

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

**BRAZIL**

**PROGRAM EDUCATION FOR THE FUTURE FOR THE STATE OF PARANÁ.  
SECOND INDIVIDUAL OPERATION UNDER CONDITIONAL CREDIT LINE FOR  
INVESTMENT PROJECTS (CCLIP) “SOCIAL SPENDING MODERNIZATION  
PROGRAM IN BRAZIL - PROSOCIAL”.**

**(BR-L1551)**

**PROJECT PROFILE**

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Under the Access to Information Policy, this document is subject to Public Disclosure.

## PROJECT PROFILE

### BRAZIL

#### I. BASIC DATA

<b>Project Name:</b>	Program Education for the Future for the state of Paraná. Second individual operation under Conditional Credit Line for Investment Projects (CCLIP) “Social Spending Modernization Program in Brazil - ProSocial”.		
<b>Project Number:</b>	BR-L1551		
<b>Project Team:</b>	João Cossi (EDU/CBR), team leader; Livia Gouvea (LMK/CBR), co-team leader; Ximena Duenas (EDU/CBR) Marcelo Perez-Alfaro (EDU/CUR), Maria Fernanda Prada (SCL/EDU), Graciana Rucci (SCL/LMK) and Claire Bentata (SCL/LMK), team members; Leise Estevanato and Karina Díaz (VPC/FMP); Krysia Avila (LEG/SGO); Soraya Senosier and Elizabeth Nascimento (VPS/ESG); Livia Minoja (INE/INE); Rodolfo Scannone (SCL/EDU) and Marcisgley Perez (CSC/CBR).		
<b>Borrower:</b>	State of Paraná.		
<b>Executing Agency:</b>	State of Paraná, through its Education Department.		
<b>Guarantor:</b>	Federative Republic of Brazil		
<b>Financial Plan:</b>	IDB (Ordinary Capital):	US\$	115 million
	Local:	US\$	28.75 million
	Total:	US\$	143.75 million
<b>Safeguards:</b>	Policies triggered:	OP-102; OP-704;OP-761; OP-703 (B.1, B.2 ,B.3, B.4, B.5, B.6, B.7, B.11, B.17)	
	Classification:	B	

#### II. GENERAL JUSTIFICATION AND OBJECTIVES

- 2.1 **Parana’s education challenges.** Paraná (PR) has a population of 11.4 million ([IBGE](#)) and is the sixth most populous state in Brazil. The unemployment rate for the state’s general population is 9%, rising to 17% for its younger population<sup>1</sup> ([PNAD/IBGE](#)). Additionally, 15% of people between 15 and 17 years old are out of school ([Brazilian Basic Education Yearbook](#)), and 8.7% of youth<sup>2</sup> are neither in school or at work ([PNAD/IBGE](#)), also known as NEET for “not in education, employment or training”. In 2018, only 65% of students finished high school<sup>3</sup> (HS) on time<sup>4</sup> and, over the last decade, HS learning outcomes (IDEB) have declined from 4.8 to 4.5<sup>5</sup>.

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<sup>1</sup> People between 18-24 years old.

<sup>2</sup> People between 15-24 years old.

<sup>3</sup> Grades 10-12.

<sup>4</sup> On time is defined as graduation from HS at age up to 19 years old. PR’s had the sixth worst improvement among the 27 Brazilian states (6.4 p.p. from 2012 to 2018). Brazil has presented a rate of 63.5%, similar to PR’s, with an increase of 11.8 p.p, much higher than PR. ([Todos pela Educação](#), with INEP data)

<sup>5</sup> The national index of education quality (IDEB) has decreased in PR (from 4.8 in 2009 to 4.5 in 2017), while Brazil’s increased (3.4 to 3.5) ([QEdu](#), with INEP data). IDEB measures both students’

- 2.2 **To improve learning outcomes and completion rates<sup>6</sup>, Brazil launched a national HS reform<sup>7</sup>.** Brazil is a federative country where the responsibility for education is shared among different levels of government. Regarding basic education,<sup>8</sup> Brazil's Federal Government is mainly responsible for policy-making, while state and municipal governments are responsible for implementation and service provision. After recognizing that the current HS system is outdated and does not prepare youth for 21<sup>st</sup> century challenges and employment, in 2017, the Federal Government launched an ambitious reform. This HS reform has three main pillars<sup>9</sup>: (i) implement a new curriculum that incorporates 21<sup>st</sup> century skills to increase students' leadership, socio-emotional and digital skills; (ii) create five flexible pathways<sup>10</sup> (math, language, social sciences and humanities, natural sciences, and technical and professional or TEHS) to give students more choices to further study subjects they prefer; and (iii) increase the enrollment of students attending full-time schools<sup>11</sup> and TEHS courses<sup>12</sup>. The reform will be gradually implemented by the states. The biggest implementation challenge is the fact that all students entering HS by 2022 will be offered at least two pathways.
- 2.3 **Implementation of HS reform in PR.** Currently, 346,000 HS students are enrolled in 1,540 schools, and taught by 19,000 teachers. At this time, schools offer mainly three different modalities<sup>13</sup>: (i) regular academic (88.4% of HS enrollment), with 1,000 hours per year, over a three-year period; (ii) integrated HS (8.1% of HS enrollment), which combines "Regular academic HS" with technical education (TEHS<sup>14</sup>) and requires 1,200 hours per year for four years; and (iii) "Magistério"<sup>15</sup> (4.8% of HS enrollment), which requires 1,000 hours per year, for four years. Thus, as part of the HS reform, PR will have to expand its modalities to provide more flexible pathways, and increase TEHS enrollment from 8% to 19% by 2026. This increase will be achieved by shifting 35,000 seats from "Regular academic HS" to TEHS<sup>16</sup>.

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proficiency, a grade from an external evaluation, and promotion rates, as a percentage. Final IDEB is calculated by multiplying proficiency times promotion rate. It varies from 0-10.

<sup>6</sup> Low on-time completion rates and poor learning outcomes are common across the country.

<sup>7</sup> Source: [Brazilian law](#).

<sup>8</sup> The Brazilian Constitution defines that early childhood (6 months-5 years) education is the municipalities' responsibility. Elementary and Middle School (Grades 1-9) responsibility is shared between states and municipalities. High school is mainly each states' responsibility.

<sup>9</sup> Source: Brazilian Ministry of Education - [MEC](#).

<sup>10</sup> When beginning high school, Grade 10 students will have to choose one pathway. This means that they will have to take more classes on specific subjects depending on their choice, and fewer courses related to other pathways (e.g., students choosing math will take fewer language courses). Depending on the implementation design and on the student's choice, students may have to move to another school, take some courses in neighboring schools or online. In addition to the pathway, students may take elective courses, which are not necessarily related to their pathway. Finally, students may decide to change their choice during HS, however, that may require additional classes during some years or an additional year so that they complete the workload required for each year.

<sup>11</sup> The National Education Plan ([PNE](#)) has a target of 25% of students enrolled in full-time schooling by 2024.

<sup>12</sup> [PNE](#) defines that TEHS should triple from 2014 to 2024. In 2014, Integrated TEHS was 4.4% of total HS enrollment (366,959 out of 8,300,189). In 2018, Integrated TEHS increased to 6.6% (505,791 out of 7,709,929).

<sup>13</sup> Not including Adult Learning (EJA, in Portuguese) nor subsequent, shorter courses offered for students enrolled in HS or people who already graduated from HS.

<sup>14</sup> TEHS are Technical and Vocational Education (TVET) for High Schools.

<sup>15</sup> "Magistério" is a course for students who want to teach elementary school after HS graduation.

<sup>16</sup> State Education Plan, link at Annex IV.

- 2.4 **To successfully implement HS reform, the State Department of Education (SEED) will need to address the following four challenges:** (i) updating educational policies (curriculum, teacher training, instructional materials, assessment) as the existing ones are rigid, outdated, and disconnected from the demand for skills; (ii) modernizing the schools' digital infrastructure and services to allow new pedagogical approaches; (iii) updating school infrastructure for TEHS; and (iv) modernizing management and information systems as the existing ones are outdated and inadequate to support SEED's present and future needs.
- 2.5 **Students have minimal choices in HS.** Despite the call for more flexibility and options, in most schools, SEED offers one pathway, which requires students to take the same program, spread over 12 subjects<sup>17</sup>. Instructional materials, teacher and principal in-service training, and assessments are standardized across the system and are outdated. The curriculum has not been updated since 2008<sup>18</sup>, predating the launch of the new national standard of learning. Specific teaching expertise required for flexible pathways is not available in all state's geographic regions<sup>19</sup>.
- 2.6 **The curriculum is not responsive to labor market needs.**<sup>20</sup> TEHS program and practices were defined a decade ago, and SEED does not have a systematic mechanism in place to establish a relationship between TEHS offerings and skills demanded by employers, weakening the curriculum's pertinence<sup>21</sup>. Additionally, there is no orientation strategy to help students decide which career to pursue, limiting career counselling services.
- 2.7 **Schools' digital infrastructure and services are not prepared for new pedagogical approaches.** Most schools have some EdTech<sup>22</sup>, mainly computers/notebooks, but these are frequently more than five years old and no longer sufficient to teach 21<sup>st</sup> century skills.<sup>23</sup> Furthermore, internet at schools is only available for administrative purposes, or is restricted to computer labs. Online/interactive teaching and learning content is not available for either teachers or students, nor is there a structure for online teaching/learning.

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<sup>17</sup> Mandatory courses are: math, Portuguese, English, history, geography, physics, chemistry, biology, sociology, philosophy, physical education, and arts.

<sup>18</sup> [Current curricular policies at PR.](#)

<sup>19</sup> Since every student must complete twelve mandatory subjects, students do not go deep in each subject. Consequently, specialized subject teachers are not needed. When the pathways are implemented, teachers will need to have more specific knowledge and expertise about specific subjects. Therefore, it will be harder to find appropriate expertise in every geographic region of the state.

<sup>20</sup> In Paraná, students who completed HS have a lower unemployment rate compared to students with only middle school (8.4% compared to 12.9%). Although, it is not possible to compare unemployment rates between students from regular academic HS and TEHS in PR, national and international evidence confirms that aligning TEHS with labor market's demand can increase youth employability (Ryan, 2001; Hanushek, Woessmann and Zhang, 2011; Eichhorst, Rodríguez-Planas, Schmidl and Zimmermann, 2012; Eichhorst, 2015).

<sup>21</sup> [Disconnected: Skills, Education and Labor Markets in Latin America](#) (Bassi, M., et.al., 2012)

<sup>22</sup> Facilitate learning and improving performance by creating, using, and managing appropriate technological processes and resources.

<sup>23</sup> Arias Ortiz, E.; Cristia, J.; 2014. "[O BID e a tecnologia para melhorar a aprendizagem: como promover programas eficazes?](#)"

- 2.8 **Lack of adequate infrastructure for TEHS demand.** More than doubling TEHS enrollment will impact approximately 400 schools. These schools, prepared for Regular Academic HS, do not provide the space, labs, and other facilities and equipment required to house TEHS courses. Moreover, TEHS programs require an additional year of classes<sup>24</sup>, indicating the need<sup>25</sup> for more classrooms. Finally, there are six regions that need to expand school infrastructure, requiring new schools for approximately 16,000 students<sup>26</sup>.
- 2.9 **Management and information systems are outdated and inadequate to support SEED's present and future needs.** SEED's current IT/management systems are outdated and do not support SEED's needs: (i) the "School Management" system is outdated, which restricts usage and update of available data, and does not provide management reports; (ii) Human Resources and Payroll systems do not provide information about teachers' working hours, preventing management decisions on how to best allocate teachers; (iii) student' enrollment statistics and allocation processes require manual steps that are prone to errors; (iv) no systematic information is available about teacher qualifications, staff shortages and ability gaps, making it difficult to create an online/customized teachers' in-service training; and (v) there is no IT system to monitor students' educational and professional progress after-graduation and/or assess TEHS courses' pertinence to labor market needs. Offering students flexible pathways mandated by HS reform requires having multiple student records that need to be combined to accurately reflect all the courses taken by each student. Student may take courses at their school, in neighboring schools, or via on-line platforms. Additionally, HS reform will require more teachers to be integrated into the system, adding complexity to teacher management and recruitment, teacher allocation, and payroll processing.
- 2.10 **COVID-19:** The current outbreak of COVID-19 dramatically changed families' economic situation and education provision. SEED closed schools on March 16<sup>th</sup> and there is no certain date for reopening. SEED will also have to rely on other means such as standard broadcastings, textbooks and portals to provide education to its students. The lack of schools' digital infrastructure, online learning platforms and services severely prevents adequate learning continuity<sup>27</sup>.
- 2.11 **ProSocial:** this is the second individual operation under CCLIP "ProSocial"<sup>28</sup>, which has the goal of (i) improving the quality of social services to citizens; and (ii) increasing operational and strategic management capacity to the sectorial level.

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<sup>24</sup> TEHS requires 1,200 hours per year for four years, which is one year more than Regular HS. SEED may redesign the course to be three years long with 1,600 hours per year.

<sup>25</sup> SEED is running a diagnosis to define the location of each school which will offer TEHS and what exactly each school will need in order to provide each TEHS courses.

<sup>26</sup> 2020, "Estudo de Demanda de Vagas para o Estado do Paraná". There are six cities with demand for new schools: Curitiba, Fazenda Rio Grande, São José dos Pinhais, Ponta Grossa, Londrina e Cascavel.

<sup>27</sup> There are three key factors to restore education after school closure in an event like COVID 19: (i) maintain the relationship between teachers and students and the school with their parents; (ii) deliver learning contents to the students; and (iii) assure monitoring and support to students and parents in the learning process. EdTech environment could solve all of them.

<sup>28</sup> BR-O0009, currently being processed together with its first individual operation, in the health sector (BR-L1543), declared eligible on March 26th 2020. This is the second individual operation, in a different sector (education), to be financed under ProSocial, thus subject to its approval.

ProSocial is a Multisectoral CCLIP under Modality II as per GN-2246-13, comprising actions for: (i) early childhood development, (ii) primary and secondary education, (iii) health; (iv) labor markets; and (v) pensions. A graphic representation of ProSocial's operational functioning is available in annex IV (references). This operation is aligned to ProSocial's goals since it aims to: (i) improve the quality and the coverage of high school supply; (ii) improve the quality of the services to facilitate transition transaction from basic education to higher education and the labor market; and (iii) increase SEED's operational and strategic management capacity. The operation relates with the following ProSocial's Components: 2 "To promote the service provision and management digital transformation", by providing digital infrastructure and services to the school level; 3 "To strengthen planning capacities for sectorial institutions", by updating SEED's management processes and systems; and 4 "Improve service provision", by updating SEED's curriculum and TEHS offerings.

- 2.12 Eligibility under the CCLIP Policy (GN-2246-13) and respective Operational Guidelines (OP-1622-3). All eligibility criteria for a CCLIP are fulfilled, since: (i) the objectives of the Credit Line are within the priorities defined in Brazil's Country Strategy with the IDB Group (detailed in 2.19); and (ii) the liaison institution, the Ministry of Economy, through its Secretary of Evaluation and Planning (SECAP), has departments with specialized staff to evaluate the efficacy of public expenditure and the authority to coordinate and monitor the general operational program of all sectors included in ProSocial. Also, this operation meets all criteria for an individual operation: (i) a complete Institutional Capacity Assessment Platform for Sovereign Guaranteed Operations (ICAP) of the Executing Agency will be performed, and actions will be proposed in case any areas of improvement are identified in the ICAP; (ii) the objectives of this operation contribute to ProSocial's goals (detailed in paragraph 2.11); and (iii) the activities to be financed are aligned with ProSocial's education sector and components (detailed in paragraph 2.11).
- 2.13 **The financial instrument to be used will be a Multiple Works loan.** The operation complies with all three criteria defined for Multiple Works Program loans(PR-202): (i) the new school buildings and expansion of existing schools are physical similar works but independent of each other; (ii) there is no specific target about the number of buildings in the project; and (iii) the works are small, not requiring IDB's direct management. Additionally, SEED has preliminary identified regions with the largest demand for new students slots, but it will still need to refine: (i) the demand for new labs pending number of students and labor market needs; (ii) the final selection of schools for expansion and adaptation which is expected to be finalized at the beginning of the operation. A representative sample of at least 30% of the building costs will have their location defined prior to loan approval. The total amount will be US\$ 143.75 million. IDB will lend 80% (US\$115 million) and the remaining 20% (US\$28.75 million) will be the counterpart contribution.
- 2.14 In summary, the reform of secondary education that must be implemented by the states by 2022 is an opportunity to increase the completion rate of students in secondary education. The state of Paraná will take the following actions to achieve this objective: (i) updating the curriculum incorporating the recommendations of the working groups with students, employers, the state council of education and teachers; (ii) the adaptation of the physical and digital infrastructure to meet the

demands of the reform in order to optimize resources by offering the greatest number of itineraries without significantly increasing the teaching staff or building unnecessary new schools; (iii) improve the connection between secondary education and the labor market to offer available information to students and support them in making decisions about their future; and (iv) increase the supply of TEHS.

- 2.15 **Objectives and components.** The project's general objective is to increase the rate of students finishing HS<sup>29</sup>. Specific objectives include: (i) improve the quality and the coverage of high school supply; (ii) improve the quality of the services to facilitate transition transaction from basic education to higher education and the labor market; and (iii) increase SEED's operational and strategic management capacity.
- 2.16 **Component 1: Education policies and digital infrastructure to support HS reform (US\$41.6 million).** The objective of this component is to increase the quality of high school education supply, fostering the digital transformation of the education system<sup>30</sup>. It will finance: (i) the development and implementation of new curricula, and instructional materials, digital learning platforms and contents; (ii) training of teachers and principals on the new curricula<sup>31</sup>; (iii) a demand analysis for the five pathways in each region, to inform the new curricula implementation planning and schools' educational projects; and (iv) equipment and services to improve all schools' digital connectivity and technology infrastructure, such as computers, notebooks, online platforms, and equipment for makerspaces<sup>32</sup>.
- 2.17 **Component 2: Schools' infrastructure and equipment for TEHS expansion (US\$64 million).** The objective of this component is to expand the coverage of high school supply, and will finance: (i) construction<sup>33</sup> of new TEHS schools, and expansion/adaptation of existing ones<sup>34</sup>; (ii) services for building projects and construction supervision; and (iii) furniture and equipment<sup>35</sup> for TEHS schools and laboratories.
- 2.18 **Component 3: Transition to the Future of Work (US\$4 million).** The objective of this component is to increase the quality of services to facilitate the transition from basic education to higher education and the labor market. It will finance: (i) implementation of regular monitoring practices/systems that allow: (a)

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<sup>29</sup> The project's main objective does not take into consideration adult learning.

<sup>30</sup> This will allow SEED's education system to operate in a blended way and to assure learning continuation in the event of a crisis like COVID-19.

<sup>31</sup> Besides integrating climate change and sustainability in the new curricula as provided in the new National Standard of Learning ("BNCC"), the project will promote specific climate change contents in the agricultural TEHS course and possibly others, as agreed with the counterpart.

<sup>32</sup> Makerspaces provide equipment such as robotics kits, 3D printers and additional materials and support required. Similar experiences can be found in Uruguay's [Plan Ceibal](#).

<sup>33</sup> Construction will follow national building standards ([FNDE](#)), which includes accessibility ([ABNT](#)), and, when available, the best practices to incorporate sustainable and resilient infrastructure ([Edge/IFC](#)). Investments will prioritize lower SES regions.

<sup>34</sup> The expansion will impact 35,000 students. SEED is still refining its plan, but it is expected to achieve this expansion by building approximately six new schools, and expanding (new classrooms) or adapting (building labs) approximately 100 regular HS schools.

<sup>35</sup> When available, the state will prioritize equipment with higher energy efficiency. The infrastructure will include green building measures using the [IDB Manual on this topic](#).

permanent quality assessment<sup>36</sup> of TEHS courses, (b) follow up of students who graduated from TEHS, (c) mapping the TEHS-labor market gap<sup>37</sup>; (ii) design and implementation of interventions to foster collaboration between TEHS and private enterprises, such as offering internships, training, and events.

- 2.19 **Component 4: Educational management process and systems (US\$4 million).** The objective of this component is to increase SEED's operational and strategic management capacity, by improving educational management process, systems and resource allocation. It will provide SEED with information and tools to better manage and coordinate the core aspects of the new pedagogical model, and current administrative and financial issues. It will finance the improvement of different management processes. Special focus will be given to controlling student and teacher absenteeism, strengthening the management of student<sup>38</sup> and teacher allocation, improving communication between schools and families, and teacher training optimization. An EMIS (SIGED<sup>39</sup>, in Spanish) diagnosis will be conducted to inform its design and implementation.
- 2.20 **Program Administration (US\$1.4 million).** This resource will improve SEED's capacity to execute and monitor the program, including: (i) the creation of the project management unit; (ii) program evaluation; and (iii) additional goods and services for program management.
- 2.21 **Expected results and beneficiaries.** The project's main impact indicator is to increase the rate of students finishing HS. The following result indicators are expected to improve: (i) number of students enrolled in schools which implemented HS reform<sup>40</sup>; (ii) number of students enrolled in TEHS courses; and (iii) the rate of students finding a job or pursuing higher education after TEHS courses. These and other indicators will be added in the Results Matrix, which will be used to monitor the results of this operation. More detail about monitoring and evaluation will be provided in the POD. The intended beneficiaries for this operation are all students enrolled in state-run public schools.
- 2.22 **Strategic alignment:** The program is consistent with the Update to the Institutional Strategy (UIS) 2020-2023 (AB-3190-2) and is strategically aligned with the development challenge of (i) social inclusion and equality by targeting lower SES regions and expanding students' access to TEHS; and (ii) productivity and innovation, in the area of human capital development, by focusing on TEHS expansion based on the demand for skilled labor in high-tech companies. The program is also aligned with the cross-cutting themes of: (i) gender equality and diversity promoting actions to decrease the gap between boys and girls who

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<sup>36</sup> New ways to evaluate TEHS courses will be developed, such as incorporating employer feedback and developing professional skills' evaluation.

<sup>37</sup> As showed in this [Technical Note](#), this gap is significant in the region and there are ways to overcome it.

<sup>38</sup> The reformulation of TEHS students' allocation and management will also include engagement actions to attract lower SES students, girls on better paying careers, and to monitor lower their learning so that SEED can support their development.

<sup>39</sup> IDB's [SIGED](#) framework organize management processes in (i) infrastructure and equipment, (ii) schools, (iii) students, (iv) human resources, (v) digital content for both teachers and students, and (vi) strategic information.

<sup>40</sup> It means having their human resources trained and the infrastructure ready for the new educational policies.



- choose better paying careers; (ii) climate change and environmental sustainability by financing climate change adaptation and/or mitigation measures in the design and construction of the schools, and by adapting curricula and teaching practice so that students can develop skills and knowledge on sustainable development and climate aspects; and (iii) institutional capacity and rule of law by automating and improving process and controls at SEED so that they can have make better decisions and promote financial efficiency. Moreover, the program is aligned with the operational area of emphasis of technology and innovation, by reducing the technology gaps for students and teachers, strengthening digital skills development, and preparing qualified students for changes due to automation of labor. Additionally, the program will contribute to the Corporate Results Framework (CRF) (GN-2727-12) since it seeks to improve the following indicators: (i) students benefited by education projects; (ii) number of people employed contributing to social security, by expanding employability; (iii) gender inequality index, by decreasing the gap on better paying careers; and (iv) CO2 emissions avoided by building more sustainable schools. The program is also aligned with one of the strategic objectives defined in the IDB Group Country Strategy with Brazil (GN-2973) to improve management and the quality of spending and infrastructure in the health and education sectors, by improving education's supply quality and SEEDs management processes, and focusing intervention on lower SES students and regions. The program is aligned with the Education and Early Childhood Development Sector Framework Document (GN-2708-5) in dimension 5 "all children and young people acquire the necessary skills to be productive and contribute to society," and with the Labor Sector Framework Document (GN-2741-7) in dimension 1 "the region's citizens have more, and more equitable, opportunities to access formal jobs with better wage expectations" and dimension 2 "workers are more productive and, consequently, obtain higher wages and more stable employment."
- 2.23 The Executing Unity (EU) will be the State of Paraná through its Education Department. The Ministry of Economy, the liaison institution for this CCLIP, will have the role of tracking results and request adjustments to the CCLIP's investments if necessary. The Federative Republic of Brazil will be the guarantor of the financial obligations of the Loan.

### III. TECHNICAL ISSUES AND SECTOR KNOWLEDGE

- 3.1 **IDB's work on the topic:** Several studies document a disconnection between what schools teach and what the labor market needs, leading to large skill gaps and dissatisfaction with the skills developed by the education system<sup>41</sup>. Additionally, IDB has developed a framework for identifying essential elements that allow successful Technical Vocational Education and Training (TVET) systems around the world, to prepare students with the skills needed to thrive in a constantly changing labor market (IDB-TN-1328), which has guided IDB's work on TVET projects (DR-L1187, ATN/OC-15890-CH, BE-L1030, CR-L1140). Among the most relevant lessons learned from IDB's operational work, we can highlight: (i) the importance of a strong cooperation between schools and private sector to identify

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<sup>41</sup> See annex IV for the link to these studies.

and update the skills required by employers (4692/OC-DR, 3787/OC-BH, 2739/OC-BA, 3547/OC-PE, 4645/OC-JA); (ii) curricular transformations are required to ensure these skill needs are formally incorporated in the education system (3539/OC-CH; 4555/OC-PE); and (iii) teachers should receive training and continuous support (3539/OC-CH; 3773/OC-UR; 4692/OC-DR). For additional references, refer to Annex IV.

- 3.2 **In Brazil, regarding HS quality and coverage**, IDB developed loan operations (Pará, 2933/OC-BR, and Amazonas, 2992/OC-BR) and analytical work: in Santa Catarina, projecting the skill gap for the future (ATN/OC-14492-BR); in Ceará, estimating the impact of 21st century skills training (ATN/JO-14326-BR); in Pernambuco, evaluating the benefits of attending a TEHS (IDB-WP-01057); and in Pernambuco and Rio de Janeiro City, improving equity and efficiency through innovating in teacher and student allocation process (ATN/OC-16230-RG; ATN/OC-17399-RG).
- 3.3 **IDB has developed a framework for EMIS**, including an instrument to measure the readiness for management systems' digital transformation (ATN/OC-16379-RG). In Brazil, EDU supported states and municipalities to identify problems on their processes and pilot innovation initiatives (ATN/OC-17659-BR).
- 3.4 **The results from these lessons learned will be reflected in this operation as follows:** (i) aligning labor market's demand with TEHS offering; (ii) redefining curricula and continuous training based on this demand; and (iii) improving SEED management processes.

#### **IV. ENVIRONMENTAL SAFEGUARDS AND FIDUCIARY SCREENING**

- 4.1 In compliance with the Environment and Safeguards Compliance Policy (OP-703), this operation is classified as Category B. The main potential negative environmental, social, and health and safety (ESHS) impacts are likely to be generated by the construction phase of the new, expanded and remodeled schools (Infrastructure component). These impacts are likely to be mostly localized, temporary (during construction), short-term duration and of moderate magnitude (noise, dust, wastes, impacts on local traffic, and potential community and labor health and safety accidents, among others), for which effective mitigation measures are readily available. Impacts on indigenous peoples or territories or on critical or sensitive natural habitats have not been identified. Given that the operation involves Multiple Works, the Environmental and Social Strategy (ESS, Annex III) envisages the preparation of an Environmental and Social Analysis (ESA) for the projects of the representative sample. All impacts identified will be mitigated by the measures defined in the corresponding Environmental and Social Management Plan (ESMP). In addition, an Environmental and Social Management Framework (ESMF) will be developed, which will define the framework of environmental and social management that must be applied to all future school construction financed by this operation, including grievance mechanisms.

Meaningful consultations will be performed for the sample projects and the ESMF will also include requirements for the consultation of the future projects.

- 4.2 IDB's procurement and fiduciary policies will be followed for expenses using Bank's resources. PR has experience executing IDB's projects. Additionally, no TC resources will be used to prepare this operation.
- 4.3 **Five medium risks were preliminarily identified:** (i) cost increases due to inflation and fluctuations in the exchange rate; (ii) operational challenges due to significant more projects to manage; (iii) slow purchasing methods for counterpart expenses; (iv) inability to provide pertinent education in the future due to outdated equipment and laboratories, since the TEHS requires more up-to-date equipment and laboratories; and (v) state's fiscal capacity could be negatively affected at the moment of project approval, as a consequence of the COVID-19 crisis. For the first risk, IDB will take into consideration these variables when defining/ prioritizing operations' targets on the PMR. The second and third risks will require institutional strengthening actions. Gaps and needs will be identified through PACI. The fourth risk will be addressed by the development of proper maintenance policies. Regarding the last risk, IDB and the federal government are discussing strategies to prevent important projects from stopping, and for the state government, the project continues to be a priority.
- 4.4 At the present, Paraná presents adequate fiscal capacity: its CAPAG (fiscal capacity indicator) is classified as B. Impacts due to Covid-19 are still unclear and may be diminished by support from the federal government. The State's Planning Department is engaged with the operation and understands that the State has capacity to lend at least the amount required for this operation. Until the PACI results are available, little/ no information is available to assess PR's executing capacity.

## V. OTHERS

- 5.1 The Bank may finance retroactively up to the amount US\$23 million (20% of the proposed loan amount). Eligible expenses, mainly related to construction, technology equipment, and services, incurred by the borrower prior to the date of loan approval will have to attend requirements like those set out in the loan agreement. These expenses must have been incurred after PP's approval date, and under no circumstances shall expenditures incurred more than 18 months prior to the loan approval date be included.

## VI. RESOURCES AND TIMETABLE

- 6.1 POD distribution is scheduled for July 10, 2020. The Loan Document's presentation to the Board of Directors is planned for September 16, 2020. The administrative budget for preparation is estimated at US\$44,000 for missions and US\$59,000 for consulting services (see Annex V). The operation is planned to be executed in five years.

CONFIDENTIAL

<sup>1</sup> The information contained in this Annex is confidential and will not be disclosed. This is in accordance with the "Deliberative Information" exception referred to in paragraph 4.1 (g) of the Access to Information Policy (GN-1831-28) at the Inter-American Development Bank.



## Safeguard Screening Form

### Operation Information

Operation		
<b>BR-L1551</b> Program Education for the Future - Paraná		
Environmental and Social Impact Category	High Risk Rating	
B		
Country	Executing Agency	
BRAZIL	BR-EP - Governo do Estado do Paraná	
Organizational Unit	IDB Sector/Subsector	
Education	EDUCATION	
Team Leader	ESG Primary Team Member	
JOAO PAULO COSSI FERNANDES	SORAYA MARIE CLAIRE SENOSIER	
Type of Operation	Original IDB Amount	% Disbursed
Loan Operation	\$115,000,000	0.000 %
Assessment Date	Author	
9 Apr 2020	RODOLFOSC Project Assistant	
Operation Cycle Stage	Completion Date	
ERM (Estimated)	10 Apr 2020	
QRR (Estimated)	20 Jul 2020	
Board Approval (Estimated)	16 Sep 2020	
Safeguard Performance Rating		
Rationale		

### Operation Classification Summary

Overriden Rating	Overriden Justification
Comments	



## Safeguard Screening Form

### Conditions / Recommendations

Category "B" operations require an environmental analysis (see Environment Policy Guideline: Directive B.5 for Environmental Analysis requirements)

The Project Team must send to ESR the PP (or equivalent) containing the Environmental and Social Strategy (the requirements for an ESS are described in the Environment Policy Guideline: Directive B.3) as well as the Safeguard Policy Filter and Safeguard Screening Form Reports. These operations will normally require an environmental and/or social impact analysis, according to, and focusing on, the specific issues identified in the screening process, and an environmental and social management plan (ESMP). However, these operations should also establish safeguard, or monitoring requirements to address environmental and other risks (social, disaster, cultural, health and safety etc.) where necessary.

### Summary of Impacts / Risks and Potential Solutions

Safety issues associated with structural elements of the project (e.g. dams, public buildings etc), or road transport activities (heavy vehicle movement, transport of [hazardous materials](#), etc.) exist which could result in [moderate](#) health and safety [risks](#) to local communities.

**Address Community Health Risks:** The borrower should be required to provide a plan for managing risks which could be part of the ESMP; (including details of grievances and any independent audits undertaken during the year). Compliance with the plan should be monitored and reported. Requirements for independent audits should be considered if there are questions over borrower commitment or potential outstanding community concerns.

Transport of [hazardous materials](#) (e.g. fuel) with [minor](#) to [moderate](#) potential to cause impacts on community health and safety.

**Hazardous Materials Management:** The borrower should be required develop a hazardous materials management plan; details of grievances and any independent health and safety audits undertaken during the year should also be provided. Compliance with the plan should be monitored and reported. Depending on the financial product, this information should be referenced in appropriate legal documentation (covenants, conditions of disbursement etc). Consider requirements for independent audits if there are concerns about commitment of borrower or potential outstanding community concerns.

### Disaster Risk Summary

Disaster Risk Level

**Low**

Disaster / Recommendations

No specific disaster risk management measures are required.



## Safeguard Screening Form

### Disaster Summary

#### Details

The project is classified as low disaster risk because the occurrence of the hazard event does not impact in the achievement of project outcomes.

#### Actions

Operation has triggered 1 or more Policy Directives; please refer to appropriate Directive(s). Complete Project Classification Tool. Submit Safeguard Policy Filter Report, PP (or equivalent) and Safeguard Screening Form to ESR.



## Safeguard Policy Filter Report

### Operation Information

Operation		
<b>BR-L1551</b> Program Education for the Future - Paraná		
Environmental and Social Impact Category	High Risk Rating	
B		
Country	Executing Agency	
BRAZIL	BR-EP - Governo do Estado do Paraná	
Organizational Unit	IDB Sector/Subsector	
Education	EDUCATION	
Team Leader	ESG Primary Team Member	
JOAO PAULO COSSI FERNANDES	SORAYA MARIE CLAIRE SENOSIER	
Type of Operation	Original IDB Amount	% Disbursed
Loan Operation	\$115,000,000	0.000 %
Assessment Date	Author	
9 Apr 2020	RODOLFOSC Project Assistant	
Operation Cycle Stage	Completion Date	
ERM (Estimated)	10 Apr 2020	
QRR (Estimated)	20 Jul 2020	
Board Approval (Estimated)	16 Sep 2020	
Safeguard Performance Rating		
Rationale		

### Safeguard Policy Items Identified

#### [B.1 Bank Policies \(Access to Information Policy– OP-102\)](#)

The Bank will make the relevant project documents available to the public.

#### [B.2 Country Laws and Regulations](#)





## Safeguard Policy Filter Report

The operation is expected to be in compliance with laws and regulations of the country regarding specific women's rights, the environment, gender and indigenous peoples (including national obligations established under ratified multilateral environmental agreements).

### B.3 Screening and Classification

The operation (including [associated facilities](#)) is screened and classified according to its potential environmental impacts.

### B.4 Other Risk Factors

The operation is [specifically designed](#) to increase the ability of society and ecological systems to adapt to a changing climate.

### B.5 Environmental Assessment Requirements

An environmental assessment is required.

### B.6 Consultations

Consultations with affected parties will be performed equitably and inclusively with the views of all stakeholders taken into account, including in particular: (a) equal participation by women and men, (b) socio-culturally appropriate participation of indigenous peoples and (c) mechanisms for equitable participation by vulnerable groups.

### B.7 Supervision and Compliance

The Bank is expected to monitor the executing agency/borrower's compliance with all safeguard requirements stipulated in the loan agreement and project operating or credit regulations.

### B.11. Pollution Prevention and Abatement

The operation has the potential to pollute the environment (e.g. air, soil, water, greenhouse gases).

### B.17. Procurement

Suitable safeguard provisions for the procurement of goods and services in Bank financed operations may be incorporated into project-specific loan agreements, operating regulations and bidding documents, as appropriate, to ensure environmentally responsible procurement.

## Potential Safeguard Policy Items

### B.1 Bank Policies (Gender Equality Policy– OP-761)

The operation has the potential to affect negatively women or gender equality ([Negative gender impacts may include the following](#))

### B.1 Bank Policies (Gender Equality Policy– OP-761)

The operation is designed specifically to address [gender equality](#) or [women's empowerment](#) issues.

### B.1 Bank Policies (Gender Equality Policy– OP-761)

The operation will offer opportunities to promote [gender equality](#) or [women's empowerment](#).

### B.4 Other Risk Factors



## Safeguard Policy Filter Report

The borrower/executing agency exhibits weak institutional capacity for managing environmental and social issues.

### Recommended Actions

Operation has triggered 1 or more Policy Directives; please refer to appropriate Directive(s). Complete Project Classification Tool. Submit Safeguard Policy Filter Report, PP (or equivalent) and Safeguard Screening Form to ESR. The project triggered the Disaster Risk Management policy (OP-704) and this should be reflected in the Project Environmental and Social Strategy. A Disaster Risk Assessment (DRA) may be required (see Directive A-2 of the DRM Policy OP-704). Next, please complete a Disaster Risk Classification along with Impact Classification. Also: if the project needs to be modified to increase resilience to climate change, consider the (i) possibility of classification as adaptation project and (ii) additional financing options. Please consult with INE/CCS adaptation group for guidance. The project triggered the Other Risks policy (B.04): climate risk.

- Please include sections on how climate risk will be dealt with in the ESS as well as client documents (EIA, EA, etc);
- Recommend addressing risks from gradual changes in climate for the project in cost/benefit and credit risk analyses as well as TORs for engineering studies.

### Additional Comments

[No additional comments]

<b>Environmental and Social Strategy (ESS)</b>	
<b>Operation Name</b>	Education for the Future – Paraná
<b>Operation Number</b>	BR-L1551
<b>Prepared by</b>	Soraya Senosier and Elizabeth Brito (VPS/ESG)
<b>Operation Details</b>	
<b>IDB Sector</b>	Education
<b>Type of Operation</b>	GOM-Global of Multiple Works
<b>Environmental and Social Classification</b>	Category B
<b>Disaster Risk Rating</b>	Low
<b>Borrower</b>	State of Parana
<b>Executing Agency</b>	State of Paraná through the Education Department
<b>IDB Loan US\$ (and total project cost)</b>	IDB (fund): US\$ 115.000.000 Local: US\$ 28.750.000 Total: US\$ 143.750.000
<b>Applicable Policies/Directives</b>	OP-102; OP-704;OP-761; OP-703 (B.1, B.2 ,B.3, B.4, B.5, B.6, B.7, B.11, B.17)
<b>Operation Description</b>	
<p>The main goal of this multiple works operation is to support the Education Sector by preparing the states' students to the society and labor market of the 21st century, contributing to state's social and economic growth. To that end, the curriculum will have a greater link between professional education and the labor market; it will also be necessary to adapt the infrastructure to support this change. Finally, it will strengthen the education department's ability to deliver. The operation includes four components, of which only Component 2 involves infrastructure; it also has the largest budget: improve schools' infrastucture and equipment for TEHS (math, language, social sciences and humanities, natural sciences, and technical) (US\$64 million) will finance: (i) construction of new TEHS schools, and expansion and adaptation for existing ones<sup>1</sup>; (ii) services for detailed designs and supervision of the works; and (iii) provision of furniture and equipment for TEHS schools and laboratories.. This ESS, therefore, focuses on Component 2. Although the exact location of the infrastructure is not yet known at this stage, the new schools will only be built on state-owned and unoccupied property, to ensure that the program does not involve phisical or economic restetlement.</p>	
<b>Key Potential ESHS<sup>2</sup> Risks and Impacts</b>	
<p>The infrastructure component of this multiple works operation involves small to moderate size construction and/or rehabilitation of schools in different neighborhoods throughout the State of Parana. The types of intervention (greenfield, remodeling and/or expansion of schools), as well as the location and size of the proposed infrastructure are not yet defined, thus a representative sample of 30% of the project has not been defined but will be finalized during the preparation phase. However, in the new schools the idea is to include laboratories for the teaching of science, physics , chemistry and biology, computer and information technology, mechanics and electricity laboratories. In general, the program's overall impacts are likely to be positive (better curriculum, greater insertion of students in</p>	

<sup>1</sup> The expansion will reach 35.000 students. SEED is still refining its planning, but it is expected to achieve this expansion by: building approximately 7 new schools, and expanding/adapting approximately 100 regular HS schools.

<sup>2</sup> Environment, Social, Health and Safety (ESHS).

the job market). The direct negative environmental, social, and health and safety (ESHS) impacts are expected to originate mainly during the construction phase. The civil works involved in each school are likely to be of small to moderate magnitude, of short duration, localized, temporary and reversible (mainly dust, noise, localized waste generation, drainage issues, risks of small accidents with, and nuisances to, surrounding community, health and safety risks to workers, among others), and may be mitigated by standard and easy to implement ESHS measures and management plans, including a Grievance Mechanism. Once schools become operational, the potential negative impacts are mainly related to sanitary effluents and waste management, in particular moderate quantities of the three most common hazardous wastes and effluents generated in school laboratories: heavy metals solutions, corrosive liquid wastes, and organic solvent wastes. Given that schools will be built in urban areas, they likely will be connected to public services. However, should that not be the case, these impacts should be addressed with standard effluents and waste management plans, which will be included in the ESA/PGAS of the sample. Therefore, the operation was classified as Category B.

The indirect and cumulative social impacts of the program (considering the implementation of all works in all schools throughout the State of Parana) will be largely positive, as more schools will be available to deliver the new curriculum and the link with the professional markets. The location of schools are expected to be on government own land as such no social or economic impacts are expected. The location of schools to be build for the sample program will be defined prior to the preparation of the ESA/PGAS. The ESA/PGAS will further identify possible socio-economic impacts. In terms of cumulative ESHS negative impacts during construction it is likely to be irrelevant, given that each infrastructure will be implemented as an individual structure, in independent neighborhoods, and at different stages of the program implementation; therefore, no single environmental or social element will likely be affected by multiple construction works in the same place or in the same time. Nevertheless, given the state of emergency faced by Brazil and the State of Parana due to the pandemic of the COVID-19, specific requirements for avoiding the propagation of the disease, as well as precautionary measures for the health and safety of workers during construction will be addressed in the ESA/PGAS and ESMF, which will be included in the bidding documents at the time of implementation.

The risks of non-compliance with ESHS Bank safeguards and national and state legislation is Moderate to Low, given that impacts are of small to moderate magnitude and mitigation measures are standard and easy to implement. In addition, the Parana State Environmental Agency (*IAP-Instituto Ambiental do Parana*) has a good reputation of systematically identifying and evaluating the environmental and social impacts and risks through the Department of Environmental Impacts and Licensing, and to supervise and enforce the environmental requirements through the Department of Environmental Enforcement.

The most likely natural disasters to potentially affect the operation are flooding and landslides, which were considered to be Moderate to Low, given that the existing schools to be expanded or remodelled are likely to be in areas of low risk of flooding and landslides (Type 1 risk) and when expanded will include measures to further mitigate such risks. On the other hand, greenfield schools will exclude areas that are subject to such risks, in case the engineering designs cannot be modified to reduce that vulnerability. Existing and new schools under this operation are not likely to increase the risk of flooding and landslides or exacerbate its consequences (Type 2 risk). On the contrary, schools are usually used as a temporary emergency shelter in case of emergencies. In addition, since 2017, the State of Parana monitors the climate-related events and manages an alert system through the State Center for Risk and Disasters Management (*Centro Estadual de Gerenciamento de Riscos e Desastres - Cegerd*).

## Information Gaps and Strategy for Analysis and Management

The operation is at the initial preparation stage and therefore some elements are still undefined: (i) the number, location and size of schools to be built and or remodelled; and (ii) the sample of schools (new and to be remodelled) that will be object of an Environmental and Social Framework (ESMF).

Once these elements are defined, the Borrower will:

- (i) Develop an ESA of each school of the sample and a corresponding Environmental and Social Management Plan (ESMP) for both its construction and operational phases, including assessment of the alternatives examined (in terms of location of new schools and selection of schools to be remodelled/expanded).
- (ii) In addition, as required under the Environment and Safeguards Compliance Policy (OP-703) for programs, plans and policy operations, the Borrower will also develop an Environmental and Social Management Framework for the Multiple Works Program (ESMF) containing the environmental and social management plans that will apply to every infrastructure under the program.
- (iii) Prior to the Bank's Analysis Mission, disclose an advanced draft of both the ESA/ESMPs and ESMF on the Borrower's webpage, as a necessary step for a meaningful consultation with the affected people.
- (iv) Develop and implement a plan for meaningful consultations (Borrower's Consultation Plan) of the ESA/ESMPs and ESMF to take place no later than prior to submitting the operation to the OPC, and taking into consideration the special limitations of the current pandemic of COVID-19.
- (v) Develop a stakeholder engagement plan to be implemented throughout the execution of the program.

ESG will review and confirm the adequacy of:

- (i) The sample of schools selected, to ensure they cover all the potential situations (new schools, expanded and remodelled schools).
- (ii) The ESA/ESMPs and ESMF, including verifying that the ESMPs include, but are not limited to, an adequate Environmental Control Plan for construction, waste and hazardous waste management plan, Chance Finds procedure, Contingencies and Emergency Response Plans, Grievance Mechanism, performance indicators, and estimated costs for adequate implementation and supervision. In particular, it will be checked against good practice for prevention and control of infectious disease, such as COVID-19, during construction and operation of the schools.
- (iii) The Borrower's Consultation Plan, to ensure it includes requirements and measures to ensure meaningful consultation with affected people and disclosure of adequate and timely information, even under the special limitations of the current pandemic of COVID-19.
- (iv) The proposed Grievance Mechanisms.
- (v) The Borrower's (through the Executing Agency) capacity to adequately identify the ESHS impacts and risks, propose the adequate mitigation measures, supervise, enforce and ensure compliance with the Bank's ESHS safeguards and the national and state legislation.

## Opportunities for IDB Additionality on Environment and Social matters (if any)

The program could provide opportunity for short-term local employment for women during construction and encourage the employment of women in non-traditional fields.

**Annex Table: Operation Compliance with IDB Safeguard Policies**

See Annex 1.

**Appendix 1: Map**

**Annex 1 - Table: Operation Compliance with IDB Safeguard Policies**

Policies / Directives	Policy / Directive Applicable?	Rationale for applicability of Policy / Directive	Actions required during Preparation & Analysis
<b>OP-703 Environment and Safeguards Compliance Policy</b>			
B.2 Country Laws and Regulations	Yes	Projects will comply with the State and Municipal environmental and health and safety legislation, including the environmental license, if applicable to school buildings.	During preparation and analysis, the Bank will review the requirements of the State and Municipal environmental licensing for school construction; when applicable, will establish requirements in the Loan Contract to ensure the Borrower obtains the applicable permits prior to starting construction or remodeling works.
B.3 Screening and Classification	Yes	All Bank operations must be screened and classified. The operation was screened and classified as Cat B, given that, based on the information available, most negative ESHS impacts will occur during construction and will likely be moderate, localized, temporary and reversible, and can be mitigated with standard and easily available ESHS management plans.	This classification will be confirmed during preparation and analysis, as more detailed information about the operation becomes available,
B.4 Other Risk Factors	Yes	The institutional capacity of the Borrower (through the Executing Agency) must be assessed to ensure that they will have the adequate capacity to supervise the projects and ensure compliance with Bank ESHS safeguards and State and Municipal legislation.	During preparation, the Bank will assess the institutional capacity of the Borrower (through the Executing Agency) to identify and mitigate potential ESHS impacts and risks, supervise the projects and ensure compliance with Bank ESHS safeguards and State and Municipal legislation. The Bank will also assess a sample of equivalent technical school on their ability to manage ESHS risks. The results of the capacity assessment will be included in the

			Environmental and Social Management Report (ESMR).
B.5 Environmental Assessment and Plans Requirements	Yes	The Borrower will develop an ESA/ESMP of each infrastructure/school in the sample and a ESMF of the Multiple Works program in its entirety.	As part of the preparation, the Bank will support the executing agency in the preparation of TORs for the ESA/ESMP of the sample and the ESMF of the Multiple Works program in its entirety. The Bank will prepare the draft TORs for the ESA/ESMP and ESMF and will share them with the Borrower to get feedback and ownership. Prior to the Analysis Mission, the Bank will review, approve and disclose the Draft ESA/ESMPs and the ESMF.
B.5 Social Assessment and Plans Requirements (including Livelihood Restoration Plan <sup>3</sup> )		The ESA/ESMP will include a Consultation Plan and a Stakeholder Engagement Plan (with a Grievance Mechanism), as well as an Occupational and Community Health and Safety Plan.	The ESA will describe the most important social impacts on the implementation of the program and the mitigation of negative social impacts.
B.6 Consultation	Yes	For this Cat. B project, for the sample projects, the Borrower must do at least one consultation with affected people.	As part of the ESA/ESMPs for the sample projects, a Consultation Plan will be developed; it must contain as a minimum, the proposed dates and locations, and the methodology, including the stakeholder mapping, to ensure it will be a meaningful consultation. An advanced draft of the ESA/ESMPs for the samples, as well as of the ESMF for the Program will be disclosed prior to Analysis Mission and will inform the public of the project's ESHS impacts. In addition, the ESMPs and the ESMF will include a Grievance Mechanism.
B.7 Supervision and Compliance	Yes	The Bank must supervise the projects to verify compliance with the	The ESMP and the ESMF will include the supervision and monitoring plans to be

<sup>3</sup> OP-703 applies when livelihood impacts are not significant and don't lead to physical displacement (see *Transitional Guidance in instruments for Physical Displacement, Economic Displacement and Economic Losses under OP-710 and OP-703* (TG-005) for more information)



		environmental and social safeguard policies and the ESHS requirements established in the Loan Contract.	applied, respectively, in the sample projects as well as in the future projects during implementation of the program.
B.8 Transboundary Impacts	No	The project involves only localized impacts from small to moderate construction activities.	
B.9 Natural Habitats	No	The projects will be implemented in urbanized areas.	
B.9 Invasive Species	No	The projects will be implemented in urbanized areas.	
B.9 Cultural Sites	Yes	Some new greenfield schools will be built and may involve chance finds of archaeological and cultural assets.	The ESMPs and the ESMF for construction of the schools will include Chance Finds Procedure.
B.10 Hazardous Materials	Yes	During construction and operations, contractors and operators will likely use small quantities of some hazardous materials, such as lubricants, paintings and batteries.	The ESMPs and the ESMF for both construction and operation of the schools will include measures to avoid, mitigate and compensate the potential impacts from the use of hazardous materials.
B.11 Pollution Prevention and Abatement	Yes	Contractors, and operators alike, are required to prevent and mitigate all pollution from construction activities, such as air pollution (dust, noise), small water and drainage issues and sedimentation, inadequate waste management, among others.	The ESMPs and the ESMF for both construction and operations of the schools must include the ESHS management plans to address the small pollution referred to herein, including hazardous wastes and effluents from the schools laboratories. .
B.12 Projects Under Construction	No	The projects are not under construction.	
B.13 Noninvestment Lending and Flexible Lending Instruments	No	The project is a Specific Investment Loan in the modality of Global Multiple Works Operation in the education sector.	
B.14 Multiple Phase and Repeat Loans	No	The project is the first operation.	
B.15 Co-financing Operations	No	There are no co-financers in the operation.	

B.16 In-Country Systems	No	The local ESHS systems will not be used given that an Equivalency and Acceptability Analysis was not performed on the local legal and institutional systems.	
B.17 Procurement	Yes	ESHS requirements should be included into the contracts of the construction companies. It will be required that the Operating Manual includes ESHS and labor requirements, with the aim of being incorporated in the bidding process for the construction project.	Both the ESMPs and the ESMF will include the ESHS requirements that must be included in the construction bidding documents. The Operating Manual will also include the ESHS and labor requirements, for the the bidding process and the construction contract.
<b>OP-704 Natural Disaster Risk Management Policy</b>			
A.2 Analysis and management of Type 2 risk scenario	No	The operation does not have the potential to exacerbate hazard risks to human life, property, the environment and the project itself. Contrarywise, schools often are used as shelters in case of natural disasters.	
A.2 Contingency planning (Emergency response plan, Community health and safety plan, Occupational health and safety plan)	Yes	The ESMPs for construction and operation must include Contingency and Emergency Response Plans, including for flooding and landslides, when applicable.	The Project will prepare the ESAs and ESMPs for construction and operation of the sample projects and it will include Contingency and Emergency Response Plans, including for flooding and landslides when applicable. Similarly, the ESMF for the Program its entirety will also include Contingency and Emergency Response Plans, including for flooding and landslides, in both construction and operation.
<b>OP-710 Operational Policy on Involuntary Resettlement</b>			
Resettlement Minimization	TBD		
Resettlement Plan Consultations	TBD		

Impoverishment Risk Analysis	TBD		
Resettlement Plan and/or Resettlement Framework Requirement	TBD		
Livelihood Restoration Program Requirement <sup>4</sup>	TBD		
Consent (Indigenous Peoples and other Rural Ethnic Minorities)	TBD		
<b>OP-765 Operational Policy on Indigenous Peoples</b>			
Sociocultural Evaluation Requirement	No		
Good-faith Negotiations and proper documentation	No		
Agreement with Affected Indigenous Peoples	No		
Indigenous Peoples Compensation, and Development Plan and/or Framework Requirement	No		
Discrimination Issues	No		
Transborder Impacts	No		
Impacts on Isolated Indigenous Peoples	No		
<b>OP-761 Operational Policy on Gender Equality in Development</b>			
Consultation and effective participation of women and men	Yes	Young men and women will likely be impacted from activities financed by the Program. To promote that their opinions are heard and taken into consideration, the Program will carry out gender-sensitive consultations.	The Consultation Plan and Stakeholders Engagement Plan included in the ESA/ESMP will propose gender sensitive approaches and methodologies to promote equitable participation of women and men

<sup>4</sup> OP-710 applies when livelihood impacts lead to physical displacement (see *Transitional Guidance in instruments for Physical Displacement, Economic Displacement and Economic Losses under OP-710 and OP-703 (TG-005)* for more information)

			during preparation and operation of the Program.
Application of safeguard and risk <sup>5</sup> analysis	No		
<b>OP-102 Access to Information Policy</b>			
Disclosure of relevant Environmental and Social Assessments Prior to Analysis Mission, QRR, OPC and submission of the operation for Board consideration	Yes	The advanced drafts of the Environmental and Social Assessment documents must be disclosed and publicly available prior to Analysis Mission.	The advanced Draft of the ESA/ESMPs and the ESMF will be disclosed prior to the Analysis Mission. A final revised version will be prepared and disclosed after the consultations are completed, to account for the opinions and suggestions of the affected people. Please refer to the section on Information Gaps and Strategy for Analysis and Management for more details on timing for the consultation (See Table 1 for more details on the disclosure timing of the different Environmental and Social Assessments).
Provisions for Disclosure of Environmental and Social Documents during Project Implementation	Yes	During implementation, Environmental and Social Compliance Reports (ESCR) will be made available to the public.	During project preparation and analysis, legal clauses will be agreed upon to ensure that ESCRs will be made available to public. A basic Table of Contents for the ESCR will be agreed with the Borrower and included in the ESMR.

<sup>5</sup> Risks may include: (i) Unequal access to project benefits/ compensation measures, (ii) Men or women disproportionately affected due to gender factors, (iii) Non-compliance with applicable legislation related to equality between men and women, (iv) Increased risk of gender-based violence, including sexual exploitation, human trafficking and sexually transmitted diseases, and (v) Disregard of women's ownership rights.

**Appendix 1: Map**

Map of the State of Parana, Brazil



### INDEX OF COMPLETED AND PROPOSED SECTOR WORK

Topic	Description	Estimated Date	References and links to technical documents
Country Priorities	Bank Strategy Document in Brazil (2019-2022)	Completed	<a href="#">Link</a>
Sector Framework	Sector Framework de EDU	Completed	<a href="#">Link</a>
Analytical and diagnostic documents	Observatory for the National Plan of Education	Completed	<a href="#">Link</a>
	Paraná Education Index – Qedu	Completed	<a href="#">Link</a>
	Yearbook of Brazilian education, by Todos pela Educación	Completed	<a href="#">Link</a>
	Diagnosis for alignment of the “Educação Já” strategy, by Todos pela Educación	Completed	<a href="#">Link</a>
	Busso, M., Cristia, D., Hincapié, D., Messina, J., and Ripani, L. 2017. “Learning Better – public policy for skills Development” Series on the future of work IDB,2018-2019 Inter-American Development Bank. Washington, D.C.	Completed	<a href="#">Link</a>
	Cathles, A., and Navarro, J. 2019. “Disrupting Talent: The Emergence of CodingBootcamps and the Future of Digital Skills.” Inter-American Development Bank.	Completed	<a href="#">Link</a>
	Amaral, Nicole. Fieldsend, Geoff. Prada, Maria Fernanda. Rucci, Graciana. (2017). Building Better Skills Systems for Productivity and Growth. IDB Technical Note No. IDB-TN-1328.	Completed	<a href="#">Link</a>
	Bassi, M., M. Busso, S. Urzúa, J. Vargas. 2012. Desconectados: Habilidades, educación y empleo en América Latina. Washington, DC. Banco Interamericano de Desarrollo.	Completed	<a href="#">Link</a>

Fazio, María Victoria, Fernández Coto, Raquel, Ripani, Laura (2016). Apprenticeships for the XXI Century: A Model for Latin America and the Caribbean? Monography. October.	Completed	<a href="#">Link</a>
Gonzalez-Velosa C. and Rucci, G "Methods to anticipate skill Demand" IDB 2016.	Completed	<a href="#">Link</a>
Fernandes, Reynaldo (2010). "Ensino Medio: como aumentar a atratividade e evitar a evasao"	Completed	<a href="#">Link</a>
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Graphic representation of ProSocial’s operational functioning	Completed	<a href="#">Link</a>
Institutional Capacity Analysis	March 2020	Pending



Inputs of the Proposal for the  
Development of the Operation  
(POD)

Cost-benefit analysis of the program	April 2020	Pending
ESG strategy	May 2020	Pending
Operation Manual, PEP and POA	May 2020	Pending

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<sup>1</sup> The information contained in this Annex is confidential and will not be disclosed. This is in accordance with the "Deliberative Information" exception referred to in paragraph 4.1 (g) of the Access to Information Policy (GN-1831-28) at the Inter-American Development Bank.