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|---|------------------------------|---------------------------------|---------------|
| <b>1. Project Data:</b>   |                              | <b>Date Posted :</b> 03/14/2002 |               |
| <b>PROJ ID:</b> P006673   |                              | <b>Appraisal</b>                | <b>Actual</b> |
| <b>Project Name :</b> CI-secondary Education  | <b>Project Costs (US\$M)</b> | 207.0                           | 153.08        |
| <b>Country:</b> Chile   | <b>Loan/Credit (US\$M)</b>   | 35.0                            | 23.02         |
| <b>Sector(s):</b> Board: ED - Secondary education (83%), Tertiary education (10%), Central government administration (7%)   | <b>Cofinancing (US\$M)</b>   | 0.0                             | 0.0           |
| <b>L/C Number:</b> L3883  |                              |                                 |               |
|   | <b>Board Approval (FY)</b>   |                                 | 95            |
| <b>Partners involved :</b>  | <b>Closing Date</b>          | 06/30/2001                      | 06/30/2001    |
| <b>Prepared by :</b>  | <b>Reviewed by :</b>         | <b>Group Manager :</b>          | <b>Group:</b> |
| Georges Charles Cahuzac   | Alice C. Galenson            | Alain A. Barbu                  | OEDST         |
| <b>2. Project Objectives and Components</b>   |                              |                                 |               |
| <b>a. Objectives</b>  |                              |                                 |               |
| Two main objectives : i) improve the internal and external efficiency, quality and equity of the educational services provided by municipal and private-subsidized secondary schools;and ii) strengthen the managerial capacity in the secondary education sector.  |                              |                                 |               |
| <b>b. Components</b>  |                              |                                 |               |
| At the request of the Chilean Government (GC), an aggregation of the ten original components was accepted and their number reduced to eight : i) redesigning of the curriculum and learning assessment for grades 9 to 12; ii) provision of on-site peer in-service teacher training through the teacher professional groups (GPT); iii) establishment of learning resource centers and computer laboratories and acquisition and distribution of textbooks; iv ) construction and rehabilitation of schools and provision of furniture and identity symbols; v ) carrying out school-based quality improvement projects (PME); vi) carrying out extra-curricular activities for at risk-students; vii) provision of technical assistance to project schools, focusing exclusively at the school level (financed and implemented by the CG only) ; viii) modification of the MECE's ( Primary Education Improvement Project, FY91) Project Coordination Unit (PCU) in order to allow a simultaneous coordination of both Bank -financed projects and transferring to the Ministry of Education (ME) responsibility for overseeing project's implementation and general coordination with the assistance of the new PCU, called MECE -EM PCU. An impact evaluation carried out at mid-term led to better targeting of project activities to 400 "high-risk" schools. |                              |                                 |               |
| <b>c. Comments on Project Cost, Financing and Dates</b>   |                              |                                 |               |
| At completion, the actual cost was 26%, almost US\$54 million, lower than expected at appraisal . Savings emerged from project learning (mid-term evaluation by external experts in 1999), efficiency in the management of resources and economies of scale. For all components but two (PCU and technical assistance), expenditures were significantly reduced, notably in the case of the acquisition of equipment . As a result, CG requested in 2000 cancellation of US\$ 11.8 million of the loan. Audit reports submitted by the Borrower through CY2000 were clean, and all minor observations made by auditors were timely and effectively addressed . The Legal Agreement was amended three times (January 1996, August 1998 and November 2000) for conversion of the Loan financial terms, change of currency and reallocation of proceeds . The project became effective in January 1996, one year later than originally expected, because of delays due notably to modification of the terms of the loan, at the request of GC .  |                              |                                 |               |
| <b>3. Achievement of Relevant Objectives:</b>   |                              |                                 |               |
| Due to the strong involvement and commitment of GC, as well as its decision two years into the implementation of the project to launch an ambitious educational reform including many of the objectives of this project , all of the objectives were achieved.  |                              |                                 |               |
| a) The internal efficiency of secondary education improved, with increased access to the system as well as reduced repetition and dropout rates . Notably, in CY2000: i) the net enrollment rate was at 84%, six points higher than its   |                              |                                 |               |

1995 level; and ii) the repetition and dropout rates were respectively at 6.4 and 24.8% versus 12 and 32%. Consequently, the average number of years to complete the cycle has decreased from 5.4 to 5.

b) External efficiency also improved as a more pertinent curriculum of grades 9 to 12 of technical secondary schools fitting with the future needs of the society was defined in collaboration with the private productive sector, as well as a better learning assessment scheme.

c) Quality of secondary education was enhanced, notably by : i) improving learning conditions through significant investments; and ii) strengthening the participation of students and teachers in the process of educational change . Findings of two assessments carried out during the project point to significant improvements in math and language in the 10th grade.

d) The project contributed to reducing some inequities such as the gap in secondary enrollment between the lowest and highest income families, as well as between urban and rural areas .

e) Finally, managerial capacity was strengthened at : i) the central level with additional capacity given to ME to manage the educational reform and exert its normative role; ii) the regional and local levels which were given more managerial responsibilities through a decentralization process; and iii ) the school level where principals' leadership role was enhanced.

#### 4. Significant Outcomes/Impacts:

a) The project provided the infrastructure and equipment required to meet the quality improvement efforts : 538 municipal secondary schools were rehabilitated or benefited with additional classrooms and 1,283 schools were equipped with computer laboratories all connected in a network as well as with multimedia learning resource centers .

b) The project contributed to significant achievements of the educational reform, mainly : i) the completion of curriculum revision in grades 9-11 and the modification in grades 12 of the technical secondary education in close collaboration with the private sector; ii) the launching of a new learning assessment/measuring system now fully functional and the incorporation of the public and private-subsidized schools into the learning computer network; iii ) the establishment of GPTs in 1,200 schools (90% of the total) involving 25,000 teachers which are used as an instrument for subject-based training to produce institutional development plans and school self evaluation schemes, and as a means for dissemination of experience and good practice; iv ) the alignment to the revised curriculum of all the learning and teaching goods (textbooks, multimedia Learning Resource Centers and teacher training ); v) the implementation of 1,108 PME's of a 2-3 years duration, which are instrumental in increasing learning performance .

c) The project, as expected, had a strong and significant institutional impact . Since GC agreed on transition arrangements to regular operations, ME put in place the appropriate bodies , building internal capacity within the ministry. In mid 2000, the National Secondary Education Coordination Unit (NSECUC) with responsibility for addressing issues related to efficiency, quality and equity was created and budgeted . The decision was also made to put in place a Curriculum and Evaluation Unit established in 1998. The project also provided the basic working conditions for schools to improve their performance . They have now: a menu of options to address inefficiency/ineffectiveness, a law for delegation of responsibilities, and a framework for greater community participation. A significant change is already visible in many schools .

#### 5. Significant Shortcomings (including non-compliance with safeguard policies):

Most of the risks were identified during the supervision missions and addressed in an appropriate manner, by both the Bank and the Borrower. Nevertheless, inequities still remain in relation to : i) access to secondary education, for students belonging to families of lowest income and attending municipal schools where internal efficiency is low compared to private-subsidized ones; and to ii) internal efficiency. Because of a gap in quality among secondary schools, still less than half the students will complete the cycle in four years as planned . Moreover, overlap still exists between the curriculum of basic and of secondary education . Even though not Bank-financed, technical assistance provided to 1,239 project-secondary schools, for acquiring expertise to address their perceived relevant issues, did not reach its goals. The difficulty for schools to identify their real needs and purchase consequently the appropriate technical assistance and the lack of an appropriate monitoring system for following -up meant that most of the assistance was never integrated with other project-financed interventions.

| 6. Ratings:                | ICR                 | OED Review          | Reason for Disagreement /Comments |
|----------------------------|---------------------|---------------------|-----------------------------------|
| <b>Outcome:</b>            | Highly Satisfactory | Highly Satisfactory |                                   |
| <b>Institutional Dev.:</b> | Substantial         | Substantial         |                                   |
| <b>Sustainability:</b>     | Highly Likely       | Highly Likely       |                                   |
| <b>Bank Performance:</b>   | Satisfactory        | Satisfactory        |                                   |
| <b>Borrower Perf.:</b>     | Highly Satisfactory | Highly Satisfactory |                                   |
| <b>Quality of ICR:</b>     |                     | Satisfactory        |                                   |

NOTE: ICR rating values flagged with '\*' don't comply with OP/BP 13.55, but are listed for completeness.

#### 7. Lessons of Broad Applicability:

First at preparation and appraisal, which are both critical for a successful implementation, an holistic approach with an effective combination of supply (top-down) demand (bottom-up) and networking interventions put together as a package must be considered. Secondly, during implementation, among others lessons are the following : i) need to

ensure enabling conditions, notably the continuity in policies and the availability of financial resources (soundness of macro economic and fiscal policies); ii) need for piloting and evaluating before taking to scale, with a mid -way evaluation in order to redirect activities and/or enrich some of the original designs; and iii) need for a timely exit strategy in order to insure continuity .

**8. Assessment Recommended?** ☐ Yes ☒ No

**9. Comments on Quality of ICR:**

The ICR is satisfactory. Clearly written, it provides enough information and details about the project itself .