secondary (38,293 students) and pre-primary (18,150 students). The average entry rate per year is around 9,000 children (MOESC 2019). Students are mostly concentrated in urban areas. Nearly 64% live in Paramaribo and Wanica, with the rest distributed across the other eight districts (MOESC, 2019).

1.3 Two characteristics of the Surinamese education system are relevant to this project. First, at the end of 8th grade, students pass a high-stake exam to obtain the Basic Education Certificate (Getuigschrift Lager Onderwijs (GLO 6)). This is the only assessment of student learning during the academic path and it assesses content knowledge rather than competencies. Second, private schools with a religious background called “denomination” schools, play an important role. In 2018, they represented 43% of the total number of schools and 36% of the student population (MOESC, 2019). They are publicly funded and receive a direct subsidy per student and other transfers from the Ministry of Education Science and Culture (MOESC) (¶ 1.13).

1.4 Over the last decade, Suriname has made progress in providing access to education and is close to achieving universal primary schooling. According to the MOESC, there has been steady growth in enrolment for primary education from 2010 to 2017 (MOESC 2019). In 2017, 96% of primary school-age children attended primary, compared to 78% in 1999.[1] Attendance rates in pre-primary and secondary education are also high. The latest data shows that 69% of children ages 4-5 attended pre-primary school in Suriname and 69.3% of students ages 12-17 attended secondary school in 2017, similar to the averages observed in Latin America and the Caribbean (LAC) for pre-primary (69.6%) and secondary (72.6%) (CIMA, 2019). Notwithstanding progress made, serious challenges remain in terms of quality of education (¶1.5) and access to adequate school infrastructure in remote areas (see ¶ 1.12).

1.5 **Low quality of education.** The 2018 GLO 6 national exam results show that only 28% of students had satisfactory grades in Math and only 56% in Language (MOESC, 2019). This

[1] UNICEF Global databases based on Multiple Indicator Cluster Surveys (MICS) 2017 and 2000.

percentage has remained low since 2011: 28% and 54% in Math and Language respectively. In 2018, the average repetition rate ranged from 17- 23% in grades 3-8 (MOESC, 2019) and 16.2% of students were at least two years older than the official school-age for primary education, the highest rate of over-age children in LAC, where the regional average is 10% (CIMA, 2019).

1.6 There are high disparities in student learning between districts. Students in Paramaribo have better performance indicators than students in rural districts (Brokopondo, Marowijne, and Sipaliwini). While 32% and 64% of children in Paramaribo achieved satisfactory grades in Math and Language for GLO 6 exams, respectively, only 8% (Math) and 24% (for Language) of the children in Sipaliwini did so in 2018 (Research and Planning, MOESC, 2019). These inequalities are partly explained by the development challenges these communities face in terms of their location and cultural and ethnic diversity. These districts host many indigenous peoples and Maroon communities where Sranangtongo and other languages are commonly used.[2] Data shows that a national average of 37.7% of students aged 7-14 do not speak Dutch at home, the official language at school; however, in the country's interior districts this rises to 91.3% (MICS, 2018).

1.7 **Determinants.** The factors that affect the quality of education can be grouped into three main categories: (i) the school; (ii) the household and environment;[3] and (iii) the education system (Vegas and Petrow, 2008). On the school side, teachers are the most important factor for students to learn and acquire the necessary skills (Hanushek 2011; Rivkin et al. 2005). Appropriate training, both before entering the classroom and while in service, is important to improve teacher effectiveness (Clotfelter et al., 2007) and training should balance pedagogical tools and specific content (Kane et al., 2006). They are followed by physical (school infrastructure and equipment) and learning resources (books and technology), necessary to create the right conditions for children to learn (IDB, 2016). On the environment, evidence shows that high quality early childhood programs boost children's intellectual and social development and help them enter primary school ready to learn (Heckman, 2006). On the education system side, its institutional architecture and regulations have an impact on the quality of education and student learning. Evidence suggests that accountability is the most effective mechanism for parents and legislators to monitor the schools' activity and improve quality (Figlio and Loeb, 2011). This operation will focus on improving: (i) the quality of teaching practices and contents in lower secondary and early childhood; (ii) access to adequate school infrastructure in remote areas and (iii) the monitoring capacity of MOESC.

1.8 **Low quality of teaching practices and curriculum contents.** Suriname's challenges related to the quality and relevance of the curriculum stem from outdated learning materials and teaching practices. With support from the Bank over the last eight years, the MOESC has developed learning standards (2011) at the pre-primary and primary levels

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[2] The distribution of languages corresponds to the living areas of the different ethnic groups. The five largest Surinamese populations living in tribal communities in the interior are: Saamaka (Saramacca), Ndyuka (Aucan) and Pamaka (Paramacca) for the Maroon Communities and Lokono (Arowak) and Kaliña (Carib) for the indigenous groups. Sranangtongo is the "mother" tongue, the language that ethnic groups use to communicate with each other (Heemskerk & Delvoye, 2010).

[3] This has two parts: one related to the household and the family's socioeconomic level, and environment related to access to quality early childhood programs. This program focuses on in-school interventions that are within MOESC's areas of action. The bank supported household and parental interventions through the TC (ATN/OC-13913-SU) to support the implementation of the ECD Policy in 2013.

(grades 3-8) and is finalizing the reform for these grades.[4] However, the current secondary school curriculum dates to 1965. The lack of relevance is visible in the labor market: 45% of employers in Suriname report problems hiring staff with appropriate skills for the position (Enterprise Survey 2018, World Bank). This program would support a reform of the lower secondary education curriculum (grades 9, 10, 11) based on competencies, bringing MOESC closer to its goal of updating the curriculum for the entire cycle (grades 3-15). Teaching practices are also critical for quality but there is no data to assess the quality of teaching practices. Recently, an evaluation by UNICEF (2016) found that teachers in Suriname have never received training on how to manage independent and group work, how to motivate and engage students or foster teacher-student interactions.[5]

1.9 **Poor understanding of student developmental needs in Early Childhood Education (ECE) limits teaching practices.** The supply of ECE is not formalized for children below 4 years old and existing institutions provide unstructured programs with different levels of quality. Formal pre-primary education targets 4 and 5-year olds (MICS, 2019). In 2018, of the total number of children aged 5-years at the beginning of the school year, 65.3% were attending pre-primary education, 28.3% were attending primary education and 6.3% were not attending any type of formal education (MICS, 2018). As a result, children entering the education system have very different levels of development. Evidence shows that the assessment of children's developmental needs plays a critical role in the early childhood classroom by allowing the teacher to tailor the support they offer to children to facilitate learning (Dichtelmiller, 2011).

1.10 **Ethnic diversity requires tailored teacher instruction for non-Dutch speaking students.** The ethnic diversity of the student population (¶1.6) is another challenge for ECE. Non-native Dutch speakers do not speak or understand Dutch when they enter ECE (ages 4 and 5) according to teachers in the interior (Elias, 2019). Teachers are not trained to teach in multilanguage classrooms and those who agree to work in the districts where this issue is more prevalent, are less experienced and have lower qualifications. As of 2010, approximately 37% of the teachers working in the interior did not meet the required qualification to teach at the primary school level and 49.2% had fewer than five years of experience (School Mapping, 2010). In Elias (2019), teachers confirmed that their main challenges are lack of training and age-appropriate materials adapted to students' home language and local context, given that up to six languages could be spoken in the same classroom.[6] Literature shows that in contexts in which teachers are unable to instruct in the children's first language, there are effective strategies such as preparing teachers in second language teaching strategies and developing materials in their maternal language (Takanishi and Le Menestre, 2017). To date, there has been no specific program to address the language challenge.

1.11 **An inclusive education system demands teacher instruction to promote the integration of students with disabilities.** Following Suriname's ratification of the UN Convention of the Rights of Persons with Disabilities, MOESC recognizes the need to transition from a special education model[7] to an inclusive one where children with

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4 IDB's support to education in Suriname started with the First Basic Education Improvement Program (BEIP) (1521/OC-SU) in 2003. The operation was modified and only the first year of pre-primary was developed in 2011.

5 Evaluation of the teacher program "I believe in you", implemented by the MOESC with UNICEF in all public schools in the interior (Brokopondo, Marowijne, Para and Sipaliwini), in 2009-2013 to promote child-centered approaches.

6 The study was conducted in September 2019 in Marowijne, Coronie and Brokopondo.

7 In 2018-2019, there were 21 special primary schools (from grades 1-8, ages 6-14), four special schools with children and youth with severe disabilities, and eight special vocational schools (ages 15 -19). Currently, 1,353

disabilities[8] are included in regular schools, ensuring the schools provide an appropriate classroom environment, timely assessment and reasonable accommodations, and support services.[9] However, according to a recent diagnostic of special education in Suriname, none of the teachers have received specific training and children with disabilities (or only disciplinary issues) are segregated in "special schools" (Saric, 2019). Currently, there is no instrument to assess children's development when they enter the education system nor systematic procedure to diagnose learning sensorial, physical, intellectual or psychosocial disabilities. Evidence suggests that early detection of learning difficulties due to a disability has significant impact on the promotion of educational inclusion and can prevent more serious developmental problems (Early Childhood Framework, IDB, 2019). In May 2019, the MOESC piloted an instrument[10] to assess children's readiness to learn as they enter the education system (vocabulary, fine motor skills, visual and auditory perception, among others) and to identify children at risk, detect early learning disabilities and allow teachers to provide appropriate support. However, the instrument is not yet applied on a national scale.

1.12 **Low access to adequate school infrastructure outside the capital Paramaribo**. Persistent learning inequalities in remote districts like Marowijne, Sipaliwini, Brokopondo and Coronie are partly due to inadequate school infrastructure. Although no systematic data exists,[11] preliminary results of an infrastructure census shows that schools are in great need of renovations to roofing, ceilings, electrical fixtures, sanitary facilities and water supply, as well as other basic elements like doors and windows. Students and teachers report feeling discouraged when attending schools in such poor condition (Progress Report (3603/OC-SU), 2019). Recent data collected from teachers in the interior districts found also that improvement of school infrastructure is a critical factor to improve the quality of education delivered (Elias, 2019). Semi-urban areas such as Wanica are going through economic expansion driven by agriculture and a new hospital and are receiving large flows of internal migration, resulting in overcrowded schools (between 38-50 students per class, MOESC 2019). Experimental evidence in both developing and developed countries have found positive effects from reducing class sizes on student learning (Urquiola, 2006; Jepsen, 2009).

1.13 **Quality education demands high management capacity to monitor and support schools**. The MOESC and District offices experience serious management capacity challenges related to the lack of timely information on student performance, limited technical capacity at MOESC, and low levels of coordination among offices. This reduces the ability of MOESC authorities to establish and support programs to improve student learning and monitor the quality of educational services. In particular, the management of the private "denomination" schools, has proven to be a significant challenge for the MOESC. In line with 1939 legislation,[12] MOESC supports denomination schools by

students are enrolled. The MOESC is working to transition towards an inclusive education model where children integrate regular schools and the "special education schools" are re-purposed.

8 The CRPD defines disability as a non-static but evolving situation, as a result of the interaction between people with impairments and the context that limits their full participation in society.

9 Services related to guidance counseling, school and clinical psychology, and speech and language pathology.

10 The pilot of the 'Petersen' screening test, which was developed in Dutch for children in Kindergarten and first grade, was conducted with 517 children aged 3-4 years old. The pilot was considered successful given that the results were similar to previous calibrations of the instrument.

11 The school infrastructure census finalized the data collection and coding phase in December 2019 (3603/OC-SU).

12 The Royal Decree of the 4th of December, 1925, No. 23 (G.B., No. 93), *regarding the payments from the State Treasury to boards of special schools for Primary Education in Suriname and regarding income of teachers at*

covering teacher salaries and housing and providing a fixed education subsidy per student enrolled for classroom renovations, maintenance costs and learning materials. However, denomination schools and the Federation of Denomination Institutions of Suriname (FIBOS in Dutch), have complete autonomy over the use of these subsidies and teacher selection. They are not held accountable for student learning, teacher instruction, or adequate school infrastructure, leaving MOESC with a very limited role in supervising the quality of education provided.[13] Recent evidence shows that improvements in the management of education processes (student enrolment, teacher hiring, school infrastructure, budget management, etc.) can lead to significant efficiency gains in time and financial resources (Arias et al. 2019). However, to date, there has not been an adequate diagnosis of MOESC's management and information systems to assess the main gaps and critical areas for improvement.

1.14 **Strategy for the intervention.** The specific objectives of the intervention (¶1.22) will be achieved by addressing four dimensions. To achieve objective 1, the program will provide: (i) more relevant curriculum content and more student-centered teaching and learning methods; and (ii) early assessment of learning needs and developmental delays and integration of non-Dutch speakers. To achieve objective 2, the program will provide (iii) improved school infrastructure. The program will also provide (iv) better education data, including student assessments and a management and information system, to support objectives 1 and 2 and to guide policy decisions that improve the quality of education.

1.15 The MOESC aims to reform content and teaching practices to transition towards a project-based learning approach. Recent evidence shows that problem-based instruction is effective to improve learning, and students have a high preference for this method (Bando, Naslund-Hadley & Gertler 2018). MOESC introduced the pilot program BE-STREAMING under the current operation (3603/OC-SU) to improve teachers' pedagogical practices with emphasis on project-based learning. 1,100 teachers in grades 3-8 were trained and school kits[14] and instructional materials were distributed to 350 basic education schools. The new lower secondary curriculum will build on this program to reform traditional subjects like math and language and introduce new technical skills such as coding and technology. In addition, training teachers to improve pedagogical practices is critical to improve student outcomes. Research indicates assistance is needed to help less skillful teachers improve their teaching skills during their first years (Ganimian and Murnane, 2016). To improve the quality of instruction in the early grades, developing programs to assess specific developmental needs would increase the delivery of tailored teaching practices, in particular for non-native Dutch speakers and children with disabilities (Early Childhood Framework, IDB, 2019).

1.16 Evidence suggests that investments in school infrastructure and equipment can influence student performance (Glewwe and Muralidharan 2015; Baker et al., 2002). For example, quality school infrastructure (e.g., roofs, bathrooms, electricity) and equipment (libraries, science and computer labs) have a positive effect on school attendance (Cuesta et al. 2016) and are associated with improved learning (Duarte, et al., 2017). Finally, according

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Public Primary Education, resulted in the promulgation of the current valid text in the Government Gazette from November 6, 1939, through Resolution No. 3595.

13 In Marowijne, Sipaliwini, Brokopondo and Coronie, denomination schools represent more than 50% of the schools and charge registration fees: SRD 120-250 per year compared to SRD 35 per year for public schools, an amount many families are unable to pay (Scholen Statistiek van Suriname, 2019). The official exchange rate in July 2019 was US$1 = SRD $7.458.

14 The kits consist of manipulatives and hands-on materials for integrated project activities for students to engage, explore and learn through discovery. The kits also include teacher guides, lesson plans and videos.

to Arias Ortiz et al. (2019), the improvement of management processes are related to efficiency gains and can influence the delivery of educational services given that it: (i) provides access to timely high-quality information for management; (ii) saves time on manual administrative tasks; and (iii) reduces costs.

1.17 **IDB support to the education sector**. The IDB has supported the Government of Suriname continuously since 2003 to reform the education sector, through the Basic Education Improvement Program (BEIP). Three operations 1521/OC-SU, 2742/OC-SU and 3603/OC-SU have assisted in the development of the new curriculum for pre-primary and primary education (grades 2-6). The third operation, 3603/OC-SU, approved in 2016 and currently in execution, focuses on a revised curriculum for grades 7 and 8 and the implementation of the first school infrastructure census (data collection completed in December 2019). Since no child has completed primary education with the new curriculum for the full six years, the benefits of this investment are not reflected yet in aggregated indicators. However, a targeted evaluation of the beneficiaries showed that improving the quality and relevance of the curriculum has improved student outcomes: repetition rates were reduced among the cohorts that benefited from the curricular reform for grades 3-6 (Project Completion Report, 2742/OC-SU). These operations have also supported school infrastructure (renovation of teacher housing and schools in remote areas), and capacity strengthening of MOESC staff (training and equipment for the departments involved in the execution of the loan). To inform the design of this operation, the IDB is providing technical assistance (ATN/OC-17392-SU) in new areas of collaboration where additional data and experts are required to inform policy dialogue, such as special education and education management and information systems.

1.18 **Bank's value added.** The Bank has considerable technical knowledge in ECE and experience in the implementation of programs (IDB, 2019). Through a regional study on Learning in 21st Century Schools (ATN/OC-14698-RG), the Bank has amassed information on optimal infrastructure conditions for learning and has developed a tool for school censuses (used by Suriname). The Bank has consolidated knowledge in the digital transformation of education management through a regional study carried out in 18 national and subnational education systems (including Suriname) across LAC (ATN/OC-16379-RG).

1.19 **Lessons learned**. Important lessons regarding curriculum reform were learned from the multiphase operation 2742/OC-SU and 3603/OC-SU: (i) due to limited technical capacity in curriculum development within the MOESC, the redesign of the curriculum for grades 7 and 8 was led by a consortium of international experts. MOESC staff expressed concern that the new content developed is not adapted to Suriname's needs, which has delayed the execution of activities. The program has hired a team of local experts to work jointly with Ministry staff and international experts. To ensure relevancy of the curriculum and timely completion, a similar methodology will be used for lower secondary education (Subcomponent 1.1): first, hire local experts to strengthen MOESC's curriculum department capacity to lead the reform process; then hire an international consortium to review and support with best practices and specific technical knowledge; (ii) a second lesson learned was the lack of communication between MOESC and the Program Management Unit (PMU), which resulted in limited ownership of the program by Ministry staff. To ensure appropriate coordination between the Ministry and the PMU and monitor progress (Component 4), the PMU should include Task officers responsible for meeting regularly with MOESC departments involved in the execution of the program (¶3.1 for execution arrangements); and (iii) finally, preliminary observations from the 2019 school census revealed that school infrastructure and teacher housing under the above-

mentioned projects have suffered deterioration, in part due to lack of preventive maintenance program. The proposed activities under Component 2 include the development of guidelines, awareness campaigns and training.

1.20 **Strategic alignment**. The program is consistent with the Second Update to the Institutional Strategy (UIS) (AB-3190-2), and is strategically aligned with the development challenge of Social Inclusion and Equality by improving school learning conditions of public institutions and denomination schools and quality lower secondary education that will provide better opportunities to youth. The program is also aligned with the cross-cutting theme of Gender Equality and Diversity by providing specialized materials and teacher training to improve learning outcomes of minority children in Suriname that do not speak Dutch, have learning or physical disabilities and/or live in remote areas (see ¶1.27). Finally, the program is aligned with the cross-cutting theme of Climate Change and Environmental Sustainability by financing climate change mitigation and adaptation activities, including principles of sustainability and green design in the construction of the two new schools in Wanica. According to the joint MDB approach on climate finance tracking, 15.2% of total IDB funding for this operation result in climate change mitigation and adaptation activities. This contributes to the IDBG's climate finance goal of 30% of combined IDB and IDB Invest operational approvals by year's end 2020. Additionally, the program will contribute to the Corporate Results Framework (CRF) 2020-2023 (GN-2727-12) through Indicator #1 - number of students benefited by education projects. The inclusion of children with disabilities and development with identity for children in the Maroon and indigenous communities is consistent with the Diversity Action Plan for Operations 2019-2021 (GN-2531-17).

1.21 The program is aligned with one of the strategic objectives defined in the IDB Group Country Strategy with the Republic of Suriname (2016-2020) (GN-2873) to "Improve Learning Outcomes" and is included in the 2020 Indicative Pipeline of Sovereign Guaranteed Operations in the Update of the Annex III of the 2019 Operational Program Report (GN-2948-2). The program is consistent with the Education and Early Childhood Development Sector Framework Document (GN-2708-5) and the new Early Childhood Development Sector Framework Document (GN-2966-2) by investing in developing relevant curriculum for lower secondary students, improving school readiness and learning in the early years and increasing access to quality learning environments for students in areas outside Paramaribo.

B. Objective, components, and cost

1.22 The general objective of the program is to improve the quality of education in Suriname. This general objective will be pursued by achieving the following specific objectives: (i) to increase the quality of teaching practices and content in lower secondary, and early childhood education services for children with low readiness to learn and non-native Dutch speakers; and (ii) to improve access to adequate school infrastructure for children in remote and semi-urban areas in four priority districts (Wanica, Sipaliwini, Marowijne, and Coronie).

1.23 **Component 1. Improved quality of lower secondary and early childhood education (US$12.7 million).** The aim of this component is to contribute to achieve the specific objective (i) by developing materials, strengthening teacher capacity and monitoring student learning at different stages of the educational path. This component includes two sub-components:

1.24 *Subcomponent 1.1 Lower Secondary education curriculum (US$8.3 million).* This subcomponent will redesign the lower secondary education curriculum (grades 9, 10, 11) to improve quality by updating the contents teaching approaches. The resources allocated to this sub-component will finance: (i) technical assistance to update the curriculum and develop learning materials including the creation of an local team of experts hired as consultants to work with MOESC staff during the implementation of the curriculum reform; (ii) technical assistance to strengthen Suriname's teacher training system to support the transition towards a project-based learning approach bythe coaching of teachers and principals in grades 9-11 to apply the new curriculum, and build capacity for Suriname's training institute (CENASU) on innovative and student-centered teaching methods and in depth-training for teachers with low qualifications; (iii) printing of textbooks and development of on-line teaching resources aligned with the curriculum (grades 9-11); and (iv) redesigning of the national examination for grade 8 (GLO 6) and the diagnostic test in grade 7 to transition towards a competency based assessment.[15]

1.25 *Subcomponent 1.2 Inclusive early childhood education: non-native Dutch speakers and children with disabilities*[16] *(US$4.4 million).* This sub-component will: (i) scale-up the implementation of a system-wide assessment of readiness to learn for children entering the formal education system, including: training teachers in pre-school and primary levels (grades 1-4) to apply the assessment, detect early developmental delays and develop learning plans to enhance student learning, and an awareness program for parents about early stimulation; (ii) initiate the transition from a special education model for children with disabilities to an inclusive one by: (a) designing a strategy and cost estimation to ensure all schools in Suriname are inclusive schools and re-purpose or close the 33 special education schools and strengthening the MOESC's CARE department[17] through hiring additional experts to properly diagnose children in the special education schools, (b) building capacity and create awareness in the education community to transition towards inclusive schools (guidelines and general training for teachers and principals in regular schools, specialized training for teachers working with children with disabilities in the current "special education schools" to become trainers and leaders on how to create an inclusive learning environment), and (c) selecting and supporting the first eight schools that will transition to inclusive education[18] in Suriname[19] (inclusive education model described in OEL#5); and (iii) improve the insertion of non-Dutch speaking students in the education system by training teachers in the interior districts (Brokopondo, Sipaliwini, Marowijne) and Coronie to work in multilanguage settings and by developing age-appropriate materials in Sranangtongo and the main native languages used in the

15 The operation 3603/OC-SU is supporting the design of a strategic plan to reform the current Grade 8 test to become competency based and assess the possibility of introducing an additional learning assessment at the secondary level. It will be completed in July 2020.

16 Includes physical and learning disabilities.

17 Special education is supervised by the CARE Department and is formed by: Early Childhood Development, special and vocational education, and curriculum (Saric, 2019).

18 In inclusive education schools, children with disabilities are not separated into different spaces. Their approach is to follow a common curriculum adapted through differentiated instruction and use of student-centered methods that take into account student strengths (Duryea et al. 2019).

19 This support will include adjustments of facilities, teacher training, support services for children and pedagogical materials for students and the school community. After the 8 schools become inclusive schools and enroll the first students with disabilities, a qualitative assessment of the implementation of the pilot will be conducted before scaling up the program in the medium term.

interior districts to support instruction (including tablets and specialized software to learn Dutch as a second language). [20]

1.26 **Component 2. Access to adequate school infrastructure (US$10.1 million).** This component will contribute to achieve the specific objective (ii). This component will support: (i) development of a new national infrastructure policy for the education system that will define standards for school construction, integrating considerations for student centered learning and climate resilient infrastructure and guidelines for the education community on how to use and maintain school facilities and teacher housing to prevent deterioration; (ii) the construction of two new comprehensive schools (including pre-primary, primary and secondary) on public land (owned by MOESC) in Wanica, with a cafeteria and sports, computer and science facilities; and (iii) renovation of 10 public schools in priority districts (Sipaliwini, Marowijne, Coronie). [21] The design of the new two schools will be guided by sustainability, green principles and innovation and will include a set of measures that would guarantee compliance with the standards required by the EDGE certification. This design will inform the development of the above-mentioned standards for school construction in Suriname (for details about the new schools see OEL#3, for school renovations see OEL#4).

1.27 **Component 3. Management and monitoring of the education sector (US$5.2 million).** This component aims to improve the capacity of the MOESC to achieve specific objectives (i) and (ii). This component will finance: (i) a new EMIS focused on student management and learning, human resources, planning, monitoring and evaluation; (ii) improvement of technological infrastructure, including equipment (hardware and software), and training of MOESC departments responsible for implementing and maintaining the EMIS;[22,23] (iii) technical assistance to develop a new "regulatory framework" [24] that establishes the quality standards and requirements to increase FIBOS' accountability in the allocation of the government's subsidy; (iv) a *Denomination Schools' Quality Improvement Program* to support the denomination schools in meeting the quality requirements established in the new regulatory framework; and (v) social marketing campaigns to communicate messages across the sector regarding the activities of components 1, 2 and 3.

1.28 **Program administration (US$1.6 million) and evaluation (US$0.4 million).** The objective is to facilitate the execution of the program by supporting project management. This covers expenses related to the PMU, financial audits, and monitoring and evaluation. It will also finance some office equipment and software to facilitate project execution and monitoring.

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20 In 2014, the MOESC adopted an Information, Communications and Technology (ICT) Policy. The operation will build on that policy, on the challenges identified in previous operations (low access to content and low teacher training in the use of ICT) and the lessons learned from other countries (Arias and Cristia, 2014).

21 The selection of the 10 schools was made based on a needs assessment from the Building Commission in 2012. Once the School Infrastructure Census is completed and ready for analysis, the schools selected will be validated and updated at the launch workshop.

22 This will include: technical training on how to use the tool and how to effectively use information for decision making and support in change implementation and management following international best practices summarized in Arias Ortiz et al. (2019).

23 This effort is an initiative from the Ministry of Education, and it is motivated by the need of providing MOESC staff with tools to monitor the quality of education services and increase the quality of education.

24 This new "regulatory framework" will either replace or amend the 1939 legislation by means of a resolution by the Council of Ministers or similar instrument of equal or higher hierarchy. A risk assessment of the limited legal and technical capacity of MOESC to supervise Denomination schools that could lead to the non-approval of the framework and mitigation measures were considered in the risk analysis of the operation.

1.29 **Beneficiaries.** The direct beneficiaries of the Program are: (i) for subcomponent 1.1, students that attend lower secondary schools (21,000 students in grades 9-11) by training teachers and principals (1,352 teachers in grades 9-11); (ii) for subcomponent 1.2, all children entering the school system in grades 1-3 that will benefit from teachers with improved capacity (16,000 children); (iii) for component 2, students and teachers that attend the schools with improved or new infrastructure in these four districts (1,768 students); and (iv) lastly, for component 3, all students in basic education in Suriname by providing MOESC staff and school principals with enhanced monitoring tools and instruments for decision making.

C. Key results indicators

1.30 The expected outcome is to increase the quality of teaching practices and contents and improve access to adequate school infrastructure. The impact indicator associated to the general objective to improve the quality of education is decreased repetition rates in grades 3 and 4 of primary and grades 9-11 in lower secondary. Reducing repetition rates will contribute to reducing dropout (end thus increasing completion rates) as evidence shows that, even after controlling for differences in student background, repetition leads to drop out given that students become overaged (Roderick, 1994). The outcome indicators of the program include: (i) CLASS index of Student-Teacher Interactions; (ii) new students entering grades 1-3 with a readiness to learn assessment; (iii) students in grade 4 with appropriate Vocabulary in Dutch; (iv) teacher student ratio, and (v) percentage of schools that meet minimum conditions for school infrastructure from MOESC. Outcomes include CRF indicators. All indicators are described in the Monitoring and Evaluation Plan.

1.31 **Economic analysis.** The program is expected to increase the cost-benefit of primary and secondary education by increasing student learning. The ex-ante economic analysis of the program (OEL#1) indicates that, under a discount rate of 12%, the Internal Return Rate is 14.7%, varying between 12.4% in a conservative scenario and 17.2% in an optimistic scenario. The economic assessment of potential benefits identifies the decrease in dropout and overage rates, leading to an expansion in the expected lifetime earnings of students, as the most relevant impact of the program. Additionally, curriculum reform, ECE programs, and infrastructure expansion, would lead to expected wages gains due to enhanced learning/productivity/cognitive capabilities of students, while enhancing monitoring capacity of the MOESC will lead to small but system-wide efficiency gains. Under conservative assumptions the program is economically and socially profitable for Suriname, and would lead to an estimated overall NPV of net benefits of US$ 21.0 million.

II. FINANCING STRUCTURE AND MAIN RISKS

A. Financing instruments

2.1 This is a specific investment loan selected as the most suitable instrument because it will finance a very specific set of activities defined by the MOESC to improve quality of education (¶1.23-1.27). The total amount of the loan is US$30 million financed by the Inter-American Development Bank (IDB) from Ordinary Capital resources. The disbursement period is 60 months, which is considered appropriate given the execution period of similar projects in Suriname and in the education sector. The tables below show the summary of program costs and the tentative disbursement schedule for the operation.

Table II-1. Summary of Program costs (in million US$)

Project:SU-L1059 - Consolidating Access to Inclusive Quality Education in Suriname		
Summary Budget		
Component / Subcomponent	**IDB Total**	**% Total Budget**
Component 1. Improved quality of lower secondary and early childhood education	**12.70**	**42.3%**
Subcomponent 1.1 Lower Secondary education curriculum.	8.30	27.7%
Subcomponent 1.2 Inclusive early childhood education: non-native Dutch speakers and children with disabilities.	4.40	14.7%
Component 2. Access to adequate school infrastructure	**10.10**	**33.7%**
2.1 New infrastructure policy for the education system	0.12	0.4%
2.2 New construction of two public schools in Wanica (each school for pre-primary through secondary)	4.48	14.9%
2.3 Renovation of 10 public schools in priority districts	5.5	18.3%
Component 3. Management and monitoring of the education sector	**5.20**	**17.3%**
3.1 Education Management Information System Improvement, equipment and training for MOESC	3.27	10.9%
3.2 New partnership between MOESC and denomination schools FIBOS	0.37	1.2%
3.3 Denomination Schools' Quality Improvement Program	1.20	4.0%
3.4 Social marketing campaign	0.36	1.2%
Program administration and evaluation	**2.00**	**6.7%**
4.1 Program administration	1.6	5.3%
4.2 Evaluation and Audit	0.4	1.3%
TOTAL	**30.00**	**100%**

Table II-2. Disbursement Schedule (US$ million)

Financing	Year 1	Year 2	Year 3	Year 4	Year 5	Total
IDB	2.493	6.955	5.629	9.207	5.716	30.000
Percent (%)	8	23	19	31	19	100

Note: the disbursement schedule counts from the legal effectiveness of the loan.

2.2 Pursuant to the document AB-2990, the disbursement of the Bank resources (OC) will be subject to the following maximum limits: (i) up to 15% during the first 12 months; (ii) up to 30% during the first 24 months; and (iii) up to 50% during the first 36 months. These limits may not apply if the requirements established in the Bank's policy in this regard have been fulfilled, provided that the borrower has been notified in writing. All these periods will be counted from the time the Loan operation is approved by the Board of Executive Directors.

B. Environmental and social safeguard risks

2.3 The operation is classified as Category "C" according to the IDB's Environmental Safeguards Policy and is in compliance with the Bank's environmental and social policies (OP-703). Expected social and environmental impacts of the program will mostly occur with the interventions planned under Component 2 associated with the construction of two new schools in Wanica and renovations in 10 existing schools in Sipaliwini, Marowijne and Coronie (see OEL#4). These impacts will be low to minimal, because they are highly localized, typical of small-scale construction works, and manageable through the implementation of environmental, health and safety mitigation measures. A medium level of risk was identified regarding the exposure of new and existing schools' infrastructure and other education sector assets to adverse climate events. To mitigate this risk, the design and construction/renovation of schools under the program will take into consideration the adoption of specific standards and codes related to infrastructure climate resilience, along with risk management measures—as part of the ESMP—including

specific guidelines to be followed by the MOESC for the incorporation of preventive maintenance plans for such school infrastructure, and to accompany the concrete design/protection measures against windstorms, flooding and other.

2.4 This operation will not have resettlement or economic displacement as the construction of the two new schools will be executed on public land (owned by MOESC) in two government housing development projects. To ensure that the best engineering practices and environmental awareness are implemented during the construction phase, an ESMP, with mitigation and prevention measures, will be developed and included in the POM.

C. Fiduciary risk

2.5 The Bank carried out an institutional capacity assessment of the MOESC and the existing PMU using the ICAS tool. The overall fiduciary risk is medium. Notwithstanding, the execution of the previous loans 2742/OC-SU and 3603/OC-SU shows that continuous strengthening is required throughout project implementation. The main risk in procurement relates to delays in the Program's administration (medium level) and will be mitigated by recruiting a procurement specialist and assistant to be part of the PMU, with full-time responsibilities for purchase and contracting of goods, services and works. Additional mitigation measures include: a POM with administrative and internal control processes for procurement management; component coordinators at the PMU to support the MOESC in preparing terms of reference; and regular training in IDB procurement policies for the PMU as well as close fiduciary supervision. The main financial management risk identified (medium level) relates to limitations of the Government payment system and asset management decision structures to meet its budgetary and payment obligations and commitments in a timely manner. This risk will be mitigated using an off-the-shelf accounting system to integrate and facilitate the financial reporting and budgeting. The MOESC and the PMU will establish coordination and monitoring procedures with the MOF to ensure timely disbursement of payments. In addition, the PMU will conduct periodic reconciliation of the Program's accounting records with those contained in the Central Bank accounts corresponding to the Program's records of the TSA. Other mitigation measures include: concrete procedures to be included in the POM (Overall policies, procedures and internal control requirements) and ongoing financial management training provided by the Bank to support timely execution of fiduciary activities. The level of the fiduciary risk will be monitored during the execution period of the project through a supervision plan designed for such purpose.

D. Other risks and key issues

2.6 The risk assessment of the program was conducted with the application of the Risk Management in Projects (RMP) methodology, specifically, for the identification of the main risks surrounding program implementation and sustainability. The results determined that the project carries a medium level of risk. The following development risks were identified: (a) with a high risk level, institutional weaknesses and delays in the implementation and operation of the EMIS; (b) with a medium risk level, limitations in basic public infrastructure in Suriname to implement and operate the platform; (c) with a medium risk level, resistance from teachers and school administrators to implement the new curricula; and (d) with a medium risk level, delays in the implementation of new curricula and inappropriate content (relevancy) for the needs of Suriname. With respect to the risks associated to delays in implementation of the EMIS, mitigation measures include: (i) the incorporation of specific technical requirements strengthening and training plan as part of the terms of reference

of the implementing firm; and (ii) the provision of external support in the preparation of the technical specifications to incorporate an assessment of current institutional capacities with respect to human resources, supporting assets and services. With respect to the limitations on basic public infrastructure, mitigation measures include: supporting investments to ensure systems integrity (hardware and software), operations and process continuity, data and information security, and the implementation of joint contingency plans and contractual agreements with local utilities and connectivity providers. With respect to the risks associated with curriculum development, mitigation measures include: new regulations by MOESC requiring mandatory professional development for teachers, on-the-job teacher training sessions for the implementation of the curriculum and the adoption of a non-monetary recognition program, as part of a teacher promotion structure. Regarding content development, the MOESC is building its capacity to provide effective review and quality control of curriculum development. MOESC will ensure that the technical specifications for the international experts comprise high standards for the development of local content relevant to the Surinamese school population and its's cultural diversity. With the support from the PMU, the Ministry will implement strict contract management and monitoring procedures aimed at ensuring the delivery of quality and relevant materials by the consortium. A public management and governance risk was also identified (medium level) associated with the limited legal and institutional capacities at MOESC to monitor the overall performance of Denomination Schools. Mitigation actions include: a hired consultant to support the MOESC in the preparation of the framework and conduct meaningful stakeholder consultations to advance the negotiations with FIBOS and strengthen coordination mechanisms between MOESC and FIBOS as part of the technical assistance (ATN/OC-17392-SU) to inform policy dialogue (¶1.27).

2.7 The program also presents specific macroeconomic and fiscal sustainability risks (medium level), given that the fiscal and debt positions could worsen if current polices continue without the implementation of planned macroeconomic reforms, or if another major commodity price shock occurs. Those events could potentially affect government resources to meet its fiscal targets and budgetary commitments, including investment in the education sector. To mitigate this risk, the budget of the program has been incorporated in the five-year investment plan of the Government, based on the agreement between the MOESC as executing agency, and the Ministry of Finance as borrower and the country's public finance authority. In addition, there is an ongoing fiscal strengthening program in Suriname to reduce the risk of occurrence.

2.8 **Sustainability.** This program supports significant investments in school infrastructure. Once the works have concluded, the MOESC is committed to allocating funds for preventive maintenance of the new schools in Wanica. Although currently, MOESC allocates a limited provision for maintenance and repairs of school infrastructure, the Bank is supporting MOESC's capacity to improve their strategic planning and budgeting of school infrastructure and maintenance. A first step was taken under the current operation 3603/OC-SU with the new school infrastructure census that will provide detailed information regarding the status of the infrastructure and tools to plan and budget targeted interventions. This operation will complement those efforts by developing a preventive maintenance program for school infrastructure that will preserve schools over a longer period and define standards and costs for school facilities.

III. IMPLEMENTATION AND MANAGEMENT PLAN

A. Summary of implementation arrangements

3.1 **Program execution.** The Borrower is the Republic of Suriname. The MOESC will be responsible for execution of the loan through a Program Management Unit (PMU). The PMU is responsible for the technical and operational implementation of the program. It coordinates with the MOESC staff and enables the execution of the activities, including administrative tasks, procurement, and financial management. The structure of the PMU will be based on the structure of the PMU responsible for implementation of the second BEIP (3603/OC-SU) currently in execution. Under this existing structure, the PMU is headed by the Program Manager, who reports directly to the Permanent Secretary (PS) and represents the PMU on all program related matters. The rest of the core staff includes: an Operations Officer, a Procurement Officer, a Finance Officer and a Monitoring and Evaluation (M&E) Officer. The Program will include technical task officers to link directly to MOESC departments involved in the execution of the program to ensure ownership through joint execution of program activities in four key areas: curriculum reform for lower secondary, early childhood, infrastructure and EMIS. New technical staff required by the PMU will be selected in close collaboration with the MOESC. The executing arrangements will be detailed in the POM.

3.2 **Reports.** The PMU is responsible for preparing semi-annual and annual reports for the MOESC and IDB detailing: (i) the progress regarding the activities and outputs in the Annual Operating Plans (AOP) and the intermediate outcomes, according to program indicators; (ii) the financial progress in terms of commitments, payments and disbursements under the loan and an updated financial plan; (iii) annual financial statements audited by a firm of independent auditors acceptable to the Bank; (iv) the updated AOP and related budgets for the next 12 months; (v) the updated procurement plan; and (vi) an annual maintenance report up to the fifth year after the expiration of the last disbursement date.

3.3 **Special Contractual Conditions prior to the first disbursement. (i) evidence that the Program Manager and the Procurement and Financial officers are selected, in accordance with the terms of references previously agreed upon between the Executing Agency and the Bank; and (ii) approval of the Program Operation Manual, in accordance with the terms and conditions previously agreed upon between the Executing Agency and the Bank.** The POM sets out the terms and conditions, and details the procedures and coordination mechanisms for the operational, administrative and financial management of the program. These conditions are justified to assure that the key personnel and the rules of operation are in place to initiate and conduct program execution.

3.4 **Special Contractual Clauses of execution, prior to executing Component 3 (iv). The implementation of the Denomination Schools' Quality Improvement Program (Component 3 (iv)) will be contingent upon the approval of the new regulatory framework by the Council of Ministers or a body of equal or higher hierarchy described under Component 3 (iii).** Under the program, selected Denomination schools will be supported with school maintenance and teacher training services and with new equipment necessary to comply with the standards of the new regulatory framework. Schools in the interior districts will be prioritized in line with the objective of this operation. Participating schools will sign individual agreements with the MOESC. The Executing Agency will contract all goods and services to be provided to participating schools; no

transfer of funds will take place. The selection of the schools will be based on “low performance” defined by outcome indicators (student learning in the 8th grade examination, dropout and repetition rates in the early grades) and school inputs (percentage of qualified teachers and infrastructure needs using the 2019 school census).[25] Additional criteria will be described in the POM.

3.5 **Procurement.** Procurement of goods, works and consulting services to be financed with resources of the program will be carried out in accordance with the Policies for the Procurement of Works and Goods Financed by the Inter-American Development Bank (GN-2349-15); and the Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank (GN-2350-15) (REL#3).

3.6 **Retroactive Financing.** The Bank may finance retroactively under the loan, eligible expenses incurred by the Borrower prior to the date of loan approval to contract supervision/design consultants for activities under Subcomponent 1.2 and Component 3 (i) and (ii) only, up to US$1 million (3.3% of the proposed loan amount), provided that they satisfy requirements consistent to those set out in the loan agreement. These expenses must have been incurred on or after November 05, 2019 (approval date of the Project Profile), and under no circumstances shall expenditures incurred more than 18 months prior to the loan approval date be included.

3.7 **The Single Source Selection of Vanguard College is foreseen for training of Special Education teachers.** Vanguard College is considered the only qualified agency with experience of exceptional worth for the assignment in accordance with 3.11(d) of the Bank’s policies for selection and contracting of consultants (GN-2350-15). A recent analysis of special education in Suriname (Saric, 2019) describes the training offered by Vanguard and shows that their program is the only teacher training program currently available for special education in Suriname. Vanguard offers a 3-year degree. The successful completion of the first year culminates in an associate degree and qualifies the student to pursue a bachelor’s degree. The proposed loan program will cover full tuition for 50 teachers for one year of the program and the costs of renting a bigger space to expand Vanguard’s physical capacity.

3.8 **Audits.** An external audit of the program will be performed by a firm of independent auditors acceptable to the Bank. The cost of the audits will be financed with program resources. Standard financial reporting requirements of the Bank will apply, including: (i) the annual financial audit report of the program to be submitted within 120 days following the end of each program fiscal year; and (ii) a final financial audit report of the program to be submitted within 120 days after the date of the last disbursement.

B. Summary of arrangements for monitoring results

3.9 **Monitoring**. Besides the AOP and the Annual Procurement Plans, the PMU will submit semi-annual progress reports throughout the life of the project, within 60 days following the end of each semester. The Bank’s project team will conduct a midterm evaluation of the program to assess its execution progress once disbursements reach 50% of the program resources, and a final evaluation upon commitment of ninety percent (90%) of

[25] Using these two selection criteria, a ranking of all denomination schools will be carried out and the 100 lowest performing schools will participate in the program. Each participating school will apply for the support by submitting an improvement plan identifying their specific needs within the three eligible investments: materials and equipment, infrastructure improvements (maintenance) and/or teacher training.

the program resources to asssess the fulfilment of program's objectives. In addition, the PMU will keep all relevant administrative information available to facilitate this review.

3.10 **Evaluation**. Two different will be conducted in areas aligned with the priorities and expected results of the program: (i) ***Impact of lower secondary curriculum reform on quality and relevance of educational services***. An experimental evaluation will assign randomly the new curricula to a sub-set of 80 schools, 40 treated and 40 control) during the third year of the program and then roll over the curriculum across the rest of schools. The evaluation will measure differences between treatment and control schools in: a) the quality of student-teacher interactions (*results* indicator #1) at baseline right after the curriculum has been developed (expected by 2023) and after the curriculum has been rolled over (2024); and b) average repetition rates in grades 9, 10 and 11 (*impact* indicator #2).; and (ii) ***Impact of endowing schools with tablets with installed specialized software on Dutch Early Learning Program during early childhood on student's outcomes in preschool and early primary***. All schools in the interior districts have a high percentage of non-native Dutch speakers and will receive printed materials and tablets. A random subset of 60 (30 treated and 30 control) will be assigned to receive a specialized software to learn Dutch in the early grades, with translation available from Sranangtongo and the main natives languages used in the interior districts (defined by the largest indigenous and Maroon tribal communities). Differences in students in grade 4 with appropriate Vocabulary in Dutch between students in schools receiving and not receiving the software will be estimated. A before and after methodology will be applied to evaluate the achievement of all objectives using all the result indicators in the Results Matrix. The evaluation plan will be financed with program resources (1.28). See REL#2 for more details.

Development Effectiveness Matrix		
Summary	SU-L1059	
I. Corporate and Country Priorities		
1. IDB Development Objectives		
Development Challenges & Cross-cutting Themes	-Social Inclusion and Equality -Gender Equality and Diversity -Climate Change and Environmental Sustainability	
Country Development Results Indicators	-Students benefited by education projects (#)* -Government agencies benefited by projects that strengthen technological and managerial tools to improve public service delivery (#)* -Teachers trained (#)*	
2. Country Development Objectives		
Country Strategy Results Matrix	GN-2873	Increased lower secondary completion rates
Country Program Results Matrix	GN-2948-2	The intervention is included in the 2019 Operational Program.
Relevance of this project to country development challenges (If not aligned to country strategy or country program)		
II. Development Outcomes - Evaluability		Evaluable
3. Evidence-based Assessment & Solution		8.9
3.1 Program Diagnosis		2.4
3.2 Proposed Interventions or Solutions		4.0
3.3 Results Matrix Quality		2.5
4. Ex ante Economic Analysis		9.0
4.1 Program has an ERR/NPV, or key outcomes identified for CEA		3.0
4.2 Identified and Quantified Benefits and Costs		3.0
4.3 Reasonable Assumptions		1.0
4.4 Sensitivity Analysis		2.0
4.5 Consistency with results matrix		0.0
5. Monitoring and Evaluation		9.3
5.1 Monitoring Mechanisms		2.5
5.2 Evaluation Plan		6.8
III. Risks & Mitigation Monitoring Matrix		
Overall risks rate = magnitude of risks*likelihood		Medium
Identified risks have been rated for magnitude and likelihood		Yes
Mitigation measures have been identified for major risks		Yes
Mitigation measures have indicators for tracking their implementation		Yes
Environmental & social risk classification		C
IV. IDB´s Role - Additionality		
The project relies on the use of country systems		
Fiduciary (VPC/FMP Criteria)		
Non-Fiduciary	Yes	Statistics 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		

Note: (*) Indicates contribution to the corresponding CRF's Country Development Results Indicator.

The general objective of the program is to improve the quality of education in Suriname. To achieve this end, the proposal defines two specific areas on which the project will intervene. The first area is the quality of teaching practices and content in lower secondary and early childhood education services for children with low readiness to learn and non-native Dutch Speakers. The second area is access to adequate school infrastructure for children in remote and semi-urban areas in four priority districts (Wanica, Sipaliwini, Marowijne, and Coronie). The first area is associated to component 1, the second area is associated to component 2, and both areas are supported by component 3.

The project proposal diagnoses 28% of students had satisfactory grades in Math and 56% in language (MOESC, 2019). There is no direct quantification on the quality of teaching practices, causing the evaluability score to decrease. However, the team identifies the need for outputs by demonstrating a lack of key inputs (training, curriculum updates, etc.) and heterogeneity of developmental needs and ethnic background within the student population (MICS, 2019; Elias, 2019). Finally, the diagnosis identifies school overcrowding in part due to immigration (Elias, 2019).

The economic analysis provides a quantification of benefits based on assumptions on the future salary of beneficiaries and fiscal savings due to gains in efficiency of the education system. The costs include those associated with the project and the fiscal expenses associated with the maintenance of the components and the increase in enrollment. The analysis concludes with a net present value of US$21 million.

Monitoring relies on reports by the Program Management Unit, which is responsible for verification based on official records, administrative data, and hiring firms to collect data. One indicator associated to the specific objective 1 lacks both a baseline and target values affecting the evaluability score. The ex- post evaluation plan includes a randomized control trial to identify the effects of the program on the quality of teaching practices. The evaluation also proposes a before-and-after comparison to verify improved access to improved infrastructure.

RESULTS MATRIX

Project Objective:	The general objective of the program is to improve the quality of education in Suriname. This general objective will be pursued by achieving the following specific objectives: (i) to increase the quality of teaching practices and content in lower secondary, and early childhood education services for children with low readiness to learn and non-native Dutch speakers; and (ii) to improve access to adequate school infrastructure for children in remote and semi-urban areas in four priority districts (Wanica, Sipaliwini, Marowijne, and Coronie).

EXPECTED IMPACT

Indicators	Unit of measure	Baseline	Baseline Year	Year 1	Year 2	Year 3	Year 4	Year 5	End of Project	Means of verification	Observations
IMPACT: Improve the quality of education at the primary and secondary levels											
Indicator #1. Average repetition rate in grades 3 and 4 (first two grades of primary education)	Percentage	15	2018	15	15	13	11	10	10	MOESC Research and Planning Department annual report	Simple average by grade
Indicator #2 Average repetition rate grades 9, 10 and 11 (lower secondary)	Percentage	9	2016	9	9	9	9	7	7		Simple average by grade

EXPECTED OUTCOMES

Indicators	Unit of measure	Baseline Value	Baseline Year	Year 1	Year 2	Year 3	Year 4	Year 5	End of Project	Means of verification	Observations[2]
OUTCOME # 1: increase the quality of teaching practices in lower secondary and early childhood education for children with low school readiness to learn and non-native Dutch speakers											
Indicator #1. Index of Student-Teacher Interactions Improved	%	TBD	2020	TBD	TBD	TBD	TBD	TBD	TBD	CLASS contracted by the PMU	The index is a weighted average of the four domains from the CLASS framework (See PME)
Indicator #2. Students benefitting from curricular reform in lower secondary	Number	0	2019	0	0	7,000	14,000	0	21,000	Progress project report prepared by the PEU	CRF Indicator. Benefits are associated to student that received materials and classes from a trained teacher in grades 9-11
Indicator #3. teachers in grades 1-3 that applied the readiness to learn instrument and used it for instruction	%	0	2019	0	0	30%	40%	60%	60%	Progress project report prepared by the PMU	The teacher applied the instrument and received a validated assessment from MOESC (See PME)
Indicator #4. Students in grade 4 with appropriate Vocabulary in Dutch in beneficiary schools	%	TBD	2022	TBD	TBD	TBD	TBD	TBD	TBD	Evaluation Report	Dutch Vocabulary Test. Test Developed by the Central Institute for Test Development (See PME)
Indicator #5. Students benefitting from special programs in ECD	Number	0	2019	0	0	3,500	5,000	7,500	16,000	Progress project report prepared by the PEU	CRF Indicator. Benefits are associated to student that received an assessment from a

Indicators	Unit of measure	Baseline Value	Baseline Year	Year 1	Year 2	Year 3	Year 4	Year 5	End of Project	Means of verification	Observations[2]
											trained teacher in grades 1-3
OUTCOME # 2: Improve access to adequate school infrastructure in four priority districts (Wanica, Sipaliwini, Marowijne, and Coronie).											
Indicator #6. Average Student teacher ratio in Wanica	Number	37	2019	0	0	0	25	25	25	MOESC Research and Planning Department with data from Bureau of Examination	The indicator will include only the 9 schools close to the new facilities (See PME)
Indicator #7. Schools that meet minimum conditions for school infrastructure from MOESC in 4 priority districts	%	TBD	2020	0	0	0	0	+15%	+15%	Index build using schools census information	The index is collection of indicators from the school infrastructure census collected in 2019 (See PME)
Indicator #8. Students benefitting from renovated infrastructure	Number	0	2019	0	0	643	1,125	0	1,768	Progress project report prepared by the PEU	CRF Indicator. Benefits are associated to student that received materials and classes from a trained teacher in grades 9-11

OUTPUTS

Outputs	Unit of measure	Baseline Value	Baseline Year	Year 1	Year 2	Year 3	Year 4	Year 5	End of project	Means of verification	Observations[2]
Component # 1 Improved quality of lower secondary and early childhood education											
1.1 Lower secondary education curriculum											
Output #1. Curricular content redesign plan approved.	Document	0	2019	1	0	0	0	0	1	Project progress report.	
Output #2. Members of the support team for curricular reform selected and in function	Support team	0	2019	4	12	12	12	12	12	Project progress report.	
Output #3. Phases of the International Consortium for curriculum reform completed	Content	0	2019	0	2	2	1	1	6	Project progress report.	
Output #4. CENASUs strengthening plan implemented	Document	0	2019	0	0	1	0	0	1	Project progress report.	
Output #5. Teachers trained for new curriculum	Teachers	0	2019	0	0	500	852	0	1,352	Project progress report.	
Output #6. Teachers with low qualification that complete special program	Teachers	0	2019	0	0	0	100	100	200	Project progress report.	
Output #7. Textbooks printed and delivered	textbooks	0	2019	TBD	TBD	TBD	TBD	TBD	TBD	Project progress report.	

Outputs	Unit of measure	Baseline Value	Baseline Year	Year 1	Year 2	Year 3	Year 4	Year 5	End of project	Means of verification	Observations[2]
Output #8. Online platform with digital resources adapted and available for teachers	online platform	0	2019	0	1	0	0	0	1	Project progress report.	
Output #9. Student assessment for 8th grade design and pilot completed	Document	0	2019	0	1	0	0	0	1	Project progress report.	
Output #10. Student assessment for 7th grade design and pilot completed	Document	0	2019	0	0	1	0	0	1	Project progress report.	
1.2. Inclusive early childhood education: non-native Dutch speakers and children with disabilities											
Output #11. Entrance students with readiness to learn assessment completed	% students	0	2019	0	0	70%	80%	90%	90%	Project progress report.	
Output #12. Teachers trained in readiness to learn asessment	Teachers	0	2019	0	0	800	1,000	0	1,800	Project progress report.	
Output #13. Parents of pre-school and 1° grade, participating in Parental Awareness Program	% Parents	0	2019	TBD	TBD	TBD	TBD	TBD	TBD	Project progress report.	
Output #14. "Inclusive education plan 2020-2023" implemented	Plan phases	0	2019	0	1	1	1	1	4	Project progress report.	
Output #15. Schools participating in Dutch	% Primary	0	2019	0	0	30%	60%	60%	60%	Project progress report.	

Outputs	Unit of measure	Baseline Value	Baseline Year	Year 1	Year 2	Year 3	Year 4	Year 5	End of project	Means of verification	Observations[2]
Early Learning Program											
Component # 2 Access to adequate school infrastructure											
Output #1. School infrastructure Policy approved	Document	0	2019	0	1	0	0	0	1	Project progress report.	
Output #2. Schools constructed and finished	Schools	0	2019	0	0	0	2	0	2	Project progress report.	
Output #3. Schools renovated/expanded	Schools	0	2019	0	0	6	4	0	10	Project progress report.	
Component # 3 Management and monitoring of the education sector											
Output #1. EMIS Work Plan phases completed	Work Plan	0	2019	0	1	2	2	2	7	Project progress report.	
Output #2 New partnership for denomination schools approved and disseminated	Workshops	0	2019	0	0	3	12	0	15	Project progress report.	
Output #3. Improvement Plans at denomination schools implemented within the New Partnership	MoU/Document	0	2019	0	0	0	80	20	100	Project progress report.	
Output #4. Social marketing campaign semiannual plans completed	Campaign	0	2019		2	2	2	2	8	Project progress report.	

FIDUCIARY ARRANGEMENTS

Country:	Suriname
Project Name:	Consolidating Access to Inclusive Quality Education in Suriname
Project Number:	SU-L1059
Executing Agency:	Ministry of Education, Science and Culture (MOESC)
Prepared by:	Bhagirath Vikash, Fiduciary Financial Management Consultant; and Mariska Tjon A. Loi, Fiduciary Procurement Specialist

I. EXECUTIVE SUMMARY

1.1 The objective of this program is to improve the quality of education in Suriname. The program will be funded entirely with IDB loan financing in the amount of US$ 30,000,000.

1.2 An institutional capacity assessment of the MOESC was conducted in November 2019 through the ICAS tool, in consultation with staff of the Ministry. The results indicate that the fiduciary risk is medium. As such, the program will be executed through an existing PMU consisting of a Program Manager, Technical Staff and Fiduciary Officers with experience and knowledge relating to IDB financial management and procurement procedures.

1.3 The structure of the PMU will be based on the structure of the PMU responsible for implementation of the second BEIP (3603/OC-SU) currently in execution.

II. EXECUTING AGENCY´S FIDUCIARY CONTEXT

2.1 The fiduciary context of the Government of Suriname and its line ministries is documented in the Public Expenditure Financial Accountability (PEFA)[1] report of 2018. In addition to the above-mentioned ICAS, the Bank's guide for the Use of Country Systems (GUS) Assessment was conducted in April 2019. The relevant findings indicate that the legal framework for Public Financial Management (PFM) is outdated and not consistent with best practices. The Government of Suriname (GoS) has committed to improving the PFM and procurement systems with IDB support through the establishment of effective mechanisms to perform these functions. Until these interventions have taken root, country systems relating to accounting and financial reporting, internal control, external control, external auditing and procurement will not be used.

[1] The final PEFA 2018 report was submitted in April 2019 to the GoS by the Bank seeking authorization for publication on the website of the PEFA Secretariat.

2.2 Some specific fiduciary features of the MOESC are:

(a) With respect to procurement: procurement administration responsibilities are allocated to: (i) a small internal Procurement Unit comprised of three staff members, solely in charge of small purchases under the quote procedure; and (ii) the Educational Resources, Production and Distribution Department which conducts larger purchases for textbooks and other educational materials for distribution to schools across the country. The ICAS found an absence of internal policies, procedures and norms for procurement administration, and an overall uncertainty regarding the extent of the application of the legal framework contained in the "Tender Rules of Suriname" (AWS 1996) for goods and services, and the "Procurement Rules of Suriname" (UWS 1996) for works contracts. The ICAS found internal controls in place to ensure that each procurement activity (purchase or contract): (i) is supported by internal requests of the individual departments in the central office in Paramaribo, as well as the interior offices; (ii) has the necessary budget certification; and (iii) is based on the various procurement thresholds, and internal and external approvals are concretely defined. Other findings are weaknesses in inventory and asset management and mostly manual processes and registers.

(b) With respect to financial reporting and monthly preparation of revenue and expenditure reports, the ICAS found that the budgeting and accounting system IFMIS has not been fully deployed and is not yet able to execute programs/projects in accordance with IDB standards. It presents concrete limitations with respect to required formats and templates; financial reports are prepared in Excel from information obtained in IFMIS. In addition, there are observations about data integrity, lack of payment information, no option to extract reports from the system and no proper assurance from an external auditor. Furthermore, a limited number of licenses/authorizations for the IFMIS accounting system is issued to the MOESC. The PMU may consider using the accounting software system QuickBooks, currently in use for execution of SU-L1038, or another off-the-shelf accounting system acceptable to the Bank for the accounting and recording needs of the program.

III. FIDUCIARY RISK EVALUATION AND MITIGATION ACTIONS

3.1 The overall fiduciary risk rating is medium. The ICAS analysis for procurement indicates that notwithstanding basic internal controls, procurement administration lacks concrete process flows, authorization charts and targeted delivery and processing times. However, since the MOESC has established a PMU with full capacities for planning, monitoring and evaluation, procurement administration, financial management and control, and technical administration, which has gained extensive exposure and experience in the execution of IDB-funded projects along with the application of Bank policies and procedures for procurement administration, this has contributed to a reduced fiduciary risk. In the area of financial management, mitigation measures will be developed to strengthen the internal control environment, the financial planning and budgeting, accounting and financial reporting system through formal and informal trainings.

3.2 Notwithstanding, the integration of the fiduciary and planning processes and activities of the PMU remain, in general, independent from the central systems of the Ministry, and over the years, very limited transfer of knowledge and coordination has taken place. The authorities of the Ministry should make efforts to gradually build its internal project management and control capacities.

Table 1. Risk analysis

Risks Identified	Risk Level	Mitigating Measures
Procurement: Delays in the Program's procurement administration	Medium	• A Procurement Officer and a Procurement Assistant will be hired for the PMU, with full-time responsibilities for purchase and contract administration for goods, services and works. • The POM will contain the administrative and internal control processes for procurement management, including target processing times for each procurement modality. • Component Coordinators of the PMU will support the MOESC in the preparation of terms of reference, while providing necessary training to internal technical bureaus to discharge their responsibilities. • Training in IDB procurement policies will be provided to the PMU on a regular basis by the Bank as well as close fiduciary supervision.
Financial Management: Limitations of the Government payment system and asset management decision structures to meet its budgetary and payment obligations and commitments in a timely manner	Medium	• An off-the-shelf accounting system will be used to integrate and facilitate Program financial reporting and budgeting, according to source of funding and categories of investments (at a minimum). • The MOESC and PMU will establish coordination and monitoring procedures with the MOF to ensure timely disbursement of all payments. • The PMU will conduct periodic/monthly reconciliation of the Program's accounting records with those of the Central Bank accounts corresponding to the Program's records of the TSA; with discrepancies reported to the MOF through an open communication channel. • Concrete procedures will be included in the POM (Overall policies, procedures and internal control requirements of the program areas of planning, budgeting, cash flow, accounting and procurement). • The IDB will provide ongoing financial management training to support timely execution of fiduciary activities.

IV. ASPECTS TO BE CONSIDERED IN THE SPECIAL CONDITIONS OF CONTRACT

4.1 The fiduciary arrangements to be included in the special conditions are:

a. **Exchange rate:** The application of the exchange rate will be: (i) reimbursement of expenses made: the effective rate of exchange on the date of payment of each expenditure, as published by the Central Bank of Suriname; (ii) justification of the Advance of Funds: the effective rate of exchange used in the conversion of the currency of the operation to the local currency; and (iii) disbursements in alternate currencies from the US Dollar and the Suriname Dollar: In cases of direct payment and reimbursement of a guarantee of letter of credit, the equivalent of the currency of the operation will be fixed in accordance with the amount effectively disbursed by the IDB.

b. **Financial Statements and Reports, audited or unaudited:** (i) semi-annual financial reports are to be included in the semi-annual progress report which will be submitted by the PMU to the Bank; (ii) annual financial statements of the project, audited by an independent external audit firm acceptable to the Bank, are to be submitted to the Bank within 120 days of the end of each fiscal year, beginning with the fiscal year in which the first project expenditures are incurred; and (iii) final financial statements, audited by an independent audit firm acceptable to the Bank, are to be submitted to the Bank within 120 days following the last disbursement date of the Program.

c. Pursuant to Document AB-2990, the disbursement of Bank financing will be subject to the following maximum limits: (i) up to 15 percent during the first 12 months; (ii) up to 30 percent during the first 24 months; and (iii) up to 50 percent during the first 36 months. All these periods will be counted from the time the loan operation is approved by the Board of Executive Directors. These limits may be rendered inapplicable to the extent that the requirements set forth in the Bank's policy regarding said limitations have been fulfilled, provided that the Borrower has been notified of the same in writing.

V. FIDUCIARY ARRANGEMENTS FOR PROCUREMENT EXECUTION

5.1 The procurement fiduciary arrangements establish the conditions applicable to all program procurement execution activities.

5.2 **Procurement Execution**.

Procurements for the proposed program will be carried out in accordance with the Policies for the Procurement of Goods and Works financed by the Inter-American Development Bank GN-2349-15; and the Policies for the Selection and Contracting of Consultants financed by the Inter-American Development Bank GN-2350-15.

a. **Procurement of Goods, Works and Non-Consulting Services***:* Procurement of goods, works and non-consulting services under the project will be governed by the policies for the Procurement of Goods and Works GN-2349-15. The PP indicates the procedures to be used for the contracting of goods, works and non-consulting services under the program. Procurement

processes subject to International Competitive Bidding will be executed through the use of the Standard Bidding Documents (SBDs) issued by the Bank. Processes subject to national Competitive Bidding (NCB) may be executed through the use of other documents satisfactory to the Bank. Where these are not available the Bank's SBD will be used. The project sector specialist is responsible for review of technical specifications during the preparation of the selection process.

b. **Procurement of Consulting Services**: Procurement of consulting services under the project will be conducted in accordance with the Policies for the Selection and Contracting of Consultants GN-2350-15. The PP indicates the procedures and methods to be used for the procurement of consultancy services. The project sector specialist is responsible for review of Terms of Reference (TOR) for consultants.

c. **Selection of Individual Consultants**: Individual Consultants will be selected in accordance with the Policies for the Selection and Contracting of Consultants (GN-2350-15) referenced above and may be done by three (3) Curriculum Vitae (CV) comparison (comparison of qualifications), Single Source Selection or open advertisement.

d. **Recurrent Expenses**: This category includes the payment of salaries of PMU staff.

e. **Retroactive Financing**: The Bank may finance retroactively under the loan, eligible expenses incurred by the Borrower prior to the date of loan approval to contract supervision/design consultants for activities under Subcomponent 1.2 and Component 3 (i) and (ii) only, up to US$1 million (3.3% of the proposed loan amount), provided they satisfy requirements consistent to those set out in the loan agreement. These expenses must have been incurred on or after November 5, 2019 (approval date of the Project Profile), and under no circumstances shall expenditures incurred more than 18 months prior to the loan approval date be included.

f. **The Single Source Selection of Vanguard College is foreseen for training of Special Education teachers**. Vanguard College is considered the only qualified agency with experience of exceptional worth for the assignment in accordance with 3.11(d) of the Bank's policies for selection and contracting of consultants (GN-2350-15). A recent analysis of special education in Suriname (Saric, 2019) describes the training offered by Vanguard and shows that their program is the only teacher training program currently available for special education in Suriname. Vanguard offers a 3-year degree. The successful completion of the first year culminates in an associate degree and qualifies the student to pursue a bachelor's degree. The proposed loan program will cover full tuition for 50 teachers for one year of the program and the costs of renting a bigger space to expand Vanguard's physical capacity.

g. **Thresholds:**

Table 2. Thresholds (in US$)

International Competitive Bidding Threshold*		National Competitive Bidding Range ** (Complex Works and non-common goods)		Consulting Services
Works	Goods	Works	Goods	International Short List
≥1,000,000	≥100,000	100,000 – 1,000,000	25,000 - 100,000	≥100,000

* When procuring simple works and common goods and their amount is under the International Competitive Bidding thresholds, Shopping may be used.

** When procuring complex works and non-common goods with amounts under the NCB range, Shopping shall be used.

Country Thresholds Table (US$) www.iadb.org/procurement

5.3 **Procurement Plan (PP) and Supervision**: The PP indicates the procedures to be used for the various categories and types of procurement. It also indicates the estimated cost of each contract or group of contracts and the requirement for prior or post review by the Bank. Ex-ante supervision will be maintained for high risk/value activities. Where ex-post review is applied, reviews will be performed at least once per year but may be more frequent if the volume of activities warrant. The ex-post review process will include at least one physical inspection visit per year. The PP will be updated annually or as necessary as required by the Bank.

VI. FINANCIAL MANAGEMENT

6.1 **Programming and Budget.** For the purposes of the project, the PMU will prepare and implement an operational plan, including the budget plan, procurement plan and financial plan, consistent with a 12-month financial plan that will be required from the PMU annually and will serve as the basis for the determination of the Bank's disbursement of funds to the EAs.

6.2 **Treasury disbursements and flow of funds of the PMU.** The PMU will establish adequate banking arrangements through the Ministry of Finance at the Central Bank of Suriname for the management of the Project resources. The financial plan will serve as the basis for the disbursement of funds to the PMU to cover the program's needs and for maintaining IDB's projections. The main disbursement methodology will be the advance of funds to cover a period up to 180 days, based on liquidity needs of the program. The PMU will provide adequate control over the utilization of all Advance of Funds balance, whenever 80 percent of said balance has been spent. The funds will be advanced through the Treasury Single Account. Other disbursement methodologies to be used on a smaller scale are the reimbursement of payments made and direct payment to suppliers. Disbursements will be reviewed ex post, except for requests for direct payment to suppliers and direct payment to the Borrower.

6.3 **Accounting and Information Systems.** It is recommended that the PMU continues using the QuickBooks accounting software system deployed for the financial management of project 3603/OC-SU, currently in execution, or any off-the-shelf accounting and financial management software acceptable to the Bank for the accounting and financial reporting of the program. Financial Statements of the program will be prepared based on IDB rules, given that the PFM reform is still in process and it is foreseen that country systems will not be used until they have been firmly established.

6.4 **Internal Control and Audit.** The PMU will establish an internal control system documented in the POM that should provide reasonable assurance that: (i) program funds are used for their intended purpose; (ii) program assets are properly safeguarded; (iii) program transactions, decisions and activities are properly authorized and documented; and (iv) program transactions are executed in accordance with the established policies, practices and procedures delineated in the legal agreements. In addition, proper segregation of duties, approval authority levels for signature of contracts, commitment of funds, reception of goods and services and payment to suppliers and beneficiaries should be arranged adequately.

6.5 **External Control and Reporting.** The external audit of the program will be performed by an independent audit firm acceptable to the IDB. Audits will be performed in accordance with IDB's Guidelines for Financial Reports and External Audit. The PMU will be responsible for contracting an eligible external auditor to perform the program audit as follows: (i) an annual financial audit to be submitted within 120 days of the end of each fiscal year; (ii) semiannual financial statements as part of the semiannual progress report of the program; and (iii) one final financial audit of the program to be submitted within 120 days after the date of last disbursement. The scope of the external audit can be modified per the needs identified during program execution.

6.6 **Financial Supervision Plan.** IDB fiduciary staff will conduct inspection visits on a semi-annual basis to ascertain the proper functioning of the accounting systems, the adequacy of the internal control system and follow up the fiduciary risk initially assessed.

VII. EXECUTION MECHANISM

7.1 A PMU established within the MOESC will include fiduciary staff members (procurement and financial management specialists) as well as technical coordinators who will liaise with other relevant departments of the Ministry as required. The PMU will be responsible for carrying out all the planning, fiduciary and technical responsibilities necessary for the program.

7.2 **Records and Files.** The PMU shall be responsible for maintaining updated files and records, permit inspections, submit reports maintain a managements accounting and financial administration system acceptable to the Bank and according to accepted best practices, and kept for up to three (3) years beyond the end of the program´s, execution period.

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-__/20

Suriname. Loan ____/OC-SU to the Republic of Suriname
Consolidating Access to Inclusive Quality
Education in Suriname

The Board of Executive Directors

RESOLVES:

That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such contract or contracts as may be necessary with the Republic of Suriname, as borrower, for the purpose of granting it a financing to cooperate in the execution of the program “Consolidating Access to Inclusive Quality Education in Suriname”. Such financing will be for the amount of up to US$30,000,000 from the resources of the Bank’s Ordinary Capital, and will be subject to the Financial Terms and Conditions and the Special Contractual Conditions of the Project Summary of the Loan Proposal.

(Adopted on ___ _____ 2020)

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SU-L1059