

State of Ceará

June 6, 2001

International Bank for  
Reconstruction and Development  
1818 H Street NW.  
Washington DC.

Re: Ceará Basic Education Quality Improvement Project (Loan N° 4591 BR)  
Implementation Letter

This letter with the Annexes attached hereto constitutes the Implementation Letter defined in Article I, Section 1.02 (k) of the Loan Agreement entered into between the State of Ceará (the Borrower) and the International Bank for Reconstruction and Development (the Bank) of even date herewith for the above-captioned Project (the Loan Agreement).

The Project represents a major effort by the Borrower to universalize the coverage and broaden the implementation of its education priority programs. It also embodies a new concept of the state government as provider of quality schooling for all of Ceará's students, even those attending schools administered by municipal governments. This Implementation Letter includes the following: (a) the Borrower's commitment to provide annually the needed counterpart funds to guarantee efficient project implementation, as set forth in Annex A hereto; (b) the Performance Indicators defined in Section 1.02 (q) of the Loan Agreement, as set forth in Annex B hereto; (c) the strategy for Project implementation including a flexible and gradual approach in the operation of selected Project components which require additional preparation by the various agencies, departments and entities responsible for Project implementation, as set forth in Annex C hereto; (d) the terms of reference for Project reviews required under Section 3.08 of the Loan Agreement, as set forth in Annex D hereto and (e) the Social and Mobilization Strategy to assure stakeholders' support and participation in the development of the education policies and Project activities, as set forth in Annex E hereto.

Sincerely yours,

STATE OF CEARÁ

By /s/ Tasso Ribeiro Jereissati  
Authorized Representative

CONFIRMED:

International Bank for  
Reconstruction and Development

By /s/ Maria Madalena R. dos Santos  
Authorized Representative

Date: August 6, 2001

Annex A - Counterpart Funds for Project Implementation  
Annex B - Performance Indicators by Year of Project Implementation  
Annex C - Project Implementation Strategy  
Annex D - Terms of Reference for Reviews under Section 3.08 of the Loan Agreement  
Annex E - Social Mobilization and Participation Strategy

Ceará Basic Education Quality Improvement Project


Annex A - Counterpart Funds for Project Implementation

STATEMENT

This is to state that the Ceara Basic Education Quality Improvement Project to

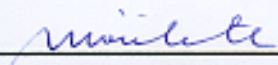
be implemented by the State Basic Education Secretariat will follow the financial schedule and count on the counterpart funds specified below:

Fortaleza, June 19, 2000.




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**Ednilton Gomes de Soárez**  
Secretary of Finance



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**Monica Clark Nunes Cavalcante**  
Secretary of Planning and Coordination



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**Antenor Manoel Naspolini**  
Secretary of Basic Education

Ceará Basic Education Quality Improvement Project

Annex B - Performance Indicators by Year of Project Implementation

**PLEASE SEE ORIGINAL, FORMAT DID NOT FIT DOCUMENT**

Ceará -- Basic Education Quality Improvement Project

Annex C - Project Implementation Strategy

1. One-phase Project

The Ceará Basic Education Quality Improvement Project (the Project) is a one-phase operation to be implemented in five years, after the date of effectiveness. Its implementation capacity is based on overall readiness observed in SEDUC and other state agencies responsible for the project components. Their participation in previous Bank and other international development agencies' projects have helped prepare them to fulfill their role in the Project. There are, however, in this project, certain sub-components and elements of recognized innovation and complexity level which require institutional and technical preparation aimed at assessing past experience, redefining methodologies, amassing know-how and mastering instruments. A gradual project implementation strategy has therefore been set.

## 2. Gradual Implementation

For selected sub-components and elements - Parts A.4, B.1, C.1 and D.2 of the Project, the actual implementation will not start right after Loan effectiveness, as a gradual process has been established to gather information, leading to analysis, decision, and new action plans. The first year of Project Implementation will be devoted to acquiring the mastery level demanded for an effective and efficient management of those key activities. Three approaches have been selected: evaluation, piloting and reengineering.

### 2.1 Part A.4

· SAP - Pedagogical Monitoring and Support System (Sistema de Acompanhamento Pedagógico). The SAP design is a clear improvement over previous school supervision practice in Ceará and elsewhere in Brazil. A potentially powerful tool for improving school and teaching/learning performance, the SAP seems, however, to be highly ambitious in scope and limited in coverage. Under the project, the SAP execution process will be: (a) preceded by conceptual and operational redesign during the first year; and (b) piloted in six CREDES, the corresponding state schools and 5% of all municipal schools during the second year; (c) extended to the remaining CREDES in the third year.

### 2.2 Part B.1

· Telensino (Televised Education). For 26 years the state government has used its TV Educativa to deliver the 5th -to-8th grade segment to small towns and rural areas. This distance technology has yielded mixed results and the beneficiaries have not rated the experience as totally successful. It was agreed that external consultants would evaluate Telensino and its teachers, materials, methodologies, delivery system and institutional framework during the first Project year. Its continuation is subject to approval of the evaluation results and presentation of an action plan, satisfactory to the Bank, to re-structure the program.

### 2.3 Part C.1

· PRODEM - Municipal Education Development Program (Programa de Desenvolvimento da Educação Municipal). This is the most innovative element introduced by the Project. Its structure and complex management, involving state (SEDUC) and municipal institutions, imply a learning period during the first Project year to set up the administrative scheme, to detail the operation, install a social marketing network, and disseminate the concept. The actual PRODEM operation will start in the second year of project implementation with an initial pilot of only 15 representative municipalities.

### 2.4 Part D.2

· SPAECE - State Education Evaluation System (Sistema Permanente de Avaliação Educacional do Estado do Ceará). This evaluation system has been in operation since 1997 but applied only to state schools. Under the project, SPAECE will be extended for the entire public system with possible inclusion of the private sector. To meet the desired scope and quality, SPAECE will be: (a) reengineered in scope and management; and (b) piloted in 100% of state and 10% of municipal schools.

3. Expansion and Dissemination of activities to be piloted. All the selected activities to be piloted will be expanded to other project areas after satisfactory results of the pilots. For each activity, a joint Bank and Borrower assessment will be made to determine the extent to which each of these activities could be expanded to guarantee an efficient achievement of the developmental objectives of the project.

## Ceará- Basic Education Quality Improvement Project

### Annex D - Terms of Reference for Reviews under Section 3.08 of the Loan Agreement

#### 1. Objectives

Annual reviews would be conducted during project implementation. This will be done in light of project objectives, performance indicators and Government policies. The Borrower ensures that it will implement the Project with due diligence to achieve the agreed development objectives and in conformity with the Loan Agreement. In October 2003, a comprehensive mid-term supervision review would also be conducted to:

(a) assess overall project progress since the beginning of the implementation period; (b) undertake activities normally covered under annual implementation reviews; (c) redefine components or elements where major problems may have been identified; and (d) evaluate the possible need for adjustment or restructuring of the project for the remainder of the project implementation period.

## 2. Borrower's Responsibilities

The Project Executive Group, in coordination with SEDUC units and other executing agencies, would be responsible for: (a) hiring consultants to help carry out the annual and mid-term reviews; (b) organizing and writing the annual and Mid-term Progress Reports (see n. 4 below), based on experience accumulated under the project and the final or preliminary results of studies; and (c) interacting with the task manager in each mission preparation process and its logistics including field visits.

## 3. Performance Indicators

Project progress and performance achieved during the first half of the project will be: (a) monitored on the basis of the "Key Performance Indicators and Critical Outputs" which constitute Annex C to this Implementation Letter. For each indicator, specific evidence of progress should be provided; and included in the Mid-term Progress Report (see 2b).

## 4. Mid-term Progress Reports (Borrower)

The Mid-term Progress Report (MPR) on project implementation status and corresponding action plans for the remainder of the project are essential for planning the mid-term review mission and reducing fact-finding during the mission, so that the specialists can concentrate on problem-solving and technical assistance in the field. The MPR should be organized in the following format and include at least the following sections:

(a) Description. A narrative section describing progress of each of the components. Issues that have arisen, problems, delays, suggested changes, successful initiatives, decisions made in the last year should be included for each component and relevant element;

(b) Updating of Indicators. Actual and current status vis-à-vis planned goals, both for quantitative and qualitative performance indicators (see n. 3 above);

(c) Latest Supervision Mission. A section listing the recommendations and agreements made during the latest Bank supervision mission and actions taken and present position;

(d) Contracts. A list of all contract activities expected during the next year and half-year;

(e) Tables. A set of tables covering the following:

· Expenditures incurred to date shown by disbursement category of expense detailed in Schedule 1 of the Loan Agreement and by component, and status of civil works (number of contracts, location, type of school covered and cost for each contract).

· Training activities planned and carried out, number and type of training program, number of participants, duration and cost of each course.

· Progress of employment of consultants' services (foreign and local) pursuant Section II, Schedule 4, number of person/months planned and currently used, costs of contracts and status of disbursement.

(f) Audit Report. The latest report from the auditing consultants or Government auditors.

The Borrower provides assurance that, as a pre-requisite for the corresponding review (Section 3 and Schedule 4), it will prepare and present to the Bank a Mid-term Progress Report by July 31, 2003.

## 5. Joint Reviews

As expressed in the Loan Agreement, joint Bank and Borrower reviews will be organized to carry out the annual and mid-term review processes. Based on the Mid-term Progress Report and on the significant information available, the Bank will

prepare the terms of reference (TOR) to ensure an effective and well-focused review. Each TOR should: (a) emphasize mission objectives and expected results; (b) link with the previous supervision missions and relevant implementation events; (c) outline the problems to be addressed, and set out the recommended course of action; (d) ensure adequate attention to the project's role in achieving sector and macroeconomic objectives; and (e) specify the responsibilities of each mission member.

## Ceará Basic Education Quality Improvement Project

### Annex E - Social Mobilization and Participation Strategy

#### 1. Objectives

The main objective is to develop and foster social and political support for and empowerment of basic education and school as a continuing and tangible expression of civil society's responsibility for quality education for all. Universal basic education must be completed in Ceará, and the challenging access, permanence and quality problems must be addressed in a cooperative and committed manner. A variety of stakeholders need further information, encouragement and organization so as to feel motivated to join the effort in a productive and consistent way.

#### 2. Outcomes

The end result of this mobilization and participation strategy would be twofold and would entail: (a) in general terms, a society and leadership more educationally informed and motivated to support educational (especially basic education) policies and activities so that a quality public school system of education for all may be developed and maintained; and (b) in more specific terms, municipal education councils in operation, school councils as a driving force at the local level, municipal education plans in every municipality, PDE designed and implemented in every school, Basic Operational Standards in every school, and increasing support for initial education initiatives.

#### 3. Context and Experience

SEDUC is not a newcomer to this area of social mobilization and participation initiatives. In the past six years, several such programs have been successfully crowned with positive results. At least six of them can be highlighted and involved a significant number of stakeholders: (a) the "Every Child at School" Campaign which contributed to raise the 7-14 year old net enrollment rates to 98%; (b) the Cooperation Pact signed with statewide business associations; (c) the Partnership Agreement made with the Young Business Association; (d) the Justice and Magistrates Mobilization for backing and explaining the education rights for all; (e) the design of 21 decentralized Regional Education Development Centers (CREDE) to closely work with all municipalities; (f) the election of school principals by the education community; and (g) the participation of the Health Agents in identifying out-of-school children across the state. Lessons learned from these and other initiatives will be applied to related project-supported activities.

#### 4. Targeting Stakeholders

Basic education and project stakeholders can be distinguished into two groups: outsiders and insiders. Both groups have peculiar backgrounds and expectations and need to be reached through different information and motivation channels and media:

• Outsiders are those who look at basic education, the school and the school system from a distant standpoint, sometimes not feeling part of it, even though their attitudes, perceptions and decisions can affect either positively or negatively the way education is managed, financed, monitored, delivered, and evaluated. This category includes professionals and authorities such as politicians (especially mayors), community leaders, media professionals, business associations, churches, justice system members, and NGOs; and

• Insiders are those who somehow belong to the inner structure of school and the education system but lack either information or drive to contribute more significantly. This category ranges from central SEDUC professionals and students' parents to teachers, Municipal Education Secretaries and their staff, professionals in other state secretariats (Planning, Finance, Labor and Social Action, Health, Science and Technology), universities, the State Education Council and municipal and school councils.

#### 5. Strategies and Activities

Four key strategies will be adopted: information (data, statistics, analysis results, achievements), dissemination (best practices, awards, innovations), discussion (educational issues, state and regional priorities, policies) and partnership (participatory strategies, social responsibilities, school and municipal councils).

Activities will be developed accordingly, using a variety of media: printed materials (booklets, papers, guidelines), TV and radio messages, internet site, posters, slogans, forums, council meetings, community meetings, Health Agents' mediation,

## 6. Organization

The mobilization and participation strategy will be carried out by a number of participants and will be coordinated as follows:

- at the central level - SEDUC, the Ceará Mayors Association (APRECE) and the Ceará branch of the National Union of Municipal Education Managers (UNDIME);
  - at the regional and municipal level - Regional Education Development Centers (CREDEs) and Municipal Education Secretariats; and
  - at the local level - School Councils, School Management Group and School Coordination.
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