

**ARGENTINA**

**PROGRAM TO SUPPORT A POLICY ON IMPROVING EQUITY IN  
EDUCATION – PROMEDU  
CCLIP (AR-X1011)  
AND FIRST INDIVIDUAL LOAN (AR-L1038)**

**LOAN PROPOSAL**

This document was prepared by the project team consisting of Jesús Duarte (SCL/EDU), Team Leader; Jaime Vargas (SCL/EDU); María Soledad Bos (SCL/EDU); Ernesto Martínez (EDU/CAR); Gerónimo Frigerio (LEG/SGO); Juan Carlos Navarro (SCL/SCT) participated in the initial stages of designing the operation; and Claudia Pévere (SCL/SPH) helped to produce the document.

## CONTENTS

### PROJECT SUMMARY

I.	FRAME OF REFERENCE .....	1
A.	The status of education in Argentina.....	1
B.	Achievements and challenges .....	2
C.	Country strategy in the sector .....	6
D.	The education system improvement program (PROMSE) .....	7
E.	Bank strategy in the sector .....	9
F.	Program strategy .....	10
1.	Justification and relevance of a CCLIP .....	10
2.	Strategy of PROMEDU .....	11
II.	THE CCLIP AND THE FIRST LOAN .....	11
A.	Goal and purpose of the CCLIP and the first loan (PROMEDU) .....	11
B.	Program structure .....	12
C.	Subprogram components and activities.....	13
1.	Subprogram I. Improvement in public education system performance ....	13
2.	Subprogram II. Expansion of educational infrastructure .....	16
D.	Eligibility criteria for PROMEDU's main activities .....	16
E.	Cost and financing.....	17
III.	PROGRAM EXECUTION .....	18
A.	Borrower and executing agency .....	18
B.	Execution plan .....	18
C.	Adjustments to the PROMEDU execution plan .....	20
D.	Financial and procurement aspects.....	22
E.	Maintenance.....	24
F.	Timetable and disbursement schedule.....	24
G.	Evaluation of the impact of PROMEDU in the context of a CCLIP.....	24
IV.	FEASIBILITY, BENEFICIARIES AND RISKS .....	25
A.	Institutional feasibility.....	25
B.	Socioeconomic feasibility .....	26
C.	Beneficiaries .....	27
D.	Socioenvironmental impact .....	27
E.	Risks.....	28

## ANNEXES

Annex I      Logical framework

## APPENDICES

Proposed resolution

Electronic Links and References	
Basic socioeconomic data	<a href="http://www.iadb.org/RES/index.cfm?fuseaction=externallinks.countrydata">http://www.iadb.org/RES/index.cfm?fuseaction=externallinks.countrydata</a>
Status of loans in execution	<a href="http://ops/approvals/pdfs/ARen.pdf">http://ops/approvals/pdfs/ARen.pdf</a>
Information available in the SCL/EDU technical files	<a href="http://idbdocs.iadb.org/WSDocs/getDocument.aspx?DOCNUM=1170629">http://idbdocs.iadb.org/WSDocs/getDocument.aspx?DOCNUM=1170629</a>
Procurement plan	<a href="http://idbdocs.iadb.org/WSDocs/getDocument.aspx?DOCNUM=1337487">http://idbdocs.iadb.org/WSDocs/getDocument.aspx?DOCNUM=1337487</a>

## ABBREVIATIONS

AWP	Annual work plan
CAIE	Centro de Actualización e Innovación Educativa [center for refresher training and innovation in education]
CAJ	Centro de Actividad Juvenil [youth activities center]
CCLIP	Conditional credit line for investment projects
CEU	Central Executing Unit
CINEA	Centro de Investigación de Estadística Aplicada [Applied Statistics Research Center]
CTE	Career and technical education
DGUF	Dirección General Unidad de Financiamiento Internacional [International Financing Unit Division]
DINIECE	Dirección Nacional de Información y Evaluación de la Calidad Educativa [National Directorate for Information and Evaluation of the Quality of Education]
EPH	Permanent household survey
IIEP	International Institute for Education Planning
INDEC	Instituto Nacional de Estadística y Censos [National Statistics and Censuses Bureau]
JEU	Jurisdictional Executing Unit
MECyT	Ministry of Education, Science and Technology
MEyP	Ministry of Economic Affairs and Production
MPFIPyS	Ministry of Federal Planning, Public Investment and Services
PCU/PEF	Unidad de Coordinación de Programación y Proyectos con Financiamiento Externo [Unit for the Coordination of Programs and Projects with External Financing]
PIIE	Programa Integral para la Igualdad Educativa [comprehensive program for equality in education]
PNBE	Programa Nacional de Becas Estudiantiles [national student study grants program]
PROMEDU	Programa de Apoyo a la Política de Mejoramiento de la Equidad Educativa [program to support the policy on improving equity in education]
PROMSE	Programa de Mejoramiento del Sistema Educativo [education system improvement program]
SEU2	Subprogram 2 Executing Unit
SSCA	Subsecretariat for Administrative Coordination
UNOPS	United Nations Office for Project Services

## PROJECT SUMMARY

### ARGENTINA

## PROGRAM TO SUPPORT A POLICY ON IMPROVING EQUITY IN EDUCATION – PROMEDU CCLIP (AR-X1011) AND FIRST INDIVIDUAL LOAN (AR-L1038)

Financial Terms and Conditions <sup>1</sup>				
Borrower: Argentine Republic			Amortization period:	25 years
Executing agency: Ministry of Education, Science and Technology (MECyT); and Federal Ministry of Planning, Public Investment and Services (MPFIPyS)			Grace period:	3 years
			Disbursement period:	3 years
Source	Amount (US\$ millions)	%	Interest rate:	Adjustable
<b>CCLIP</b>				
IDB (Ordinary Capital)	2,700	90		
Local	300	10		
Total	3,000	100		
<b>First individual loan</b>				
IDB (Ordinary Capital)	630	90		
Local	70	10		
Total	700	100		
			Credit fee:	0.25%
			Inspection and supervision fee:	0%
			Currency:	U.S. dollar from the Ordinary Capital Single Currency Facility
Project at a glance				
<p><b>Goal of the CCLIP and the first individual loan:</b> To support the country's education strategy, which seeks to improve the equity of preschool, primary, and secondary education and to help close the existing gap in the educational opportunities of youngsters from different income levels. <b>Objectives of the CCLIP:</b> (i) to provide universal preschool education for 5-year-olds and expand coverage for 4-year-olds; (ii) to increase the number of students in grades 4 to 6 attending for a longer school day by up to 30%; (iii) to increase the percentage of poor youths who complete secondary school by up to 70%; and (iv) to improve the internal efficiency indicators of public secondary schools. To attain these objectives, support will be provided for study grants at the high-school level and education infrastructure will be expanded, with the construction of approximately 1,500 new schools. <b>Objective of the first individual loan:</b> (i) To raise the coverage of preschool education for 5-year-olds to 95%; (ii) to add 3.3% more public school students in grades 4 to 6 to schools with longer school days; (iii) to improve the internal efficiency indicators of public secondary schools, raising the promotion rate for students in grades 8 to 11 by at least 0.5% by the end of the program; and (iv) to improve system management. Other activities that will be financed are 600,000 study grants a year for low-income students to improve retention in high school and the construction of about 315 new preschool, primary, and secondary schools (paragraphs 2.7 to 2.15).</p>				
<p><b>Special contractual conditions:</b> See paragraph 3.15. The first transfer of program resources to the participating jurisdictions is conditional on: (i) signature of an adhesion agreement between the provincial ministry of education and/or its jurisdictional equivalent participating in the program as a subexecuting agency and the MECyT and the MPFIPyS; (ii) establishment of the jurisdictional executing unit; and (iii) the opening of bank accounts for the program.</p>				
<p><b>Exceptions to Bank policies:</b> None.</p>				
<p>Project consistent with country strategy:    Yes [ X ]                      No [ ]</p>				
<p>Project qualifies as:                              SEQ [ X ]                      PTI [ X ]                      Sector [ X ]                      Geographic [ ]                      Headcount [ ]</p>				

**Revolving fund:** Each subprogram will have a revolving fund of up to 20% of the financing for the subprogram. This percentage is based on the projected disbursement flow considered reasonable for payment of the study grants and construction of the new works.

**Procurement:**

The procurement of, and awarding of contracts for, works, goods, and nonconsulting services will be carried out in accordance with the “Policies for the procurement of goods and services financed by the IDB” (document GN-2349-7) and the “Policies for the selection and contracting of consultants financed by the IDB” (document GN-2350-7) (paragraph 3.17).

Verified by ESR on: 11 October 2007.

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

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

## I. FRAME OF REFERENCE

### A. The status of education in Argentina

- 1.1 In Argentina, the pre-post secondary education system is organized into three levels as stipulated in the new National Education Act (Law 26206) passed in December 2006, which supersedes the 1993 Federal Education Act (Table I-1). The new law makes the preschool, primary school, and secondary school compulsory, and extends the number of years of compulsory schooling from 10 to 13.

**Table I-1**  
**Structure of the formal education system**

Level	Cycle	Grade	Age
Preschool		Preschool	5 years
Primary		Grades 1 to 6*	6 to 11 years
Secondary	Junior high school	Grades 7 to 9 *	12 to 14 years
	Senior high school	Grades 10 to 12	15 to 17 years

*\*Two models coexist: 6 years of primary school and 6 of secondary school, or 7 years of primary school and 5 of secondary school, depending on the provinces.*

- 1.2 At present, about 9.4 million children are enrolled in the preschool, primary, and secondary education, in 42,000 schools, where they are taught by 572,000 teachers. Seventy-five percent of all students attend public schools and the remainder private ones. Geographically, enrolment is predominantly urban, and preschool and primary enrollment is only significant in rural areas (Table I-2).

**Table I-2**  
**Size of the formal education system**

Enrolment		Total	Private	Public	Rural	Urban
Preschool		1,333,134	30%	70%	13%	87%
Primary		4,624,981	22%	78%	14%	86%
Secondary	Junior high school	2,106,250	25%	75%	8%	92%
	Senior high school	1,356,010	31%	69%		
TOTAL		<b>9,420,375</b>	<b>25%</b>	<b>75%</b>	<b>12%</b>	<b>88%</b>

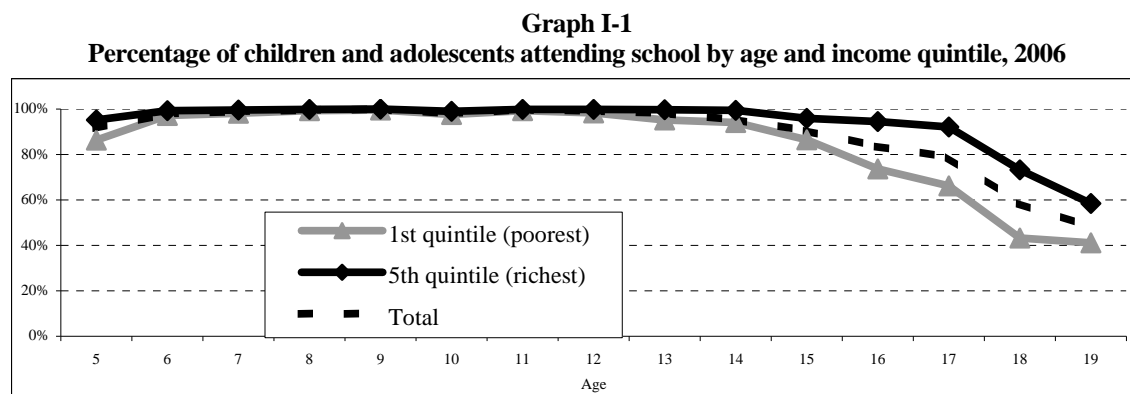
*Source: DINIECE, Relevamiento Anual 2006*

- 1.3 Consolidated spending on education amounted to 4.7% of GDP in 2006, in line with the targets set in the 2005 Education Financing Act (Law 26075), which introduced new regulations for coordinating sector investments at the different levels of government, with a view to reaching 6% of GDP in 2010. The federal government contributes about 28% of total consolidated expenditure, which is used to support national universities and, to a lesser extent, to finance basic education programs (study grants, infrastructure, equipment, and teacher training). The remaining 72% comes from the provinces, which since 1992 have been primarily responsible for delivery of education services, pursuant to the Education Services Transfer Act (Law 24049). With the Education Financing Act, the federal

government's contribution will increase from 28% at present to about 31% of consolidated expenditure on education.

## B. Achievements and challenges

- 1.4 Argentina's coverage indicators for different levels (including post-secondary education) and years of schooling of its population rank it among the leaders in the region. Primary education has been virtually universal for several decades. However, the country continues to face major challenges in terms of access, school completion, and quality of learning. In particular, disparities in access and performance for students from the lowest socioeconomic levels continue to exist in secondary education, particularly in senior high school, and in preschool education.
- 1.5 Today, there are about 470,000 youngsters between the ages of 5 and 17 outside the education system. About 8% of 5-year-olds have not entered the school system; almost all children between the ages of 6 and 12 attend school (99%); while around 370,000 youths between the ages of 13 and 17 (11%) are not in the formal education system (EPH, 2006). This can be explained by two factors: the socioeconomic situation of children and their families (demand factors) and school-related factors (supply factors).<sup>1</sup> In the case of poor youths between the ages of 13 and 19, there is an opportunity cost of attending school and a direct per capita cost for the household, for a total cost for that population that determines the likelihood of a poor youngster remaining in the school system.<sup>2</sup>



Source: Own, based on data from the 2006 EPH, 2nd half.

- 1.6 The data on school attendance show differences in the socioeconomic status of students by income bracket, particularly at the secondary level (see Graph I-1). Although attendance rates are similar among quintiles in primary school, in

<sup>1</sup> See [Estudio Sectorial en Educación, Argentina](#) [Sector study on education in Argentina] contracted by the Bank with IIEP (2006).

<sup>2</sup> See [Estudio sobre monto asignado por beca: Análisis y fundamentación para su incremento](#) [Study on the size of study grants and justification for increasing them], MECyT 2007.



secondary school they become significant. While attendance for the highest quintile is almost universal, attendance by lower income youths begins to fall markedly after the age of 13: 94% age 14; 74% age 16; 66% age 17; and less than 50% for age 18. Therefore, obtaining universal coverage for 5-year-olds and getting youths over the age of 13, particularly from the poorest groups, to stay in school are the two main challenges for the Argentine education system today.

- 1.7 The system is notorious for the high drop-out rates among the very poor upon entry into senior high school. The drop-out rate at that level is more than double the rate in junior high school, and the situation has deteriorated in recent years (Table I-3). As a result, more than one-third of the 20- to 29-year-old cohort has not completed high school, while the figure tops 60% for the group in the poorest quintile (EPH, 2006).

**Table I-3**  
**Internal efficiency of the education system by level (%)**

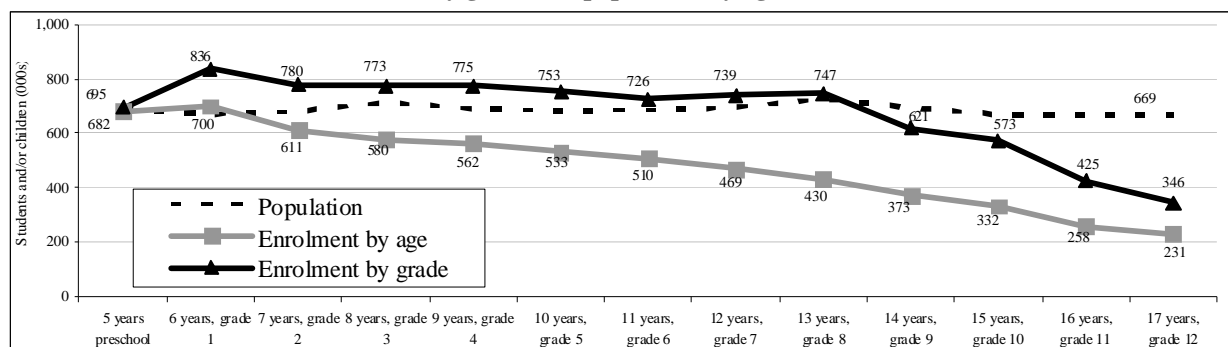
Process indicator	Primary		Secondary Junior high school		Secondary Senior high school	
	1997	2005	1997	2005	1997	2005
Effective promotion rate	92	92	84	81	81	73
Repeater rate	6	6	8.3	10	7	8
Year-to-year drop-out rate	2	2	7.6	8	13	20
Over-age rate	22	25*	36	39*	37	39*

Source: DINIECE, *Relevamientos Anuales 1997 and 2006*. \* Corresponds to 2006 figures.

- 1.8 The current internal efficiency indicators and their evolution over the last decade indicate that a group of young people enters secondary school with a history of failing in school that places them at risk of dropping out (Table I-3). Although the promotion rate per cycle has remained relatively steady in both primary school and junior high school, in senior high school it is down significantly.<sup>3</sup> At the same time, the repeater rate grew in the two high school levels, while over-age increased in both primary and secondary school. The gap between real and theoretical enrolment by grade is large and persists throughout the entire school cycle (Graph I-2), which reveals a high degree of inefficiency in the school system. Children who are repeating a grade or who are over-age occupy more than one third of school places.

<sup>3</sup> The IIEP study indicates that one of the effects of stressing compulsory junior high school in the 1990s was to shift dropping out of school from junior high school to senior high school.

**Graph I-2**  
**Enrolment by grade and population by age, 2006**



Source: DINIECE, *Anuario Estadístico 2006* and *Censo Nacional de Población, Hogares y Vivienda 2001*.

- 1.9 The expansion of the educational infrastructure that is needed to comply with the new sector legislation is another large challenge. The new Education Act has major consequences in terms of infrastructure, since it guarantees preschool coverage to 5-year-olds and expands coverage for 3- and 4-year olds; makes attending school compulsory up to the last year of high school; and extends the length of the school day for at least 30% of primary school children. It is also necessary to replace aging school infrastructure or schools that cannot be rehabilitated or whose rehabilitation would be too expensive.
- 1.10 For these reasons, the Ministry of Education, Science, and Technology (MECyT) has estimated that about 5,300 schools will require expansion and/or new construction over the next nine years; with 2,400 of them at the preschool level, 1,600 at the primary level with a longer school day, and 1,300 at the secondary level (Table I-4). At the preschool level, these new schools will allow 330,000 more children to attend in 17,000 new classrooms, covering all 5-year-olds, 75% of 4-year-olds, and 40% of 3-year-olds. At the primary level, projections reflect the needs for infrastructure to extend the school day for 30% of children in the last three grades at that level. An estimated 500,000 children who already attend school will be incorporated and this will require the creation of 6,400 additional spaces (such as multiple-use rooms, lunchrooms, playgrounds, and additional classrooms) in close to 1,600 schools. Last, in high school, there will be a need for 16,000 new classrooms to create 500,000 new places, thereby bringing 200,000 adolescents back into the system and keeping 300,000 youngsters in school until they complete grade 12. The investment required to meet these infrastructure objectives over the next nine years will be approximately US\$4 billion.

**Table I-4**  
**Need for new works and expansion of educational infrastructure, 2007-2015**

Level	Beneficiary students	Classrooms/spaces	Buildings
Preschool	330,000	9,600	2,400
Primary	500,000	6,400	1,600
Secondary	500,000	8,000	1,300
<b>TOTAL</b>	<b>1,330,000</b>	<b>24,000</b>	<b>5,300</b>

*Source: MECyT projections. Double shift operation at all levels; for the primary level each school will require an estimated four additional spaces to adapt them to the longer school day: playground, classroom, multiuse room, and lunchroom.*

- 1.11 Although the relationship between academic quality and infrastructure is not conclusive, good school buildings and equipment are a prerequisite for an adequate learning process. The existence of a high percentage of schools with infrastructure problems and/or inadequate equipment can lead to a deterioration in the relative quality of education unless appropriate steps are taken in a timely fashion.
- 1.12 In addition, the country has set the objective of strengthening career and technical education (CTE) through a series of actions and strategies framed in Law 26058, with the challenge of providing good quality technical training that is relevant to the needs of the productive sector, within a more egalitarian system.
- 1.13 Last, there is the challenge of improving the quality of education. Providing universal preschool education and extending the school day in primary school is expected to have a positive impact on the quality of the primary level. The federal government has now taken steps to improve learning, which include the delivery of pedagogical inputs for schools in poor and vulnerable areas, strengthening of the mechanisms to evaluate the quality of education, and teacher training. The comprehensive program for equality in education (PIIE) finances pedagogical initiatives and provides material resources to schools with highly vulnerable populations in order to equalize educational opportunities, and the priority learning focal point program guarantees that students obtain equivalent education regardless of their social status or location. In the field of quality evaluation, the national evaluation operation is performed every two years, which obtains and disseminates information on educational quality and reports on national and provincial education policies. Also, the country participates in international quality evaluation programs such as the Program for International Student Assessment (PISA), the Trends in International Mathematics and Science Study (TIMSS), and the Progress in International Reading Study (PIRLS). With regard to professional development for teachers, the National Teacher Training Institute was established as a strategy for improving quality standards among the country's educators. A number of initial and ongoing teacher training activities exist, such as the National Teachers Library, the Educ.ar web site, and the centers for refresher training and innovation in education (CAIEs).

### **C. Country strategy in the sector**

- 1.14 The country's education strategy falls fits in with a series of laws enacted since 2005, which are the product of an inclusive process of consensus building among the main players in national education policy, intended to improve the equity and quality of education and to raise the priority of closing the gaps in the country's educational opportunities.<sup>4</sup> The main laws are mentioned below.
- 1.15 Law 26260 of 2006 (the National Education Act) is intended to resolve the problems of fragmentation and inequality that affect the education system and to lay the groundwork for good quality universal education. It reintroduces grades 1 to 7 at the primary level and grades 8 to 12 at the secondary level, in addition to the existing preschool and higher education levels. It extends the number of years of compulsory school attendance from 10 to 13 and lengthens the school day for primary education.
- 1.16 Law 26075 of 2005 (the Education Financing Act) has the following main objectives: (i) to ensure universal preschool education for 5-year-olds and increase the number of 3- and 4-year-olds attending that level, giving priority to the poorest; (ii) to provide a minimum of 30% of primary school students with access to longer or full school days, giving priority to the most disadvantaged social sectors; (iii) to assign resources to guarantee that poor youngsters can attend and remain in school; (iv) to move in the direction of universal secondary education; and (v) to improve the quality of the system at all levels and in all modes. To finance these objectives, the act gradually increases annual consolidated spending on education, science, and technology by the federal government to 6% of GDP by the year 2010.
- 1.17 Last, Law 26058 of 2005 (the Career and Technical Education Act) introduces four instruments to reorganize the CTE system, and provides financing for this mode. They are: (i) accreditation of CTE diplomas and certificates; (ii) a federal register of institutions offering CTE; (iii) a national catalogue of CTE diplomas and certificates; and (iv) a national fund for CTE.
- 1.18 In recent years, the Bank has been supporting the implementation of Argentina's education strategy through different financial and nonfinancial instruments. The program to support social sector investment in the province of Buenos Aires (AR-L1007) approved in 2006 includes activities related to infrastructure, equipment, and strengthening of preschool, primary, and secondary school services. The social development program for the province of Cordoba (AR-L1027)

---

<sup>4</sup> As for the indigenous population, the MECyT has a national intercultural and bilingual education program (PNEIB) to develop the communications skills of children in the languages used in the home and the community, together with Spanish (1.6% of Argentines or about 600,000 people consider themselves to be indigenous or first generation descendents of indigenous). The program's lines of action include: (i) teacher training; (ii) production of educational materials; (iii) institutional teaching projects; (iv) systemization of information on the educational status of indigenous peoples; (v) educational research; and (vi) study grants for indigenous students in secondary school. In 2007, 15,000 study grants were awarded, each for about US\$170 a year, mainly in the northern provinces of Jujuy, Chaco, and Salta.

approved in 2006 finances school infrastructure and equipment and support for primary and secondary education in areas of poverty. The program for productive-sector development and competitiveness in the province of Mendoza (AR-L1003) approved in 2005 includes a package of actions to improve career and technical education. In 2006 the Bank financed a comprehensive analysis of the education sector conducted by the IIEP for the federal government (see footnote 1) and since the end of 2004, after adjusting its objectives and principal activities to the new sector policy priorities, the education system improvement program (PROMSE) is being implemented. The content and successes of this program are described below.

**D. The education system improvement program (PROMSE)**

- 1.19 The education system improvement program (PROMSE 1340/OC-AR) for US\$600 million was declared eligible in November 2004. The objective was to assist the provinces in improving the quality, equity, and efficiency of the education system. Its focus has been to meet the objectives of the secondary school reform, particularly support for the school population at the greatest social and educational risk. Specifically, the program is working to (i) increase the coverage of secondary education (junior high school); (ii) reduce drop-out rates in grades 7 to 9 (junior high school), particularly among students from low-income families; (iii) reduce repeater rates and over-age students; and (iv) improve academic performance in basic areas of learning.
- 1.20 To achieve these objectives, the program has financed actions grouped into two subprograms: (i) improvement in education quality and equity, under the responsibility of the MECyT, principally by financing grants awarded by the national student study grant program (PNBE), the provision of textbooks and materials for students and schools, the provision of new technologies, and financing of projects for school retention, among others; and (ii) the expansion and rehabilitation of school infrastructure, under the responsibility of the MPFIPyS.
- 1.21 The PNBE has benefited adolescents between 13 and 19 years of age in grades 8 onward in public schools at high risk of dropping out because they are poor. In 2007, each annual study grant amounted to about US\$130 payable in two equal installments. The program paid for 350,000 study grants in 2005 and the coverage was increased in 2006 to 500,000.
- 1.22 The PNBE was evaluated at the end of 2004 and the results show a positive impact in terms of attendance and promotion, despite being carried out in a general context of increased risk of failing and dropping out of secondary school as a consequence of the 2001 crisis.<sup>5</sup> The evaluation shows that students receiving the study grants attend school longer than students who do not receive them but would be eligible for them (control group) and the figure is even higher for students who have

---

<sup>5</sup> Heinrich, C. and Cabrol, M., 2004, [\*Programa Nacional de Becas Estudiantiles: Hallazgos de la evaluación de su impacto\*](#) [National student study grant program. Findings of the impact evaluation]. Washington, DC: Inter-American Development Bank.

received a study grant for more than one year. Students receiving a study grant for one year increase their attendance by 20%, with the figure rising to 40% for students receiving a study grant for two years, and to almost 75% for those receiving one for three or more years. The evaluation finds that the program's impact is greater as the number of years that beneficiaries receive study grants increases. A study to update the evaluation is being conducted by the Centro de Investigaciones de Estadística Aplicada (CINEA) [Applied Statistics Research Center].<sup>6</sup> The preliminary findings of the study indicate that the program is optimally targeted to the very poor, significantly reduces repeater rates, and has highly positive impacts on the retention, promotion, and performance of study grant recipients.

- 1.23 In addition, PROMSE has provided textbooks for students and libraries for the 6,000 schools that have PNBE beneficiaries. Of this group of schools, 4,600 have received financial support to carry out institutional projects for student retention; 1,900 have received resources for projects to improve teaching (reorganization of the curriculum); and 1,400 have received funds to establish and maintain youth activities centers (CAJs) that seek to complement studies with activities of interest to youths in the zone where the school is located. All these interventions have complemented the impact on retention of the investment in study grants for secondary students. In addition, support has been provided for the establishment of 240 centers for refresher training and innovation in education (CAIEs) in the teacher training institutes.
- 1.24 The subprogram for school infrastructure known as the national 700 Schools Program has the objective of contributing to the supply of infrastructure required to respond to projections of unmet demand in primary and secondary school and to replace obsolete buildings. To date, of a total of 758 schools, 320 have been completed and delivered, 392 are being built, and the others are in the contracting or bidding stage. The new works benefit about 470,000 students in the country's 24 provinces. In addition, the adaptation and rehabilitation of 570 secondary schools is being financed, and computer and Internet and intranet connectivity is being provided in 1,300 schools.
- 1.25 PROMSE has been executed at a rapid pace. In less than 24 months, 60% of the loan proceeds have been disbursed and 91% committed. PROMSE's operating plan has assigned responsibility for the PNBE, school construction and equipment, and the provision of textbooks to the central level (MECyT and MPFIPyS). Taken together these activities account for close to 90% of program investments. The

---

<sup>6</sup> See CINEA (Universidad Nacional Tres de Febrero), [\*Evaluación de Impacto del Programa Nacional de Becas Estudiantiles\*](#) [Evaluation of the impact of the national student study grant program]. Draft Final Report, September 2007. CINEA's methodology differs significantly from the methodology used in the study by Heinrich and Cabrol. Although they both have a control group, the CINEA study had to adjust the methodology to make up for the impact of the government's 2002 decision to award (for that year only) study grants to all students in grades 8 and 9 of the schools in the program as a means of mitigating the social impact of the crisis on school attendance.

other interventions are being executed jointly with the provinces. Two consultants who analyzed the institutional capacity of PROMSE's executing agencies and the program's procurement processes evaluated the execution plan positively and have recommended its adoption, with adjustments, under the framework of the new operation.<sup>7</sup>

#### **E. Bank strategy in the sector**

- 1.26 This program is consistent with the objectives of the Bank's strategy with Argentina for 2004-2008 (CP-2785) and is specifically included among the areas for concentration of Bank support in the education sector. In the area of poverty reduction and rebuilding human capital, actions are prioritized to support efforts to achieve homogeneous educational results and to keep youngsters in school, particularly the very poor. More importantly, the Bank will continue to finance actions that the strategy views as key for the sector, including projects to assure demand for secondary education by providing study grants for students from poor families.
- 1.27 **Bank experience in areas related to the new program.** One of the Bank's objectives in the region set out in its education strategy is to help narrow the gaps in all levels of education. This involves: (i) focusing on universal coverage of primary education; (ii) increasing access in levels that present insufficient coverage (preschool and junior high school are a priority in almost all of the Bank's borrowing members countries, with strong implications for equity; other levels such as senior high school and post secondary education could be priorities depending on the level of educational development in each country); (iii) reducing repeater rates and preventing early dropping out (a particularly important priority for all the governments is to strengthen grades 7 to 9 and to improve retention, given that these are the grades where most countries lose a large percentage of students, mainly from low-income families); and (iv) improve learning, which means that from preschool to high school, policy will need to focus on programs to boost teacher capacity (innovative and comprehensive approaches are required rather than short-term programs and conventional in-service training).
- 1.28 With regard to the expansion of coverage through infrastructure, one of the main lessons learned from the Bank's experience in the region is that greater coverage in suburban areas, where schools are generally overpopulated, depends mainly on growth in infrastructure. The criterion for locating new schools is the key and requires a detailed analysis of optimum location and the projected school population in a given area.

---

<sup>7</sup> See [Evaluación de las Unidades Ejecutoras de los Subprogramas I y II del PROMSE](#) [Evaluation of the executing units of PROMSE subprograms I and II] by Tomás Rodrigo, August 2007; and [Informe de los procesos de adquisiciones del PROMSE](#) [Report on PROMSE procurement processes] by Oscar Casasco, September 2007.

## **F. Program strategy**

### **1. Justification and relevance of a CCLIP**

- 1.29 A line of credit for financing investment projects can be used when good performance in implementation and results can be demonstrated, in operations with foreseeable additional requirements to finance similar projects. The eligibility criteria require that at last one similar project has been implemented by the same executing agency, in addition to: (i) satisfactory execution and results of the program; (ii) anticipated satisfactory performance of the new program on the fronts to be covered by the line of credit pursuant to an institutional analysis; and (iii) the borrower and the executing agency have satisfied the loan's contractual conditions and the Bank's disbursement and procurement policies for the program.
- 1.30 The CCLIP here proposed meets the forgoing criteria. The MECyT and the MPFIPyS are executing PROMSE, whose objectives, principal activities, and execution plan are similar to the line of credit presented here (see paragraphs 2.1 to 2.3). The evaluations of the main lines of action confirm the positive results of PROMSE. On the one hand, the impact of the study grant component (PNBE) has been measured and corroborated (see paragraph 1.22) and the school infrastructure (the 700 Schools Program) is already in use (paragraph 1.24); on the other, the executing agencies (MECyT and MPFIPyS) have demonstrated operational solidity that has resulted in a good pace of execution (paragraph 1.25). The PROMSE institutional analyses (see footnote 7) conclude that the executing agencies have the capacity to successfully execute the activities envisaged in the proposed CCLIP and, in order to improve management efficiency in future, they have recommended adjustments to the execution plan and to some operating procedures (improvements in the monitoring and evaluation system, results-based management, and simplification and decentralization of processes, among others), that are presented in Chapter III, Section C (paragraphs 3.10 to 3.14). PROMSE has also complied satisfactorily with the conditions established in the loan contract and the Bank's disbursement and procurement policies. The first loan under the proposed CCLIP is part of the program of operations agreed on between the Bank and the country.
- 1.31 According to MECyT projections, the main lines included in PROMSE and in the proposed program, will require financing over the next 10 years in excess of the amount of the present operation. This is partly due to the size of the problem of desertion and abandonment of the school system at the secondary level and partly due to demand for school infrastructure stemming from the access and coverage goals established in the legal framework and the country's education strategy, particularly growth in initial education, 13 years of compulsory schooling, and the increase in the length of the school day in primary school. Accordingly, with the CCLIP the Bank will be helping to cofinance the national education policy described above, in the medium term.



## **2. Strategy of PROMEDU**

- 1.32 The country's strategy in education, framed in the series of laws already described (paragraphs 1.15 to 1.17), is intended to make progress in equity, quality, efficiency, and reorganization of the education system, and to guarantee financing to make that progress possible. PROMEDU will support this education strategy, mainly the line for increasing equity, on two fronts. The first includes interventions to guarantee the inclusion, school retention, and graduation of youngsters from the poorest population groups. The second front seeks to upgrade and expand education infrastructure to ensure access in the context of the new education strategy objectives, particularly, universal preschool education for 5-year-olds and more 3- and 4-year-olds attending that level, the lengthening of the school day for at least 30% of students in primary school, and the guarantee of a minimum of 13 years of schooling.
- 1.33 The present operation will support the MECyT's strategy of providing incentives for retention and graduation from high school for students at the greatest risk of dropping out, by financing the PNBE. The incentive policy is combined with other interventions to guarantee access and improve the quality and relevance of the supply. To make the study grants more effective, they are accompanied by actions to boost learning and activities to increase the relevance of school for adolescents from low-income families. All of these actions are a response to the magnitude of the problem of desertion on this level and the costs associated with leaving the school system.
- 1.34 PROMEDU will also support the MECyT's strategy to expand installed capacity through school construction and improvement. In particular, it will support the creation of school spaces that favor learning and quality, while guaranteeing and providing incentives for students to remain in the system. The physical condition of schools is a factor that influences attendance and student performance, alike.
- 1.35 The combination of incentives (study grants) for low-income students, learning reinforcement to enhance the effect of the study grants, coupled with better and expanded school infrastructure, will help in the medium-term to narrow the education gaps between the different income groups.

## **II. THE CCLIP AND THE FIRST LOAN**

### **A. Goal and purpose of the CCLIP and the first loan (PROMEDU)**

- 2.1 The Bank is supporting the country's education strategy through a nine-year conditional credit line for investment projects (CCLIP). The goal of the CCLIP is to improve equity in preschool, primary, and secondary education and help to close the gap in educational opportunities for children and adolescents from different income levels.
- 2.2 This will be achieved by financing activities to support the policy for student retention and graduation at the secondary level, and expansion and improvement of

educational infrastructure—two essential lines of the country’s strategy to raise educational equity. The objectives to be achieved by the end of the CCLIP will: (i) provide universal preschool for 5-year-olds and increased coverage for 4-year-olds; (ii) increase of up to 30% in the number of pupils in grades 4 to 6 of primary school attending for a longer school day;<sup>8</sup> (iii) increase the percentage of poor youths who complete secondary school to 70%; and (iv) improve the internal efficiency indicators for public secondary education. To attain these objectives, support will be continued for the study grant strategy in high school, and school infrastructure will be expanded with about 1,500 new schools being built.

- 2.3 The first loan under the CCLIP will contribute to the goal and objectives as follows: (i) increase preschool coverage to 95% of 5-year-olds; (ii) add 3.3% more pupils from primary school grades 4 to 6 to the longer school day; and (iii) improve the internal efficiency indicators for public secondary education by raising the annual promotion rate of students in grades 8 to 11 by at least 0.5% by the end of the program.

**B. Program structure**

- 2.4 The program is organized into two subprograms to achieve the following objectives: (i) improve student retention and graduation in high school; (ii) increase access to preschool and high school; (iii) extend the school day in primary school; and (iv) improve the inputs and management processes of the education system. The two subprograms share some of these objectives and are organized by two subexecuting agencies in charge of different actions (see Table II-1).

---

<sup>8</sup> Today, 14% of pupils in those grades have a longer school day.

**Table II-1**  
**Program structure**

<b>Subprogram (executing agency)</b>	<b>Components and actions</b>	<b>Objectives</b>	<b>Goal</b>
I. Improvement in the performance of the public education system (MECyT)	1. Support for the policy on high school student retention and graduation: – Study grants – Provision of textbooks – Actions of support	Retention/graduation	Equity
	2. Support for the policy on longer days in primary school: – Adaptation of school buildings	Longer school day	
	3. Support for system management: – Institutional strengthening – Support for teachers – Support for CTE	Improvement in system management	
II. Expansion of educational infrastructure (MPFIPyS)	1. School construction and equipping: – Construction and equipping of new schools	Access Longer school day	

**2.5 Subprogram I. Improvement in public education system performance (US\$398.5 million)** under the MECyT will include: (i) study grants for high school students; (ii) school activities to increase retention; (iii) adaptation, repair, and expansion of schools; and (iv) activities to support teachers, career and technical education, and institutional strengthening. The interventions under this subprogram are fundamentally intended to contribute to the objectives of: (i) support for the high school student retention and graduation policy; (ii) extension of the school day for primary schools; and (iii) improvement in inputs and management processes in the education system.

**2.6 Subprogram II. Expansion of educational infrastructure (US\$280.8 million)** under the responsibility of MPFIPyS will include the construction and equipping of new school infrastructure to contribute to the objectives of: (i) increasing access to the preschool and secondary levels; and (ii) extending the school day at the primary level.

### **C. Subprogram components and activities**

#### **1. Subprogram I. Improvement in public education system performance**

##### **a. Component 1. Support for policy on high school student retention and graduation**

**2.7 Study grants for high school student retention and promotion (US\$228.6 million).** The objective of this subcomponent is to encourage public high school students between the ages of 13 and 19 from indigent and/or poor families, who are at risk of dropping out of the education system to remain in school, pass, and graduate. During the first year, 500,000 study grants will be financed under the National

Student Study grant Program (PNBE). In the second year, an increase in the number of beneficiaries and/or the amount of the study grant is planned. According to a preliminary projection, the number of beneficiaries is estimated to increase to 600,000 in year two in order to cover as many youths as possible who are eligible to receive a study grant.<sup>9</sup> The eligibility criteria for the study grants are presented in Table II-2. The study grants will be worth about US\$190 in the first year, increasing to an estimated US\$220 in the second year. The estimated amounts are based on a study that considers: (i) the opportunity cost of studying for poor youths; and (ii) maintenance of the purchasing power of the study grant.<sup>10</sup> Any adjustments to the number of beneficiaries, the size of the grant, and certain conditions such as minimum family income, nonexclusion of repeaters, and inclusion of siblings as beneficiaries will be determined on the basis of an analysis now being performed by the MECyT that should be ready in May 2008.

- 2.8 Textbooks and libraries (US\$58.8 million). Ten million textbooks will be distributed to students and school libraries, teaching resources, and consultation materials for teachers in all schools participating in the PNBE. The textbooks will cover the needs of all students enrolled in these schools and will cover the basic curriculum.
- 2.9 Actions to support the secondary school retention policy (US\$42.6 million). Projects will be financed for supplementary actions to encourage retention in the approximately 7,000 schools participating in the PNBE. The activities to be financed include tutoring and actions to monitor and evaluate study grant holders, and workshops for study grant holders, teachers, and parents. In addition, youth activities centers (CAJs) will be supported in a subgroup of schools participating in the PNBE. The centers are a complement to the youngsters' studies and their purpose is to boost retention among students at risk of dropping out and encourage the return of students who have already dropped out of the school system. During the first year, 1,600 CAJs would be supported, with the number rising to 1,700 in the second year.

**b. Component 2. Support for the policy on the longer school day at the primary level**

- 2.10 Upgrading, repair, expansion, and equipping of schools (US\$44.86 million). The upgrading, repair, and expansion of primary schools will be financed with a view to contributing to the policy of extending the length of the school day at the primary level. Financing will be provided for the upgrading of approximately 200 schools

---

<sup>9</sup> Under the eligibility criteria in effect in 2007, particularly the requisite related to minimum family income, the number of potential beneficiaries is estimated at 700,000, which means that about 200,000 eligible youths are not benefiting. Under the new program, the minimum family income will be raised to better cover youngsters living in poverty, which means that the number of potential beneficiaries will be considerably higher than the 700,000 at present.

<sup>10</sup> See Alejandro Morduchowicz, [\*Becas estudiantiles y costo de oportunidad en la educación media en Argentina\*](#) [Student study grants and the opportunity cost of high school education in Argentina], June 2007.

whose students come mainly from poor families. This will involve upgrading existing facilities or building additional ones such as a playground, a multiuse room, a lunchroom, and an additional classroom. Computer equipment for the schools will also be financed.

**c. Component 3. Support for system management**

- 2.11 Institutional strengthening of the MECyT and the provincial ministries of education and/or their jurisdictional equivalents (US\$10.16 million). Institution-building activities will be financed in the areas involved in PROMEDU inside the MECyT and in the provincial education ministries and/or their jurisdictional equivalents. These activities include: provision of equipment, studies, training, redistribution of functions, technical meetings, and regional workshops. Support will also be provided for the establishment of 18 cost observatory units in the ministries of education in the jurisdictions selected for more effective and more equitable resource allocation through a better understanding of the economic variables that affect the operation of the education systems concerned.
- 2.12 Actions to support teaching (US\$4 million). The operation of 240 centers for refresher training and innovation in education (CAIEs) in the country's 24 jurisdictions will be supported. The CAIEs fit in with the new strategy for transforming initial and in-service training headed by the recently created National Teacher Training Institute. Their objective is to promote the professional development of teachers, offer opportunities for exchanges of experiences in teaching practices, and facilitate access by teachers to bibliographic, computer, and multimedia resources.
- 2.13 Actions to support career and technical education (CTE) (US\$9.5 million). Financing will be provided for organizing the supply of CTE and monitoring graduates in the labor market. The first activity to be financed is the design and implementation of a catalog of diplomas and certificates to establish a single and homogenous supply based on a classification of career families and profiles serving as a permanent information up-date service on certifications and diplomas and the places where courses leading to them are offered, which can be accessed over the Internet. Consulting services will be financed to: (i) survey and systemize career families and profiles; (ii) prepare training paths; (iii) design the curricula of study plans for accredited diplomas and certificates and implementation of the supply of training; and (iv) central and provincial administration of the catalogue. Computer equipment and professionals to operate the catalogue on-line will also be financed. The second activity to be funded is the design and implementation of a system to track CTE graduates through a census of graduates, a survey to observe new hiring patterns, and a study on career paths to reflect changes in the educational and employment situation of graduates in the medium term.

## **2. Subprogram II. Expansion of educational infrastructure**

### **a. Construction and equipping of new schools**

- 2.14 Construction of new schools (US\$280.8 million). The construction of new schools for the preschool, primary, and secondary levels will be financed to contribute to the objectives of expanding access to the preschool and secondary levels and lengthening the school day in primary school. Accordingly, 129 schools (about 387 classrooms/spaces) would be built at the preschool level, 100 schools (about 800 classrooms/spaces) at the primary level, and 80 schools (about 720 classrooms/spaces) at the secondary level for a total of 309 new schools (approximately 1,907 classrooms/spaces). In addition, the construction of 6 teacher training institutes would be financed in 6 jurisdictions, with emphasis on ongoing training and training and management activities related to the new school buildings. The localities where the works will be built will be selected according to the number of places needed by the poor population, identified using the unmet basic needs (UBN) indicator, based on information obtained from national population censuses and permanent household surveys.
- 2.15 Other expenditures (US\$20.7 million). The administrative costs of PROMEDU (US\$14.2 million), evaluation and monitoring costs (US\$3.88 million), audits (US\$1 million), and financial expenses (US\$1.6 million) would be covered.

### **D. Eligibility criteria for PROMEDU's main activities**

- 2.16 Table II-2 presents the main criteria for awarding the study grants and financing the school infrastructure works.

**Table II-2**  
**Eligibility criteria for the program's main investments**

<b>Study grants</b>	<ol style="list-style-type: none"> <li>1. High school students in public schools (excluding adult schools).</li> <li>2. Family income below the adjustable minimum wage.</li> <li>3. Not receiving a similar student study grant from any source.</li> </ol>
<b>Works</b>	<p><b>New works</b></p> <ol style="list-style-type: none"> <li>1. School located in a poor socioeconomic zone, as determined by a census circuit with UBNs higher than the provincial average, or neighborhoods with low-cost housing programs.</li> <li>2. Scale based on a study of education supply and demand.</li> <li>3. Reasonable market-based costs.</li> <li>4. Land belonging to government (national, provincial, or municipal) unoccupied.</li> <li>5. Detailed project designs based on standards currently in effect (technical, administrative, environmental).</li> </ol> <p><b>Replacement works for up to 35% of subprogram II investments.</b> In addition to criteria 2 to 5:</p> <ol style="list-style-type: none"> <li>1. Deterioration, obsolescence, or inadequate building structure; or</li> <li>2. Existence of unfavorable conditions in the surroundings or ownership situation.</li> </ol> <p><b>Upgrading or expansion.</b></p> <ol style="list-style-type: none"> <li>1. Implementation of a longer school day at the primary level.</li> <li>2. Primary school belongs to the PIIE, including the associated preschool.</li> <li>3. Detailed project designs based on standards currently in effect.</li> </ol> <p><b>Teacher training institutes:</b> In addition to criteria 2 to 5 of "New Works":</p> <ol style="list-style-type: none"> <li>1. Only one institute per jurisdiction.</li> </ol>

## **E. Cost and financing**

- 2.17 The CCLIP will be US\$3 billion over a nine-year execution period, with a Bank contribution of US\$2.7 billion. The cost of the first program will be US\$700 billion, with the first CCLIP loan amounting to US\$630 million and the local counterpart to US\$70 million, and will have an execution period of two years.

**Table II-3**  
**Cost of the first operation (in US\$ millions)**

<b>Category</b>	<b>IDB</b>	<b>Local</b>	<b>Total</b>	<b>%</b>
<b>Subprogram I. Improvement in the performance of the public education system</b>	<b>359.22</b>	<b>39.30</b>	<b>398.52</b>	<b>56.9%</b>
<b>Component 1. Support for the policy on high school retention and graduation</b>	<b>309.70</b>	<b>20.30</b>	<b>330.00</b>	<b>47.1%</b>
1. National student study grant program (PNBE)	228.60		228.60	
2. Provision of textbooks	45.00	13.80	58.80	
3. Support actions	36.10	6.50	42.60	
<b>Component 2. Support for the policy on longer days in primary school</b>	<b>34.76</b>	<b>10.10</b>	<b>44.86</b>	<b>6.4%</b>
1. Upgrading, repair, and expansion of schools and endowing them with computer equipment	34.76	10.10	44.86	
<b>Component 3. Support for system management</b>	<b>14.76</b>	<b>8.90</b>	<b>23.66</b>	<b>3.4%</b>
1. Institutional strengthening	6.76	3.40	10.16	
2. Support for teachers (CAIEs)	1.00	3.00	4.00	
3. Support for CTE	7.00	2.50	9.50	

Category	IDB	Local	Total	%
<b>Subprogram II. Expansion of educational infrastructure</b>	<b>252.70</b>	<b>28.10</b>	<b>280.80</b>	<b>40.1%</b>
<b>Component 1. Construction and equipping of new schools</b>	<b>252.70</b>	<b>28.10</b>	<b>280.80</b>	<b>40.1%</b>
<b>Administration, auditing, monitoring, and evaluation</b>	<b>18.08</b>	<b>1.00</b>	<b>19.08</b>	<b>3%</b>
Administration: subprogram I	10.00		10.00	
Administration: subprogram II	4.20		4.20	
Audit: subprogram I		0.60	0.60	
Audit: subprogram II		0.40	0.40	
Evaluation and monitoring (*)	3.88		3.88	
<b>Financial costs</b>		<b>1.60</b>	<b>1.60</b>	<b>0.2%</b>
Commitment fee		1.60	1.60	
<b>TOTAL</b>	<b>630.00</b>	<b>70.00</b>	<b>700.00</b>	<b>100%</b>

(\*) Administration of these activities falls to the MECyT.

### III. PROGRAM EXECUTION

#### A. Borrower and executing agency

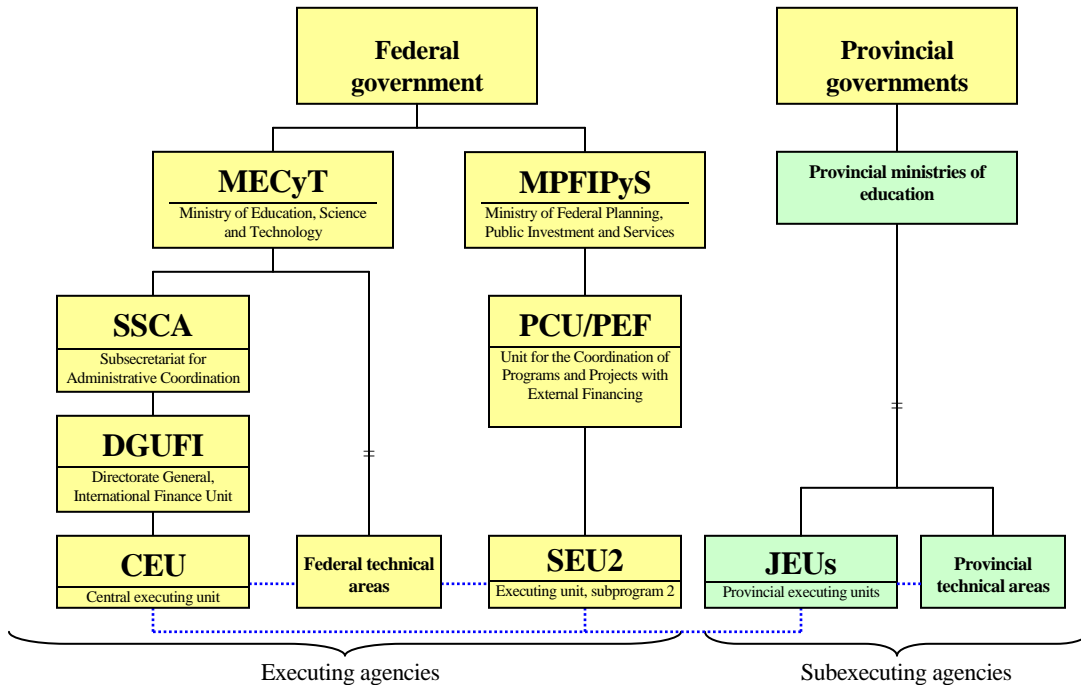
- 3.1 The borrower will be the Argentine Republic and the executing agencies will be: (i) the MECyT for subprogram I; and (ii) the MPFIPyS for subprogram II. The MECyT will be responsible for interagency coordination, definition of the strategy and education policy for both subprograms, and for making requests to the Bank, through the Ministry of Economic Affairs and Production (MEyP), for any changes during the program, including transfers of resources between the subprograms.

#### B. Execution plan

- 3.2 The MECyT will operate through its Directorate General, International Financing Unit (DGUFI), which reports to the Subsecretariat of Administrative Coordination (SSCA). The MPFIPyS will act through the Unit for the Coordination of Programs and Projects with External Financing (PCU/PEF). Both agencies will have specific executing units (CEU/DGUFI and SEU2/PCU/PEF) supported by the technical areas of the MECyT.
- 3.3 PROMEDU's activities would be executed in a decentralized manner through the provincial education ministries and/or their jurisdictional equivalents as subexecuting agencies, coordinating with PROMEDU through jurisdictional executing units (JEUs) and their own technical areas. The program's organization chart is summarized in Chart III-1 and is similar to the one used in PROMSE (1345/OC-AR) where it has had satisfactory results.



**Graph III-1**  
**PROMEDU organization chart**



- 3.4 **Functions of the executing agencies.** The MECyT will perform strategic functions and organize general execution through the SSCA, which will channel them to the DGUFI for implementation. The SSCA will: (i) ensure coordination of PROMEDU with other education programs at a jurisdictional level and the activities carried out by MPFIPyS; (ii) propose the signature of adhesion agreements between the MECyT and the jurisdictional authorities outlining the obligations of the latter and the provincial education ministries and/or jurisdictional equivalents in implementing the program; (iii) prioritize program interventions; (iv) promote and guarantee adequate interagency coordination between the technical areas of the MECyT with responsibility for PROMEDU and the DGUFI; (v) support the DGUFI and the technical areas with budget, human, and material resources, depending on requirements; and (vi) approve the initial report, the Operating Regulations, the annual work plans (AWPs), the procurement plans, and the annual progress reports.
- 3.5 The DGUFI and the PCU/PEF, each in its own sphere of expertise, will administer the program, including: (i) effective and efficient use of financial, human, and material resources; (ii) their supervision, ensuring compliance with the contractual and policy provisions in terms of legal, procurement, and financial aspects and program objectives, among others; (iii) support for the JEUs in good practices for program execution; and (iv) preparation of basic PROMEDU documents (initial report, AWPs, procurement plan, annual progress reports, among others). The DGUFI will also be responsible for: (i) administering the program management,

- monitoring, and evaluation system; and (ii) contracting the external outcomes and impact evaluations.
- 3.6 The technical areas that operate in MECyT will have the following responsibilities: (i) to propose and supervise the technical content of the different lines of action; (ii) to program, implement, and supervise all the activities coordinated or executed by the MECyT to support the CEU and SEU2; (iii) to approve programming by the subexecuting agencies, including new program works prior to tendering them; (iv) to prepare manuals, standards, guidelines, and specifications to promote quality, timeliness, and homogeneity of program interventions; and (v) to provide advisory assistance the technical areas of the subexecuting agencies.
- 3.7 **Program Operating Regulations.** The execution of PROMEDU will be governed by the loan contract and the Operating Regulations, which include: (i) the detailed organization chart; (ii) the model adhesion agreements with jurisdictional authorities; (iii) the targeting and eligibility criteria of the investments; (iv) the plan and process for programming and evaluation; (v) mechanisms to guarantee the maintenance of the investments; (vi) financial and procurement procedures; and (vii) the institutional strengthening matrix. The MECyT and the MPFIPyS will enter into adhesion agreements with jurisdictions participating in the program in an effort to standardize the terms and conditions for implementing the program, as provided in the Operating Regulations.
- 3.8 **Mode of execution.** Based on experience with PROMSE, the payment of study grants, the purchase of textbooks, the strengthening of CTE, and the cost observatory of subprogram I, as well as the new schools and their equipment in subprogram II will be executed in a centralized fashion by the CEU and SEU2, with support from the technical areas of the MECyT and the jurisdictional technical areas. The procurement of equipment for schools to be rehabilitated or expanded may either be decentralized or centralized, in which case the CEU/DGUFJ may obtain support from the United Nations Office for Project Services (UNOPS) under an agreement approved by the IDB.
- 3.9 In each jurisdiction, the JEUs, with support from the jurisdictional technical areas, will decentralize execution of the following actions: (i) rehabilitation and expansion of school spaces; (ii) complementary actions in PNBE schools; (iii) operation of the CAJs and CAIEs; and (iv) administration and strengthening of management in each province and/or jurisdiction, including support for programming, management, monitoring, and evaluation of all PROMEDU interventions in the jurisdictions. The level of autonomy of the JEUs in managing each process will depend on their institutional capacity.
- C. Adjustments to the PROMEDU execution plan**
- 3.10 Experience with PROMSE, an analysis of its management and mid-term results, and the studies conducted for the new program,<sup>11</sup> identify at least four courses of

---

<sup>11</sup> Including the evaluations by T. Rodrigo and O. Casasco mentioned in footnote 7.

- action reflected in the program's institutional strengthening matrix (Annex V of the Operating Regulations) which will make it possible to consolidate existing gains in management efficiency in order to reduce administrative costs, simplify processes, and strengthen the institutions involved, in addition to improving and consolidating the programming and evaluation processes to guide results-based management.
- 3.11 **Monitoring and evaluation.** PROMEDU substantially strengthens the monitoring and evaluation process compared to PROMSE, planning for annual evaluations prior to 30 April each year, and a final evaluation once 50% of the funds have been disbursed and 75% have been committed. These activities will be complemented with annual technical monitoring meetings with the Bank and the executing and subexecuting agencies, studies, and other actions that promote analysis and technical reflection on program progress. The evaluations will take the following programming and monitoring tools into account: (i) the initial report and the overall multiyear execution plan; (ii) the AWP and procurement plans; (iii) the annual progress reports; (iv) the institutional strengthening matrix; and (v) workshops and technical opportunities for technical and operational reviews and evaluations. The tools mentioned in (ii) and (iii) will be presented prior to 28 February each year. PROMEDU will also finance a package of impact evaluations of the program's main activities, which will be used as inputs for adjustments in subsequent tranches of the CCLIP (see paragraphs 3.24 and 3.26).
- 3.12 **Results-based management.** Program management will be results-based, determined according to: (i) aim, purpose, and output indicators in the logical framework; and (ii) an information and management system that will be operative in the executing and subexecuting agencies, with different integrated subsystems (financial, procurement, programming and management, output and outcome monitoring).
- 3.13 **Streamlining and decentralization of processes.** Includes the streamlining of procedures, a gradual increase in jurisdictional management autonomy, and use from the outset of ex post reviews by the Bank of procurement and disbursements to facilitate the execution of PROMEDU. One relevant change affecting PROMSE is that management supervision will be based on the relative risk of the actions and subexecuting agencies involved, stressing alignment of PROMEDU's activities with its development objective, based on a model for management by results, gradually simplifying the arrangements for control of processes. In support of this objective, PROMEDU has identified at least five jurisdictions that could begin to operate in the first year with greater management autonomy. By the end of the program, 80% of the jurisdictions are expected to be operating under a more streamlined and decentralized arrangement with less intervention by MECyT technical units. Also, as to payment of the grants, the study grant database will be reworked, the technical teams will be strengthened, and more efficient payment processes will be introduced.
- 3.14 **Intra- and interagency coordination.** Efficient and effective coordination between executing and subexecuting agencies will be promoted. To this end,

workshops and operational reviews will be held; the relevant technical areas of the MECyT and the provincial ministries and/or their jurisdictional equivalents would participate to ensure the inclusion of education policy strategies and guidelines in day-to-day program management, which will contribute to the ‘ownership’ and sustainability of the interventions.

**D. Financial and procurement aspects**

- 3.15 **Disbursements and revolving fund.** Disbursements will be made in accordance with Bank procedures. A revolving fund will be established for each subprogram, not to exceed 20% of the amount assigned to each one. This percentage has been determined on the basis of the disbursement flow projected by the executing agencies, which is very sensitive to payment of the study grants and the construction of new works. The revolving funds for each subprogram will be established, replenished, or expanded separately. Each executing agency will open separate bank accounts on behalf of PROMEDU for administering the IDB financing, establishing the necessary safeguards, including the signatures of the designated authorities. The first transfer of funds to the jurisdictions for “support activities” (component I); “upgrading, repair, and expansion of schools” (component II); and “actions to support teaching” (component III) will be conditional on: (i) signature of an adhesion agreement between the provincial education ministry and/or its jurisdictional equivalent taking part in the program as subexecuting agency and the MECyT; (ii) establishment of the JEU; and (iii) the opening of bank accounts for the program.
- 3.16 **External audits.** An independent firm of financial auditors acceptable to the Bank will be contracted. Each subprogram will be audited separately. The financial statements of each one will be presented to the Bank within 120 days after the end of the fiscal year and the final statements will be presented within 120 days after the last disbursement. Also required will be a semiannual audit report that examines, to the Bank’s satisfaction, the disbursement requests processed during the immediately preceding six-month period, each subprogram’s internal control environment, and other outputs to be agreed on in advance between the executing agencies and the Bank. These reports must be presented to the Bank within 60 days after the end of each six-month period. The audits for the first year will include certification of each disbursement request presented to the Bank.
- 3.17 **Procurement of works, goods, and services.** Procurements and contracts for works, goods, consulting and other services will be carried out in accordance with the “Policies for the procurement of goods and services financed by the IDB” (document GN-2349-7) and the “Policies for the selection and contracting of consultants financed by the IDB” (document GN-2350-7) both of July 2006. The amounts and procedures are summed up below:

INVESTMENT	LIMIT (IN US\$000s)	PROCUREMENT PROCEDURE	REVIEW
Works	5,000 and over	International competitive bidding (ICB)	Ex ante
	From 350 to 5,000	Local competitive bidding (LCB)	Ex post
	Under 350	Shopping	Ex post
Goods	500 and over	International competitive bidding (ICB)	Ex ante
	From 100 to 499	Local competitive bidding (LCB)	Ex post
	Under 100	Shopping	Ex post
Nonconsulting services	200 and over	International competitive bidding (ICB)	Ex ante
	From 100 to 200	Local competitive bidding (LCB)	Ex post
	Under 100	Shopping	Ex post
Consulting services (firms)	500 and over	Short list of six firms with broad geographic representation (advertised internationally and locally)	Ex ante
	From 200 to 500	Short list of six firms that may all be local (advertised internationally and locally)	Ex ante
	Under 200	Short list of six firms that may all be local (advertised locally)	Ex post
Consulting services (individual)	Under 50	Short list of consultants	Ex post
	50 and over		Ex ante

3.18 **Bank reviews.** Bank reviews of the procurement process for works, goods, and nonconsulting services will be ex ante when ICB is applicable because of the amounts, and for contracts with individual consultants and consulting firms of more than US\$50,000 and US\$200,000, respectively. The eligibility of expenditures will be reviewed by the Bank ex post, jointly with the procurement procedures, except for contracts with consulting firms and individual consultants for technical matters related to the program objectives, which will be approved ex ante.

3.19 Notwithstanding, during the execution of any contract for works, procurement of a good, or provision of a service, the Bank may perform ex post inspections and reviews, to which end the CEU/DGUFU, the SEU2/PCU/PEF, or the JEUs will provide such documentation as may be requested. If during such reviews, the Bank determines that the goods, works, and consulting or nonconsulting services: (i) are not relevant or eligible under program activities and objectives; (ii) were not acquired following the procedures agreed on in the contract and spelled out in the AWP, or the contract is not consistent with those methods; or (iii) a contract has been amended in a way not consistent with its objective, the Bank may: (a) opt to change from ex post to ex ante reviews, informing the CEU/DGUFU and/or the SEU2/PCU/PEF, and applying to PROMEDU as a whole or only to certain activities of one or more subexecuting agencies; and (b) declare the contract ineligible for financing, in which case the Bank's policy is to cancel that portion of the loan assigned to the works, goods, or consulting services that have been acquired or contracted in violation of the procedures.

3.20 **Procurement plan, bid documents, and contracts.** Under Bank policies, all procurements of works, goods, consulting and nonconsulting services to be made by the executing and subexecuting agencies will be included in the program plan, which will be updated annually or as required and be based on an 18-month period.

- 3.21 PROMEDU's bid documents will conform to the standard project document for contracting program works and goods and the request for proposals for contracting consulting services, subject to agreement with the Bank. In competitive bids for works, the post-qualification system may be used as specified in the Operating Regulations. The continuity of the technical teams of the CEU/DGUF, the SEU2/PCU/PEF and the JEUs will be ensured by contracting consulting services through single-source selection, in accordance with Section V, paragraph 5.4, of GN-2350-7 and under the principles of economy and efficiency, with a view to maintaining the technical focus and experience gained.

#### **E. Maintenance**

- 3.22 When the PROMEDU schools are to be operated by the jurisdictions, the adhesion agreements will cover works-related operational and maintenance responsibilities. The technical documents will require the contractors to present preventive maintenance programs to obtain provisional receipt of the works. In addition, as the schools are added to the assets of the provincial ministries of education, the ministries must present a general maintenance plan to the MECyT. Also, the MECyT and the Bank will perform periodic audits based on technical reports.

#### **F. Timetable and disbursement schedule**

- 3.23 The first CCLIP program will be disbursed in 24 months after the loan contract takes effect. This period is adequate, based on experience with PROMSE and the duration of the cycle for certain key activities, such as payment of the study grants. Table III-1 presents the planned annual disbursement schedule.

**Table III-1 Disbursement schedule (in US\$ millions)**

<b>Source of financing</b>	<b>Year 1</b>	<b>Year 2</b>	<b>TOTAL</b>	<b>Percentage</b>
IDB	235.0	395.0	<b>630.0</b>	90%
Local	18.0	52.0	<b>70.0</b>	10%
<b>TOTAL</b>	<b>253.0</b>	<b>447.0</b>	<b>700.0</b>	<b>100%</b>

#### **G. Evaluation of the impact of PROMEDU in the context of a CCLIP**

- 3.24 In addition to the program monitoring and evaluation activities described in paragraph 3.11, a strategy has been designed to evaluate the main impacts PROMEDU is expected to have on the three core objectives: (i) secondary school coverage and completion by very poor youths (retention and graduation); (ii) access to preschool for very poor 4- and 5-year-olds (coverage); and (iii) longer school day in primary school and improvements in the quality of learning and equity of supply. For the first two impacts, the timing of the evaluation (at least four years after the end of the first program), the values of the indicators, and the baseline values have been determined. For the impact of the longer school day, it was agreed that the baseline, values of the indicators, selection of the treatment and control groups, and timing of the evaluation would be performed during the first two-year program, since the process of incorporating the schools into the extended day system is

- expected to be very gradual and the way in which improvements in the quality of learning and equity of supply are verified must also be defined precisely.
- 3.25 **Outcomes evaluation.** To evaluate the program outcomes, which will be measured at the end, performance and efficiency indicators for the use of the inputs provided by PROMEDU, their values, baseline, and the methodologies to be used have been agreed on. For PROMEDU outputs, the goals and time frames for attaining them have been defined. The outcomes and goals are described in the logical framework.
- 3.26 **Performance of the evaluation.** PROMEDU outputs and outcomes will be monitored using the evaluation tools described earlier (see paragraph 3.11). As for the impact evaluations and the outcomes evaluations that require control groups, a firm will be contracted to define the respective baselines, adjust the evaluation methodologies when program execution begins, and determine what data need to be collected periodically for the evaluations. Subsequently, the firm will perform the evaluation and during project implementation it will interact with the MECyT, which will be responsible for periodically compiling the necessary information. PROMEDU's budget includes funds to finance the evaluation activities described.

#### **IV. FEASIBILITY, BENEFICIARIES AND RISKS**

##### **A. Institutional feasibility**

- 4.1 The proposed implementation plan has been adjusted in the areas of operations monitoring and evaluation, results-based management supported by administration and financial control systems, which have proven their effectiveness in other programs, process simplification and decentralization, increasing the autonomy of the provincial subexecuting agencies and expanding the use of ex post reviews to expedite execution, with adjusted processes that will improve coordination between the executing and subexecuting agencies.
- 4.2 To monitor these adjustments and their impact on execution, an institutional strengthening matrix for the program was agreed on with the executing agencies (and forms part of the Operating Regulations) centered on: (i) consolidation of the programming, monitoring, and evaluation areas; (ii) streamlining of administrative procedures, elimination of ex ante controls, and delegation of functions to the subexecuting agencies; (iii) better communications and coordination between the different actors; and (iv) evaluation of alternatives to improve the organizational structure of the DGUFI, in order to harmonize processes with other financing agencies and lower the costs of administering externally financed projects. Many of the activities in the matrix are already being carried out by the executing agencies. Others have their financing assured as part of the program's institution-building activities.
- 4.3 The design of the areas for intervention gives priority to activities in which PROMSE demonstrated the greatest efficiency in execution—such as the PNBE, the provision of textbooks, and the construction of new schools. In another group of

activities (financing of school projects and building repairs), options were sought to resolve the problems with execution encountered by PROMSE.

- 4.4 Accordingly, the adjustments to the operating plan, simplification of the lines of intervention, and the institutional strengthening matrix that is being developed will ensure greater efficiency in executing the present program and subsequent CCLIP operations.

## **B. Socioeconomic feasibility**

- 4.5 PROMEDU will help to reduce the private and social costs associated with low human capital accumulation in Argentina since it will help to increase the retention and graduation of young people in secondary school. The private cost of low accumulation of human capital translates into lower wages, compounded by a greater probability of unemployment, which also lasts longer, and less likelihood of finding a job in the formal market. For example, in Argentina, a person between 25 and 35 years of age who completes high school (13 years) earns 32% more a month than a person who fails to complete that level (EPH, 2006). Furthermore, this difference in income is greater for older people. High school graduates are much more likely to find work in the formal market than those who have not completed high school.<sup>12</sup> Another factor to be kept in mind is the relationship between poverty and low accumulation of human capital, which becomes a vicious circle given that poor and vulnerable groups are more likely to leave school early and, considering the nature of the typical poor or vulnerable family and the school system, they acquire fewer skills in school. In 2006, while just 4% of Argentines between the ages of 13 and 17 in the wealthiest quintile did not attend school, 16% of Argentines in the poorest quintile did not attend (EPH, 2006).
- 4.6 The private costs are compounded by the social costs associated with dropping out of school early and the low quality of learning, which include: (i) low productivity of labor and therefore slower economic growth; (ii) greater pressure on public spending to finance programs to alleviate poverty and vulnerability; (iii) inter-generational reproduction of poverty and inequality; and (iv) social breakdown.
- 4.7 A cost-benefit evaluation was performed of the program's study grant component with a view to evaluating the potential social returns. The results indicate that when the returns on the study grants component are factored in and the future impact of the labor market on income (and costs) is considered, social returns are higher with this component than without it. This result is confirmed for different sized study grants, ranging from US\$125 to US\$480 a year per student and for two different discount rates (it is estimated that the PROMEDU subsidy will fluctuate between US\$190 and US\$250 a year per student).<sup>13</sup>

---

<sup>12</sup> See Gasparini, L. *et al.* 2006. [\*Employability in The Southern Cone. Economic and Social Studies\*](#) RE1-06-001, IDB.

<sup>13</sup> See Morduchowicz, A. 2007, [\*Impacto distributivo y costo-beneficio de las becas del nivel medio en Argentina\*](#) [Distributional impact and cost-benefit of secondary school study grants in Argentina].



- 4.8 **Impact of the program on recurrent costs.** The impact of the investments on the education budget will be small. The increase in personnel to fully operate the new schools will be approximately 3,500 people (teachers and support staff). Out of a total public teaching staff of close to 400,000 people, this represents an increase of less than 1%, which will be implemented gradually. In budgetary terms, the additional incremental current expenditures also represent a minimal percentage of the national education budget (for preschool, primary school, and secondary education). The additional expenditures will be: 0.4% for year one, 0.9% for year two, and 1.3% for year three, when all the new schools are expected to be operating.

### **C. Beneficiaries**

- 4.9 The main beneficiaries of PROMEDU are: (i) the youths, mainly from the poorest socioeconomic levels, who will complete high school owing to the study grants; (ii) the youngsters who will gain access to education as a result of the new and rehabilitated infrastructure, particularly in geographic areas with the greatest poverty; (iii) the children who will have the possibility of attending preschool; (iv) the primary school students who will be able to receive schooling for more hours a year thanks to the longer school day; and (v) the youngsters who benefit from actions to improve learning conditions, such as the distribution of textbooks and other complementary activities.
- 4.10 The main outcomes expected from PROMEDU are improvements in the coverage, equity, and internal efficiency of preschool, primary school, and secondary education. In particular, it is expected that equity will improve as access to preschool, to longer school days at the primary level, and to secondary school by the very poor increases and as poor teenagers are able to remain in high school and graduate. In addition, improvements are expected in management of the education system through institution-building activities, support for teachers, and support for CTE.

### **D. Socioenvironmental impact**

- 4.11 The present operation targets youngsters from the poorest groups. It therefore qualifies as a social equity operation, as described in the core objectives of Bank activity in the report on the Eighth General Increase in Resources (document AB-1704). The operation also qualifies automatically as a poverty-targeted investment (PTI) given that it is a basic education project.
- 4.12 No negative environmental impact is anticipated as a result of this program. Although a significant percentage of the funding will be used for infrastructure, all the proposals for new schools will include a compulsory environmental assessment prior to their approval. The assessment will verify that the country's standard rules for environmental impact mitigation are included and/or complied with.

## **E. Risks**

- 4.13 Achievement of the goals of the CCLIP and the first loan requires continuity in sector policy, a consensual national education strategy that is shared by all the main actors in the sector, and major increases in public education funding. The legal framework for the sector in Argentina guarantees these conditions under the National Education Act, the Career and Technical Education Act, and the Education Financing Act.
- 4.14 Achievement of the goals of the CCLIP and the first loan also requires a coordinated effort between the central ministries (MECyT and MPFIPyS) and the provincial education agencies. To ensure such coordination, PROMEDU will maximize the use of existing institutional mechanisms in the MECyT (Federal Council of Ministers of Education, etc.) as well as use bilateral adhesion agreements between the federal and provincial governments and/or jurisdiction that define the commitments and responsibilities of both levels for program execution.
- 4.15 The investments in the new school infrastructure (or in improvements and expansions of existing infrastructure) involve increases in teaching, administrative, and managerial staff in the beneficiary provinces and/or jurisdiction and therefore increases in the current budgets of the provincial ministries of education. So that this will not pose a problem in future, the MECyT will continue to use the mechanisms established in PROMSE and the 700 Schools Program, whereby new works are not approved unless the provinces and/or jurisdiction have guaranteed the source of financing for the additional human resources and operating costs.
- 4.16 The strategy for extending the school day in primary schools has determined that a minimum of 30% of pupils on that level should have access to a longer or full school day by the year 2010. Given the complexities of this challenge, there is the risk that the process of implementing the longer day, particularly in the early years, will proceed more slowly than anticipated. Monitoring of this intervention and, in particular, the evaluation of its impact, considered this possibility and therefore established an evaluation horizon that extends beyond the two years of the first program.
- 4.17 Study grant programs for the retention and graduation of high school students are more effective when they are accompanied by complementary reinforcement activities in the schools. However, those activities tend to be more complex and slow to implement. To mitigate this risk, PROMEDU has simplified the operation of the package of complementary activities in the schools through financing for school projects tailored to local needs, using an arrangement for transferring funds to the schools based on outcomes and ex post reviews of expenditures.
- 4.18 Given the importance of evaluating and monitoring this program, an evaluation strategy has been established that takes account of the outcomes expected from the first loan as well as the impacts of the main interventions during the nine-year life of the CCLIP. There is a risk that each of the actions and benchmarks in the evaluation strategy (baselines, collection of data, methodological adjustments to

reflect changing situations, etc.) might not be monitored. To address this challenge, responsibilities have been defined for monitoring and implementing the evaluation strategy and adequate resources set aside for that work, both for the activities that will be performed by the MECyT and for those that will be performed by consultants.

**PROGRAM TO SUPPORT THE POLICY ON IMPROVING EQUITY IN EDUCATION (PROMEDU)  
AR-L1038**

**LOGICAL FRAMEWORK**

NARRATIVE SUMMARY	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<b>GOAL</b>			
<p>To help implement the country's education strategy by improving educational opportunities and achievements for the low-income population.</p>	<ul style="list-style-type: none"> <li>▪ Four years after the end of the program, the number of youths between the ages of 18 and 20 in the first and second quintiles (TFI)<sup>1</sup> who have dropped out without completing high school falls by seven percentage points. (Baseline 2006=37.2%)</li> <li>▪ Four years after the end of the program, the gap in preschool education between the first and fifth quintiles (TFI) has fallen by 50% for the population five years of age (baseline 2006=6%) and by 25% for the population four years of age. (Baseline 2006=28.1%)</li> <li>▪ In public schools built and/or expanded for the longer school day with program funds, there is an improvement in the quality of learning and in the equity of the supply.<sup>2</sup></li> </ul>	<p>Permanent household survey - INDEC</p> <p>Permanent household survey - INDEC</p> <p>Specific evaluation study</p>	<ul style="list-style-type: none"> <li>▪ The country maintains a stable macroeconomic environment.</li> <li>▪ Upon completion of the program, investment in components continues at the levels projected for the operation.</li> <li>▪ The Argentine government maintains its policy of implementing the National Education Act.</li> <li>▪ The increases in the education budget called for in the Education Financing Act continue.</li> <li>▪ For preschool education, the cooperative and socially managed schools have been adapted to the legal arrangements established in the National Education Act, Article 140.</li> </ul>

<sup>1</sup> TFI: Total family income.

<sup>2</sup> For this outcomes indicator, specific consulting services will be contracted at the end of year two of the program to determine the evaluation approach, methodology, and timetable, relevant indicators, and baseline values, since the curriculum and institutional organization of the longer school day will be designed and implemented during the period 2009.

NARRATIVE SUMMARY	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<b>PURPOSE</b>			
To improve the coverage, equity, and internal efficiency of preschool, primary school, and secondary education.	<p>By the end of the program:</p> <ul style="list-style-type: none"> <li>The percentage of students benefiting from the PNBE who are enrolled in secondary school for three or more years is at least 45% higher than in the control group.<sup>3</sup></li> <li>In the public secondary schools supported by study grants, textbooks, and complementary actions, more than 0.93% of 14- to 17-year-old students continue from one year to the next throughout the country, except in the province of Buenos Aires. Year-to-year graduation rate of 16 and 17 year olds in the province rises to more than 0.90.</li> <li>In the public secondary schools supported by study grants, textbooks, complementary actions, and additional interventions for quality projects and for youths, the annual promotion rate in grades 8 to 11 rises by 0.5 percentage points. (Baseline 2006= 76%)</li> <li>The public primary schools expanded or built with the loan are ready to enroll students for school year 2010.<sup>4</sup> At least 75% of the places created for the longer school day have been filled.</li> <li>The public preschools and high schools built with the loan that are able to take students for the 2010 school year have filled at least 75% of the places created.</li> <li>At least 9 provinces prepare cost studies per school, following the methodology prepared by the MECyT's Education System Cost Studies Coordination Office.</li> </ul>	<p>Specific evaluation study</p> <p>Annual surveys by DINIECE</p> <p>Annual surveys by DINIECE</p> <p>Annual surveys by DINIECE</p> <p>Annual surveys by DINIECE and program reports.</p> <p>Annual surveys by DINIECE and program reports.</p>	<ul style="list-style-type: none"> <li>The Argentine government maintains its education policy for equity and assigns sufficient funds and quotas.</li> <li>The federal and provincial governments enter into bilateral agreements.</li> <li>The provinces comply with Article 5 of the Education Financing Act, particularly with regard to the assignment of operating staff to expand coverage.</li> <li>The provinces assign personnel to cover the longer school day.</li> <li>The provinces assign human resources for technical activities.</li> </ul>

<sup>3</sup> Amounts subject to adjustment based on decisions to be taken in the first half of 2008.

<sup>4</sup> Schools ready to enroll students in 2010 meet the following conditions: works delivered and certified by 30 June 2009; teaching posts assigned or budgeted for vacant positions for the 2010 school year, as reported to the program by the jurisdiction.

NARRATIVE SUMMARY	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<b>COMPONENTS/PRODUCTS</b>			
<b>I. Improvement in public education system performance</b> <b>1. Support for secondary school retention and graduation:</b> <ul style="list-style-type: none"> <li>National student study grant program</li> <li>Supply of textbooks</li> <li>Complementary activities</li> </ul>	By the end of the program: <ul style="list-style-type: none"> <li>600,000 poor youths attending secondary school receive annual study grants.<sup>5</sup></li> <li>7,000 schools receive textbooks and learning materials.</li> <li>7,000 schools implement complementary activities aimed at retention and 2,000 of them finance work with youths (CAJs).</li> </ul>	Program reports  Program reports  Program reports	
<b>2. Support for longer days in primary school:</b> <ul style="list-style-type: none"> <li>Adaptation of school buildings</li> </ul>	<ul style="list-style-type: none"> <li>200 buildings are adapted for the longer school day</li> <li>Strategy formulated to evaluate the longer school day, including quality and equity indicators with their corresponding baselines.</li> </ul>	Program reports  Program reports	
<b>3. Support for system management:</b> <ul style="list-style-type: none"> <li>Support for teachers.</li> <li>Support for career and technical education (CTE).</li> </ul>	<ul style="list-style-type: none"> <li>240 centers for refresher training and innovation in education (CAIE) operating.</li> <li>Catalogue of diplomas and certificates in CTE operating, with Internet access.</li> <li>System for tracking graduates of CTE programs implemented; first census, survey and study of career paths.</li> <li>A specific activity for the analysis and dissemination of the outcomes of the study on tracking graduates of CTE conducted by the Federal CTE Commission.</li> </ul>	Program reports  Program reports  Program reports  Program reports	
<b>II. Expansion of school infrastructure:</b> <b>1. Construction and equipping of new schools.</b>	By the end of the program: <ul style="list-style-type: none"> <li>205 new schools built for new educational services.</li> <li>110 new schools built to replace existing schools.</li> </ul>	Program reports	

<sup>5</sup> Number subject to the results of the decisions taken by the MECyT on the PNBE during the first semester of 2008.