



RESTRUCTURING PAPER  
ON A  
PROPOSED PROJECT RESTRUCTURING  
OF THE  
SUPPORTING EDUCATION REFORM IN TARGETED CIRCUITS PROJECT  
APPROVED ON OCTOBER 14, 2015  
TO THE  
REPUBLIC OF ECUADOR  
August 28, 2020

EDUCATION

LATIN AMERICA AND CARIBBEAN

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**ABBREVIATIONS AND ACRONYMS**

CEL	Online Educational Community ( <i>Comunidad Educativa en Línea</i> )
CUP	SENPLADES identification project code ( <i>código de identificación del proyecto de SENPLADES</i> )
EMIS	Education Management Information System ( <i>Sistema de gestión e información educativa</i> )
GoE	Government of Ecuador ( <i>Gobierno del Ecuador</i> )
ICT	Information and Communications Technology ( <i>Tecnología de la información y las comunicaciones</i> )
IDB	Inter-American Development Bank ( <i>Banco Interamericano de Desarrollo</i> )
IMF	International Monetary Fund ( <i>Fondo Monetario Internacional</i> )
INEVAL	National Institute of Education Evaluation ( <i>Instituto Nacional de Evaluación Educativa</i> )
INDI	Institutional Performance Index ( <i>Índice de Desempeño Institucional</i> )
MEF	Ministry of Economy and Finance ( <i>Ministerio de Economía y Finanzas</i> )
MINEDUC	Ministry of Education ( <i>Ministerio de Educación</i> )
MOE	Ministry of Education
MTOP	Ministry of Transportation and Public Civil Works ( <i>Ministerio de Transporte y Obras Públicas</i> )
PAD	Project Appraisal Document ( <i>Documento de Evaluación de Proyecto</i> )
PDO	Project Development Objectives ( <i>Objetivos de Desarrollo del Proyecto</i> )
PIU	Project Implementation Unit ( <i>Unidad Implementadora del Proyecto</i> )
PLANIFICA ECUADOR	National Secretariat for Planning ( <i>Secretaría Técnica, Planifica Ecuador</i> )
RP	Restructuring Paper ( <i>Documento de reestructura</i> )
SECOB	Works Contracting Services ( <i>Servicio de Contratación de Obras</i> )
UE	Education Unit ( <i>Unidad Educativa</i> )
UEM	Millennium Schools ( <i>Unidad Educativa del Milenio</i> )
UGB	Unified General Baccalaureate ( <i>Bachillerato General Unificado</i> )
VAT	Value-Added Tax
WBG	World Bank Group ( <i>Grupo Banco Mundial</i> )



**BASIC DATA**

**Product Information**

Project ID P152096	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 14-Oct-2015	Current Closing Date 31-Dec-2020

**Organizations**

Borrower Republic of Ecuador	Responsible Agency Ministry of Education, INEVAL
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**Project Development Objective (PDO)**

Original PDO

The Project Development Objective (PDO) is to increase enrollment in early education and improve the persistence rate in lower secondary education and upper secondary education in the targeted circuits.

**Summary Status of Financing (US\$, Millions)**

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net Commitment	Disbursed	Undisbursed
IBRD-85420	14-Oct-2015	28-Jan-2016	09-Feb-2016	31-Dec-2020	138.00	48.30	89.70

**Policy Waiver(s)**

Does this restructuring trigger the need for any policy waiver(s)?

No



## I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

### A. Project Status

1. The Project was approved by the Board on October 14, 2015 and became effective on February 9, 2016. The Project disbursement rate as of August 5, 2020 stood at 35 percent (US\$48.3 million) of the total amount of US\$138 million. This proposed restructuring seeks to adjust the Project's implementation timeline to factor in delays and to address issues related to safeguards that have arisen given the reduction in the number of schools/infrastructures to be financed by the Project and the impact of this decision on beneficiaries. Moreover, as a result of the COVID-19 pandemic, this restructuring responds to the needs of the Ministry of Education (MINEDUC) to strengthen the distance learning program that has been implemented in response to school closings.

2. **A first Project restructuring was requested in November 2018 and approved in December 2019.** This first restructuring included: (i) a partial Loan cancellation of US\$40 million, mainly affecting investments in infrastructure under Component 1; (ii) a revision of the Project's institutional arrangements; (iii) a reallocation of Loan proceeds between disbursement categories; (iv) the inclusion of an additional budget category; and (v) changes to the results framework.

3. **One of the main aspects of the restructuring was to include the National Institute of Education Evaluation (*Instituto Nacional de Evaluación Educativa*, INEVAL) as Project co-executor in order to finance some of the INEVAL's actions planned for calendar year 2020.** The INEVAL is a public institution with the constitutional mandate to evaluate the quality of Ecuador's national education system. To fulfill its role, the INEVAL conducts a variety of evaluations on a yearly basis, including: (i) assessments of student learning at various grades (*Ser Estudiante* assessment); (ii) assessments for teachers in service (*Ser Maestro* assessment); and (iii) assessments for entry-level school teachers (*Quiero Ser Maestro* assessment) and principals (*Quiero ser Directivo* assessment). The INEVAL also used to implement the annual *Ser Bachiller* assessment, a compulsory exam for students to graduate from secondary school, which was used as entry requirement by most higher education institutions.

4. **A second Project restructuring was requested in February and approved in March 2020.** This restructuring allowed for the financing of Valued Added Tax (VAT) with loan proceeds and responded to the Government of Ecuador (GoE)'s need to optimize the use of financial resources and to avoid further implementation delays due to the lack of liquidity to finance VAT.

5. **Progress towards achievement of the Project Development Objective (PDO) and Overall Implementation Progress have been assessed as Moderately Satisfactory since February 2020, given the Project's important progress in the past 6 months.** The new institutional arrangements introduced in restructure approved on December 2019 allowed for the transferring of all rehabilitation works from the Works Contracting Services (SECOB<sup>1</sup>) to the Ministry of Education (MINEDUC), decreasing significantly the length of the hiring processes for the architectural and engineering studies. Since, MINEDUC has developed a clear and credible implementation plan specifying the procedures for mitigating the identified risks associated to the construction of civil works in all phases (contractual, design and construction). There is also a more fluid interaction between MINEDUC and the National Secretariat for Planning (*Secretaría Técnica PLANIFICA ECUADOR*) and the Ministry of Economy and Finance (*Ministerio de Economía y Finanzas*,

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<sup>1</sup> SECOB was the National Works Contracting Service. SECOB was created in April 2011 and was responsible for contracting the civils works required by the Ministries of Urban Development, Tourism, Education, Social Inclusion, Public Health, Sports, Justice and Human Rights, and by the National Secretariat for the Migrant. However, the Executive Decree 1063 of May 19, 2020 abolishes SECOB from August 2020 and transfers its functions and competencies to the Ministry of Transportation and Civil Works - MTOP.



MEF). Moreover, ministerial and senior-level staff rotation has decreased, thus guaranteeing more continuity in the design and implementation of relevant actions.

6. **The COVID-19 pandemic is presenting new challenges for the Project's implementation.** The restrictions imposed under the state of emergency are expected to cause delays in the signing of infrastructure contracts and will affect the construction timeline under Subcomponent 1.1 *Infrastructure, Equipment and Furniture for Schools Hubs*. School closures due to COVID-19 have also delayed the planned teacher training activities under Subcomponent 1.2 *Professional Development for Teachers and Principals*. The design of the interventions and the timing for evaluations under Subcomponent 2.2 *Management Monitoring and Specific Studies/Impact Evaluation* were also impacted by the emergency, as the interventions require in-person classes to be rolled out. Uncertainty about the teaching modality for next academic year might affect enrollment decisions, especially among the youngest. In addition, COVID-19 exacerbates an already difficult economic situation. The salaries of all public employees have been reduced, affecting the MINEDUC and the PIU staff, in addition to a 20 percent reduction in their working time. As a result, Project outcomes are expected to be affected due to less hours invested in the Project. The GoE and the PIU are managing these delays proactively, including the close monitoring and revision of MINEDUC's proposed implementation plan, and changing to virtual interventions, when possible.

7. **Component 1: Improving school services in targeted circuits.**

a) Subcomponent 1.1: Infrastructure, Equipment and Furniture for Schools Hubs (US\$108.3 million). This Subcomponent seeks to finance the construction of 6 new schools and the rehabilitation of 10 schools, as well as the equipment and furniture needed for these schools to operate. In terms of new infrastructure, the construction works of four schools have been finalized (with one school already operating and three pending for final acceptance), one school is close to completion, and one is at 54 percent progress. Regarding the rehabilitation works, eight of the 10 design studies have been completed, the remaining two studies are expected to be finished in early September 2020<sup>2</sup>. A revision of the timeline indicates that the rehabilitation works for these 10 schools will be finished the first week of December 2021. This timeline considers delays caused by the sanitary emergency, for instance delays in pre-contractual processes; and issues related to the construction of the schools (for example, less construction workers on site due to the pandemic).

**Table 1: ORIGINAL Infrastructure Interventions**

New Infrastructure	
Name	Status
1.UEM Milagro (Ala 21) – under SECOB	Finished - Pending for final acceptance
2.UEM San Pedro - under SECOB	Finished - Pending for final acceptance
3.UEM Cangahua-Guachalá - under SECOB	Operating
4.UEM UNASUR - under SECOB	Finished - Pending provisional acceptance
5.UEM Nueva Mocache - under SECOB	54% progress
6.UEM VALENCIA - under SECOB	77% progress
Rehabilitations	
1.UE Intercultural Bilingüe Surupucyu –	Design Study completed

<sup>2</sup> The steps to complete public construction projects in Ecuador are the following: (i) Pre-contractual process for design and engineering studies; (ii) Design and engineering studies of the project; (iii) Municipal approvals; (iv) Pre-contractual construction processes; (v) Construction; (vi) Provisional acceptance of the construction site; and (vii) final acceptance of the construction site.



under MINEDUC	
2.UE Intercultural Bilingüe Dolores Cacuango - under MINEDUC	Design Study completed
3.UE Ángel Polibio Cháves - under MINEDUC	Design Study ongoing (to be completed in September 2020)
4.UE José María Velasco Ibarra - under MINEDUC	Design Study finished (currently in pre-contractual process) *
5.UE Anexa de Milagro - under MINEDUC	Design Study ongoing (to be completed in September 2020)
6.UE 23 de junio - under MINEDUC	Design Study finished (currently in pre-contractual process)
7.UE Nicolás Infante Díaz - under MINEDUC	Design Study finished (currently in pre-contractual process)
8.UE Quevedo - under MINEDUC	Design Study finished (currently in pre-contractual process)
9.UE Malchinguí - under MINEDUC	Design Study completed in 2015, update required
10.UE Natalia Jarrín - under MINEDUC	Design Study completed in 2015, update required

*\*Pre-contractual stage: all required actions/processes (including the hiring of a technical supervision firm) to be taken prior to the construction contract signing.*

b) Subcomponent 1.2: Professional Development for Teachers and Principals (US\$8.0 million). This Subcomponent seeks to finance in-service teacher training and graduate degrees for teachers and directors within the targeted circuits. To date, 2,170 teachers have received in-service teacher training, which represents 64 percent of the Project's original end target. Two additional in-service teacher training programs (on language and mathematics) are in the design phase, which will benefit over 1,000 teachers from schools serving students with the most acute learning gaps. There are ongoing conversations to adapt the delivery modality of the training programs to the new reality imposed by COVID-19. The Project has also financed graduate studies (scholarships to complete master's degrees) for 463 teachers, representing 100 percent of the Project's original end target.

c) Subcomponent 1.3: Academic Management System at School Level- CEL (US\$5.3 million). This Subcomponent seeks to finance the implementation of an Academic Management System at School Level (Online Educational Community, Comunidad Educativa en Línea, CEL) in all schools in the targeted circuits. The CEL includes the provision of computers and internet connectivity; an online teaching platform to help teachers plan their classes, enter students' grades, etc.; and training to teachers in public schools to adequately use the system. This Subcomponent has been fully executed, providing 6,789 technological kits to all teachers in the targeted circuits, as well as to schools outside the targeted circuits but in the same district.

d) Subcomponent 1.4: Services for Students with disabilities and Special Education (US\$0.65 million). This Subcomponent seeks to finance: (i) the provision of technical, didactic, and disability-specific materials to educational facilities at the district level; (ii) teacher training in areas that focus pedagogy on educational needs that arise in the course of a student's individual development; and (iii) implementation of campaigns to raise community awareness to promote school enrollment of children with disabilities. To date, pedagogical kits have been provided to 457 schools that serve students with disabilities in the targeted districts. This represents 100 percent of the Project's original end target. The training in pedagogy and the campaigns have been cancelled.

## 8. **Component 2: Strengthening Planning, Management and Evaluation Capacity**



a) Subcomponent 2.1: Management and information systems (US\$2.5 million). This Subcomponent seeks to partially support the design and implementation of a fully integrated Education Management Information System (EMIS) to improve MINEDUC's information technology capacity. To date, software licenses have been purchased with project funds; a data warehouse has been implemented; and the bidding process for contracting a software development services to improve school management has been launched, firms have been shortlisted, and currently offers are being received for the contract for software implementation. The contract will be signed in November 2020 and the implementation period is 12 months.

b) Subcomponent 2.2: Management Monitoring and Specific Studies/Impact Evaluation (US\$13.3 million). This Subcomponent seeks to finance: (i) the technical and administrative management of the Project, including the hiring of specialists in financial management, procurement, monitoring and evaluation, social and environmental safeguards, and other technical temporary staff needed during Project implementation (by September 2020 the key staff under MINEDUC and INEVAL will be hired); (ii) the carrying out of Project external audits and Transportation Reviews (hiring processes are undergoing); (iii) the financing of Operating Costs related to Project's activities; and (iv) the carrying out of programs' evaluations (i.e. quantitative evaluations for a computer-assisted learning program and for the school improvement plans intervention, both under design phase; and qualitative studies to evaluate the effect of teacher training at the graduate level, and the effect of Millennium Schools).

## B. Rationale for Restructuring

9. **On March 10, 2020, the Bank received MEF's request to process an additional partial loan cancellation in the amount of US\$12.7 million, affecting investments in infrastructure under Component 1.** The GoE's request aims to optimize investment resources in a context of increased fiscal constraints and to reduce debt levels within the context of the International Monetary Fund's (IMF) Article IV program. This new partial cancellation will have a direct effect on the Project's PDO indicators, as well as on the intermediate indicators, which will require a modification of the Results Framework. Additionally, all pending Project civil works under SECOB will be transferred to MINEDUC, which implies changes in institutional arrangements.

10. **The restructuring is also an opportunity to consider the impact of the COVID-19 pandemic and the economic crisis on the Project and include response activities.** Although there is uncertainty on the size of the effect, the COVID-19 emergency will lead to a deterioration of the learning outcomes<sup>3</sup> and an increase in school dropout rates. The reduced working time of GoE officials might further affect the time needed to achieve infrastructure completion and training activities. Although the original design of the Project remains highly relevant, the restructuring will be an opportunity to further increase the relevance of the Project to the GoE's COVID-19 response. The original design of the Project focused on (i) supporting construction of infrastructure in a context of fiscal constraints and where construction is a key driver for local economic recovery; (ii) increasing the quality of the school supply through improvements in teacher quality and instruction; and (iii) improving the management information systems. Changes implemented through this proposed restructuring aim at increasing access to educational contents for students, and resources for parents and teachers during school closings, especially for those with limited internet connectivity.

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<sup>3</sup> During the emergency, the provision of remote educational services is limited to a shortened curriculum (including only key objectives and abilities) and activities are focused on guaranteeing the emotional wellbeing of students. Most students are only spending two hours per day on the online platforms. The provision of educational services in remote areas is limited, and students may be losing valuable time for learning. The emergency is expected to increase learning inequality, as students in more affluent households may be more able to sustain their learning at home and have better access to computers and connectivity, learning materials and parental support.



11. The proposed restructuring also seeks to reallocate resources to the distance learning program *TeleEducacion*, aimed at increasing the access of students to educational contents. This investment will also have long-term positive impacts on the ability of the educational system to reach the most disadvantaged students.

12. In order to adequately complete all civil works and considering additional potential delays caused by the COVID-19 pandemic, MEF also requested a one-year extension of the Project’s closing date. The new Project closing date would be December 31, 2021. This restructuring will make project milestones achievable in the remaining months (once delays in key activities have been considered) and exclude activities that are unlikely to be completed in the Project’s lifespan.

## II. DESCRIPTION OF PROPOSED CHANGES

### A. Partial Loan Cancellation

13. A partial loan cancellation will be processed for a total reduction of US\$12.7 million. This cancellation only affects investments in infrastructure specified under Subcomponent 1.1. The number of schools to be constructed and rehabilitated under the Project will be reduced from 16 to 15, as detailed in the next section.

### B. Changes in Safeguards and Components Cost

#### 14. Component 1: Improving school services in targeted circuits.

- a) Subcomponent 1.1: Infrastructure, Equipment and Furniture for School Hubs. Due to the partial cancellation, the new budget allocation for this subcomponent will be US\$95 million (instead of the original allocation of US\$108 million). As a result, the Project will only finance the design study of the Education Unit (UE) Anexa Milagro (and no longer the infrastructure as originally planned)<sup>4</sup>. In addition, the GoE will finance the remaining costs to complete the civil works of the Millennium School (UEM) Nueva Mocache <sup>5</sup>. The Bank will monitor the completion of the UEM Nueva Mocache within the lifespan of the Project.

The following table provides a list of the schools for which civil works will be financed under the Project (and which were reduced from 16 to 15).

**Table 2: PROPOSED Infrastructure Interventions**

New Infrastructure	
Name	Status
1.UEM Milagro (Ala 21)	Finished - Pending for final acceptance
2.UEM San Pedro	Finished - Pending for final acceptance
3.UEM Cangahua-Guachalá	Operating
4.UEM UNASUR	Finished - Pending provisional acceptance
5.UEM VALENCIA	77% Progress

<sup>4</sup> The original total cost for the UE Anexa Milagro was 9.6 million, which included, design study, civil works, technical supervision and equipment. The design study for this intervention is part of a combined study/consultancy that also includes the design of the UE Ángel Polibio Cháves.

<sup>5</sup> The total cost of the UEM Nueva Mocache is US\$5.7 million, from which US\$2.6 million have been financed under Project’s funds. See Oficio Nro. MINEDUC-VGE-2020-00020-OF (May 15, 2020), Annex: Informe de restructura ii del proyecto PARECF, for the statement on the GoE commitment to finance the remaining balance.



6. UEM Nueva Mocache	45% of the total cost of the infrastructure has been financed under the Project; the remaining cost to be financed by the GoE.
<b>Rehabilitation</b>	
1.UE Intercultural Bilingüe Surupucyu – under MINEDUC	Design Study finished
2.UE Intercultural Bilingüe Dolores Cacuango - under MINEDUC	Design Study finished
3.UE Ángel Polibio Cháves - under MINEDUC	Design Study ongoing (to be completed in September 2020)
4.UE José María Velasco Ibarra - under MINEDUC	Design Study finished (currently in pre-contractual process))
5.UE 23 de junio - under MINEDUC	Design Study finished (currently in pre-contractual process)
6.UE Nicolás Infante Díaz - under MINEDUC	Design Study finished (currently in pre-contractual process)
7.UE Quevedo - under MINEDUC	Design Study finished (currently in pre-contractual process)
8.UE Malchinguí - under MINEDUC	Design Study completed in 2015, update required
9.UE Natalia Jarrín - under MINEDUC	Design Study completed in 2015, update required

*\*UE Anexa Milagro is not included in the table as the Project will only finance the design study and not the civil work.*

- b) MINEDUC has developed a detailed implementation plan to execute civil works. According to the plan, the call for proposals for the 9 rehabilitations will take place in September 2020, the contracts will be signed by November 2020, and the civil works will be finished on December 2021. While the implementation plan builds on credible assumptions, a high level of uncertainty remains, and further delays cannot be ruled out. In order to mitigate the negative consequences of this uncertainty, MINEDUC will: (i) carry out the administration of the contracts at the local level through the *coordinaciones zonales*, which are autonomous and have the authority to make decision (e.g. directly approving and making payments), avoiding the bureaucracy of the central administration and providing greater control during the construction phase; (ii) strengthen the management teams at the local level, which will also receive support from the technicians at the central level; and (iii) request multi-year budget certifications in parallel to the completion of the design studies (where the construction budget is determined), to speed up administrative processes.
- c) Safeguards. A safeguards response plan agreed with the GoE will address the reduction in the number of interventions. The plan includes the GoE's commitment to publish in digital form the action plan to mitigate the social impact resulting from the elimination of civil works. The plan includes specific actions in the UEM Nueva Mocache, in order to monitor its implementation closely; and a communications plan (already developed and approved by the Bank), to manage the possible concerns or complaints of the community regarding the non-execution of the civil works. The hiring process of a consultancy to implement this plan is ongoing.
- d) Subcomponent 1.4: Services for Students with disabilities and Special Education. In order to include activities to respond to the COVID-19 emergency, the GoE requested a reallocation of US\$1 million from Component 2



to Subcomponent 1.4<sup>6</sup>. Thus, the new budget allocation for Subcomponent 1.4 will be US\$1.6 million, compared to the original allocation of US\$0.6 million. Specifically, the resources will fund the purchase of equipment, development and broadcasting of educational content for television and radio (*TeleEducación*). The educational content includes learning activities for students from 2<sup>nd</sup> grade of basic education to 3<sup>rd</sup> grade of general Baccalaureate. TeleEducacion also includes content for emotional containment and violence prevention, and is complementary to the GoE digital portal "COVID EDUCATIONAL PLAN – 19,"<sup>7</sup> where students can access virtual classrooms (only for students in the last grade of upper secondary), learning activities for all grade levels, 840 online resources, content for emotional containment and violence prevention, resources for teachers, and guidelines for students and families. In addition, two consultancies will be carried out under this Subcomponent: one for the development of quality standards for the delivery of special education and one to redesign the offer of available technical secondary education. The implementation period for both consultancies is 9 months.

**15. Component 2: Strengthening Planning, Management and Evaluation Capacity**

- a) Subcomponent 2.1: Management and information systems. As mentioned above, in order to include activities to respond to the COVID emergency, the GoE requested a reallocation of US\$ 1 million from component 2. It was agreed that the funds would come from (i) reallocating US\$ 0.48 million from subcomponent 2.1 and (ii) reallocating US\$ 0.52 million from subcomponent 2.2. Subcomponent 2.1 supports the completion and implementation of a fully integrated EMIS and finance the development and implementation of four modules: institutional school management, school supply management, project management, and business intelligence. As requested by MINEDUC, the resources for the COVID-19 response will be reallocated from the school supply management module, as this module will be developed in-house, and the resources needed for its development were thus reduced.
- b) Subcomponent 2.2: Management Monitoring and Specific Studies/Impact Evaluation. The US\$ 0.52 million from this subcomponent to cover the COVID-19 response will be reassigned from the resources originally allocated to conduct (i) the baseline for the impact evaluation of teacher training on literacy; (ii) the qualitative evaluation of training provided to Technological Baccalaureate's teachers; and (iii) the impact evaluation of CEL.

16. The revised Project budget by component detailed in Annex 1 (including total counterpart funds under the Project) will be detailed in the Project Operations Manual. The related legal covenant will be revised accordingly, including to consider the decrease of the counterpart funding from US\$16,346,241 to US\$4,000,655.

**C. Change in the name of subcomponent 1.4.**

17. In order to include the COVID-19 response activities, the name of subcomponent 1.4 will change from "Services for Students with disabilities and Special Education" to "Strengthening GoE capacity to provide more inclusive education contents". Currently, this subcomponent funds activities to improve the services for students receiving special education. With the proposed restructuring, this subcomponent will also finance remote learning interventions,

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<sup>6</sup> For the framework response to the COVID-19 emergency of the GoE, Power Point presentation, Conectando Futuros: <https://wbdocs.worldbank.org/wbdocs/dri/objectId/090224b087bc079d>

<sup>7</sup> For full detail of the Plan please visit: <https://recursos2.educacion.gob.ec/>



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which are expected to improve the provision of inclusive and equitable quality education in the context of the COVID-19 pandemic.



#### D. Reallocation of resources between Components 1 and 2 to cover Value-Added Tax (VAT)

18. To optimize the use of financial resources and avoid further implementation delays due to the lack of liquidity and fiscal resources to finance VAT, the GoE requested an amendment to the Loan Agreement, allowing the financing of VAT with loan proceeds. The amendment to the Loan was signed on March 19, 2020 and VAT Payments paid until December 31, 2019 were US\$3,215,875.88. As a result of the VAT Amendment under the second Project restructuring, there is a need to reallocate resources across components.

19. **Even though VAT expenses are covered through Loan funds, other expenses will continue to be financed through counterpart funds.** Specifically, counterpart funds will be used to cover administrative expenses (i.e. payment of personnel supporting civil works in the Under Secretariat for School Administration), for an estimated amount of US\$303,000.00.

#### E. Reallocation across eligible expenditure categories

20. As a result of the changes in budget allocation across components and activities, there will be a budget reallocation between eligible expenditure categories. The allocation for Category 1 (GO, CW, CS&TR- Part 1(a)(i) (MINEDUC) would be decreased from US\$99.4 million to US\$88.4 million. The allocation for Category 2 (GO, CS, NCS, OP&TR-Parts1&2, except Part 1(a)(i) & Part 2 (b)(v)-MINEDUC) would be decreased from US\$29.3 million to US\$27.6 million. The allocation for Category 3 (GO, CS, NSC, OP&SAC- Part 2 (b)(v) MINEDUC-INEVAL) will remain at US\$9.2 million.

#### F. Change in implementation arrangements

21. As part of the fiscal consolidation efforts, the GoE enacted the Executive Decree 1063 dated May 19, 2020, informing that SECOB functions and competencies will be transferred to the Ministry of Transportation and Civil Works (*Ministerio de Transporte y Obras Públicas*, MTOP) starting on August 2020. According to the decree, MEF, in coordination with SECOB, will identify the list of civil works that will be transferred to MTOP.

22. MINEDUC requested MEF for an exception to the decree to remain the only implementing agency to carry out all civil works under Subcomponent 1.1. There are five civil works being executed by SECOB. These civil works involve five schools, four with pending final administrative acceptance and one school for which works have reached 77 percent execution progress (see list of status of civil works in Table 2). Both MINEDUC and MEF agreed on the cost-efficient transfer of competencies from SECOB to MINEDUC in order to avoid delays related to: (i) hiring of a dedicated Project team at MTOP; (ii) learning curve of the new team in MTOP; and (iii) the requirement to sign an agreement between MTOP and MINEDUC, under terms and conditions acceptable to the Bank including, among others, the Borrower's (*through MINEDUC*) obligation to transfer funds to MTOP.

23. On August 25, 2020 the GoE enacted the Executive Decree 1135, informing that SECOB will transfer all the civil works under the Supporting Education Reform in Targeted Circuits Project to MINEDUC. Therefore, MINEDUC will remain the only implementing agency carrying out pending civil works.

#### G. Changes to Results Framework

24. Revisions of indicator targets in the results framework reflect the proposed changes arising from the partial cancellation of the Loan, which directly affects the population that will benefit from the Project's investments in



infrastructure, as well as the short- and medium-term consequences of COVID-19. Overall, the proposed changes in the results framework reflect: (i) recalibration of targets consistent with the revised loan amount and Project scope and expected COVID-19 impact on education outcomes; (ii) uncertainty about the school reopening plans following to the COVID-19 closing measures, in particular for the youngest children attending early education institutions, and Project measures to mitigate it; (iii) revisions to the implementation plan and newly-introduced COVID-19 response activities; and (iv) the negative impact of worsening macroeconomic indicators. Specifically, for PDO 1 and 2 the changes and rational are as follow (other changes related to IRI are listed in the result framework).

25. **PDO1 - Increase enrollment in early education in the targeted circuits:** The indicator originally measured the enrollment of 3- and 4-year-olds. However, due to the COVID-19 sanitary emergency and the consequent school closing, the indicator was revised to track only the 4 years old. There is currently a lot of uncertainty about the calendar and the modality of the return to class, especially for the youngest children. Focusing on the 4 years old will mitigate the consequences of this uncertainty.

In addition, the targets for the indicator were revised for two reasons: (i) the reduction in the number of civil works will imply a reduction in the number of seats originally planned for students in early education, and (ii) the sanitary emergency will likely affect enrollment negatively (even for children who are supposed to return to school) and the end target will have to be adjusted accordingly. Enrollment might be affected negatively for several reasons. First, in case a blended learning modality is put in place, at least one parent (usually the mother) will not be able to work full time, thus reducing the incentives to enroll their children. Also, the economic crisis will further reduce the opportunity cost of staying at home for one of the parents. Additionally, in households with grandparents, parents and children living together, there is a higher risk of exposure to coronavirus (especially to grandparents) if students attend school, which might prevent parents to send students to school. In addition, home visiting programs to provide early education services for 3 - and - 4 years old are also being affected by the COVID-19 sanitary emergency and their budget is about to be reduced due to the economic crisis. Last, since most of the schools are on average located further away and children require school transportation, another potential vehicle of transmission, parents might opt for lower quality, but closer options.

The revised end target (only for the 4-year-old) is 7,710 and was moved from 2020 to 2021. The 2017 baseline is 7,396. Considering the cancellations in infrastructure a base line in the year 2015 (for the 4-years old) would have been 7,777.

26. **PDO 2 - Improve the persistence rate in lower and upper secondary education in the targeted circuits:** The sanitary emergency, coupled with the poor economic performance of the country (aggravated further by the oil price plunge), is likely to have a substantial adverse effect on the student's persistence rate. World Bank simulations display a 10 percent reduction in the years of schooling, adjusted for the quality of learning, as a result of the pandemic. In addition, the persistence rate might also be impacted by the reduction in the number of civil works, to the extent that quality of facilities affects the decision to stay in school. It is expected that Project activities will mitigate the negative impact of these factors on the permanence of students in the system, which will be greater in the absence of the Project. The same methodology was used to calculate the indicator; however, the estimations were adjusted for all years considering the cancellation of one infrastructure. The end target was revised to 76.65 percent and was moved to the year 2021.

#### H. Extension on Loan Closing Date

27. The revised Project closing date will be December 31, 2021. A one-year extension is needed due to several factors: (i) the construction of the remaining infrastructure is expected to be contracted in November 2020, and



completion will require approximately 10 months. Dates for the final acceptance of the construction sites would thus exceed the current closing date of the Project; (ii) delivery modalities for the teacher training were adapted to respond to the sanitary emergency, resulting in delays of the activities’ rollout, which will start in 2021 (iii) the hiring of UNESCO to develop standards for special education is delayed due to a lengthy interaction with the National Revenue Service (Servicio de Rentas Internas del Ecuador, SRI) regarding the regulation affecting the contracts with United Nations agencies; given that the contract with UNESCO will last 9 months, it would not be possible to finish the consultancy before the current Project closing date; (iv) the contracting process for the integrated Education Management System is delayed due to the reduced capacity of MINEDUC during the pandemic, and due to the revision of the scope of the terms of reference; this consultancy is expected to conclude after the current closing date of the Project; and (v) the design of interventions and evaluations under Subcomponent 2.2 has to be revised in order to accommodate, and potentially mitigate, the effect of the COVID-19 pandemic, resulting in delayed start of the activities.

**I. Legal Covenants**

28. Legal covenants in the Loan Agreement will be updated to reflect the changes proposed under this restructuring (see details below).

**J. Fiduciary**

29. There are no outstanding audit reports. The Audit Report for the period ending in December 31, 2018 was considered acceptable to the Bank.

30. The updated definition of “Standardized Assessment Cost” (SAC) would be: “Set of costs of consultants’ services and Non-consulting services, related to the implementation of standardized assessment test to measure the skills and competencies of teachers, principals and students, which entail among others, the following processes: a) Design and piloting of the assessment model, b) Formulation and validation of knowledge items, c) Calibration and assembly of the questionnaires, d) training of the Ministry’s staff on the administration of the tests, e) Application of the assessments, f) Data processing, g) Quality control of data obtained, and h) delivery and dissemination of results to the education system”.

**III. SUMMARY OF CHANGES**

	Changed	Not Changed
Results Framework	✓	
Components and Cost	✓	
Loan Closing Date(s)	✓	
Cancellations Proposed	✓	
Reallocation between Disbursement Categories	✓	
Disbursement Estimates	✓	



Legal Covenants	✓	
Institutional Arrangements	✓	
Implementation Schedule	✓	
Economic and Financial Analysis	✓	
Social Analysis	✓	
Implementing Agency		✓
DDO Status		✓
Project's Development Objectives		✓
PBCs		✓
Disbursements Arrangements		✓
Overall Risk Rating		✓
Safeguard Policies Triggered		✓
EA category		✓
Financial Management		✓
Procurement		✓
Other Change(s)		✓
Technical Analysis		✓
Environmental Analysis		✓

#### IV. DETAILED CHANGE(S)

##### COMPONENTS

Current Component Name	Current Cost (US\$M)	Action	Proposed Component Name	Proposed Cost (US\$M)
Component 1: Improving school services in Targeted Parishes	137.50	Revised	Component 1: Improving school services in Targeted Parishes	114.60
Component 2: Strengthening Planning, Management and Evaluation Capacity at MINEDUC	16.84	Revised	Component 2: Strengthening Planning, Management and Evaluation Capacity at MINEDUC	14.70
<b>TOTAL</b>	<b>154.34</b>			<b>129.30</b>



**LOAN CLOSING DATE(S)**

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IBRD-85420	Effective	31-Dec-2020		31-Dec-2021	30-Apr-2022

**CANCELLATIONS**

Ln/Cr/Tf	Status	Currency	Current Amount	Cancellation Amount	Value Date of Cancellation	New Amount	Reason for Cancellation
IBRD-85420-001	Disbursing	USD	138,000,000.00	12,700,000.00	10-Mar-2020	125,300,000.00	BORROWER'S REQUEST FOR COUNTRY REASONS

**REALLOCATION BETWEEN DISBURSEMENT CATEGORIES**

	Current Allocation	Actuals + Committed	Proposed Allocation	Financing % (Type Total)	
				Current	Proposed
IBRD-85420-001   Currency: USD					
iLap Category Sequence No: 1		Current Expenditure Category: GO,CW,CS&TR- Part 1(a)(i) MINEDUC -Inclusive of Valued Added Tax (VAT)			
	99,489,717.00	27,063,219.75	88,426,807.00	100.00	100.00
iLap Category Sequence No: 2		Current Expenditure Category: GO,CS,NCS,OP&TR-Parts1&2,except Part 1(a)(i) & Part 2 (b)(v)-MINEDUC --Inclusive of Valued Added Tax (VAT)			
	29,300,000.00	11,418,165.39	27,662,910.00	100.00	100.00
iLap Category Sequence No: 3		Current Expenditure Category: GO,CS,NSC,OP&SAC- Part 2 (b)(v) MINEDUC-INEVAL -Inclusive of Valued Added Tax (VAT)			
	9,210,283.00	1,106,303.15	9,210,283.00	100.00	100.00
<b>Total</b>	<b>138,000,000.00</b>	<b>39,587,688.29</b>	<b>125,300,000.00</b>		



**DISBURSEMENT ESTIMATES**

Change in Disbursement Estimates

Yes

Year	Current	Proposed
2016	4,297,860.00	4,297,860.00
2017	8,600,000.00	8,600,000.00
2018	24,400,000.00	24,400,000.00
2019	16,000,000.00	11,000,000.00
2020	84,702,140.00	20,000,000.00
2021	0.00	57,002,140.00

**LEGAL COVENANTS**

Loan/Credit/TF	Description	Status	Action
IBRD-85420	Schedule 2, Section I.A (c) ensure that 7 key staff working full time in the Project team: (i) within GUEM (Coordinator/M&E specialist, procurement specialist, FM specialist, and social and environmental specialist(s), and infrastructure technician); and (ii) within INEVAL (procurement specialist and FM specialist) are assigned no later than 45 days the effective date of the Amendment.	Not yet due	Revised
Proposed	Schedule 2, Section I.A (c) ensure that 7 key staff working full time in the Project team: (i) within GUEM (Coordinator/M&E specialist, procurement specialist, FM specialist, and social and environmental specialists, and infrastructure technician); and (ii) within INEVAL (procurement specialist and FM specialist) are assigned no later than 30 days the effectiveness of this Amendment.	Partially complied with	



IBRD-85420	Finance Agreement :School consolidation proposal including transportation arrangements   Description :Legal Agreement, Schedule 2, Section V.1, (a), (i) Furnish to the Bank: (i) a school consolidation proposal including transportation arrangements; (ii) the updated Procurement Plan; (iii) the relevant SMP or IPP, as applicable; and (iv) the relevant RAP, if applicable, all in a manner and with contents acceptable to the Bank.   Frequency :CONTINUOUS	Complied with	No Change
IBRD-85420	Finance Agreement :Micro-Plan for transportation arrangements for each "School Hub"   Description :Legal Agreement, Schedule 2, Section V.2 The Borrower, through MINEDUC, for the purposes of carrying out Part 1(a)(i) of the Project, shall prepare a micro-plan for transport arrangements for each School Hub following the criteria and methodology set forth in the MINEDUC's guidelines "Modelamiento del Transporte Escolar en Funcion del Reordenamiento de la Oferta Educativa" included in the OM.   Frequency :CONTINUOUS	Complied with	No Change
IBRD-85420	Schedule 2, Section V.3 (a) Not later than 5 months after the Effective Date of the Amendment, select & contract an entity, independent from the Borrower w/experience and qualifications acceptable to the Bank for the carrying out of technical reviews of the implementation of the arrangements for school transportation for each School Hub built under the Project (Transportation Review).	Not yet due	Revised
Proposed	Schedule 2, Section V.3 (a) Not later than 3 months after the effectiveness date of this Amendment, select & contract an entity, independent from the Borrower w/experience and qualifications acceptable to the Bank for the carrying out of technical reviews of the implementation of the arrangements for school transportation for each School Hub built under the Project (Transportation Review).	NYD	
IBRD-85420	Finance Agreement :Technical Reviews of implementation of school transportation arrangements   Description :Legal Agreement, Schedule 2, Section V.3 (b)	Expected soon	No Change



	Carry out at least three Transportation Reviews during Project implementation, and thereafter, each time, prepare a report of such scope and in such detail as the Bank shall reasonably request.   Frequency :CONTINUOUS		
IBRD-85420	Schedule 2, Section V.4 Without limitation to the provision of Section 5.03 Gral Conditions, the Borrower shall provide the counterpart funds required for Project implementation currently estimated in US\$17,000, 000 (aprox) distributed in accordance to the Loan Amendment (Annex), as such amount & table may be revised by mutual agreement (exchange of letter) & notice to the Borrower.	Complied with	Revised
Proposed	Schedule 2, Section V.4 Without limitation of Section 5.03 of Gral. Conditions, the Borrower shall provide the counterpart funds required for Project implementation currently estimated in US\$4,002,654, distributed in accordance with the relevant table in the OM,such amount and table may be revised from time to time by mutual agreement, (exchange of letters) & notice to the Borrower by the Bank.	Partially complied with	
IBRD-85420	For purposes of Schedule 2, Section II.B.3 no later than 30 days after the Effective Date of the Amendment, the Borrower shall submit to the Bank for no-objection the terms of reference for the hiring of an independent auditor.	Expected soon	Revised
Proposed	For purposes of Schedule 2, Section II.B.3 no later than 30 days after the effectiveness date of this Amendment, the Borrower shall submit to the Bank for no-objection the terms of reference for the hiring of an independent auditor.	Complied with	
IBRD-85420	To carry out Part 2(b)(v) of the Project, the Borrower, through MINEDUC, shall enter into an agreement with INEVAL (“INEVAL Agreement”) under terms and conditions acceptable to the Bank including : (a) the Borrower’s obligation to transfer, on a grant basis, part of the proceeds of the Loan to INEVAL; (b) INEVAL’s obligations to carry out the activities of Parts 2(b)(v) of the Project	Complied with	No Change



IBRD-85420	Withdrawal Condition: Under Category (3) Section IV.B.1 (c) of Schedule 2 -No withdrawal shall be made until the INEVAL Agreement has been fully executed in accordance with Section I.C of Schedule 2 to the Loan Agreement.	Not yet due	Revised
Proposed	Withdrawal Condition: Under Category (3) Section IV.B.1 (c) of Schedule 2 -No withdrawal shall be made until the INEVAL Agreement has been fully executed in accordance with Section I.C of Schedule 2 to the Loan Agreement.	Complied with	
IBRD-85420	INEVAL will maintain, until the completion of the Project, a dedicated Project team, responsible for monitoring the co-execution of the Project activities planned under its jurisdiction, with key staff with functions, experience, and qualifications acceptable to the Bank, as described in the Operational Manual, including a procurement specialist and a financial management specialist.	Not yet due	No Change
IBRD-85420	No later than sixty (60) days after the effectiveness date of this Amendment, the Borrower, through MINEDUC, shall cause INEVAL to amend the closing date of the INEVAL Agreement in line with the revised closing date of the Loan Agreement.	Not yet due	New



**Results framework**

COUNTRY: Ecuador

**Supporting Education Reform in Targeted Circuits**

**Project Development Objectives(s)**

The Project Development Objective (PDO) is to increase enrollment in early education and improve the persistence rate in lower secondary education and upper secondary education in the targeted circuits.

**Project Development Objective Indicators by Objectives/ Outcomes**

Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
<b>Increase enrollment in early education in the targeted circuits</b>								
Enrollment in early education in the targeted circuits (Number)		7,396.00	7,611.00	8,290.00	7,710.00			7,710.00
<b>Action: This indicator has been Revised</b>	<p><b>Rationale:</b>  <i>The indicator originally measured the enrollment of 3- and 4-year-olds. However, due to the COVID-19 sanitary emergency and the consequent school closing, the indicator was revised to track only the 4 years old. There is currently a lot of uncertainty about the calendar and the modality of the return to class, especially for the youngest children. Focusing on the 4 years old will mitigate the consequences of this uncertainty.</i></p> <p><i>In addition, the targets for the indicator were revised for two reasons: (i) the reduction in the number of civil works will imply a reduction in the number of seats originally planned for students in early education, and (ii) the sanitary emergency will likely affect enrollment negatively (even for children who are supposed to return to school) and the end target will have to be adjusted accordingly. Enrollment might be affected negatively for several reasons. First, in case a blended learning modality is put in place, at least one parent (usually the mother) will not be able to work full time, thus reducing the incentives to enroll their children. Also, the economic crisis will further reduce the opportunity cost of staying at home for one of the parents. Additionally, in households with grandparents, parents and children living together, there is a higher risk of exposure to coronavirus (especially to grandparents) if students attend school, which might prevent parents to send students to school. In addition, home visiting programs to provide early education services for 3 - and - 4 years old are also being affected by the COVID-19 sanitary emergency and their budget is about to be reduced due to the economic crisis. Last, since most of the schools are on average located further away and children require school transportation, another potential vehicle of transmission, parents might opt for lower quality, but closer options.</i></p>							



Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
<p><i>The revised end target (only for the 4-year-old) is 7,710 and was moved from 2020 to 2021. The 2017 baseline is 7,396. Considering the cancellation of one infrastructure a base line in the year 2015 (for the 4-years old) would have been 7,777.</i></p>								
<p><b>Improve the persistence rate in lower and upper secondary education in the targeted circuits</b></p>								
Persistence rate from lower through upper secondary education (Percentage)		75.72	79.19	79.28	79.13	80.70	78.11	76.65
<p><b>Action: This indicator has been Revised</b></p>	<p><b>Rationale:</b>  <i>The sanitary emergency, coupled with the poor economic performance of the country (aggravated further by the oil price plunge), is likely to have a substantial adverse effect on the student's persistence rate. World Bank simulations display a 10 percent reduction in the years of schooling, adjusted for the quality of learning, as a result of the pandemic. In addition, the persistence rate might also be impacted by the reduction in the number of civil works, to the extent that quality of facilities affects the decision to stay in school. It is expected that Project activities will mitigate the negative impact of these factors on the permanence of students in the system, which will be greater in the absence of the Project. The same methodology was used to calculate the indicator; however, the estimations were adjusted for all years considering the cancellation of one infrastructure. The end target was revised to 76.65 percent and was moved to the year 2021.</i></p>							

**Intermediate Results Indicators by Components**

Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
<p><b>Component 1: Improving school services in Targeted Circuits</b></p>							
Percentage of students from the targeted circuits attending targeted public schools that receive infrastructure and		1.89	2.41	3.39			20.55



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
equipment in compliance with MINEDUC's standards (Percentage)							
<b>Action: This indicator has been Revised</b>	<p><b>Rationale:</b>  <b>Targets were revised to reflect new estimation in both numerator and denominator. The numerator was reduced as the number of students benefiting from infrastructure and equipment will decrease due to the cancellation of two civil works. The estimation for the denominator considers the schools that will be merged or intervened by the Project, their installed capacity, and projections of enrollment for the years 2020 and 2021. The indicator reported should be interpreted as the percentage of "potential" students that could benefit from the investments in infrastructure. The end target was changed to the year 2021.</b></p>						
Number of teachers that have received in-service training (of which % female) (Number)	0.00	0.00	0.00	2,127.00	2,127.00	3,700.00	
<b>Action: This indicator has been Revised</b>	<p><b>Rationale:</b>  <b>Targets were adjusted to reflect delays and changes in the design of the teacher training interventions, caused by mobility restriction imposed by the COVID-19 emergency, and the reduced working schedule of public employees, following the public spending cuts.</b></p>						
Number of teachers that have completed graduate-level studies in selected subjects (of which % of female) (Number)	0.00	0.00	0.00	0.00	463.00	463.00	
<b>Action: This indicator has been Revised</b>	<p><b>Rationale:</b>  <b>The end target was reached in the year 2019</b></p>						



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Percentage of the teachers in public schools who received the ICT kit and use it to register information (Percentage) (Percentage)		0.00	0.00	0.00	100.00	100.00	100.00
<b>Action: This indicator has been Revised</b>	<b>Rationale:</b> <i>The end target was reached in the year 2018.</i>						
Number of students with special education needs associated with disabilities enrolled in special education schools in the targeted circuits (Number) (Number)		0.00	0.00	131.00	150.00	217.00	230.00
<b>Action: This indicator has been Marked for Deletion</b>	<b>Rationale:</b> <i>This indicator has been marked for deletion. As a result of a previous cancellation of the loan, the civil work supported by the Project to provided services to students with special education needs was canceled. A new indicator has been developed.</i>						
Number of surveys on beneficiary communities' satisfaction in the targeted circuits regarding: (i) the process of social management and (ii) the results of the implemented new school "hubs." (Number) (Number)		0.00	0.00	0.00	0.00	1.00	2.00
<b>Action: This indicator has been Revised</b>	<b>Rationale:</b>						



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
<p><i>Due to mobility restrictions imposed by the sanitary emergency and the inability to conduct the field work as originally planned, the end target has been moved from December 2020 to December 2021. The communities where the surveys will be conducted were also revised.</i></p>							
Students benefiting from direct interventions to enhance learning (CRI, Number)		0.00	0.00	0.00	1,174.00	4,789.00	29,019.00
<p><b>Rationale:</b>  <i>The end target was adjusted to reflect the decrease in the number of civil works and the effects of the sanitary emergency and the economic crisis on student's enrollment. Considering information from the microplanning and the projection of enrollment for the year 2020, it is estimated that schools intervened by the Project will be operating at 85% of their capacity. The end target was revised accordingly and moved from 2020 to 2021.</i></p>							
Students benefiting from direct interventions to enhance learning - Female (CRI, Number)		0.00	0.00	0.00	587.00	2,362.00	14,509.00
<p><b>Rationale:</b>  <i>Targets were revised to be consistent with the revisions introduced in the indicator "Students benefiting from direct interventions to enhance learning", and correspond to 49.32% and 50% of women who benefit from the Project in the year 2019 and 2021 respectively.</i></p>							
Completion of special education standards (Yes/No)		No					Yes
<p><b>Rationale:</b>  <i>This indicator has been created to replace the indicator "Number of students with special education needs associated with disabilities enrolled in special education schools in the targeted circuits"</i></p>							





Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
assisted learning to their students (Number) (Number)							
<b>Action: This indicator has been Revised</b>	<b>Rationale:</b> <i>Due to delays in implementation caused by the national mobility restrictions imposed by the COVID-19 emergency, the end target has been moved to the year 2021.</i>						
Number of public schools that benefit from technical assistance to prepare their school improvement plan (Number) (Number)		0.00	0.00	0.00	0.00	0.00	70.00
<b>Action: This indicator has been Marked for Deletion</b>	<b>Rationale:</b> <i>This intervention requires student and teacher presence in school. Given the uncertainty about the potential length of a different learning modality, the indicator has been removed.</i>						
Share of evaluations conducted in a given time period (Percentage)		0.00	0.00	0.00	0.00	0.00	60.00
<b>Action: This indicator has been Revised</b>	<b>Rationale:</b> <i>Some of the evaluations conducted by INEVAL and originally planned for the year 2020 have been reschedule due to the sanitary emergency. Therefore, the end target has been moved to the year 2021.</i>						
Number of episodes produced for the Teleducacion platform (television and radio) (Number)		0.00	100.00				600.00
<b>Action: This indicator is New</b>	<b>Rationale:</b> <i>This indicator was included to report on the new activities included in the Project to respond to the COVID-19 emergency</i>						





**Annex 1: Detailed Budget by Component  
(to be included in the Operational Manual)**

	IBRD Financing	Borrower*	Total Cost	% BIRF	% Prestatario
<b>Component 1. Improving School Services in Targeted Circuits</b>	<b>110,703,331</b>	<b>3,897,036</b>	<b>114,600,367</b>	<b>97%</b>	<b>3%</b>
<b>Subcomponent 1.1</b> Infrastructure, Equipment and Furniture for School Hubs	95,703,937	3,877,965	99,581,902	96%	4%
<b>Subcomponent 1.2</b> Professional Development for Teachers and Principals	8,028,000	0	8,028,000	100%	0%
<b>Subcomponent 1.3</b> Equipment for Academic Management System at School Level - CEL	5,261,652	0	5,261,652	100%	0%
<b>Subcomponent 1.4</b> Strengthening GoE capacity to provide more inclusive education contents	1,709,742	19,071	1,728,813	99%	1%
<b>Component 2. Strengthening Planning, Management and Evaluation Capacity at MINEDUC</b>	<b>14,596,669</b>	<b>105,619</b>	<b>14,702,288</b>	<b>99%</b>	<b>1%</b>
<b>Subcomponent 2.1</b> Management and Information Systems	1,405,204	16,004	1,421,208	99%	1%
<b>Subcomponent 2.2</b> Management, Monitoring and Evaluation and Specific Studies / Impact Evaluation	13,191,465	89,615	13,281,080	99%	1%
2.2 (a) Management and evaluation MINEDUC – activities under (i)(ii)(iii) and (iv)	3,981,182	89,615	4,070,797	98%	2%
2.2 (b) Carrying out of standardized assessments and research to measure the skills and competencies of teachers, principals and students in the national education system—Co Executor INEVAL - activity under (v)	9,210,283	0	9,210,283	100%	0%
<b>Sub TOTAL</b>	<b>125,300,000</b>	<b>4,002,655</b>	<b>129,302,655</b>	<b>97%</b>	<b>3%</b>
<b>Cancellation</b>	<b>12,700,000</b>	<b>0</b>	<b>12,700,000</b>		
<b>TOTAL</b>	<b>138,000,000</b>	<b>4,002,655</b>	<b>142,002,655</b>		

\*The amount expressed under Borrower refers to VAT payment and administrative expenses, from which the total cost of US\$3,699,890.81 has been paid until December 31, 2019 (For VAT US\$3,215,875.88). The remaining amount will cover administrative expenses under Subcomponent 1.1 for the period of 2020-2021.