

ARGENTINA

EXTENDED SCHOOL DAY PROGRAM IN RÍO NEGRO PROVINCE

(AR-L1043)

LOAN PROPOSAL

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CONTENTS

PROJECT SUMMARY

I.	FRAME OF REFERENCE	1
A.	Socioeconomic and fiscal framework for the province	1
B.	Education system in Río Negro province.....	1
C.	Achievements and pending challenges	3
D.	The country and provincial strategy in the sector	5
1.	Country strategy	5
2.	Provincial strategy	6
3.	Program strategy	6
E.	Lessons learned	8
F.	The Bank's sector strategy	10
II.	THE PROGRAM.....	11
A.	Goal and purpose.....	11
B.	Program structure	12
1.	Component 1. Expanded supply of ESD	12
2.	Component 2. Education and training.....	13
3.	Component 3. Institution-strengthening.....	14
C.	Program targeting	15
D.	Cost and financing.....	16
III.	EXECUTION	17
A.	Borrower and executing agency	17
B.	Project execution and administration	18
C.	Operating Regulations.....	20
D.	Institutional analysis and risk prevention.....	21
E.	Financial and procurement considerations.....	22
F.	Execution period and disbursement schedule	24
G.	Other operational and financial considerations.....	24
H.	Monitoring and evaluation.....	25
IV.	VIABILITY AND RISKS.....	26
A.	Institutional viability	26
B.	Socioeconomic viability.....	26
C.	Impacts related to gender, indigenous peoples, and the environment	27
D.	Beneficiaries	28
E.	Social equity and poverty targeting classification	28
F.	Risks.....	28

ANNEXES

Annex I Logical framework

APPENDICES

Proposed resolution

Electronic Links and References	
Basic socioeconomic data	http://www.iadb.org/RES/index.cfm?fuseaction=externallinks.countrydata
Status of loans in execution and loans approved	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1397674
Information available in the SCL/EDU files	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1400333
Procurement plan	http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=1475525

ABBREVIATIONS

DECE	Dirección de Evaluación de la Calidad Educativa [Directorate of Education Quality Evaluation]
DINIECE	Dirección Nacional de Investigación y Evaluación de la Calidad Educativa [National Education Quality Research and Evaluation Office]
ESD	Extended school day
FEME	Education Improvement Stimulus Fund
GDP	Gross domestic product
ICT	Information and communications technology
IST	In-service training
LRF	Fiscal Accountability Act
ME-RN	Ministry of Education of Río Negro Province
PIIE	Comprehensive Program for Education Equality
PROMSE	Education System Improvement Program
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNOPS	United Nations Office for Project Services
UPCEFE	Unidad Provincial de Coordinación y Ejecución del Financiamiento Externo [Provincial External Financing Coordination and Execution Unit]

PROJECT SUMMARY

ARGENTINA EXTENDED SCHOOL DAY PROGRAM IN RÍO NEGRO PROVINCE (AR-L1043)

Financial Terms and Conditions				
Borrower: Province of Río Negro			Amortization period:	25 years
Guarantor: Argentine Republic			Grace period:	5 years
Executing agency: Unidad Provincial de Coordinación y Ejecución de Financiamiento Externo [Provincial External Financing Coordination and Execution Unit] (UPCEFE)			Disbursement period:	5 years
Source	Amount	%	Interest rate:	Adjustable
IDB (Ordinary Capital)	US\$58.5 million	90	Inspection and supervision fee:	*
Local	US\$6.5 million	10	Credit fee:	*
Total	US\$65.0 million	100	Currency:	U.S. dollars from the Single Currency Facility
Project at a glance				
<p>Program goal and purpose: The goal of the program is to improve equity in primary education and help close the existing gap in educational opportunities for boys and girls from different income levels. This will be achieved by improving the educational outcomes of primary school students from low-income families. To do this, financing will be provided to extend the school day (to 8 hours) in primary schools for the benefit of socially and educationally vulnerable students, in order to ensure “more and better time in school.” The specific objectives are: (i) the construction of new schools, the expansion or rehabilitation of existing schools, and outfitting them, in order to have adequate physical spaces, equipment, and educational materials for the extended school day; (ii) building the pedagogy and management capacity of teachers and administrators; and (iii) the development of instruments and mechanisms that help to strengthen the institutional management of the system, including recognition of improved academic performance.</p> <p>Special contractual conditions: Prior to the program’s first disbursement, the executing agency will submit to the Bank evidence of: (i) the entry into effect of the program’s Operating Regulations, previously agreed upon with the Bank (paragraph 3.11); and (ii) the invitation to bid to external firms for the program’s initial, midterm, and final evaluations. Prior to the first disbursement for subcomponent 5 of the institution-strengthening component, the UPCEFE will submit evidence of approval of the regulations for the Education Improvement Stimulus Fund, in the terms agreed upon with the Bank (paragraph 2.20).</p> <p>Exceptions to Bank policies: None.</p>				
<p>Project consistent with country strategy: Yes [X] No []</p> <p>Project qualifies as: SEQ [X] PTI [X] Sector [X] Geographic [X] Headcount []</p>				
<p>Procurement: Works, goods, consulting services, and nonconsulting services will be procured in accordance with the Bank’s procurement and contracting policies (documents GN-2349-7 and GN-2350-7) (paragraph 3.19).</p> <p>Verified by CESI on: 6 July 2007.</p>				

* The credit fee and inspection and supervision fee will be established periodically by the Board of Executive Directors as part of its review of the Bank’s lending charges, in accordance with the applicable provisions of the Bank’s policy on lending rate methodology for Ordinary Capital loans. In no case will the credit fee exceed 0.75% or the inspection and supervision fee exceed, in a given six-month period, the amount that would result from applying 1% to the loan amount divided by the number of six-month periods included in the original disbursement period.

I. FRAME OF REFERENCE

A. Socioeconomic and fiscal framework¹ for the province

- 1.1 Río Negro province has a population of 600,000, with annual population growth of approximately 1%. It is predominantly urban (84% of the population resides in urban areas) and young (35% is under age 17). According to 2001 census data, 17.9% of households have unmet basic needs, which is slightly higher than the national average.
- 1.2 The fiscal relations between the national government and the province are governed by the federal tax-revenue-sharing system. The remainder of the federal fiscal framework is comprised of Planned Financing Programs and the Fiscal Accountability Act (LRF). Through provincial law 3,886, Río Negro province joined the fiscal accountability system at the end of 2004 and has entered into six financial agreements (2002-2007), making significant progress in compliance with the LRF. Preliminary data for the province's nonfinancial public sector at the close of fiscal year 2007 show a primary balance of Arg\$134 million, easily surpassing budgetary guidelines, up from approximately Arg\$102 million in 2006. The financial balance, which includes interest on public debt, also showed a surplus of Arg\$42 million, up from Arg\$18 million in 2006. Consolidated public debt at 30 June 2007 was Arg\$3.136 billion. Of this, 88% corresponds to debt with the national government for the provincial debt swap through guaranteed bonds and financing granted since 2002 within the framework of the Planned Financing Programs. *Projections for 2008-2020 show a robust fiscal framework with primary balances sufficient to cover interest on debt and a growing portion of maturities on provincial debt.* All the indicators show satisfactory progress, particularly a growing primary balance as a percentage of gross domestic product in excess of 1% and the reduction of debt service in terms of current resources.

B. Education system in Río Negro province

- 1.3 The province's education system is divided into three levels covering 14 years of education, not including post-secondary (Table I-1).

Table I-1
Structure of the education system in Río Negro province

Level	Cycle	Grade	Age
Early childhood	Kindergarten	Preschool	4 to 5 years
Primary education	Primary	1 st to 7 th grade	6 to 12 years
Secondary education	Middle school	8 th to 10 th grade	13 to 15 years
	High school	11 th to 12 th grade	16 to 17 years

Source: Ministry of Education of Río Negro Province, 2007.

¹ See: "Análisis de sustentabilidad fiscal de la Provincia de Río Negro" [[Fiscal sustainability analysis of Río Negro Province](#)], Juan Sanguinetti (consultant). December 2007

- 1.4 Río Negro has 823 schools: 125 for early childhood education, 384 for primary education, 216 for secondary, 31 for higher education, and the rest for special and adult education. Of the primary schools, 83% are public (319) and 17% are private (65). Of these, 55% receive subsidies. Fifty-four percent of public schools are in urban areas, with 100 schools in towns of fewer than 500 inhabitants.
- 1.5 The provincial government bears full responsibility for organizing, managing, and financing the schools, including all their costs (human resources, other operating expenses, and investments).² Specifically, the Ministry of Education of Río Negro Province (ME-RN) is responsible for education in the province. It is governed by the Provincial Board of Education (CPE), a deliberative body comprising two governmental representatives and one teaching representative. The chair of the Board is the provincial Minister of Education. The ME-RN defines the main lines of education policy and directly manages early childhood, primary, and secondary education. It has five Branches (Education, Faculty Training and Education, Pedagogical Coordination, Administration and Finance, and Program Planning and Coordination) and nine regional delegations with administrative and management responsibilities and teams of supervisors. In addition, both the Río Negro Education Workers Union (UNTER) and the parents of students also actively participate in education management.
- 1.6 Ninety-five percent of provincial education spending is financed with resources from “unrestricted” provincial funds, 63% of which are shared-out revenues with the national government (federal revenue sharing and other shared-out resources), while 37% are provincial resources (tax and nontax revenues). The remaining 5% are contributed by the Federal Ministry of Education, as specific transfers to national programs (compensatory programs, infrastructure, training, and technical assistance) and to the National Teacher Incentive Fund (FONID).
- 1.7 Río Negro province devotes 4.6% of its GDP to funding education, on par with the national average (4.7%). Of total spending, 83% goes to personnel, 13.5% to other operating expenses, and 3.5% to capital expenditures. Historically, education spending has represented some 25% of the province’s total public spending, which, in turn, has grown in proportion to the province’s GDP growth in recent years. Río Negro remains in line with the targets of the Education Funding Act, according to which the nation’s education spending should reach 6% of Argentina’s GDP by 2010.

² In the 1980s, responsibility for early childhood and primary education was transferred to the provinces. Then, in the early 1990s, Law 24,049 on Transfers of Educational Services to the Provinces (1992) expanded it to secondary and technical education and to teacher training institutes. Law 24,195, the Federal Education Act (1993), introduced changes in pedagogy aimed at unifying the provincial pedagogical systems under a common legal and curricular framework and extended compulsory education from seven to ten years, including one year of early childhood education (age five). Since 1993, funding for education spending has basically been concentrated in the provinces, with less participation by national and municipal governments.

C. Achievements and pending challenges

- 1.8 **Coverage.** The education system in Río Negro serves nearly 180,000 students and is predominantly state-run, with the public system covering 83% of the province's total enrollment (Table I-2). Coverage is nearly complete at the early childhood level (98% for five-year-olds, and 73% for four-year-olds), virtually universal in primary education (98.6%), and at 68.3% in secondary, with positive progress at all levels in recent decades.³

Table I-2
Initial enrollment by level in Río Negro province, 2007

Level of education	Public		Private		Total	
	Students	%	Students	%	Students	%
Early childhood (ages 4-5)	17,183	78%	4,727	22%	21,910	100%
Primary	76,767	83%	15,624	17%	92,391	100%
Secondary	51,763	84%	9,677	16%	61,440	100%
Total	145,713	83%	30,028	17%	175,741	100%

Source: National Education Quality Research and Evaluation Office (DINIECE).

- 1.9 **Internal efficiency.** Although nearly all children enter and complete primary education, not all do it at the same pace. The difference between the gross enrollment rate in primary school (GERP), 111%, and the net enrollment rate in primary school (NERP), 99%, reflects internal inefficiencies and problematic levels of repetition and overage students. Repetition is over 5% in all primary grades and particularly high in first grade (10%). This explains the growing numbers of overage students in all primary grades: from 13% in first grade to 33% in seventh grade (Table I-3).

³ Net enrollment rate in primary school, grades 1-6: 88.8% (1980); 96.4% (1991); 98.6% (2001). Secondary net enrollment rate: 32.2% (1980), 57.8% (1991), and 68.3% (2001). Source: National Statistics and Census Institute (INDEC).

Table I-3
Efficiency indicators by grade,⁴ 2005

	Primary						Secondary					
Río Negro	1 st	2 nd	3 rd	4 th	5 th	6 th	7 th	8 th	9 th	10 th	11 th	12 th
Promotion rate	88.9	93.9	94.8	93.0	92.1	91.2	93.5	58.9	66.1	74.0	77.2	66.1
Repetition rate	10.2	6.0	5.7	6.8	6.8	6.0	2.2	22.7	18.4	13.7	10.1	1.2
Dropout rate	0.9	0.1	-0.5	0.2	1.0	2.8	4.3	18.4	15.5	12.3	12.7	32.7
Overage rate	13.2	19.5	22.8	27.1	31.2	34.5	33.6	46.1	43.8	42.3	42.4	32.2
Argentina	1 st	2 nd	3 rd	4 th	5 th	6 th	7 th	8 th	9 th	10 th	11 th	12 th
Promotion rate	87.8	92.3	93.4	92.7	92.4	93.1	86.1	72.3	74.8	68.2	78.4	72.2
Repetition rate	9.9	6.9	6.1	6.0	5.6	4.6	9.7	15.3	11.6	12.1	8.2	1.4
Dropout rate	2.2	0.7	0.5	1.3	2.0	2.2	4.2	12.3	13.5	19.6	13.4	26.4

Source: DINIECE and annual survey by the ME-RN.

- 1.10 As a result, a significant percentage of students enrolled in primary school (nearly 25%), who should be at the secondary level, are repeating one or more grades. Thus, according to ME-RN estimates, of the cohort that entered primary school in 2004, only 66% would complete primary school in the established time (without having repeated a grade). Including those that repeat one or more grades, 94% of students will complete primary school.
- 1.11 The cumulative effect of the inefficiencies in primary school explains, among other things, the dropout rate in the next level of schooling,⁵ where, as noted in Table I-3, repetition and dropout rates become more pronounced. Of the cohort that entered primary school in 2004, it is estimated that only 13% of the children will complete secondary school in the allotted time, and 43% will have repeated one or more grades. Various studies have shown that students' performance and tenure in secondary school depends essentially on the quality of the teaching and learning processes in their prior schooling. This justifies the education strategy that gives priority to continuing efforts to improve education management beginning in primary school.
- 1.12 **Learning.** A study by the United Nations Educational, Scientific, and Cultural Organization (UNESCO) among third and fourth grade students from 11 Latin American countries shows that the learning level of Argentine children is above average for countries in the region, but reveals major problems in the students' learning processes.⁶ In the case of Río Negro, assessments conducted in 2003 for grades 3 and 6 in mathematics and language show that nearly 40% of students fail to meet minimum levels—a rate similar to other provinces, but unsatisfactory from an international perspective.

⁴ The overage rate refers to the proportion of students older than the theoretical age for the grade.

⁵ Net enrollment rate for grades 10-12: 45.4%; on-time rate: 32.8% (2001/INDEC).

⁶ Primer Estudio Internacional Comparativo sobre lenguaje, matemáticas y factores asociados en tercer y cuarto grado [First International Comparative Study on Language, Mathematics, and Associated Factors in Third and Fourth Grades], UNESCO, Chile 2001.

- 1.13 **Equity.** Boys and girls in low-income social strata are most affected by repetition, overage, and low levels of learning. In Río Negro province, students with delayed completion of primary school (34% of the entering cohort), as well as students failing to meet minimum learning levels (40% of the student body) come primarily from low-income families and rural areas. Moreover, most of this group of students will be part of the 57% of the entering cohort that will not complete secondary school.
- 1.14 **Supply constraints.** The quality of the education offered is also a critical factor in educational performance. In this sense, qualitative and quantitative inadequacies of the schooling offered can be seen in human resources (education and training), material resources (classrooms, textbooks, teaching materials), and in processes, both in system management, and in pedagogical considerations in the classroom.
- 1.15 Río Negro has 15,000 teachers: 1,500 in early childhood education, 6,700 in primary schools, and the remainder in secondary and other education. Most teachers have completed some higher education. The ME-RN offers two annual compulsory, in-service training sessions to teachers at all levels, in all types of education. However, additional training efforts are required to incorporate new curricular areas and teaching modes, including the extended school day.
- 1.16 In terms of facilities, based on school visits by the responsible authorities and statements by families, the need for repairs and/or expansion of critical spaces like restrooms and libraries, is significant. Moreover, although the ME-RN distributes school kits to first grade students, in most schools teaching materials ensuring quality education are insufficient. This situation is particularly critical in rural schools.

D. The country and provincial strategy in the sector

1. Country strategy

- 1.17 The country's education strategy is marked by a strong commitment to increasing funding for the sector and addressing the challenges of equity, quality, and efficiency in the system. The current legal framework is comprised primarily of Law 26,075 and Law 26,206.
- 1.18 [Law 26,075](#), the Education Funding Act (January 2006), establishes that consolidated spending on education, by federal jurisdictions and by the National Ministry, will grow annually from 4.7% of GDP in 2006 to 6% of GDP in 2010. This increase will be used, among other things, to achieve the following objectives: (i) to provide the entire five-year-old population with early childhood education and ensure the growing inclusion of three and four-year-olds, giving priority to the most disadvantaged social sectors; (ii) to provide at least 30% of primary students with access to schools with an extended school day, giving priority to the most disadvantaged social sectors and geographic areas; (iii) to ensure the inclusion of children with special education needs; and (iv) to promote resource allocation strategies and mechanisms that ensure that children and young people living below

the poverty line enter school and stay in school, through equity systems that contribute to providing equal opportunities in the education system.

- 1.19 [Law 26,206](#), the National Education Act (December 2006), replaces the Federal Education Act of 1993, and aims to resolve the fragmentation and inequality affecting the education system and lay the foundation for quality education. Among other things, it includes: (i) guaranteeing a minimum of 13 years of compulsory education; (ii) establishing a unified structure in which only two models would coexist: six years of primary and six years of secondary, or seven and five years, respectively; and (iii) creating educational modes for specific contexts (rural education, intercultural bilingual education, hospital and home-based schooling, prison-based education), to be added to those already existing (technical education, education for young people and adults, special education, and arts education).

2. Provincial strategy

- 1.20 The province's strategy is focused on increasing coverage at the early childhood and secondary levels, implementing the extended school day in primary school, and improving quality and efficiency indicators throughout schooling. In pursuing these objectives, special emphasis is placed on access and equity conditions in the school system. In this context, Table I-4 summarizes some of the relevant programs, with provincial or federal funding, contributing to these objectives.
- 1.21 At the primary level, the province's education policy is consistent with the national strategy and is aimed at providing equal opportunities to poor and rural populations by: (i) strengthening human resources in teaching; (ii) designing and implementing institutional networks; (iii) extending the school day; (iv) improving school infrastructure; (v) providing textbooks, teaching materials, and school supplies for first grade students; and (vi) creating compensatory instruments to encourage the most disadvantaged children and young people to stay in school.
- 1.22 In this national and provincial conceptual and legal context, the Government of the Province of Río Negro has made it a priority, as one of its education strategies, to extend the school day in primary school,⁷ within the framework of the objectives and targets of the Education Funding Act.

3. Program strategy

- 1.23 The extended school day (ESD) program is a response to the ME-RN initiative called "Building bridges...toward new challenges," aimed at improving education processes and outcomes. In particular, the ESD program aims to improve education and learning conditions for the most vulnerable sectors of the population through extended, optimal use of school time in order to strengthen institutional processes, education practices, and learning spaces, with participation by families and the rest of the education community. The compulsory ESD program is aimed at: (i) democratizing access to knowledge, compensating for inequities, and addressing

⁷ Provincial Education Board Resolutions 787 and 788 of 25 April 2006.

diversity; and (ii) improving the system's internal efficiency by reducing the rates of repetition and overage students and increasing school retention.

Table I-4
Provincial and national policies and programs in Río Negro province

POLICIES	PROGRAMS / LINES OF ACTION
EARLY CHILDHOOD	
To improve the quality and coverage of early childhood education by strengthening the existing offering and creating new socioeducational alternatives for children and their families in a context of greater social vulnerability.	1. Expanding coverage: Enhancement of teaching staff and educational equipment, furniture, music materials, and items for physical education.
	2. Provincial “Jardines Maternales Comunitarios” [community daycare] program. Comprehensive care for children ages 45 days to three years in situations of social vulnerability, including teaching activities, meals, and community involvement.
	3. Rural Education Improvement Project (PROMER), World Bank loan 7353-AR (national). Expansion of classroom coverage for children ages three to five, using multi-grade classrooms in areas where students live. It includes teacher training in bibliography usage for multi-classroom work.
PRIMARY	
To improve the quality of teaching/learning for schools with low educational indicators, by enhancing equity as a potential horizon for overcoming social vulnerability.	1. Provincial “Building bridges...toward a new challenge” program. This includes the extended school day project as a core focus, in order to improve learning through students spending “more and better time” in school. It includes specific actions to strengthen primary education and ensures the true inclusion of children who lack sufficient resources.
	2. Comprehensive Program for Education Equality (PIIE) (national). This focuses on contributing to school teaching initiatives through subsidies to schools; supporting professional teaching through training seminars and the distribution of teaching resources; and strengthening the link with the community through interinstitutional and intersectoral networks.
	3. National Education Inclusion Program. This addresses the problem of children and young people ages 6 to 18 dropping out of school, through lines of action including the provision of scholarships, the funding of proposals, teaching facilitators, and educational materials. It covers the “Volver a la escuela” [Back to school] and “Todos a estudiar” [Let’s all study] programs.
	4. Provincial “summer schools” – first grade program. This is a support alternative that complements class attendance, in order to enhance learning for students who have not yet passed at the end of the school year.
	5. PIIE – Back to School (VAE) “summer initiative.” The objective is to improve performance by students in grades 4 to 7 in primary school who are overage and/or did not pass during the school year.
	6. PROMER, World Bank loan 7353-AR (national). The objective is to improve educational services in rural areas by strengthening pedagogical and organizational models and providing support in terms of educational materials, equipment, and infrastructure.
SECONDARY	
To transform secondary schools in Río Negro in order to improve education indicators at this level, starting with reconsidering the existing educational offering, starting down a path toward pertinent organizational changes.	1. Transformation of secondary school. The lines of action include the implementation of Curriculum Design Committees for middle school.
	2. Provincial “coaching first year students” program. Incorporation of the “first year resource person” in order to guarantee students’ integration into the new organizational structure. This person interprets youth culture, monitors the education progress of each young person, and provides timely detection of at-risk situations in their relations or learning processes.
	3. Provincial “summer school” – first year program. The objective is to provide an additional, free, noncompulsory educational space for students in their first year of public secondary school who, at the end of the December examination period, have more than two courses pending and must sit for an examination in February.
	4. Education System Improvement Program (PROMSE) – IDB loan 1345/OC-AR (national). It supports provinces in improving the quality, equity, and efficiency of the education system, contributing to a more pertinent supply and a reduction in social inequity through more years of schooling. It includes actions such as the implementation of school improvement plans, youth culture development projects, provision of equipment, educational materials, etc.
	5. National student bursary program (funded in part by PROMSE-IDB). Through scholarships, institutional retention projects and textbook distribution, it seeks to help keep secondary students from families going through economic hard times in the education system.

- 1.24 Time in school is extended from four to eight hours per day, totaling 40 hours per week for students. During the additional time, access will be provided to cultural, technological, and foreign language content, based on a comprehensive education, compatible with significant and more relevant learning for today's globalized world. Specifically, it includes compulsory instruction in English (from grade 4) and information and communications technologies (ICT), in addition to supporting workshops proposed by the schools themselves. The methodology prioritizing the ESD proposal is the "workshop" methodology (20 students/workshop), as a space for integrating and building knowledge through practical experience ("learning by doing"). Workshops may include reinforcement of core curriculum content (mathematics and language). The workshop spaces will also be distributed according to the children's educational needs and the development of flexible, alternative school organization strategies. Cafeteria service will also be included in the school.
- 1.25 The ESD program is also aimed at implementing educational activities that provide incentives to teachers, administrators, and teams of supervisors to improve learning outcomes, promote school autonomy, and encourage parent involvement in the school. It also encourages coordination of educational staff and teamwork (two hours weekly).
- 1.26 In 2006, the ESD was implemented in 10 pilot schools and has now been expanded to 30. An analytical study of ESD experiences showed,⁸ on one hand, the need to: (i) adapt and expand infrastructure; (ii) ensure continuous teacher coaching and training; (iii) devise effective strategies that ensure the timely arrival of educational materials; and (iv) expand on actions to reduce resistance (e.g., inclusion of non-teacher workshop facilitators) or to involve participants who do not feel involved or who need to revise their roles (supervisors). On the other hand, the following was also observed: (i) the positive effect of the increased number of hours on joint pedagogical planning, the cohesiveness of the teaching team, and coordination between teachers, administrators, and workshop facilitators; (ii) greater motivation, enthusiasm, and self-esteem among teachers and students; (iii) improved student behavior; and (iv) greater interest and concern by parents in the school and their children's education, even though their participation was still incipient. The national results are consistent with other regional experiences with ESD programs.

E. Lessons learned

- 1.27 When designing the program, the lessons learned from similar projects in the region and in the country⁹ were reviewed, particularly the cases of Chile¹⁰ and Uruguay.¹¹

The different approaches implemented were compared, some prioritizing “core” or “priority” content (language and mathematics first, and natural and social sciences second); “curricular” areas and disciplines related to other current educational needs (physical education, music, art, as well as foreign languages and computer science or technology); and knowledge organized in alternative ways, through workshops (carpentry, ceramics, radio, gardening, chess, etc.). An evaluation was also conducted of the compulsory or optional nature of the additional hours; how the extended time was organized with respect to age and academic level; and the methods, times, and spaces used for teachers to work together, among other things.¹²

- 1.28 Despite the differences in the implementation models, parameters considered, and changes to the curriculum, in all cases a significant correlation was found between instruction time and academic performance, measured by quality assessment tests, particularly for students from vulnerable sectors, and when time is devoted to direct interactions between teacher and student. Moreover, some studies found that instruction time was one of the three variables that had the greatest impact on learning, along with time in libraries and homework. This is in a context where the pedagogical quality of the teacher in the classroom and his or her relationship with the student is essential. Greater impacts were also found in rural schools, compared to urban schools, and in public schools versus their private counterparts.
- 1.29 Over the last decade in Argentina, several experiments have been done that will be expanded more broadly in response to commitments established in national

⁸ Study: “Análisis de las escuelas incorporadas a la Jornada Extendida en 2006” [Analysis of schools with an extended school day in 2006] UPCEFE/ME-RN.

⁹ Chile and Uruguay, as well as Brazil (Integrated Public Education Centers–CIEP), Venezuela (Bolivarian schools), and experiences in other provinces in Argentina, such as Córdoba, Santa Cruz, and Mendoza.

¹⁰ In 1996, Chile started its full-day policy (compulsory six hours per day starting in third grade) covering 80% of enrollment. The program provides for an institutional pedagogical project defining content to be incorporated in the additional time, requiring the allocation of part of this time to core content (language and mathematics) and certain extracurricular activities (art and sports). The greatest operational difficulties were in new works and the availability of sufficient teachers. Chile has shown positive results in language and mathematics in schools with full days, compared to the control group, with greater gains in rural and public schools.

¹¹ In Uruguay, “fulltime schools” with a compulsory school day of 7½ hours serve 7% of total national enrollment in early childhood and primary education, targeting vulnerable situations and focusing on level-based workshops (spanning two grades) on subjects in the curriculum. An intense program of community relations was maintained (one psychologist and one assistant for every six schools). The program was complemented with a teacher development program. The teachers are the same ones who work the morning shift. Operationally, the most significant problem was the construction of new schools in urban areas, specifically because of land availability. Performance levels improved in all areas, with a reduction in repetition in primary schools of 60% for ESD schools over the last 12 years, compared to 24% for normal school days in vulnerable contexts. **Repetition rates are lowest in ESD schools (5.9%), compared to both schools in critical contexts (11.9%) and urban schools (7.1%).**

¹² Center for the Implementation of Public Policies promoting Equity and Growth (CIPPEC). “Education in the provinces” project – A comparative study on the State, Power, and Education in Argentina’s 24 provinces. June 2003.

legislation. The province of Córdoba implemented a “pilot experiment” that required each school to submit institutional projects—an idea that Río Negro province also incorporated. Córdoba and Mendoza also started with optional ESD and later made it compulsory due to high absenteeism, which was considered a lesson learned in this proposal for Río Negro.

- 1.30 In short, based on international and national experiences, and considering the province’s education strategy, the ME-RN put together an extended school day model for Río Negro province, which, from an equity perspective, is aimed at the poorest, most excluded populations, is compulsory, targets rural and suburban areas, and gives priority to cultural activities and organized knowledge, with curriculum reinforcement.

F. The Bank’s sector strategy

- 1.31 **The Bank’s strategy with Argentina.** The program is consistent with the objectives of the Bank’s country strategy with Argentina (2004-2008) (document CP-2785) which identified, as one of the country’s development challenges, the creation of a highly-skilled society capable of enhancing productivity and social welfare. It includes among the Bank’s spheres of action human capital formation and the promotion of sustainable, inclusive social development. The country’s competitive challenges can be addressed by making the education system more efficient and promoting equal opportunities for low-income and more vulnerable population groups.
- 1.32 In the poverty reduction and rebuilding human capital area, priority is given to achieving homogenous education outcomes and keeping children and young people in school, especially the very poor—an aspect specifically addressed by the program. The midterm review of the country strategy¹³ gave priority to getting students from the poorest jurisdictions a quality education comparable to that received by their peers in more prosperous jurisdictions, with at least 10 years of schooling.
- 1.33 **The Bank’s strategy in the education sector.** The Bank’s education sector strategy stresses the importance of reducing gaps at all levels of education. This involves: (i) focusing on universal primary education coverage; (ii) expanding access at levels with insufficient coverage (preschool and secondary education); (iii) reducing repetition and preventing students from dropping out; (iv) improving learning throughout schooling; and (v) developing programs aimed at improving teaching skills, with innovative, comprehensive approaches, rather than just short-term, conventional in-service training programs, also including practice in the classroom.
- 1.34 In Argentina, the Bank supports the implementation of the education strategy through various financial and nonfinancial services. At the national level, the Bank is financing the Education System Improvement Program (PROMSE) (loan

¹³ [“IDB country strategy with Argentina 2004-2008. Midterm review.”](#) July 2006.

1345/OC-AR), which includes the *National Student Bursary Program* and the *National 700 Schools Program*. The Program to Support Social Investment in the Province of Buenos Aires (loan 1700/OC-AR), approved in 2006, contains preschool, primary, and secondary education service delivery strengthening, infrastructure, and equipment activities. The Social Development Program for Córdoba Province (loan 1765/OC-AR), approved in 2006, finances school infrastructure and equipment and supports primary and secondary education for the poor. The Program for Productive-sector Development and Competitiveness in the Province of Mendoza (loan 1640/OC-AR), approved in 2005, includes a package of actions aimed at improving technical-vocational training. At the federal government level, in 2006, the Bank financed a comprehensive analysis of the education sector.¹⁴ The experience gained in these programs contributed to the design of this operation.

- 1.35 In addition, this year, the nationwide Program to Support a Policy on Improving Equity in Education (PROMEDU) (loan 1966/OC-AR) was approved, to address the expansion of school infrastructure throughout the schooling process, including funding for the extended school day in response to the targets set in the National Education Act. The proposed program will complement these resources and its design, in that both the methodologies and instruments are consistent with those proposed for the national program (targeting criteria, outcome evaluation system, and model bidding documents for works below the threshold for autonomy, among others).

II. THE PROGRAM

A. Goal and purpose

- 2.1 The goal of the program is to improve equity in primary education and help close the existing gap in education opportunities for boys and girls from different income levels.
- 2.2 This will be achieved by improving the education outcomes of primary school students from low-income families (purpose). To do this, the program will provide financing to extend the school day (8 hours) in primary schools for the benefit of socially and educationally vulnerable students, in order to ensure “more and better time in school.”
- 2.3 Upon completion of the program, ESD coverage is expected to have reached nearly 30% of students and will be associated with a reduction in rates of repetition and overage students and improvements in learning levels with respect to the control group, and with respect to themselves at the start of the program. The program’s impact should reflect not only positive changes in internal efficiency and quality variables, but also a reduction in the gap with higher-income students.

¹⁴ Estudio Sectorial de Educación en Argentina [Sectoral Study on Education in Argentina]. November 2006. UNESCO – Institute for Education Planning (IIEP Argentina).

B. Program structure

- 2.4 The program is divided into three components aimed at the following specific objectives: (i) the construction of new schools, the expansion or rehabilitation of existing schools, and outfitting them, in order to provide adequate physical spaces, equipment, and educational materials for the extended school day; (ii) building the pedagogy and management capacity of the teaching team and administrators; and (iii) the development of instruments and mechanisms to help strengthen the institutional management of the system, including recognizing improved academic performance and instilling a culture of performance evaluation.
- 2.5 This is expected to address the challenges posed in the diagnostic assessment and the objectives laid out in the legislation and in national and provincial education policy, while moving toward guaranteeing more and better class time, particularly for students from vulnerable social and educational sectors, as well as adequate material conditions, trained teachers, and effective pedagogical practices in the classroom.

1. Component 1. Expanded supply of ESD (US\$59.2 million)

- 2.6 Education infrastructure will be improved in the province to allow for implementation of the extended school day. By the end of the program, there will have been interventions in a total of 88 schools, covering at least 27% of primary school students (20,720) attending extended day schools, from an initial current amount of 6.2% (4,737).¹⁵ Table II-1 shows the execution schedule for the works and for incorporating the students into the ESD program.

Table II-1
Schedule for incorporating schools into the program

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
New schools	5	7	4	1	1	18
Rehabilitated schools	17	17	20	8	8	70
Students in ESD	5,252	5,952	5,520	1,998	1,998	20,720

- 2.7 The program would provide financing for: (i) the expansion and/or rehabilitation of roughly 70 schools; (ii) the construction of approximately 18 ESD schools, located in areas with populations with greater socioeconomic vulnerability and where there is an unmet demand for education services; and (iii) outfitting the schools, including providing furniture and equipment (blackboards, libraries, filing cabinets, desks and chairs for teachers), equipment for special classrooms, furniture and utensils for kitchens and dining halls, and multipurpose rooms, as well as teaching materials, books and libraries, including laboratory, orchestra, physical education, art, mathematics, and social science materials. All of the schools will have access to

¹⁵ A further expansion of ESD, to reach 30% of primary school students, could be financed through the Program to Support a Policy on Improving Equity in Education (PROMEDU) (loan 1966/OC-AR).

ICT, since Río Negro province has made digital education a priority, providing for the procurement of equipment, furniture, connectivity, availability of support, technical assistance and user training for such purposes, as well as computers, servers, software, and printers. Satellite antennas will be installed for Internet access at 30% of the schools with ESD, and equipment will be purchased to expand the provincial intranet to the schools.

- 2.8 The criteria for targeting (see paragraphs 2.22-2.25), scaling, and unit costs of program activities were determined based on [a sample](#) of 17 projects (two new construction projects and 15 rehabilitated ones). The new school prototype, averaging 1,700 m², includes four to six classrooms, and one or two workshops, depending on enrollment, a laboratory, administrative offices, a library, a computer room and a teachers' lounge, a secretary's office, a multipurpose room, bathrooms with facilities for children with special needs, a dining hall, a kitchen, and hallways. The investment in rehabilitation and expansion (some 600 m² per school) will take into account available space and equipment, using the same prototype as a reference. All works would total 72,600 m² (40% in new construction). The investment in equipment and teaching materials, including ICTs has been estimated at US\$65,650/school, equivalent to US\$252/student.

2. Component 2. Education and training (US\$1.4 million)

- 2.9 The extended school day poses the challenge of having a new organizational structure for the schools and for the use of school time for better learning and to develop participatory institutional venues for building knowledge, promoting values, and cultural and civic inclusion. This component will implement a comprehensive education model compatible with the longer school day. To do so, financing will be provided for a compulsory in-service training (IST) program for ESD administrators, teachers, and school supervisors, covering approximately 3,300 teachers. This complements the ad hoc training already provided in 18 schools in 2006 and 2007. The training track for each teacher will last two years with subsequent monitoring and coaching throughout the remainder of program execution, including actions to establish a team of future trainers in the province.
- 2.10 The specific objectives of the IST program are to: (i) train ESD teachers in all areas necessary for their development; (ii) develop a training model that allows continuing self-training in the school; and (iii) promote the creation of ESD teacher exchange networks. To do this, action will be taken in three core areas: (i) curriculum, by incorporating new content and differentiated teaching strategies; (ii) institutional, by requiring a new model for school management compatible with the ESD; and (iii) strengthening of technical teams, to incorporate new work practices, particularly greater coordination and teamwork.
- 2.11 The IST program will address the following thematic areas: (i) ESD school management; (ii) refresher training for teachers and on curricular content, including teaching practice: English, ICT, and reinforcement of core content and its instruction (mathematics and language); (iii) practice and organization of workshop

- activities (theater, music, reading, environmental education, science workshop); (iv) recreation and free time (sports, games); (v) school health (hygiene, nutrition, child care, sexuality); and (vi) educational assessment. The IST program will include support for classroom practice and self-evaluations.
- 2.12 The IST program will be implemented through qualified academic institutions. Program resources will finance the contracting of the courses and the travel and per diem expenses of the teachers to be trained. The “expense/trained teacher” is estimated at US\$415. At the end of year four, the IST program as a whole will be evaluated. Nevertheless, the continuous monitoring of the results of the ESD will contribute to the review of content and strategies, both in the use of school time and in teacher training.
- 3. Component 3. Institution-strengthening (US\$2 million)**
- 2.13 Five subcomponents will be financed: (i) information systems and management; (ii) monitoring and evaluation; (iii) mass communications and dissemination; (iv) studies and research; and (v) Education Improvement Stimulus Fund (FEME).
- 2.14 **Information systems and management.** In order to have education information systems in the province that contribute to timely, effective decision-making at the operations and management levels, this component plans to complete data entry in the master building file and at least 80% of the teacher and student files. These activities complement actions currently underway in georeferencing schools and creating linkages with socioeconomic and education data on students.
- 2.15 **Monitoring and evaluation.** Financing will be provided for: (i) assessment of students at ESD schools within the framework of the agreement with the Dirección Nacional de Investigación y Evaluación de la Calidad Educativa [National Education Quality Research and Evaluation Office] (DINIECE) and the National Assessment Operation (ONE), the first of which was implemented in late 2007, with results expected at the end of the second quarter of 2008; (ii) monitoring and technical and operational supervision of the program, with suitable technical assistance, equipment, and means of transportation for the task; (iii) evaluation of the teacher training program; and (iv) the initial (baseline), midterm, and final external program evaluations.
- 2.16 **Mass communications and dissemination.** To facilitate implementation of the changes and promote participation, communication and dissemination activities will be undertaken using various media (including annual fairs, publications, website, mailings, annual agendas, and radio or television spots). The dissemination costs will be financed with the local counterpart contribution.
- 2.17 **Studies and research.** This comprises specific studies to complement the planned comprehensive evaluations in order to generate or revise intervention strategies. It includes curriculum design for rural middle school.
- 2.18 **Education Improvement Stimulus Fund (FEME).** This fund aims to promote a culture of shared responsibility for improving education performance indicators,

based on a strategic partnership initiative among the education system, the private sector, and civil society. For such purposes, it will hold annual contests granting monetary or in-kind incentives to the education community in program schools (school, teachers, administrators, and students/families). The private sector will contribute by providing financial and nonfinancial services for the Fund.

- 2.19 Operation of the FEME will be governed by the following general criteria:
- a. It will be governed by an Executive Committee, made up of the ME-RN, the UPCEFE, and the private sector, with the potential participation of academic institutions and civil society.
 - b. Schools that have adopted the ESD, and their students and faculty, will be eligible for in-kind incentives.
 - c. For schools or networks of schools, the incentives will be applied to those that improve outcomes in an academic year with respect to the objectives set in their extended day pedagogical project from the prior year.
 - d. Proposals will be evaluated by national and international education specialists who have experience with extended school days.
 - e. Annually, 10% of the schools that have adopted the ESD will be recognized.
 - f. A qualified institution will be hired to administer the Fund.
- 2.20 The FEME will be a pilot, with an initial phase of up to 24 months, at the end of which the results will be evaluated in terms of: (i) the level of actual participation by the private sector; and (ii) the assessment of its impact on the schools, on management of the faculty, on student performance, and on the system as a whole. According to the results, the FEME may be expanded to provide continuity, using resources provided for in the budget ("contingencies"). ***As a condition precedent to the first disbursement for component 3, the UPCEFE will submit evidence of the approval of the FEME's regulations, in the terms agreed upon with the Bank, including beneficiary selection criteria.***
- 2.21 Lastly, the program can finance actions to build the institutional capacity of participating institutions, based on the institutional and risk analyses that will be conducted periodically during execution.

C. Program targeting

- 2.22 The eligibility criteria for program investments, as well as the selection methodology for the primary schools with ESD (grades one through seven) are detailed in the Operating Regulations. Nevertheless, Table II-2 summarizes the main criteria for selecting schools.

Table II-2
Program school selection criteria

New construction	
1.	Urban schools in disadvantaged socioeconomic zones, as measured by the census, that have unmet basic needs above the provincial average.
2.	Size according to a study of school supply and demand.
3.	Reasonability of costs, in keeping with the market.
Rehabilitation and expansion	
1.	First 30 schools: sparsely populated rural areas and rural population centers with classroom space for ESD. Remaining schools: preferably urban schools, to be rehabilitated or expanded.
2.	Located in socioeconomically disadvantaged areas, as measured by the census, that have unmet basic needs above the provincial average.
3.	Enrollment: 50 to 400 students.
4.	Schools with rates of repetition in primary school and of overage students above the provincial average.

2.23 Schools' eligibility to be part of the ESD program will be based on an index including factors of social, educational, and economic vulnerability, as well as efficient intervention costs.

2.24 In addition, and prior to the call for proposals, it must be verified that the following requirements have been met: (i) an institutional and pedagogical project has been developed for ESD in the school; (ii) a memorandum of agreement has been signed between the ME-RN and the school, expressing the school's acceptance of the program's terms; (iii) the land is owned by the government (provincial or municipal) and unoccupied; and (iv) the detailed project design meets municipal standards (technical, administrative, environmental), and the approved school has a functional facility.

2.25 In addition to the works themselves, eligible costs include supervision, outfitting of the schools (furniture, textbooks, teaching materials, connectivity, and ICT) and costs for school dining halls, teacher training, and institution-strengthening actions that meet the criteria set forth in the Operating Regulations.

D. Cost and financing

2.26 The total cost of the program is US\$65 million: US\$58.5 million in Bank financing from the Ordinary Capital (90%) and US\$6.5 million in local contributions from the province¹⁶ (10%), as indicated below by component and sources of financing (Table II-3).

¹⁶ The local contribution may include contributions from the private sector, including in-kind contributions, in the case of FEME.

Table II-3
Program costs by component and source of financing (US\$ thousands)

Category	IDB	LOCAL	TOTAL
1. Project administration and supervision	500	-	500
1.1 Executing agency	500	-	500
2. Components	56,618	6,000	62,618
2.1 Expanded supply of ESD	53,787	5,463	59,250
2.2 Training and education	1,231	137	1,368
2.3 Institution-strengthening	1,600	400	2,000
3. Associated costs	500	-	500
3.1 Audits	500	-	500
4. Finance charges	-	500	500
4.1 Commitment fee	-	500	500
5. Contingencies	882	-	882
TOTAL	58,500	6,500	65,000
Pari passu	90%	10%	100%

III. EXECUTION

A. Borrower and executing agency

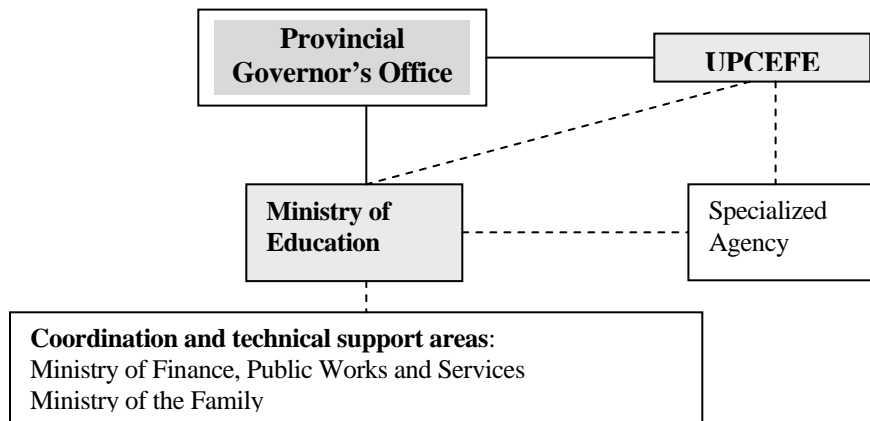
- 3.1 The borrower will be the Province of Río Negro, and the guarantor of the loan will be the Argentine Republic. The program's executing agency will be the **Provincial External Financing Coordination and Execution Unit (UPCEFE)**¹⁷ under the provincial governor's office, which will be responsible for administering resources, conducting procurement processes, operational and financial monitoring, and interinstitutional coordination. The **Ministry of Education of Río Negro Province (ME-RN)** will bear technical responsibility for all program actions, acting through the Office of the Deputy Minister of Pedagogical Coordination.

¹⁷ The UPCEFE was created by Provincial Decree 1265 of 7 August 1996, and subsequently restructured by Provincial Decrees 469/03 and 1499/03. Its offices are located in the city of Buenos Aires but are responsible for execution of loans for Río Negro province with external financing.

B. Project execution and administration

3.2 The program's organizational structure is summarized in Figure III-1.

Figure III-1
Organizational chart for program execution



3.3 The executing agency will be responsible for administering program resources, acting as the Bank's operational counterpart, including procurement for the planned activities. For such purposes, the UPCEFE has a qualified technical team and experience gained from its participation in the following programs: Program to Support the Modernization of Production in the Province of Río Negro (loans 1463/OC-AR and 1464/OC-AR), Provincial Agricultural Services Program (PROSAP) (loan 899/OC-AR-1), and the Municipal Institutional Development and Social Investment Program (PRODISM) (loans 830/OC-AR and 932/SF-AR), among others.

3.4 The executing agency's main functions are to: (i) ensure due fulfillment of the commitments under the loan contract; (ii) make and process annually the budgetary projections for loan and provincial counterpart resources necessary for program execution; (iii) coordinate the preparation of basic documents with the ME-RN for programming and executing program activities, for subsequent submission to the Bank; (iv) prepare and submit disbursement requests and audited financial statements to the Bank; (v) contribute to an effective internal control environment by performing internal audits of financial and procurement management, or supporting inspection visits by the Bank or the external audit, with the same objective; (vi) monitor bidding processes for works and manage the purchase of goods and hiring of consultants for the program; (vii) monitor procurement contracts for program goods, works, and services; (viii) monitor program activities under its responsibility, in coordination with the ME-RN in the areas under its jurisdiction; (ix) have the support and approval of the ME-RN in the program's

- technical aspects; and (x) act as an institutional reference to the Bank in all other operational aspects of the program.
- 3.5 The **ME-RN** will be responsible for the technical aspects of the program through the Office of the Deputy Minister of Pedagogical Coordination, and with the primary support of the ESD Section of the Primary School Division and other ME-RN areas based on their areas of competence. Its main functions are: (i) drafting the initial program report, defining the general multiyear execution plan; (ii) programming activities annually, and monitoring and subsequently evaluating them, in coordination with the UPCEFE; (iii) planning procurements under the terms required by the Bank, in coordination with the UPCEFE; (iv) designing the works, the technical specifications for procuring goods, and the terms of reference for the consulting assignments undertaken with the ME-RN; (v) proposing, when applicable, adjustments to technical aspects of the program, or to procedures, in order to enhance the quality and/or effectiveness of the interventions; (vi) executing, from a technical and pedagogical standpoint, the program's components, ensuring compliance with the eligibility criteria and determining the location and timing of investments based on the sector's priorities and overall programming; (vii) monitoring program activities, contributing to the operational evaluations also involving the UPCEFE and the Bank; and (viii) evaluating the program's midterm and final results, as well as the impact of implementing the extended school day.
- 3.6 The UPCEFE and the ME-RN will coordinate actions with: (i) the provincial **Ministry of Finance, Public Works and Services**,¹⁸ on budgetary matters and, through its Public Works and Services Department (SOySP) on: (a) preparation of detailed plans for works; (b) formation of the evaluation committee for infrastructure bids; and (c) supervision of works; and (ii) the Provincial **Ministry of the Family**, in the operation of school dining halls, in accordance with current regulations.
- 3.7 Lastly, the UPCEFE may contract the services of the United Nations Development Programme (UNDP) as a specialized agency for the operational and financial administration of the project. The UNDP may undertake its duties alone or through the United Nations Office for Project Services (UNOPS), within the framework of the cooperation and coordination of activities contract signed with the Bank on 14 November 1990 and amended by addendum on 20 June 2003, and the Agreement entered into with UNOPS on 16 March 2007. The agency would provide flexibility in processes and efficiency in program management. The main functions of the specialized agency would be: (i) conducting program procurement processes; (ii) contracting and paying suppliers, contractors, and consultants; (iii) preparing financial execution reports; and (iv) contributing to program

¹⁸ Under Law 3779, Art. 12, the Provincial Ministry of Finance, Public Works and Services, through the Public Works Department has the mission and duty to "take part in planning and understand the execution and control of works in basic social infrastructure, ports and waterways, road works, airports, sanitary works, and public buildings and assets."

administration and monitoring. The cost of the specialized agency will be financed with nonprogram resources.

- 3.8 **Institutional organization in the school.** The ESD program will be the responsibility of each school's administration, with the supervision and general monitoring of the ME-RN's Education Division. That Division, in turn, will be responsible for the evaluation of the pedagogical and social impact, in coordination with the ME-RN's Teacher Training and Education and Program Planning and Coordination Divisions.
- 3.9 To move forward with the ESD expansion, the following is required: (i) coordinate both shifts, linking the extension of time with the curricular areas and/or disciplines; (ii) incorporate new profiles and functions (workshop leaders, English language, institutional resource person for ICT); (iii) assign a coordinator; (iv) train, integrate, and coordinate the faculty, for which specific training will be held for the school teams, including teachers, administrators, supervisors, and workshop leaders, focused on content and specific teaching methods, including strengthening school management, classroom teaching methods, coordination of workshops with curricular areas, and learning assessment; (v) develop and distribute specialized pedagogical materials; and (vi) have new or repurposed schools with adequate space and equipment to meet the new requirements under this program, including kitchens, dining halls, workshop and computer rooms, and sports areas, which is part of the program's investment plan. In particular, the school dining halls will be the responsibility of the ME-RN, with a nutritionist and coordinated input from each Regional Delegation, with the Ministry of the Family and/or another competent agencies.
- 3.10 For a school to participate in the program, it must have an institutional project, drafted by the faculty and administrators in accordance with the diagnostic assessment already done for each institution, and under the terms of the current regulations for ESD schools (Resolution 787). The evaluation and self-evaluation of the projects will consider education variables linked to retention and promotion rates, as well as the level of parent involvement, effective use of strategies and resources to resolve conflicts, teamwork, and the level of absenteeism by students and teachers, among others.

C. Operating Regulations

- 3.11 Program execution will be governed by the provisions of the loan contract. The program will also have [Operating Regulations](#) that include: (i) the program's organizational and operational structure; (ii) detailed investment targeting and eligibility criteria; (iii) the structure for programming, monitoring, and evaluation of the program; and (iv) financial, auditing, and procurement procedures. *As a condition precedent to the first program disbursement, evidence must be presented of the entry into effect of the program Operating Regulations, as previously agreed upon with the Bank.*

D. Institutional analysis and risk prevention

- 3.12 Prior experience in the sector and with projects in the province involving the UPCEFE, as well as the results of the institutional and risk analysis conducted during program preparation,¹⁹ identified three lines of action to be addressed during program execution: (i) monitoring and evaluation; (ii) internal process control; and (iii) interinstitutional coordination.
- 3.13 **Monitoring and evaluation.** The program will improve the ME-RN's monitoring and evaluation capacity by: (i) strengthening the technical teams and the installed capacity of the ME-RN in order to gather and analyze information from schools; and (ii) developing various evaluation forums that will contribute to the timely and effective identification of problems, challenges, risks, and alternative solutions. This process will contribute to a gradual transition to results-based management.
- 3.14 Monitoring and evaluation of program operations will look at: (i) the initial report and its general multiyear execution plan; (ii) the annual work plan and procurement plan; (iii) annual execution reports; (iv) technical evaluation and review meetings; and (v) an annual operational review of the program by the Bank and the participating agencies. The instruments indicated in items (ii) and (iii) will be submitted to the Bank by 28 February of each year, while the operational review will be presented by 30 April of each year. The ME-RN's specific technical areas will provide support for these activities.
- 3.15 **Internal process control.** The program provides for actions to simplify and improve administrative processes, building institutional supervision capacity through: (i) staff training in program procurement and finance; (ii) the use of standard bidding documents; (iii) ongoing control of costs and quality standards for infrastructure; and (iv) the application of internal control and auditing mechanisms that help create an environment of trust and efficiency with respect to processes. As a result, delegation will be gradually increased, eliminating redundant controls. By the end of year one, the program should be operating with ex post review by the Bank for procurement and disbursements, based on the concept that management supervision depends on the relative risk of the actions.
- 3.16 **Interinstitutional coordination.** This aims to ensure efficient, effective coordination among public, private sector, and civil society organizations participating in the program, with emphasis on the UPCEFE and the ME-RN. To do this, periodic and annual technical and operational reviews will be conducted, and there will be adequate transparency and dissemination of actions, using the Internet, among other media. The participation of the ME-RN's own departments in execution will also help incorporate the education strategies and policies into day-to-day management of the program, which will encourage "ownership" and promote the sustainability of the activities.

¹⁹ See: "Análisis Institucional" [[Institutional Analysis](#)], September 2007. Dora Balada (Consultant).

E. Financial and procurement considerations

- 3.17 **Disbursements and revolving fund.** Bank rules and procedures will apply, and a revolving fund will be established, not to exceed 5% of the loan amount. The UPCEFE will open an independent bank account, in the name of the program, to manage the funds from the Bank loan, establishing the necessary security measures, including designated signature authority.
- 3.18 **External audit.** An independent external auditing firm acceptable to the Bank will be hired. The financial statements will be submitted to the Bank within 120 days following the end of the fiscal year, and the closing statements within 120 days following the last disbursement. A semiannual audit report will also be requested, providing an opinion, to the Bank's satisfaction, on the disbursement requests processed during the immediately preceding six-month period, the program's internal control environment, and procurement processes. These reports will be submitted to the Bank within 60 days following the end of each six-month period.
- 3.19 **Procurement.** Works, goods, and consulting and nonconsulting services will be procured in accordance with the Bank's "Procurement Policies" and "Contracting Policies" (documents GN-2349-7 and GN-2350-7, of July 2006) and in accordance with the amounts and procedures summarized in Table III-1.
- 3.20 Prior to starting a procurement process, the executing agency will verify that the expense is eligible for program financing, in accordance with the Operating Regulations, and that it is included in the annual work plan or the current procurement plan.
- 3.21 **Method of Bank review.** Notwithstanding the provisions of paragraph 3.19, in the first three bid processes for each type of investment, the Bank will review the procurement process ex ante. Subsequently, based on the results of these processes, the Bank can use the ex post system, except for procurement processes exceeding the thresholds for each type of investment (Table III-1). Notwithstanding the foregoing, and unless previously authorized by the Bank, contracting with consulting firms will be subject to ex ante review, given the importance of their actions for the program.

Table III-1
Procurement procedures to be applied by threshold

Investment type	Threshold in thousands of US\$	Procurement procedure	Method of Bank review
Works	Greater than or equal to 5,000	International competitive bidding	Ex ante
	Greater than or equal to 350 but less than 5,000	National competitive bidding	Ex post
	Less than 350	Price comparison	Ex post
Goods	Greater than or equal to 500	International competitive bidding	Ex ante
	Greater than or equal to 100 but less than 500	National competitive bidding	Ex post

Investment type	Threshold in thousands of US\$	Procurement procedure	Method of Bank review
	Less than 100	Price comparison	Ex post
Nonconsulting services	Greater than or equal to 500	International competitive bidding	Ex ante
	Greater than or equal to 100 but less than 500	National competitive bidding	Ex post
	Less than 100	Price comparison	Ex post
Works, goods, and nonconsulting services	N/A	Direct contracting	Ex ante
Consulting services – firms	Greater than or equal to 500	Shortlist of six firms with broad geographic representation (international and national advertising)	Ex ante
	Greater than or equal to 200 but less than 500	Shortlist of six firms that may be comprised of national consultants (international and national advertising)	Ex ante
	Less than 200	Shortlist of six firms that may be comprised of national consultants (national advertising)	Ex post
Individual consulting services	Less than 50	Shortlist of three consultants	Ex post
	Greater than or equal to 50		Ex ante
Consulting services with firms and individual consultants	N/A	Single-source selection	Ex ante

3.22 During the execution of any works contract, the procurement of a good, or the rendering of a service, the Bank may perform inspections and ex post reviews for which the UPCEFE will make any requested documentation available. If, in conducting such reviews, the Bank determines that the goods, works, and consulting or nonconsulting services: (i) are not pertinent or eligible in accordance with the program’s activities and objectives; (ii) were not procured in accordance with the procedures agreed upon in the contract and procurement plan or detailed in the annual work plan, or the contract is not consistent with such methods; or (iii) a contract has undergone amendments not consistent with its objective, the Bank may: (a) opt to change from ex post to ex ante review, informing the UPCEFE thereof, for the program as a whole or only for some activities or components; and (b) declare the procurement ineligible for financing, in which case Bank policy is to cancel the portion of the loan allocated to the goods, works, or consulting services procured in violation of these procedures.

3.23 **Procurement plan, bidding documents, and contracting.** In accordance with Bank policies, all procurement of works, goods, and consulting and nonconsulting services by the executing agency will be included in the program’s initial procurement plan, which may be updated annually, or as necessary, for 18-month periods.

- 3.24 For international competitive bidding, the UPCEFE will use the Bank's standard bidding documents for the procurement of works, goods, and nonconsulting services and the request for proposals for consulting services. For national competitive bidding, and prior to the first bidding process using each method (works, goods, and nonconsulting services, and consulting projects), the UPCEFE will agree with the Bank on the model bidding documents to be used by the program. In competitive bidding processes for the execution of works, the post-qualification system may be used, under the terms established in the Operating Regulations. For consulting services, the continuity of the UPCEFE technical team will be ensured by contracting it using single-source selection, within the framework of Section V, paragraph 5.4 of document GN-2350-7, and under the principles of economy and efficiency, in order to achieve continuity in the technical approach and maintain the experience acquired.

F. Execution period and disbursement schedule

- 3.25 The program financing will be disbursed over five years,²⁰ as indicated in Table III-2.

Table III-2
Disbursement schedule (millions of US\$)

Source of financing	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL	Pari Passu
IDB	14.6	17.5	14.6	5.9	5.9	58.5	90%
Local	1.6	2.0	1.6	0.6	0.7	6.5	10%
TOTAL	16.2	19.5	16.2	6.5	6.6	65.0	100%
Percentage	25%	30%	25%	10%	10%	100%	

G. Other operational and financial considerations

- 3.26 **Recognition of prior expenditures.** Eligible expenditures incurred within the 18 months prior to the approval of the loan may be recognized against the program, for up to 5% of the program amount, provided that procurement procedures substantially analogous to the Bank's were followed. Expenditures may be recognized against the local contribution for up to 5% of the projected amount of those resources.
- 3.27 **Maintenance.** The program infrastructure will be maintained and operated in the condition it was found in upon receipt, at a level consistent with the services to be provided and in accordance with generally accepted technical standards. For such purposes, the ME-RN will allocate sufficient resources in its budget and will ensure that, in the technical bid documents, contractors are required to provide preventive maintenance programs with their provisional acceptance of the works. The program's works will also be subject to periodic inspections by the IDB and the UPCEFE.

²⁰ The term is adequate based on the province's fiscal framework and the works execution schedule. A new works project will last, on average, from 12 to 18 months.

H. Monitoring and evaluation

3.28 **Outcomes and impact.** The program's evaluation system includes the following instruments:

- a. The quantitative evaluation of the ESD within the National Assessment Operation (ONE) framework: it will be implemented through **knowledge tests and objective academic performance tests** in the schools, the first of which was administered in late 2007. This decision was made in agreement with DINIECE. The subjects are third and sixth grade students. All curricular areas will be evaluated (mathematics, language, social and natural sciences), and it will include student and parent surveys. The data gathered will allow research on student performance and on teaching practices. In the next test, the ME-RN will ensure the inclusion of schools that do not yet have ESD, as a control group. Tests are planned for 2009, 2011, and 2013.
- b. A qualitative evaluation, conducted by the ME-RN, considering three dimensions: (i) diagnostic assessment, in order to provide data on student knowledge and competencies; (ii) processes, from the perspective of pedagogical strategies to address the diversity of the student body; and (iii) a summative evaluation, to determine to what extent the students have acquired the expected knowledge and applicable competencies. The ME-RN will periodically compile the data necessary for the evaluation, including: (i) sociodemographic indicators for schools; (ii) socioeconomic profile of students and their families; and (iii) achievement data in the pedagogical areas of the comprehensive teaching methods (academic performance, access to cultural goods, school management, and school-community relations).
- c. External evaluation, to be conducted by a consulting firm to be hired according to [model terms of reference](#) to be agreed upon with the Bank, in order to determine the baseline and evaluation methodology, and to conduct the program's midterm and final evaluations. The consulting firm will use, among other things, information from the quantitative and qualitative evaluations. For such purposes, the initial evaluation will review the methodologies and procedures to be followed in both cases, and will propose any pertinent adjustments. The timing for the evaluations will be: (i) initial, one year after the loan enters into effect; (ii) midterm, three years after the loan takes effect or once 50% of resources are committed, whichever occurs first; and (iii) final, two months prior to the end of the disbursement period. ***The call for consulting firms to submit bids will be a condition precedent to the first disbursement.***

3.29 The analysis will be complemented with evaluations of the training and FEME components.

3.30 **Information systems.** The UPCEFE will monitor program operations, finances, and procurements, in coordination with the specialized agency and the ME-RN.

The ME-RN, through the Directorate of Education Quality Evaluation (DECE)²¹ will ensure the operation of its systems for the monitoring the logical framework indicators and for the program evaluations. Existing systems will be used, which may be upgraded or expanded into modules of interest for the program, as provided for in the institution-strengthening component.²²

IV. VIABILITY AND RISKS

A. Institutional viability

- 4.1 The proposed execution system is based on the institutional organization of the province, which gives priority to the specific, crosscutting experience accumulated by the UPCEFE in managing projects financed with external credit, while allowing the ME-RN to focus exclusively on the technical aspects. The institutional analysis conducted by the Bank has validated this system and has anticipated various measures that help build the operating capacity of the program's executing agencies, as analyzed in Chapter III. As a result, it is expected to move forward with targeted management, focused on achieving results, while minimizing the control of processes. Moreover, the program is supported by financial control and administration systems that have already proven effective in other provincial programs, in addition to the contribution made in this area by the specialized agency that will be contracted. Lastly, the contracting of an independent auditing firm will contribute to the environment of trust and to submission, on time and to standard, of the program's audited financial statements, so as not to impact disbursements. As a result, a rapid transition to ex post review by the Bank for procurements and disbursements is expected so as to streamline the program's operational execution. The abovementioned institutional considerations are also strengthened by the existence of a policy, an education strategy, and a national legal framework consistent with the province's program.

B. Socioeconomic viability

- 4.2 The program will contribute to improving the learning levels and promotion rates of primary school students, with additional positive impacts throughout students' schooling. Río Negro is an average province in terms of education. In primary education, like other jurisdictions, it shares the challenge of reducing the rate of

²¹ The DECE is under the ME-RN's Training Division and is responsible for overall management of the Provincial Quality Education System, together with the Curricular Management and School-level Offices that report to the Office of the Deputy Minister of Education. This system produces ongoing information on teaching-learning processes and on the context and conditions in which they take place, as well as the strengths, weaknesses, and adjustments required in designing education policy and actions.

²² It includes: (i) an annual survey of students and ME-RN/DINIECE establishments; (ii) The ME-RN/DINIECE's National Assessment Operation; and (iii) the integrated information management system: developed by the province, continually updated, with information provided by the ME-RN. The modules offering information for monitoring and evaluation are: (i) the master student file; (ii) the human resources management system; (iii) the school map; and (iv) school infrastructure. Development of the first three is quite far along for the primary level. The last one will be developed using program resources.

repetition (and, as a result, overage students) and boosting outcomes on learning tests, especially in children from socioeconomically poor strata. In secondary education, these problems remain and are compounded by a spiraling dropout rate (18% in eighth grade, 12% in tenth grade, and 33% in twelfth grade). Better performance in both learning and internal efficiency indicators at the primary level should contribute to better performance in secondary education, where the repetition and dropout rates should fall, thereby boosting promotion and graduation rates.

- 4.3 Although the characteristics specific to secondary school in Argentina determine or play down the potential impact of the actions taken in primary schools, the program will help build the human capital of the most economically disadvantaged groups, by improving their levels of schooling, and thus, increasing their potential for success in subsequent levels of education, while reducing their social vulnerability in the medium term. The reduction of repetition and overage rates will also generate savings for the provincial education system, and will establish favorable conditions for focusing use of financial resources on improving education quality. Preliminary estimates show that the public savings generated simply by reducing repetition among those with ESD, both in primary school and throughout the rest of their schooling, would finance 50% to 85% of recurrent personnel expenditures, according to various scenarios.
- 4.4 **Impact of the program on recurrent expenditures.** The program's impact on the education budget is acceptable. The analysis of the economic-fiscal situation done during program preparation and periodic projections on compliance with the Education Funding Act show sufficient headroom to finance, not only provincial debt maturities, but also the recurrent expenditures required to extend the school day.
- 4.5 Total project costs, including investments and recurrent and nonrecurrent expenditures, have been estimated. The evaluation found that program execution would not have a significant financial impact, maintaining the primary surplus. The financial results show a strong upward trend for the first few years of the projections, then stabilizing. In terms of public debt, there is a reduction in service of debt in terms of net current income from transfers to municipalities and a downward trend in debt stock over the projected period. The study includes a sensitivity analysis for various scenarios.²³

C. Impacts related to gender, indigenous peoples, and the environment

- 4.6 No gender differences are observed in education access. However, there are different motivations for dropping out: girls drop out of school to help at home and boys, to enter the workforce. For this reason, the program will include a gender approach in the teacher training program in order to design differentiated retention

²³ See: "Análisis de sustentabilidad fiscal de la Provincia de Río Negro" [[Fiscal sustainability analysis for the Province of Río Negro](#)]. December 2007.

strategies. The province will also support the creation of intercultural bilingual schools with ESD to address the specific needs of the Mapuche population and support inclusive education measures for children with special needs.

- 4.7 No adverse impacts on the environment are expected since the works are not complex, as shown in the analysis of the sample. Nevertheless, the designs for the works will include an environmental assessment that meets the country's standard environmental impact mitigation regulations, particularly with respect to wastewater and sanitation systems. For this reason, the project is classified as category "C" under the environmental safeguards policy.

D. Beneficiaries

- 4.8 The primary beneficiaries are: (i) 21,000 boys and girls from the poorest socioeconomic strata whose opportunity to access a quality education will be expanded through the ESD; and (ii) 3,300 teachers, administrators, and supervisors, who will receive training to improve school management.

E. Social equity and poverty targeting classification

- 4.9 This operation qualifies as a social equity enhancing project (SEQ) and poverty-targeted investment (PTI), according to the report on the Eighth General Increase in Resources (document AB-1704).

F. Risks

- 4.10 **Continuity.** Lengthening the school day increases recurrent costs (personnel, school cafeterias) and generates higher provincial current spending, which has been duly estimated. From the perspective of education policy, ESD continuity should be provided for through financing that would allow for its implementation. The legal and education policy framework in Argentina, as well as fiscal projections, ensure this objective. This is in addition to the continuity of the authorities responsible for its implementation at the provincial and national levels, which will make the ESD sustainable.
- 4.11 **Coordination.** For effective coordination between the UPCEFE and the ME-RN, and between them and other relevant stakeholders (schools, union, Ministries of Finance and the Family, specialized agency), the following actions have been planned: (i) communication and dissemination; (ii) periodic, joint technical and operational review; (iii) continuous dialogue with faculty; and (iv) interinstitutional agreements, such as membership agreements between the ME-RN and the ESD schools, defining the parties' objectives, commitments, and responsibilities.
- 4.12 **Infrastructure.** The need to ensure proper planning of the needs for and use of physical spaces, as well as their equipment has been a constant in most regional experiences. To overcome this constraint, the program has planned the development, from the start, of an investment program for the first 18 months, to be periodically updated thereafter. In addition, a sample of 17 schools and the investments in them was analyzed and determined to be eligible for financing by the program.

- 4.13 **Communication.** The ESD proposal will generate some resistance among teachers, parents, and students, due to the incorporation of new staff in the schools, internal coordination issues, and fatigue from longer time in the classroom, among other factors. To overcome this, venues for teacher coordination and greater dialogue with parents are planned, together with a campaign to disseminate the proposal so its content and outcomes can be understood over and above the natural difficulties it will face.
- 4.14 **Measurement of impact.** Lastly, the program's implementation period (five years) is short compared to the time involved in the development and consolidation of the pedagogical practices and education strategies implicit in the proposed curricular offering, in terms of its impact on levels of learning and promotion of students. This aspect may cause frustration since immediate impacts will not be seen. The periodic evaluations planned will allow intermediate progress to be measured, along with trends, thus reducing the negative effect.