



1. Project Data:		Date Posted : 05/30/2001	
PROJ ID: P006866		Appraisal	Actual
Project Name: Co-Secondary Education	Project Costs (US\$M)	150	91
Country: Colombia	Loan/Credit (US\$M)	90	90
Sector(s): Board: ED - Secondary education (69%), Tertiary education (24%), Central government administration (4%), Sub-national government administration (3%)	Cofinancing (US\$M)		
L/C Number: L3683			
	Board Approval (FY)		93
Partners involved :	Closing Date	12/31/2000	12/31/2002

Prepared by :	Reviewed by :	Group Manager :	Group:
Helen Abadzi	Nalini B. Kumar	Alain A. Barbu	OEDST

2. Project Objectives and Components

a. Objectives

The Secondary Education Project was to support government initiatives designed to: (a) implement a new national government strategy of cofinancing investments in education with the departments and municipalities; (b) provide incentives to regional and local governments to achieve national educational development targets; and (c) support the assumption by municipalities of an expanded role in education by building local capacity for the planning, cofinancing, and execution of investments

b. Components

The components were designed to provide participating municipalities with the assistance needed to implement their education plans and investment programs for secondary education development. In order to receive project support, each municipality was required to prepare a Municipal Education Plan (MEP) with sub-projects. Municipal secondary education development plans and the National Ministry of Education (MEN) initiatives in support of secondary education were funded as follows: (a) Grants and loans to local governments to help them fund new school construction and the rehabilitation of an estimated 50 percent of some 1,250 public school facilities and equipment; (b) an education vouchers program providing 55,000 vouchers to give low income students the choice of attending private schools with excess capacity where public school places were not available; (c) upgrading educational quality, including funding for School Improvement Plans (SIP) to encourage principals and teachers to diagnose their school and formulate programs to improve school quality and efficiency, in-service training for principals and teachers and provision of 4.2 million textbooks and instructional materials; (d) management and institutional support to municipalities. During the project period, administrative and financial management procedures were reoriented to conform to a new legal framework and simplified. The project was structured to support 87 municipalities in 11 departments; 89 were supported.

c. Comments on Project Cost, Financing and Dates

The loan was amended in 1999 to reallocate all undisbursed funds to an area damaged by an earthquake. The closing date was extended to 2002, but all activities related to the secondary education project as such were terminated on December 31, 2000.

3. Achievement of Relevant Objectives:

Objectives were partly achieved, and the education budgets of municipalities increased to some extent. Municipalities took school construction loans from the Colombian government, and new construction targets were exceeded by 63%. Vouchers to low-income students who could not find public-school places exceeded targets by 776%, and the poorest students were effectively reached. The quality enhancement objective was not met, though many inservice training activities took place. Only 19% of the original textbook distribution target was met. Though almost all projected resource centers were built and equipped, they were not conveniently located or organized, and many schools were unable to take advantage of their resources.

4. Significant Outcomes/Impacts:

The project offered various decentralization modalities to give municipalities access to money. Despite the many problems, the project made it possible for municipalities to invest resources to activities they might not otherwise have financed. Gross enrollment rates in the project municipalities rose from 75.4% in 1994 to 87.7% in 1998. Schools enthusiastically managed their improvement plans, and training enabled communities to become involved in

them. The opportunity for communities to prioritize school needs and embark on feasible and small improvement projects was very appealing. Nevertheless, broad management and institutional development did not take place as expected, partly due to administrative turnover. Larger municipalities made limited use of the project funds.

5. Significant Shortcomings (including non-compliance with safeguard policies):

The project was very ambitious and experienced delays at startup. The primary objective was to increase enrollments, but quality inputs to public schools were ultimately low; standardized achievement tests showed improvement in some subjects and deterioration in others. The deepening financial crisis made it impossible to disburse funds to municipalities as planned. The country had rising violence. There was high turnover of senior officials, the central agency was very politicized and bureaucratic, and the loan scheme to municipalities was very complex. The National Planning Department decided to cancel the loan in 1998, but due to an earthquake, money was redirected to the reconstruction of the coffee production zone.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Moderately Satisfactory	Objectives were only partly achieved
Institutional Dev.:	Modest	Modest	
Sustainability:	Likely	Likely	
Bank Performance:	Satisfactory	Satisfactory	The ICR and OED rated performance as moderately satisfactory, but this rating does not exist.
Borrower Perf.:	Satisfactory	Satisfactory	The ICR and OED rated performance as moderately satisfactory, but this rating does not exist.
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:

- Extremely complicated schemes prove quite difficult to implement. Although decentralization is desirable, the complexity, paperwork, and logistics imposed on decentralized agencies may waste too many human resources for the product created.
- Demand-side subsidies, such as vouchers, can be effective in increasing coverage. But safeguards must be placed to avoid the 'creaming' which takes place in countries like Chile, where private schools enroll mainly the most desirable low-income children, leaving the more difficult children to the public schools.
- Small amounts of resources can go a long way in stimulating increased interest in educational development at the municipal level. Involvement of the local authorities can have a positive demonstration effect.
- Municipalities and schools can learn to prepare and implement effective education improvement plans, particularly when they have incentives, such as control of their expenditures.

8. Assessment Recommended? Yes No

Why? It is an innovative project in a country that due to civil war has been underaudited.

9. Comments on Quality of ICR:

The ICR gives much detail on the events of the project related to financing and administration but much less on the quality aspects of education.