



Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 03-Aug-2023 | Report No: PID139

BASIC INFORMATION

A. Basic Project Data

Project Beneficiary(ies) Brazil	Operation ID P500524	Operation Name Sustainable Human Development Project in the State of Pará	
Region LATIN AMERICA AND CARIBBEAN	Estimated Appraisal Date 10-Oct-2023	Estimated Approval Date 28-Mar-2024	Practice Area (Lead) Education
Financing Instrument Investment Project Financing (IPF)	Borrower(s) The State Government of Pará	Implementing Agency State Secretary of Education	

Proposed Development Objective(s)

The Program Development Objective (PDO) are to: (i) promote food security, (ii) accelerate learning in public schools, and (iii) protect the environment in the Archipelago of Marajó and selected areas in the State of Pará.

PROJECT FINANCING DATA (US\$, Millions)

Maximizing Finance for Development

Is this an MFD-Enabling Project (MFD-EP)?

Is this project Private Capital Enabling (PCE)?

SUMMARY

Total Operation Cost	350.00
Total Financing	350.00
of which IBRD/IDA	280.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Bank for Reconstruction and Development (IBRD)	280.00
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Non-World Bank Group Financing

Counterpart Funding	70.00
Local Govts. (Prov., District, City) of Borrowing Country	70.00
Environmental and Social Risk Classification	Concept Review Decision
Moderate	The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

- Brazil's economy grew 2.9 percent in 2022 and is expected to grow 2.0 percent in 2023.** Economic growth was propelled by rising demand for services and fiscal stimulus in 2022, and is being propelled by a rising demand for services and increases in agricultural production in 2023. As a result of economic growth, unemployment fell to 7.9 percent by December 2022, down from a peak of 11.1 percent in December 2021. Due to increases in job opportunities and the expansion of the *Bolsa Família* program, poverty is also expected to fall from 28.4 percent in 2021 to 23.9 percent in 2023. Furthermore, due to a combination of tight monetary policy (basic interest rate of 13.75 percent as of July 2023) and declines in fuel prices, inflation is expected to end this year below 5 percent, for the first time since 2020.
- Food security, however, has not returned to pre-pandemic levels.** Regardless of the source, and definition, studies point out that hunger invariably jumped after the pandemic. Data from *Inquérito Nacional da Insegurança Nacional no Brasil* (VIGISAN) indicates that 33.1 million Brazilians suffer from food insecurity, or 14 million more if compared to pre-pandemic levels. According to the Food and Agriculture Organization of United Nations (FAO), 41.3 percent of Brazilian households face some food insecurity, while other surveys revealed that 36 percent of households in Brazil had no money to buy food in 2021.¹ During the COVID-19 pandemic, severe food insecurity increased from 5.8 percent of households in 2018 to 15.5 percent in 2021, with a 1pp increase representing around 2 million households in hunger in Brazil.² Some subgroups were more heavily affected: two-thirds of food-unsafe Brazilians live in rural households, and 65 percent of households headed by Afro-descendants are food insecure. From 2019 to 2021, food insecurity among women increased from 33 percent to 47, while for men it decreased from 27 percent to 26 percent.
- School closures during the COVID-19 pandemic have led to a deepened learning crisis.** Estimates of learning losses for Brazil are striking: the 280 days that schools were closed generated losses up to 12 years of learning equivalent,³ affecting all learning stages. Data from *Instituto Anísio Teixeira* (INEP) shows that 56.4 percent of second graders were illiterate in 2021 (vs. 39.7 percent in 2019).⁴ In primary education, the proportion of students below adequate learning levels in mathematics increased by 8.5pp for fifth graders, and 4.8pp for ninth graders (lower secondary). Data from UNICEF also revealed that, in 2022, around 2 million teenagers (from 11 to 19 years) were out of school mainly due to work (48 percent) and difficulty following lessons (30 percent).⁵ Even before the pandemic, the North region, where Pará

¹ *Insegurança Alimentar no Brasil: Pandemia, tendências e comparações internacionais.*

² <https://olheparaafome.com.br/wp-content/uploads/2022/09/OLHESumExecutivoINGLES-Diagramacao-v2-R01-02-09-20224212.pdf>

³ <https://www.educacao.sp.gov.br/wp-content/uploads/2021/04/Apresenta%C3%A7%C3%A3o-Estudo-Amostral.pdf>

⁴ Pesquisa Alfabetiza Brasil: https://download.inep.gov.br/alfabetiza_brasil/apresentacao_resultados.pdf

⁵ UNICEF. *Educação Brasileira em 2022 – a voz de adolescentes.*



is located, already presented the highest percentages of out of school children (4.3 percent).⁶ School dropout is particularly high among indigenous and Afro-descendant students, which together represent 70 percent of out of school children.

4. **Deforestation in the Amazon increased substantially in recent years.** According to the National Institute of Spatial Research (INPE), an average of 11,400 km² of forests were lost in the Legal Amazon per year during the period 2019-2022. This number is roughly 80 percent higher than the average deforestation of 6,400 km² observed from 2011-2018. There is growing concern that the Amazon is close to a tipping point in which the forest starts to degrade indefinitely. Deforestation has global impacts on biodiversity and carbon sequestration. It also affects rainfall patterns of South America as a whole, amplifying the impacts of climate change in the country.

Sectoral and Institutional Context

5. **To address these challenges, the Government of Pará requested the World Bank's support to promote Sustainable Human Development in the state.** The "human development" dimension would be related to the promotion of food security among vulnerable households and foundational learning in state and municipal schools. The "sustainable" dimension would revolve around the protection of the environment. The proposed Project would be structured around three pillars: (i) social protection services to reduce hunger; (ii) accelerating learning and environmental education; and (iii) reducing deforestation and promoting economic activities compatible with standing forests. Sustainable solutions for human development are more likely to be impactful through multisectoral coordinated actions. The proposed Project's activities will be concentrated in the *Archipelago of Marajó* region, the poorest region in the state.

Promoting Food Security

6. **Social assistance and food facilities do not cope with the challenges faced by the state, especially in the Archipelago of Marajó.** Sixty seven percent of Pará's population is registered in the national database of economically vulnerable households, *Cadastro Único*. Bolsa Familia (the national CCT program) covers 1,3 million families in the state. The social assistance network has 262 Social Assistance Reference Centers (CRAS) providing basic social services, serving 217,000 families per year, or less than 10 percent of the estimated demand. The State also has Specialized Reference Centers for Social Assistance (CREAS) but only 134 municipalities count with specialized services for families facing rights violation, violence, and abandonment. The *Archipelago of Marajó* has 12 mobile teams (household visitors), 22 CRAS, and 16 CREAS. The CRAS and CREAS need to be revamped and services needs to be improved.

7. **The state also has three community kitchens and one popular restaurant to safeguard food security which, however, are poorly coordinated.** These food security facilities are poorly distributed in the State and fail to meet local demand, particularly in the *Archipelago of Marajó*. The policy is uncoordinated: municipalities often implement distinct and conflicting strategies without a centralized direction, as observed by the absence of an emergency aid program for families under severe vulnerability (hunger, domestic violence, sexual exploitation, school dropouts, and child labor situations). In addition, the lack of a productive inclusion policy perpetuates poverty, especially in *Marajó*.

Accelerating Learning

8. **There are two distinct challenges that need to be tackled to recover and accelerate learning in Pará: low early literacy outcomes, and high school dropout.** These challenges require a set of adequate interventions. The first challenge begins early: eight out of ten second graders were below basic reading levels in 2022. One grade later, three fourths of students are still inadequately literate.⁷ In the *Archipelago of Marajó*, most students in grade 2 are at the pre-reading stage and do not improve as they get older, with only 1 percent performing at an adequate level in mathematics in 9th grade. The second challenge is school dropout; 14.8 percent of students in Pará drop out of school in the first year of upper secondary education alone. About 30,000 15-17 year-olds are out of school, partially due to child labor during the

⁶ UNICEF (2021). *Cenário da Exclusão Escolar no Brasil*. <https://www.unicef.org/brazil/media/14026/file/cenario-da-exclusao-escolar-no-brasil.pdf>.

⁷ INEP, 2016



harvesting of Açaí nuts or other extractive activities.⁸ These statistics got worse after the pandemic. These circumstances put Pará among the lowest IDEBs in North Brazil, since the index measures passing rates and learning. Addressing these challenges requires a focus on adequate interventions to improve early literacy and prevent school dropouts.

9. **These challenges are made worse by deficient school infrastructure, where even the basics are lacking.** 73 percent of schools lack access to treated water and 16 percent lack bathrooms.⁹ Virtually no school is sustainable, and many even damage the environment. For instance, at least 60 percent of schools burn their waste, another 15 percent lack sewage facilities, and 79 percent use a pit. Although 92 percent of schools have a kitchen, 46 percent lack a refrigerator and another 39 percent lack adequate space to serve meals to students.

Reducing Deforestation

10. **Reducing deforestation is a priority for Pará and progress relies on an integrated policy approach.** In 2022, Pará registered a deforestation of 4,414 km², being the only state in the Amazon to reduce deforestation compared to the previous year. However, the deforestation rate is the highest in Brazil. In 2020, the state launched the *Plano Estadual Amazônia Agora* to reduce deforestation and reach carbon neutrality by 2036. In 2022, the state also created the *Plano Estadual de Bioeconomia* to promote a low-carbon economy that uses forest resources in a sustainable way. Further progress requires encouraging populations in collective territories (conservation units, indigenous lands, and *Quilombola* territories) to conserve their forests, improving access to basic infrastructure, promoting bioeconomy activities, and increasing the state's capacity to monitor illegal activities. While they should cover the entire state, these policies are particularly important in vulnerable areas such as the *Arquipelago of Marajó* region, where an integrated approach is key to ensure development and conservation move together.

Relationship to CPF

11. **This proposed Project reflects the priorities of the World Bank Group's Country Partnership Framework (CPF) for the Federative Republic of Brazil for FY18-FY23 (Report No. 113259-BR), discussed by the Executive Directors on May 16, 2017.** Each component of this Project links with at least one focus area of the CPF. Component 1 Increase Food Security is outlined in the Focus Area 1 "Fiscal consolidation and government effectiveness" objective 1.2: "Increase fiscal sustainability and fairness of pension system, and effectiveness of social protection system. Component 2 Promoting Foundational Learning is connected to the CPF objective 1.3: "Increase effectiveness of service delivery in education," as its activities aim to mitigate "poor quality and access gaps on education" by promoting early literacy and foundational learning in public schools in Pará. In parallel, the construction and reforms of schools in vulnerable areas intend to narrow "access gaps" to public education. Activities in Component 3 "Standing Forests" align with Focus Area 3 "Inclusive and Sustainable development." The Project will support the design and implementation of cash transfers to preserve the environment, contributing to Objective 3.1 "Support the achievement of Brazil's NDC with a particular focus on land use." The Project also aligns with Objective 3.2 "Promote socioeconomic development of small rural producers and vulnerable groups" by providing support to the bioeconomy in the state of Pará. This component also aligns with the World Bank Group's strategy of supporting growth while focusing on sustainability and ensuring a green, more-inclusive growth.¹⁰

C. Proposed Development Objective(s)

12. The Program Development Objective (PDO) are to: (i) promote food security, (ii) accelerate learning in public schools, and (iii) protect the environment in the *Arquipelago of Marajó* and selected areas in the State of Pará.

⁸ Observatório do Plano Nacional de Educação, 2020

⁹ School Census 2021

¹⁰ *Toward a green, clean, and resilient world for all: a World Bank Group environment strategy 2012-2022*. Washington, D.C.: World Bank Group.



Key Results (From PCN)

- i. **Food Security.** Number of families covered by Cash Transfer plus to Vulnerable Households.
- ii. **Foundational Learning.** Percentage of literate second graders of municipal and state schools in Pará.
- iii. **Environment Education.** Percentage of schools with Environment Education in the School Curriculum.
- iv. **Environment.** Percent reduction in deforestation in the state of Pará by km².

D. Concept Description

13. **The proposed Project will use an Investment Project Financing (IPF) with Performance-Based Conditions (PBC) instrument to support human development and environmental policies to mitigate the prolonged impacts of COVID-19 and promote long-term Sustainable Human Development in Pará.** The proposed Project will be articulated around three components, supporting, respectively, food security of vulnerable households, learning acceleration in public schools, and the reduction of deforestation. These components are not only interrelated but are also expected to be mutually reinforcing by supporting activities which have a positive impact on every PDO. Additionally, the project's prioritization on the *Archipelago of Marajó* region creates natural spatial synergies between the components, further reinforcing their impact. The IPF instrument was chosen because the addition of PBCs stimulates the focus on critical results, on mapping essential inputs, and on generating institutional change for sustainable results, while also financing specific activities, considering the attention required to define inputs, and the strong reliance on World Bank systems for managing fiduciary and environmental and social risks.

14. **Component 1: Promoting Food Security (US\$125 million, of which US\$100 million IBRD).** This component will support food security in Pará through activities, organized into three subcomponents, that promote the strengthening and better coordination (transitioning from uncoordinated decentralized interventions to a state-centered approach) of critical social protection and food security programs. The project will finance consulting services, infrastructure renovations, equipment, and two new programs. To increase its impact, the activities under this component will prioritize the *Archipelago of Marajó*.

- i. *Subcomponent 1.1: Strengthening Social Protection Services and Benefits (SUAS)* (US\$30 million IBRD). This subcomponent will strengthen social assistance surveillance; improve monitoring and technical support to municipalities; renovate the CRAS, CREAS and mobile teams to reach the estimated demand; train SUAS teams (state and municipal), given their low capacity; and undertake active search of vulnerable families.
- ii. *Subcomponent 1.2: Food and Nutrition Security System* (US\$20 million IBRD). This subcomponent will foster better coordination, through local engagement in the national system of food security and nutrition (SISAN). It will support capacity building and coordination with municipalities to adhere to SISAN, installation of food security centers and water harvesting systems, and development of the state management system.
- iii. *Subcomponent 1.3: New Cash Transfer Plus Program to Vulnerable Households and Productive Inclusion Program* (US\$50 million IBRD). The program aims to reach 20,000 families in the *Marajó Archipelago* through: (i) a new Cash Transfer plus, an emergency aid combined with a package of services to protect families exposed to hunger, violence, school dropout, child labor, etc; and (ii) a productive inclusion strategy (*Fomento*) that provides support and financial incentives to improve productivity and generate income by prioritizing sustainable food production.

15. **Component 2: Accelerating Learning (US\$125 million, of which US\$100 million IBRD).** This subcomponent will support learning acceleration in public schools in Pará by (i) expanding an early literacy program, (ii) implementing learning acceleration policies in lower secondary education, including environmental education in the school curriculum, and (iii) building climate-smart schools. Activity (iii) will prioritize, but will not be limited to, the *Archipelago of Marajó*.



- i. *Subcomponent 2.1: Early Literacy* (US\$7.5 million IBRD). This subcomponent will promote literacy at the right age by supporting a program offered by the state to municipalities. The program's structure is inspired by the successful case of *Ceará*.¹¹ The Subcomponent will finance decentralized teams to support municipalities on implementation, the development of structured materials, training, and rewards for the best-performing schools. This strategy is “foundational” as it focuses on foundational reading skills.
 - ii. *Subcomponent 2.2: Learning Acceleration Policies in Secondary Education* (US\$12.5 million IBRD). The Subcomponent will support learning acceleration policies in lower and upper secondary education (grades 6-12) through three activities focused on students lagging behind¹² and the overall strengthening of the environment curriculum.
 - a. *Targeted Instruction*: an instruction methodology targeted to the student level (*Teaching at the Right Level Approach*).¹³
 - b. *Bem Estudar*: structured socioemotional activities for students to improve student retention. This will include activities related to gender violence, race discrimination and climate change.
 - c. *Alerta Pará*: an early warning system triggering preventive actions for students at high risk of dropping out of school. *Alerta Pará* will consider gender-specific anti-dropout interventions.
 - d. *Environment Education*: inclusion of Environment and Climate Change learning standards in the school curriculum. This will also include the development of teaching materials, training and a School Prize for the best projects related to the environment curriculum.
 - iii. *Subcomponent 2.3: Sustainable School Infrastructure* (US\$75 million IBRD). This subcomponent will support the construction and rehabilitation of schools in alignment with sustainability criteria, which integrate access to technology infrastructure for teaching and learning.
16. **Component 3: Standing Forests (US\$90 million, of which US\$70 million IBRD)**. Component 3 seeks to reduce deforestation of the Amazon biome, as conserving forests is a key priority for the state and its partners.
- i. *Subcomponent 3.1: Bolsa Floresta* (US\$45.5 million IBRD). This subcomponent will support Pará to create a PES program for approximately 12,000 families living in collective territories (protected areas, traditional communities such as *quilombolas* and *ribeirinhos*, and land reform settlements). This program will provide recurring cash transfers to poor households living in these territories who commit to zero deforestation and sustainable practices. Transfers will focus on households living in the *Arquipelago of Marajó* region.
 - ii. *Subcomponent 3.2: Digital Connectivity* (US\$11 million IBRD). This subcomponent will support enhanced digital connectivity for collective territories and community centers. It will include the installation of physical infrastructure to provide access to high-speed internet. It will prioritize the *Arquipelago of Marajó* region.
 - iii. *Subcomponent 3.3: Bioeconomy* (US\$9.5 million IBRD). This subcomponent will support the development and consolidation of bioeconomy businesses that generate income for rural areas of the State of Pará. It will support the establishment of a marketplace for bioeconomy products produced in the state, the construction processing centers at collective territories, training activities for community leaders and entrepreneurs and support for local businesses to improve their management practices. It will prioritize locations in the *Marajó* region.
 - iv. *Subcomponent 3.4: Management systems modernization* (US\$4 million IBRD). This subcomponent aims to modernize the management systems to incorporate intelligence into the operations of the State Secretary of Environment and Sustainability (SEMAS), aligned with the *Plano Estadual Amazônia Agora*. This activity will

¹¹ Andre Loureiro, Louise Cruz, Ildo Lautharte, David Evans, 2020.

¹² Azevedo, Joao; Rogers, Halsey; Ahlgren, Sanna Ellinore; Cloutier, Marie-Helene; Chakroun, Borhene; Chang, Gwang-Chol; Mizunoya, Suguru; Reuge, Nicolas Jean; Brossard, Matt; Bergmann, Jessica Lynn.

¹³ World Bank (2023).



support systems used to license investments, monitor supply chains, identify deforestation, among others. The emphasis is on increasing effectiveness of the SEMAS’ operations, engaging field personnel and actors such as municipalities.

17. **Component 4: Project Management, Integrated System and COP 30 (US\$10 million, of which US\$10 million IBRD).** This component aims to provide overall implementation support to the Project Management Unit (PMU), develop an integrated management system, and provide support to the implementation of COP30 in *Belém*. This component will also finance costs related to the independent verification of PBCs and financial audits.

- i. *Subcomponent 4.1: PMU (US\$2.5 million).* This subcomponent will include support to the PMU, which will be established and designed (Annex 1) during project preparation.
- ii. *Subcomponent 4.2: Integrated Management System (US\$3.5 million).* This subcomponent will support the development of an integrated management system to interconnect information, monitor and evaluate state programs from the secretaries involved in the Project.
- iii. *Subcomponent 4.3: Support to COP 30 (US\$4 million).* This subcomponent will support to the organization of COP 30 in *Belém*. The activities will be discussed during preparation.

18. **The Project will include at least six PBC.** Their content, timetable, scalability, and amounts will be drawn from the Project’s Results Chain. The proposed initial PBCs would be:

- i. **PBC 1 (Food Security):** Number of social assistance services provided
- ii. **PBC 2 (Food Security):** Number of municipalities adhered to SISAN¹⁴
- iii. **PBC 3 (Food Security):** Number of families receiving Cash Transfer plus from SEASTER¹⁵
- iv. **PBC 4 (Food Security):** Number of families receiving *Fomento*
- v. **PBC 5 (Accelerating Learning):** Number of municipalities formally enrolled in the *Programa Alfabetiza Pará*.
- vi. **PBC 6 (Accelerating Learning):** Number of state schools with *Environment Education* in the curriculum.

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Area OP 7.60	No

Summary of Screening of Environmental and Social Risks and Impacts

CONTACT POINT

World Bank

¹⁴ The National Food and Nutrition Security System (Sistema Nacional de Segurança Alimentar e Nutricional - SISAN) is a public system established by the Organic Law on Food and Nutrition Security. It facilitates coordination between all levels of government for implementing and executing the Food and Nutrition Security Policy in an intersectoral and participatory manner.

¹⁵ Secretaria de Assistência Social e Trabalho.

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APPROVAL

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