

**PROGRAM-FOR-RESULTS INFORMATION DOCUMENT (PID)
CONCEPT STAGE**

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Program Name	Upper Secondary Reform Program
Region	Latin America and the Caribbean
Country	Brazil
Sector	Education
Financing Instrument	HYBRID (PforR + IPF)
Program ID	P163868
Borrower(s)	Republic of Brazil
Implementing Agency	Ministry of Education
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Concept Review Decision	
Other Decision <i>{Optional}</i>	

I. Introduction and Context

A. Country Context

1. **After a “Golden Decade” of rapid growth and social progress up to 2013, Brazil’s economy first stumbled and then fell into deep recession.** A decade of sound macro policies and a favorable external environment contributed to fast economic and social progress between 2001 and 2010. However, the deterioration in both factors led to a steady decline in growth after 2010. Growth declined from an average of 4.5 percent per year in 2006-10 to 2.4 percent in 2011-14, followed by contractions of 3.8 percent and 3.6 percent in 2015 and 2016, respectively. While external factors triggered the slowdown, an expansionary policy response led to rapidly rising fiscal disequilibria and, with rising domestic political uncertainty, to a loss of confidence and a sharp drop in investment. To restore confidence and fiscal stability, the government has begun to pursue fiscal reforms, including a constitutional amendment to limit the growth of public expenditures.¹ Growth is expected to resume in 2017 but the strength of the recovery remains unclear.

2. **The crisis threatens a decade of development progress.** Brazil experienced an unprecedented reduction in poverty and inequality over the past decade and a half, when 24.2 million Brazilians escaped poverty and the Gini coefficient of household incomes fell from 0.59 to 0.51. The road to prosperity for the majority of poorer Brazilians was through formal sector jobs, as the unemployment rate declined sharply during the “Golden Decade” to a low of 6.8 percent in 2014. However, the economic crisis precipitated a rapid rise in unemployment in 2015 and 2016 with large job losses of 0.6 million in 2015 and 2.0 million in 2016 pushing unemployment to 13.6 percent in April 2017. Average real wages declined by 0.3 percent in 2015 and 2.3 percent in 2016. Rising unemployment and falling real wages mean that past progress in poverty reduction is now at risk of being reversed. Indeed, in only two years

¹ The constitutional amendment (PEC 241) was approved by the Brazilian Senate in December 2016. It limits the growth of Federal Government’s public expenditures, corrected by inflation, for up to 20 years. Limits for the education sector are valid starting in 2018.

poverty increased from 7.4 percent in 2014 to 9.7 percent in 2016.

3. **With low productivity at the center of low economic growth, fiscal constraints make the need for an efficient boost in human capital more pressing.** Lower economic growth in the past years is associated with low levels of labor productivity, which in turn can be directly related to persistent modest levels of quality in education.² The average Brazilian worker produces less than the average worker in OECD,³ BRICS⁴ and LAC⁵ countries and this measure has not substantially improved in recent decades.⁶ Labor productivity in Brazil mimics what is observed in the quality of fundamental and upper-secondary education.⁷ The recent fiscal adjustments, however, have placed rigid spending caps on social spending such as education. As a result, structural reforms that efficiently boost human capital have become a key government and development priority. A key avenue to improving quality and value for money in Brazil is to increase the relevance of upper secondary education (*Ensino Médio*) and tackling the system's low internal efficiency.

B. Sectoral and Institutional Context of the Program

4. **The quality of education, as measured by international standardized learning tests, has improved in the last 15 years, but remains below that of regional peers; the “value for money” has also fallen.** Brazil has had the largest improvement in the Programme for International Student Assessment⁸ (PISA) of all participating countries between 2003 and 2012. Despite this progress, Brazil performs below all other participating LAC countries in all subjects tested except for the Dominican Republic. Moreover, science and reading scores have stagnated since 2009 and math scores since 2012, despite expenditure per student more than doubling between 2000 and 2015, a faster rate of growth than at LAC and BRIC peers.

5. **The Brazilian upper education system displays low internal efficiency, with the highest repetition rate in LAC and pervasive age distortions.** Brazil has some of the highest levels of repetition and dropout in the world, resulting in an average of 15 years of schooling to produce one high school graduate (should be 12 years). Indeed, high levels of grade repetition make age-grade distortion ubiquitous in the education system: more than a quarter of upper secondary students were overage in 2014. Previous progress on this front has stalled: the repetition rate stagnated at 12 percent between 2008 and 2014. Chronic overage leads to the average Brazilian completing upper secondary education much older than students in OECD and most LAC countries (Figure 1a).

6. **High repetition and age-grade distortions contribute to high dropout rates and some of the lowest completion rates in the region.**⁹ School dropout rates have been decreasing in recent years, but remain high. While many students drop out during the transition between fundamental and upper secondary education (6 p.p.), the majority drop out during the last cycle of basic education¹⁰ (15 p.p)¹¹, strongly suggesting that the main drivers of dropout are demand - rather than supply-driven. On the

² World Bank “Brazil - Systematic country diagnostic”. Washington, D.C.: World Bank Group (2016)

³ Organization for Economic Co-operation and Development (OECD)

⁴ Brazil, Russia, India, China, and South Africa.

⁵ Latin America and Caribbean

⁶ World Development Indicators, The World Bank (2016).

⁷ See Hanushek, Eric, and Ludger Woessmann. "The economic impact of educational quality." Handbook of International Development and Education (2015) and Hanushek, Eric A., and Dennis D. Kimko. "Schooling, labor-force quality, and the growth of nations." American economic review (2000).

⁸ A worldwide standardized student assessment of 15-year-old' performance in mathematics, science, and reading.

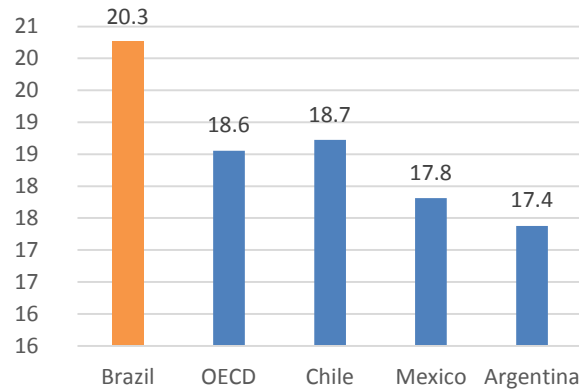
⁹ In addition to contributing to the decision of dropping out of school, high grade repetition rates are associated with inefficiencies in the educational system, since repeaters are required to spend many hours in class for marginal returns in learning (Bruns, Evans and Luque, 2012). Thus, repetition often leads to wasting student time and school resources.

¹⁰ Basic education includes the cycles of fundamental education (primary education and lower secondary education, grades 1 to 9) and upper secondary education (grades 10 to 12).

¹¹ As shown by Simões (2016), who examines the moment of dropout school during the life of a cohort of 19-year-olds.

aggregate, high repetition, dropout and overage have led Brazil to exhibit some of the oldest upper secondary completers of OECD and LAC countries. Indeed, Brazilian youth go from mostly studying at the age of 15 to significant overage by the age of 16, to a majority being out of school by the age of 18 and to finally having 6 out of 10 failing to complete basic education by the age of 19.

Figure 1: Average age of students completing upper secondary education, selected countries, 2012

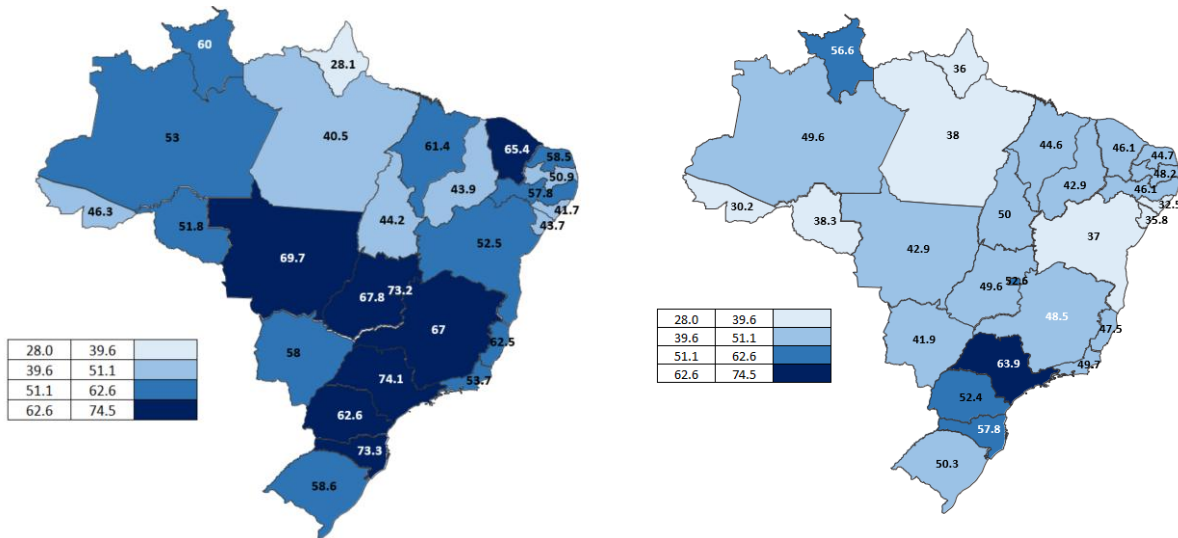


7. **The average 19-year-old Brazilian who does not complete upper secondary education tends to be male, attend public school, and live in a rural area of the country.** Women are significantly more likely to complete upper secondary education: the completion rate for 19-year old Brazilians girls is 63.4 against 52.3 percent for boys, an astounding 10pp differential (overall average rate is 58.2). One hypothesis is that this gap reflects differences in academic readiness, as PISA scores show a growing learning outcome gap among genders. Another is that different attainment may reflect greater difficulties for women in penetrating the labor market, who instead choose to invest in human capital in order to increase their competitiveness. Moreover, there is significant regional heterogeneity, with female completion rates as low as 28 percent among women in Amapá but as high as 74 percent for those in São Paulo (Figure 3). The type of school is another source of inequity: while in state schools, on average, 7.9 percent of students in upper secondary education drop out every year, only 0.5 percent of upper secondary students in private schools do so. This gap is especially significant as 87 percent of the 8 million secondary students in Brazil attend public education.

Figure 3: Percentage of 19-year-olds with an upper secondary education degree, Brazilian States - 2015

Female

Male



Source: World Bank, with data from PNAD/IBGE

8. Overloaded curricula and a perceived lack of relevance for insertion into the labor market and higher education are some of the main drivers of dropout. There is evidence that the main reason why students drop out of upper secondary education in Brazil is lack of interest in the contents of a poorly structured curriculum that is an amalgam of many subject matters. About 40 percent of students place the lack of intrinsic interest in school as the main reason for dropping out.¹² It is reasonable to establish a link between this lack of engagement and the fact that graduates from public upper secondary schools generally do not have the skills needed for the labor market. Moreover, public school students find it difficult to progress to tertiary education, as they have to compete with better-prepared private schools' students, especially for admission in free-of-charge public universities.

9. In this context, the Federal Government has proposed¹³ a substantial overhaul of the upper secondary education system. This reform involves two main elements:

- a. **Adding flexibility to a new competence-based curriculum.** Brazilian upper secondary education includes 13 mandatory subjects. The reform proposes (i) to reduce this number to three core curriculum subjects: Portuguese language, mathematics, and English; (ii) to allow students to additionally focus in one of five thematic areas: languages, mathematics, natural sciences, humanities or technical education; and (iii) the development of socioemotional skills. The students who opt for a technical track can use some of the technical courses and internships to replace some traditional subjects.
- b. **Extending the school day.** Currently, most upper secondary students in public schools have 4 hours of classes on average per day. The reform will provide financial support for states to increase the school day to five hours in all schools, and seven hours in selected schools. The extended school day will support the diversification of the curriculum and the development of socioemotional skills.

10. The *Ensino Médio* reform is aligned with World Bank and international research. The importance of making the curriculum more flexible and increasing the number of daily hours in school was highlighted by Bruns, Evans and Luque (2012). Regarding full-time school, the international literature suggests that this type of intervention, when well designed, can improve student learning and

¹² See Neri, Marcelo. "Motivos da evasão escolar." Brasília: Fundação Getúlio Vargas (2009).

¹³ The reform was established by *Medida Provisória* 746 (2016), which changed two of the main education laws in Brazil: The National Basic Education Law (LDB) and the Basic Education National Fund (FUNDEB) law.

lower dropout rates in upper secondary education, especially when coupled with the development of socioemotional skills. There is evidence that well-designed programs can also increase the labor force participation of women and reduce crime and violence among youth. The relevant international and national literature points out that a primary reason for dropout is that upper secondary students find schools of limited relevance for their future professional lives: technical and vocational education can be an attractive and practical alternative to the traditional academic path. The experience of subnational initiatives to extend the school day, like in Pernambuco, which has almost half of their upper secondary students in full-time schools (and now has the highest IDEB in Brazil) shows that gains in academic learning are related to how the time is being filled up (through an enriched curricula strongly related with core curricula) and the teacher's time commitment to the project (full time teachers).¹⁴ This is also observed in the experience of extending the school day in Rio, with results indicating that just extending the school day does not grant positive impacts on student performance, if it is not also coupled with a more comprehensive and careful consideration on how the additional school hours are used and organized, which requires a well-structured and integrated curriculum, teachers fully dedicated to one school, and focused teacher training.

11. **The reform takes place in the context of an intricate education system.** The Brazilian constitution establishes clear education attributions for each layer of government. Fundamental education provision is the responsibility of municipalities, upper secondary education is principally provided by the 27 state governments and tertiary education is the focus of the federal government. However, it is the Federal Government who establishes the norms for the functioning of all levels of education, including for instance the core curriculum (*Base Nacional Comum Curricular* - BNCC) of upper secondary education. Although the implementation of the upper secondary education reform is a main responsibility of the states, the Federal Government, through the Secretariat of Basic Education (*Secretaria de Educação Básica* - SEB) within the Ministry of Education (*Ministério da Educação* - MEC), has a crucial role in leading the process, through setting guidelines, giving technical support and creating capacity into the states.

12. **Public expenditure in education mimics the complex distribution of responsibilities among government levels and has grown dramatically over the past decade.** Between 2005 and 2014, expenditure in education rose from 4.5 percent to almost 6.6 of GDP, reaching a level above the average of its peers and OECD countries. The financing of the public education system is shared among federal, state and municipality's levels, with roughly similar percentage for the three levels of government.¹⁵ However, the stake of the Federal Government expenditure in fundamental and upper secondary education corresponds approximately to 10 percent of total public expenditure on these levels of education, mostly through the transfers from the Basic Education National Fund (*Fundo Nacional para Educação Básica* – FUNDEB), created in 2007 to equalize funding within regions via a compensatory support to lagging states and municipal systems. FUNDEB established that each level of government (federal, state and municipal) set aside 20 percent of its revenue to finance education and defined a minimum level per-student spending. The Federal Government complements the subnational investment per student in cases where the threshold is not met.

13. **The Ministry of Education has expanded the mechanisms at its disposal to create funding incentives for subnational governments to implement reforms and focus on results.** Through the National Fund for Education Development (*Fundo Nacional para o Desenvolvimento da Educação* – FNDE)¹⁶, in 2015 MEC transferred to subnational governments and directly to schools more than R\$ 23

¹⁴ Brazil Extension of the School Day NLTA (P150088).

¹⁵ In 2014, municipal governments were responsible for 35.8 percent of all public expenditures in education (mostly focused on primary education), state government accounted for 36.2 percent (mostly used in upper secondary education) and the federal government accounted for the remaining 28 percent (mainly spent on tertiary education through direct spending in federal institutions, student loans, direct transfers or specific programs to support states and municipalities).

¹⁶ FNDE is the financial arm of MEC responsible for all financial transfers to states, municipalities and schools.

billion (US\$7.4 billion), with most of those transfers being non-discretionary, as they are mandated by the national educational legal framework. Among FNDE/MEC's discretionary transfer mechanisms, there is one that concentrates most of the resources on transfers to subnational secretariats of education: Integrated Actions Plan (*Plano de Ações Articuladas* - PAR). PAR is a grant scheme created in 2007 to allow MEC, through FNDE, to support states and municipalities in planning their education investment policies (from early childhood education to upper secondary education, including technical education), which in 2012 amounted to approximately R\$ 8 billion (US\$2.6 billion), but has fallen to R\$ 2.3 billion in 2015 due to economic downturn and some implementation problems. It works through an online system to transfer financial resources and provide technical assistance to subnational secretariats of education.

C. Relationship to CPF

13. **The proposed operation is consistent with the emerging priorities of the new Brazil Country Partnership Framework (CPF) for the Federative Republic of Brazil (Report No. 113259-BR, FY18-FY23¹⁷), in which the education sector is explicitly mentioned as a key intervention within the first Focus Areas - fiscal consolidation and government effectiveness.** The Program complies with the criteria for prioritizing the World Bank engagement by combining a government demand and the World Bank comparative advantage. It is particularly aligned with the CPF objective 1.3 “Increase effectiveness of service delivery in education”, which emphasizes the need to support (i) activities to address the low quality and inefficiency of education in Brazil; (ii) alternative delivery models; and (iii) results-based management practices to achieve improved education outcomes. The flagship education sector reform at the federal level, to be implemented by all states, was included in the CPF's financial envelope, accompanied by a specific public secondary schools-related indicator. The proposed operation is also consistent with the World Bank's twin goals of eliminating extreme poverty and boosting shared prosperity by supporting a program targeted towards student at risk of dropout and repetition, who overwhelmingly come from vulnerable backgrounds.

D. Rationale for Bank Engagement and Choice of Financing Instrument

14. **The rationale for the World Bank engagement in the financing of the upper secondary reform in Brazil includes (i) technical expertise and knowledge services; (ii) institutional strengthening and focus on results; and (iii) mitigation of risks due to political transitions.** The reform of the upper secondary education is a new and complex program to be implemented country-wide, and as such it will require deep knowledge of the Brazil's education sector, and of the implementation capacity and constraints at the federal and state levels. Given the existing engagement of the World Bank in the sector, local and internationally, it is well positioned to assist the government in this endeavor. Recent and ongoing World Bank analytical studies and investment operations in Brazil¹⁸ provide a substantial amount of knowledge and lessons learned that can retrofit the design and implementation of the operation and justify the World Bank engagement.

15. **The upper secondary education reform requires preparatory work that can be compromised if there is not a careful planning of its implementation.** Although the Executive Secretariat and SEB at MEC have sound teams, their technical and operational capacities are limited and need to be strengthened. To implement the reform, MEC must play a stewardship role, and lead activities to improve states' planning managerial, and implementation capacity. The World Bank would have an important value added to the quality and speed of such interventions, which might be compromised in the

¹⁷ The CPF will be discussed by the Board of Directors on July 13, 2017.

¹⁸ E.g.: Brazil Skills and Jobs (P133162); Support for Education Policy Reforms in Brazil (P162334); Expenditure Review of Education (P158800); Rio Grande do Norte Regional Development and Governance Project (P126452); Acre Social and Economic Inclusion and Sustainable Development Project (P107146); Piauí Pillars of Growth and Social Inclusion Project (P129342).

absence of the operation.

16. **The Bank could serve as technical and operational liaison during government transitions.** Besides the economic challenges faced in the last three years, Brazil has been exposed to an unprecedented political crisis that could hamper the progress of the secondary education reform. The continued technical and operational dialogue with the federal government and states, through the proposed operation and ongoing ones, could mitigate uncertainties and disruptions.

17. **The design and implementation of the upper secondary education reform require focus on institutions and capacity building, as well as incentives for achieving results.** These were the main reasons why a hybrid operation, combining a Program-for-Results (PforR) and an Investment Project Financing (IPF), was selected. Because the loan proceeds are not additional to regular annual budgets for the education sector, it makes sense to use and strengthen government systems to ensure sound implementation and sustainability. The focus on results will support strengthening central and local governments' capacities to use data for decision-making and reorient planning and monitoring tools from inputs to outputs and outcomes. The proposed PforR instrument provides fiduciary flexibilities that are important to work with several implementing agencies, while the IPF (around 10 percent of total loan proceeds) allows the financing of technical assistance activities to better implement the reform.

II. Program Development Objective(s)

A. Program Development Objective(s)

18. The objective of the Program is to strengthen the capacity of Federal and state governments to implement the upper secondary reform, increasing learning results in upper secondary at national level and retention (completion) in targeted full-time upper secondary schools.

B. Key Program Results

19. The expected Project Development Objective Indicators are as follows:

- I. Percentage of states with adequate institutional capacity to implement and monitor the upper secondary reform;
- II. Percentage of states that have increased outcomes on *Prova Brasil/SAEB* at the 3rd year of upper secondary education;
- III. Completion Rate in targeted¹⁹ full-time upper secondary schools.

III. Program Description

PforR Program Boundary

20. **Policy Context.** The upper secondary reform is key priority for the Government of Brazil (GoB) for the education sector, as established in the National Education Plan. Its long-term objectives are (i) the universalization of access and completion, (ii) improvements in the quality and relevance of learning, (iii) higher productivity for sustainable growth, and (iv) efficiency and sustainability in public expenditures in education. The reform seeks a substantial decrease in existing outcome inequalities among states and socioeconomic groups, and among the genders.

21. **PforR Program Boundary.** In this framework, the Program to be supported includes most of the

¹⁹ These schools have been already selected by the government based on some objective criteria that includes the socioeconomic disadvantage of the student population, the number of students, and the state of the existing infrastructure.

actions undertaken by MEC to support the states in the implementation of the upper secondary reform. The reform has two pillars: (i) the implementation of new curriculum; and, (ii) the expansion of full-time schools. These changes bring about substantial challenges to the SEEs who are the responsible for upper secondary provision and management. In this context, MEC has designed and financed a series of actions and programs to support the states in implementing the reform, given the low institutional and technical capacity of SEEs to carry out such a complex reform. The financial support from MEC is carried through transfers to the states, in the framework of FNDE/PAR, and are conditional on the implementation and achievement of agreed results and targets. The activities to be supported, and the results to be achieved for each program, are established through action plans between MEC and each state. Although the financial transfers are managed by FNDE, SEB is the technical agency responsible for agreeing, supporting and supervising the actions and results in the framework of each program. Moreover, MEC will support the establishment of monitoring and management systems at SSEs to ensure efficiency in the allocation of the resources (notably teachers) and allowing proper accountability and measuring of targeted actions and outcomes.

22. **Result Area 1. Support the implementation of the new curriculum.** The core structural change in the upper secondary reform is the proposed new curriculum. The main change would consist in going from a rigid structure to a more flexible, adaptable configuration, which comprises a common compulsory element for all states and schools (BNCC) and a flexible element with ‘itineraries’. From 13 current mandatory disciplines, it would move to only three allowing students to choose among five ‘itineraries’ of focus. In the first 18 months of upper secondary education (the first half), all students will have classes in the disciplines defined by the BNCC. The flexibility emerges in the final 18 months (second half of the cycle) when students would be able to choose one among five “learning paths” of three mandatory disciplines. Therefore, students will be able to choose areas of knowledge and training routes, one of which is the professional and technical education (TVET). Moreover, the teaching time will go from 4 to 5 hours of class per day, and gradually expand the offer to the full-time 7 hours of schooling. Both the new structure and the longer time pose significant challenges to the SEEs and schools in terms adapting teachers’ skills and managing teachers’ redeployment/reassignments to deal with the multiple training itineraries throughout schools. It is expected that the new flexible and relevant programs paired with longer learning time would lead more attractiveness and engagement from students, thereby increasing the rate of retention and the quality of learning.

23. The implementation of the new curriculum involves four keys angles: (i) the reorganization of the curriculum based on BNCC guidelines, including the design and implementation of flexible formative itineraries; (ii) a change in pedagogical practices towards competencies, better use of time and socioemotional skills, which includes teacher training; (iii) the reorganization of the school spaces; (iv) improvements in the capacity of MEC and SEEs to plan, implement and monitor the reform. In this framework, the MEC will support the SSEs to identify, design and implement their curricular options that meet the BNCC and flexible curricula of training itineraries. This support includes strengthening the management capacity of the SEEs, through: (i) providing methodological guidelines and an operational manual; (ii) providing cascade training on SEEs officials, technical staff, school principals and pedagogic coordinators; (iii) supporting school twinning activities.²⁰

24. **Result Area 2. Promoting the expansion of full-time schools.** Based on best international practices, the National Education Plan (*Plano Nacional de Educação - NEP*) establishes that, by 2024, at least 25 percent of all students enrolled in public upper secondary education in Brazil must attend full-time schools. The new program will result in going from 4 hours (or 5 hours depending of the school) to a

²⁰ Innovative and Twin School (*Escola Inovadora e Solidária*) is part of the MEC’s strategy to increase the capacity of schools lagging behind in the implementation of the reform. In each state, schools with ex ante high performance and/or that are able to swiftly implement the flexible curriculum (reference schools) will receive additional funds to twin with schools lagging behind in the implementation of the new curriculum to allow for the exchange of experiences. The most successful experiences will be shared to all schools in each state and nationwide.

day of 7 hours (or from 800 hours to 1400 hours per year). This shift will be accompanied with the new curriculum and new school facilities (labs, ITC). These changes will imply substantial changes that will require adequate planning, mainly on teachers' allocation by discipline and increases in the supply of infrastructure and equipment.

25. In this context, MEC is supporting the SEEs in the introduction of full-time school in 1,088 targeted schools throughout the country. To join the program, each state has to sign an agreement with SEB that includes: (i) an implementation plan; (ii) targets for two key indicators: decrease in dropout rates and increase in IDEB²¹ learning outcomes. This program is regulated by a MEC's Resolutions (*Portarias*), which describes in detail the conditions to be fulfilled by the states and the selected schools. The financing, through FNDE, is a fixed amount (R\$ 2,000) per participating student. For the next 5 years, an estimated R\$1,29 billion would be allocated to this program. Eligible expenditures include infrastructure, equipment and furniture, teacher and staff training, pedagogical material and technical assistance for SEEs capacity building and institutional strengthening.

26. **Possible Disbursement-link Indicators.** The content, timetable, scalability and amounts of the DLIs would be mainly drawn from the Results Chain (see Table 1 below). Preliminary proposed DLIs would be:

1. Percentage of school with new curriculum in place (at least 2 itineraries)
2. Percentage of SSEs with functioning management and information system to monitor the reform
3. Percentage of schools functioning with 5 hours a day
4. Percentage of targeted schools functioning full-time
5. Percentage of schools showing improvements in pedagogies (class observation instrument)

27. **Technical Assistance to Strengthening the Institutional Capacity of the MEC and the SSEs for the implementation of the Upper Secondary Reform.** The Project will provide technical assistance (TA) to strength the institutional capacity of SEB and SEEs, with the objective of ensuring a proper implementation of the reform, including: (i) technical cooperation between MEC and SEEs; (ii) monitor and evaluate periodically the implementation and results of the reform; (iii) optimize existing resources and establish accountability between MEC and SEEs in the implementation of the reform, while ensuring proper implementation standards. For this purpose, the TA would provide highly specialized consulting services to support the reform for the following:

- i. Build capacity at SEEs to improve planning, management and monitoring of the reform;
- ii. Strengthen the institutional capacity MEC for design and management of the implementation of the reform;
- iii. Develop models of flexible curricula (BNCC and flexible itineraries);
- iv. Train technical staff at MEC and the SEEs responsible for the design and implementation of the reform;
- v. Studies and tools to support the design and management of the reform and assess their results;
- vi. Develop innovative projects to support the implementation of the reform;
- vii. Communication campaigns and integration work among the various organs of the MEC and federative entities to facilitate the implementation of the new high school;
- viii. Field studies, exchange of experiences with other countries.

Table 1: Program's Results Chain

²¹ Since 2005, INEP/MEC calculates the Education Development Index (*Índice de Desenvolvimento da Educação Básica - IDEB*) every two years based on student performance in Portuguese and Mathematics and student pass rates. IDEB is calculated at the school, municipal, state and national levels and is based on: student performance in the nationwide standardized test (Prova Brasil/SAEB) and student pass rates. The index is coupled with targets that allows monitoring whether schools, municipalities, states and the country are in the right track regarding improvements in education quality.

Planned Activities	Outputs	Outcomes	PDO Indicators	PDO
Teacher training: <ul style="list-style-type: none"> - From subjects to 'itineraries' - From content to competencies - Build socio-emotional skills (SES) Curricular models for adapting to the new flexible curriculum	State secretariats of education staff trained in the new curriculum Schools with new curricula and learning itineraries	Percentage of school with new curriculum in place (at least 2 formative itineraries) Change in pedagogical practice towards competencies, learning paths and SES Percentage of schools functioning with 5 hours a day	Percentage of 19-year-olds that completed upper secondary education Percentage of states that have increased the results on <i>Prova Brasil</i> /SAEB at 3er year of upper secondary at targeted schools	Increase learning achievement Increase retention (on completion), targeted full upper secondary schools
Training for school principals and pedagogic coordinators Support for Innovative and Twin School	Implementation best practice reports disseminated	Percentage of schools functioning with 5 hours a day	Percentage of states that have increased the results on <i>Prova Brasil</i> /SAEB at 3er year of upper secondary at targeted schools	Increase retention (on completion), targeted full upper secondary schools
Infrastructure and equipment (Labs, ITC, TVET needs) Technology Guides for the reform	Expansion in the number of functioning full-time schools (FTS) Reorganization of school spaces	Percentage of targeted schools functioning full-time		
Training for MEC and SEEs officials and technical staff Technical Assistance to SEEs to improving planning, management and M&E	Seminars and training workshops and courses Reference materials for the implementation of the reform School materials on the new strategy	Improvement in the human capital of key managers and implementers of the reform		
Studies and tools to support management and monitoring Field studies, exchange of experiences with other countries Impact Evaluations	Tools and materials to: <ul style="list-style-type: none"> - Diagnose existing capacity - Assess workforce demands - Understand student expectations Reports on the effectiveness of the reform and accomplishment of objectives	Improvement in the knowledge base and information systems to monitor the reform	Percentage of States with adequate institutional capacity to implement and monitor the upper secondary reform;	Improve the capacity of federal and government implement new upper secondary curriculum
Communication and integration campaigns among federal and state agencies	<ul style="list-style-type: none"> - Joint workshops among federal and state agencies - Partnerships among key stakeholders 	Improved coordination among implementation agencies		

28. Expenditure Framework. The Total operation has an estimate outlay of (i) US\$1.57 billion over six years, out of which US\$1.54 billion is the Program supported by the PforR, financed through fiscal budgetary transfers to States, and (ii) R\$29 million in technical assistance, financed by the Bank (external source). The Bank financing of the PforR component would be \$221 million, roughly 15 percent of the total. Preliminary consultations with GoB suggest that actual implementation could be lower than the amount budgeted, since transfer or actual disbursements to States depends on achievement of agreed action plan and targets.

Table 2 : Expenditure Framework

Component / Result Area	US\$ Program Amount (Bank financing)					Total
	2018	2019	2020	2021	2020	
Component 1: P4R	194 (41)	285 (50)	319 (50)	373 (40)	377 (40)	1.548 (221)
Result Area 1. Support the implementation of the new curriculum.	37 (32)	51 (34)	51 (34)	56 (21)	60 (21)	255 (142)
Result Area 2. Promoting the expansion of full-time schools.	157 (9)	234 (16)	268 (16)	317 (19)	317 (19)	1.293 (79)
Component 2. Technical Assistance	4 (4)	6 (6)	6 (6)	7 (7)	6 (6)	29 (29)
Total	198 (45)	291 (56)	325 (56)	380 (47)	383 (46)	1.577 (250)

Source: SEB/MEC

IV. Initial Environmental and Social Screening

29. Based on a preliminary assessment, the Borrower's institutional capacity for safeguards is broadly considered as adequate given the environmental and social risks to be managed under this operation.

30. During the identification mission, the team assessed the Program of the Upper Secondary Education Reform proposed by the Borrower and the main actions to be undertaken. Among these activities, rehabilitation and improvement of school buildings to adapt them to the new demands posed by the full-time school system is the only one that may involve a physical footprint. These impacts related with civil construction works will be site-specific, timely bounded and reversible. These construction activities will likely generate limited adverse effects on natural habitats and physical and cultural resources since the civil works are limited in number per municipality and will have a small physical footprint, located in urban and peri urban areas that have already been developed, thus avoiding adverse impacts on natural habitats.

31. The government has advanced environmental laws and construction regulations (including standards to ensure overall accessibility), reflecting a political culture of strong environmental protection. Federal and state practice includes standard early consideration of environmental assessment in Project design for the types of civil works planned under the PforR. The country law includes robust and comprehensive federal and state Environmental Assessment guidelines, analytical tools and measures that have to be complied with to ensure the environmental licensing for the implementation and operation of public facilities. Operation of public schools have also to comply with robust safety measures and accessibility standards. Concerning environmental issues, the main roadblock foreseen is the wide variation in the institutional environmental capacity to ensure the enforcement of environmental protection legislation that is found among state environmental agencies - due to staffing, budgetary

resources and political commitment. However, the overall risks and potential adverse impacts are considered minor.

32. Actions related to the adaptation of the schools' network to a full-time school system may also require land acquisition and the main gap between the Brazilian social and environmental legislation and the World Bank's Safeguard Operational Policies relates to how to deal with adverse impacts caused by land acquisition leading to involuntary resettlement. Brazil lacks specific legislation to deal with involuntary resettlement as envisaged under OP/BP 4.12. The legislation that regulates expropriations and involuntary resettlement (Decree 1941/3365) sets out the broad principles for cash compensation to be provided for property that will be lost. Basic differences with World Bank policy are: (i) the lack of compensation for people with no legal title to property and (ii) the absence livelihood restoration activities for affected households. However, the site-specific nature of the land acquisition that might be required minimize the risks associated with these land acquisitions and conflicts arising from involuntary resettlement procedures for schools' rehabilitation are not expected.

33. During Program preparation, the team will carry out an Environmental and Social System Assessment and consider how much activities related with teachers' redeployment and/or reassignment may bring the risks of creating or exacerbating social conflict with key stakeholders (teachers and teachers labor unions) as well as the need to define a communication, consultation and negotiation strategy that may contribute to avoid, minimize and/or mitigate such risks. A broader gender assessment seeking to identify promising avenues for intervention within the framework of the reform will also be conducted.

34. The Brazilian Government has also shown adequate procedures and capacity to identify and mitigate impacts under Bank funded operations. Implementation capacity varies according with states and municipalities, but the overall risks and potential adverse impacts are minor, small in scale, timely bounded and reversible. Hence the Program for Results component of the operation is assigned an environmental category B.

35. Finally, during the identification mission, the Technical Assistance component of the operation was also screened. It is focused on straight forward institutional capacity building activities without a physical footprint. They are not expected to have any potential adverse downstream implications or risks. Following the World Bank's "Interim Guidelines on the Application of Safeguard Policies to Technical Assistance (TA) Activities in Bank-Financed Projects and Trust Funds Administered by the Bank", the team proposes these activities are classified as Type 1, an indicative EA category C. These Technical Assistance activities will not have a physical footprint and they may not trigger any of the environmental safeguard policies. During the preparation of this hybrid operation the team will assess if some of these Technical Assistance activities may interfere with the education of Indigenous Peoples - which is object of specific legislation and rules in Brazil - and decide upon the triggering or not of OP 4.10.

V. Tentative financing

Source:	(\$m.)
Borrower/Recipient	1.327
IBRD	250
IDA	
Others (specify)	
Total	1.577

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