



1. Project Data:		Date Posted : 08/15/2002	
PROJ ID: P007169		Appraisal	Actual
Project Name: Sv- Basic Education	Project Costs (US\$M)	80.20	77.06
Country: El Salvador	Loan/Credit (US\$M)	34.00	34
Sector(s): Board: ED - Primary education (73%), General public administration sector (18%), Pre-primary education (4%), Tertiary education (3%), Health (2%)	Cofinancing (US\$M)	37.30	36.47
L/C Number: L3945			
	Board Approval (FY)		96
Partners involved : IDB	Closing Date	06/30/2001	12/31/2001
Prepared by :	Reviewed by :	Group Manager :	Group:
William Darnell	Helen Abadzi	Alain A. Barbu	OEDST
2. Project Objectives and Components			
a. Objectives			
The project was to promote greater equity, quality and efficiency in education services by: (a) improving access, b) improving quality in both academic achievement (output) and learning environment (input), and (c) strengthening managerial, financial and administrative capacity of the Ministry of Education (MINED) to set policies and guidelines and to deliver services.			
b. Components			
The components were: (a) expansion of access to preschool and basic education in underserved areas (US\$12.5 million), (b) improvement of quality of preschool and basic education (US\$49.2), and (c) institutional modernization and strengthening of MINED (US\$13.3 million), and (d) project coordination and administration (US\$4.83 million).			
c. Comments on Project Cost, Financing and Dates			
The project closing date was extended six months to December 31, 2001 at Government request in response to the earthquakes of January and February 2001. Total project costs were US\$77.06M, or 96 percent of the Appraisal estimate of US\$80.23M. The Bank's loan was disbursed fully.			
3. Achievement of Relevant Objectives:			
The development objectives were largely achieved. Important achievements were:			
Greater access to education . Access to preschool and primary education was expanded as evidenced by increases in net preschool enrollment and completion of 6th grade. Gross enrollments in rural areas increased by 26 percentage points as a result of the project from 104.1% in 1993 to 132% in 2000.			
Improved quality of education . Quality improved as measured by positive trends in student achievement scores. However, the observed increment is modest. Baseline scores were very low, averaging 20-30% in all core subjects, but they are still low, averaging 30-50% in all core subjects. Dropout rates were reduced substantially from 9% in rural areas to 1%. Repetition rates were reduced somewhat, from 9.1% in rural areas to 7.7%. The number of overage students in grades 1-6 was reduced from 35.6% to 27.9%.			
Institutional modernization and strengthening MINED's delivery of services was strengthened by decentralization to school and community levels and related policy reforms that gave legal status for managing public funds to school management councils. Innovative school-based management strategies were put in place and were largely sustained.			
4. Significant Outcomes/Impacts:			
The project financed 5,139 new community-managed school sections (about 30 students each) resulting in an increase in enrollments in rural areas; 30% in preschool and 70% in basic education. The community participation and management strategy became mainstream within MINED, and evaluation gained prominence. Design, production and distribution of textbooks and instructional materials largely met or exceeded appraisal targets, including 3,900,000 textbooks for grades 1-3; 2,710,000 textbooks for grades 4-6 and 741,760 textbooks for grades 7-9. About 105,690 teachers were trained, almost triple the appraisal target. Significant reforms were made as part of MINED modernization, including: (i) Approval of norms and promotion policies for teachers and establishment of human resources offices at the 14 Departmental offices; (ii) Computerization of financial controls and simplified transfer of funds to school and payments to teachers; (iii) Reorganization of procurement unit of MINED, including improved processes and procedures and training.			
5. Significant Shortcomings (including non-compliance with safeguard policies):			

There were no significant shortcomings. However, efforts to test alternative methods for public-private partnerships, including incentive-based financing mechanisms, had mixed results in that many contracted organizations could not provide full range of services. Interschool collaboration deteriorated between NGO supported and regular schools, and full service contracting proved to be expensive. Based on lessons learned during the project, contracting mechanisms at MINED have been modified.

6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
Outcome :	Satisfactory	Satisfactory	
Institutional Dev .:	High	High	
Sustainability :	Highly Likely	Likely	The sustainability of the reforms is not fully assured. For example, efforts to test alternative methods for public-private partnerships and mixed results, and many contracted organizations could not provide a full range of services.
Bank Performance :	Satisfactory	Satisfactory	
Borrower Perf .:	Satisfactory	Satisfactory	
Quality of ICR :		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:

- Political commitment is key to successful reform efforts and translates into structural changes that help ensure sustainability.
- An evaluation culture is essential for sustained system improvement. Ability of parents, students, teachers and administrators to evaluate student learning and quality of the learning environment helps ensure monitoring leads to more efficient and effective education services..
- Modernizing financial procedures improves management efficiency and transparency of transactions.

8. Assessment Recommended? ☐ Yes ☒ No

9. Comments on Quality of ICR:

The ICR was comprehensive, analytic and satisfactory.