

**PROJECT INFORMATION DOCUMENT (PID)
APPRAISAL STAGE**

Report No.: PIDA5911

Project Name	Support to the National Education Pact Project (P146831)
Region	LATIN AMERICA AND CARIBBEAN
Country	Dominican Republic
Sector(s)	General education sector (70%), Public administration- Education (20%), Pre-primary education (10%)
Theme(s)	Education for all (100%)
Lending Instrument	Investment Project Financing
Project ID	P146831
Borrower(s)	Ministry of Education
Implementing Agency	Ministry of Education
Environmental Category	C-Not Required
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Decision	

I. Project Context

Country Context

Despite rapid growth over the past few decades, the Dominican Republic continues to experience high levels of poverty and inequality. Between 2000 and 2010, Dominican GDP grew at an average annual rate of 5.2 percent, 1.7 percent points higher than the average growth rate for Latin America over the same period (3.5 percent), which led to sustained convergence in GDP with the rest of the region. This sustained growth, however, did not translate into a reduction of poverty during the period: in 2010, 40 percent of the country's population was living in moderate poverty, up from 32 percent in 2000, and above the average for the region. Moreover, inequality, as measured by the Gini coefficient, reduced only slightly, from 0.51 in 2000 to 0.48 in 2010, a reduction equivalent to only half of that experienced across the region.

Low quality education contributes to the weak links between growth and shared prosperity observed in the Dominican Republic. Parental education explains a quarter of the uneven distribution of opportunities as measured by the Human Opportunity Index, limiting children's human capital, their labor market productivity later in life, and thus their ability to share in the benefits of growth. The education system is not fulfilling its potential role as an instrument for fostering equality of opportunities. Moreover, the inadequately educated workforce is one of the main obstacles to doing business in the Dominican Republic, limiting the country's future growth

potential (Global Competitiveness Report, 2011-2012). Improved education is thus critical to promoting a virtuous cycle of growth, poverty reduction, and shared prosperity in the country. Achieving shared prosperity through investing in education to increase human capital is at the heart of the Government's strategy, as evidenced by the conclusions of the Pacto Educativo (National Education Pact, NEP). Among the main conclusions of the NEP are: to achieve universal access in ECD, primary, and secondary education as a tool for social cohesion and economic growth, to highlight the need for the coordination of all educational actors, and to develop instruments to measure outcomes and increase quality throughout the system. Furthermore, the National Development Strategy for 2010-2030 aims to establish "a culture of planning and public policy actions with a long term vision for developing the country, overcoming poverty and increasing the welfare of the Dominican population." Human development plays a key role within this Strategy, as embodied in the second of its four axes, "a society with equal rights and opportunities, education, health, housing and quality basic services."

Sectoral and institutional Context

The Dominican education system is managed by a complex and fragmented set of institutions, resulting in unaligned policies that are implemented unevenly, and seldom robustly evaluated. The sector is governed by two separate ministries: the Ministry of Education of the Dominican Republic (MINERD), and the Ministry of Higher Education, Science, and Technology (MESCyT). The first is responsible for the service delivery of public pre-university education, and has a governance role over all pre-university schools (both public and private). In contrast, MESCyT is responsible for regulating higher education, including courses related to pre-service teacher training; it is, however, limited by laws protecting the autonomy of universities, as is the case in many other countries. With regards to teacher policies, for example, there are several agencies with differing levels of autonomy under MINERD that are responsible for implementing and evaluating policies: the Salomé Ureña Teacher Training Institute (ISFODOSU), the National Institute of Education and Training of Teachers (INAFOCAM), and the Dominican Institute of Research and Evaluation (IDEICE). The result is a complex landscape of actors responsible for managing the education system, specifically designing, implementing, and evaluating education policies.

The early childhood development (ECD) sectors face similar institutional and governance challenges. The Government's flagship program Quisqueya Empieza Contigo (QEC) is being designed by the General Directorate of Special Programs of the Presidency (DIGEPEP). Under the plan, the bulk of the service provision for children 0-4 will be passed on to the MINERD, representing a new mandate for them. To regulate the provision of ECD services under QEC, the National Institute of Comprehensive Care for Early Childhood (Instituto Nacional de Atención Integral a la Primera Infancia - INAIPI) would be created, under the umbrella of the MINERD. This new institution would need to operate in harmony with the other levels of the education system (especially primary), as well as across other sectors (especially health), and programs from other instances of government such as Gabinete Social.

Although significant gains in access to education have been achieved over the past decade, the system remains one of the poorest performing in the region. An aggressive construction policy has greatly expanded coverage at all levels since 2004. Net enrollment rates are now 36 percent in preschool education (0-5 years of age, and compulsory for children aged 5 in preparation for their entrance into basic education), 89 percent in basic education (grades 1-8), and 62 percent in secondary education (grades 9-12). Women have slightly higher enrollment rates at all levels, but

higher in secondary and higher education (PREM DR Gender Technical Note, 2013). Aside from the low enrollment rates at preschool and secondary levels, the system has low internal efficiency, and poor student learning outcomes. According to regional student assessments, Dominican students ranked last among test takers, performing well below regional averages in all subject areas (SERCE, 2006). Even students from upper income quintiles, while performing considerably better than poorer students, performed badly relative to similar socio-economic groups in other countries. An average of 78 percent of third-grade students did not achieve a basic level of competence in reading. Scores in mathematics were worse, with 90 percent of students performing below the basic level. This stands in sharp contrast to comparable countries such as Costa Rica (12% in reading and 27% in mathematics) and the regional average (33% in reading and 46% in mathematics).

Among these challenges, there are four that significantly constrain the performance of the system: i) underperforming teachers; ii) the lack of a clear strategy for the assessment of learning, in particular in early grades, and the use of that information by different actors in the system (teacher training institutions, schools, parents) for better decision making; iii) the lack of school readiness of children who enter formal education; and iv) weaknesses in institutional capacity at all levels of the system.

First, an education system cannot outperform the quality of its teaching force. A recent survey of mathematics teachers conducted by IDEICE revealed that only a minority of teachers (45 percent) were able to correctly answer 50 percent or more of questions related to the content they were supposed to be teaching (IDEICE, 2013). This is the result of a series of policy weaknesses starting with the low interest of the most able in pursuing a career in teaching, the lack of teacher standards that guide teacher performance, the lack of an open and transparent selection and recruitment system for new teachers, the quality and pertinence of the training they receive before and during their career, the lack of data on performance to give specific feedback to teachers for their improvement, and the incentives that the systems offers for teachers' career development. Historically, for example, the selection process for teaching degrees has not been competitive, leading to a low-performing pool of students. ISFODOSU, the largest pre-service teacher training institution (graduating 20 percent of teachers every year) after UASD (Autonomous University of Santo Domingo), is currently revising its application procedures to make admissions more selective, and attract high-achieving secondary graduates through scholarship programs. Training programs for existing teachers also show weaknesses. In-service training programs are provided by universities, with 90 percent of students financed through INAFOCAM. Unfortunately, financing is not targeted based on school and teacher needs due to a lack of information, and is not informed by diagnostic information or subjected to evaluations of impact. INAFOCAM is piloting improved training courses and evaluating the impact of existing programs. The revision of pre-service and in-service programs is all the more relevant, given the expected increase in demand for teachers resulting from the implementation of the full-time schools policy, which would happen in tandem with changes in the teaching career, also in the process of development.

Second, although student assessments exist for grades 8 and 12, they are not used to identify learning gaps in detail or diagnose system challenges, let alone design corrective action at the school and teacher training institutions levels. What is more, since the first snapshot of how students are performing is not until grade 8, it is often too late to address the fundamental weaknesses around reading instruction and early math. Earlier assessments are needed to flag weaknesses early on so that programs can be adjusted in teacher training institutions to give support to teachers in the areas of highest need. To that end, the MINERD has implemented a sample-based assessment in grades 3-4 and 10 during the last two years, which is an important step toward a more

comprehensive assessment system.

Third, the lack of early childhood development (ECD) services results in low school readiness for the majority of students, especially those coming from poorer backgrounds. Research has shown that early ECD interventions improve learning and labor outcomes later in life (Paxson and Schady, 2007). Given that the poorest households can hardly afford private ECD services, the gap in school readiness and cognitive and non-cognitive development is posed to increase between poor and rich children as they grow older. To tackle this, the government has designed and started to implement the program Quisqueya Empieza Contigo (QEC). The quality of these services is the most determining factor in to achieving the desired results.

The final main challenge that constrains the performance of the system is its overly centralized management. The system features duplicate efforts at various levels, outdated processes, and no clear mechanisms to make schools accountable to neither the community nor the MINERD for the quality of education (PREAL, 2010). As a result, the MINERD has launched initiatives for institutional capacity building. As part of the reform supported by the Bank's Development Policy Lending series, and in support of the decentralization process, the MINERD established specific budget line items for the transfer of resources to SMCs in 2011 (Resolución No. 0668-2011). This policy specified that at least 2.5 percent of MINERD's overall budget would be transferred to SMCs, based on the number of students in each school. Given this was the first time SMCs were to receive significant financial resources, strict controls were put in place for the legalization of SMCs, establishment of bank accounts, frequency of transfers, eligible expenditures, financial accounting, and procurement procedures. While these controls served to ensure careful management of the resources, their specificity and rigidity have limited the number of fully established SMCs to just 1,000 (out of a total of approximately 7,000 schools), and created numerous administrative bottlenecks such that SMCs do not receive all the transfers they are due and are unable to spend them as needed to improve quality, which has created frustration among SMCs and constrained achievement of development objectives. Accordingly, MINERD has embarked on an ambitious program to establish SMCs in all schools before 2018 and has identified a series of reforms to its regulations concerning SMCs, designed to improve financial flows and their impact on student learning.

The Government has shown commitment to tackling these challenges through a broad reform of the education sector, starting with a doubling of the pre-tertiary education budget to 4 percent of GDP. This financial commitment to the sector is the clearest evidence of the political will behind the needed transformation of the sector. The main programs that this is expected to finance are: i) eliminating illiteracy; ii) improving curriculum and teacher training/development; iii) increasing the length of the school day (including student feeding programs); iv) modernizing the institutional framework by giving more responsibility to schools and SMCs; and v) building new classrooms and rehabilitating existing ones. These priorities are aligned with and have been informed by the Iniciativa Dominicana por una Educación de Calidad (IDEC), a process involving civil society, the private sector, universities, NGOs, and all active donors in the education sector to put forth recommendations for the implementation of education policies. With the technical consensus having been reached through IDEC, the Government embarked on a political process known as the Pacto Educativo, consisting of a series of meetings with different parts of society (including Government, independent agencies, universities, teachers unions, and civil society) with the objective of a broad endorsement across sectors of society and transcending political parties on the way to solve the issues that impede reform in the education and to implement their

recommendations during the next decade. The final document of the Pacto, signed in April 2014, reflected the agreement to, among other things: i) reform the teaching career by revising pre-service and in-service training programs and implementing an induction exam; ii) adopt a culture of evaluation across all sectors and actors in the education system; iii) increase the quality of early childhood education; and iv) modernize the management of the system to increase its efficacy and efficiency, with a focus on decentralization.

There are several international partners supporting MINERD in the design and implementation of these programs. The European Union jointly with the Spanish Agency for International Development Cooperation (AECID) provides direct budget support, technical assistance and capacity building in the education sector and looks to address quality through the creation of an accreditation system for tertiary education and teacher training programs. The Inter-American Development Bank (IDB) provides financing and technical assistance in support of the 10-Year Education Plan, focusing on the expansion of the full-time school model which increases the school day by about 3 hours. The program aims to improve the performance and efficiency of primary and secondary education, to expand school infrastructure through the creation of “mirror schools” located on the same premise or near existing schools to accommodate the extended schedule, and to improve reading comprehension, writing and math skills in the first four elementary school grades. Other active partners are UNICEF (focusing primarily on improving primary education), USAID (early grade reading), the OEI (with some support to the definition of teacher career), the French Development Agency (higher education student loans), and the Cuban government (technical assistance for literacy campaign). Under the coordination of MINERD, these efforts complement the proposed areas of support under this operation.

Based on the activities being implemented by the Government and other donors, together with the four main constraints identified, the Bank’s value added would be highest, and likelihood of impact maximized, in the following areas: i) teacher policies and career, ii) comprehensive evaluation system, iii) quality assurance of ECD, and iv) capacity strengthening for MINERD through decentralization and administrative systems. All four themes have been endorsed by relevant actors represented in the Pacto Educativo, and complement actions underway by donors to improve access, literacy, and curricula. In addition, the last theme builds on an ongoing Government effort to increase the efficiency of school expenditures through decentralization, supported through the First, Second, and Third Development Policy Loans on Performance and Accountability of Social Sectors (PASS, P125806). The Bank has leading technical knowledge, operational experience, and convening power in the areas of teacher policy and ECD, which gives it a comparative advantage in providing the MINERD with expert support in the design of policies that lead to high quality education. The Bank is a global leader in producing state-of-the-art knowledge on teacher policies worldwide, as well as within the LAC region, as reflected by the recently completed Regional study “Building Better Teachers in LAC”. The ability to leverage this knowledge, combined with high quality local diagnostics, such as SABER-Teachers recently implemented in the Dominican Republic, allows the Bank to provide evidence-based recommendations to the MINERD adapted to the local context. Similarly, the Bank is one of the regional leaders in ECD, leading the operationalization of the strategy to invest early and intelligently in education in Latin America and the Caribbean. In addition to contributing substantially to the global evidence base on the effectiveness and cost-efficiency of investing in ECD, the Bank carries out country-specific diagnostics across the region, and facilitates the sharing of experiences on ECD such as through the international conference held in June 2013 in Santo Domingo.

II. Proposed Development Objectives

The proposed Project Development Objective is to improve the management of the education system, particularly in the areas of teacher management, evaluation, quality assurance of ECD centers, and school management.

III. Project Description

Component Name

Supporting the Implementation of the National Education Pact

Comments (optional)

Component Name

Technical Cooperation

Comments (optional)

IV. Financing (in USD Million)

Total Project Cost:	50.00	Total Bank Financing:	50.00
Financing Gap:	0.00		
For Loans/Credits/Others			Amount
Borrower			0.00
International Bank for Reconstruction and Development			50.00
Total			50.00

V. Implementation

A. Institutional and Implementation Arrangements

The Project would be implemented by the MINERD, the Ministry in charge of all pre-tertiary public education in the Dominican Republic. The MINERD and its autonomous agencies responsible for the policy areas identified as priorities would be responsible for implementing all activities related to Component 1, under the coordination of the Office of International Cooperation (OCI). The OCI is the office responsible for coordinating and overseeing all internationally-funded projects in the education sector, as well as overseeing and supporting all institutions involved in their implementation. ISFODOSU, INAFOCAM, and MESCyT would be responsible for supporting MINERD in the implementation of policies related to Improving Teacher Policies. The Dominican Institute of Research and Evaluation (IDEICE) would support MINERD in the implementation of the Comprehensive Evaluation System subcomponent. The General Directorate of Special Programs of the Presidency (DIGEPEP) would oversee all implementation relating to Strengthening ECD Institutions. The OCI would coordinate the technical cooperation under Component 2. During the Bank's previous Early Childhood Education (ECE) Project (P054937), which closed in August 2011, the OCI carried out thorough monitoring of project activities during implementation in compliance with its agreement with the Bank, and was responsible for the elaboration of process and impact evaluations at various stages, which were one of the project's strengths. Strengths of the MINERD/OCI include that they are already using the country system for entities implementing Projects with external resources (UEPEX) and have previous experience handling Bank funds Their

computerized FM system has embedded in it an adaptable accounts chart which allows them to take specific project circumstances into account, as well as soft and hard controls to avoid budget overruns, with a requirement that variations be approved in advance.

B. Results Monitoring and Evaluation

The Project Coordination Unit would be responsible for monitoring and evaluation, with input from each of the units implementing the Project (see Annex 3). It would send biannual Progress Reports to the Bank, including on progress toward targets in the Results Matrix.

Component 2 (Technical Cooperation) would include, among other interventions, (i) a capacity building program on impact evaluations for the Evaluation and Quality office of MINERD (complementing Component 1.2 interventions), and (ii) an impact evaluation of INAFOCAM in-service programs, with randomized assignment (complementing Component 1.1 interventions). INAFOCAM is planning to roll out a series of short-term training programs for current teachers over the next two years. The lapse in time would allow for a randomized evaluation design. Up to this point, the INAFOCAM evaluation team has only carried out pre-post evaluations of training programs, due to staff and technical limitations. The technical assistance would focus on providing the INAFOCAM team with the capacity to carry out impact evaluations. The Bank will also work with other partners to help the MINERD revise their training and communication materials to be gender informed and to avoid the distribution of materials that perpetuate gender stereotypes.

C. Sustainability

The sustainability of the Project is anchored in the Government's willingness to tackle the challenges of the Dominican education system; this is shown by the commitment to increase pre-tertiary education spending to 4 percent of GDP and the ongoing support to the Pacto Educativo process, on which most Project interventions are based. The endorsement of the Pacto Educativo in April 2014 by all political parties and major actors in the system (Government, unions, and civil society) mitigates the risk of future policy changes. Additionally, the Project would finance systemic interventions that permanently change the functioning of the sector, rather than piecemeal activities with lesser chance of lasting impact. Finally, all programs and activities supported by the Project are fully funded in the Government's regular budget, ensuring fiscal sustainability.

VI. Safeguard Policies (including public consultation)

Safeguard Policies Triggered by the Project	Yes	No
Environmental Assessment OP/BP 4.01		x
Natural Habitats OP/BP 4.04		x
Forests OP/BP 4.36		x
Pest Management OP 4.09		x
Physical Cultural Resources OP/BP 4.11		x
Indigenous Peoples OP/BP 4.10		x
Involuntary Resettlement OP/BP 4.12		x
Safety of Dams OP/BP 4.37		x
Projects on International Waterways OP/BP 7.50		x
Projects in Disputed Areas OP/BP 7.60		x

Comments (optional)

VII. Contact point

World Bank

Contact: Peter Anthony Holland
Title: Senior Education Specialist
Tel: 473-8095
Email: pholland@worldbank.org

Borrower/Client/Recipient

Name: Ministry of Education
Contact: Carlos Amarante Baret
Title: Minister of Education
Tel:
Email:

Implementing Agencies

Name: Ministry of Education
Contact: Víctor R. Sánchez Jáquez
Title: Vice Minister of Education
Tel: 8092841674
Email: Victor.Sanchez@minerd.gob.do

VIII. For more information contact:

The InfoShop
The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 458-4500
Fax: (202) 522-1500
Web: <http://www.worldbank.org/infoshop>