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TELEGRAM

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E.O. 11652: N/A

TAGS:

SUBJECT: EDUCATION SECTOR STRATEGY & PROPOSED RURAL
EDUCATION AND TEACHER TRAINING LOANS.

1. THE JANUARY 0 DAEC REVIEW OF THE RURAL EDUCATION PROJECT
RESULTED IN A DECISION TO DEFER FURTHER CONSIDERATION OF
THE PROJECT UNTIL THE DAEC REVIEW OF THE TEACHER TRAINING
IRR NOW SCHEDULED FOR FEB. 3. IN THE INTERIM, THE MISSION
IS REQUESTED TO CLARIFY FURTHER ITS OVERALL RURAL EDUCATION
STRATEGY, SPECIFICALLY DISCUSSIONS FOCUSED UPON THE
GOALS AND AIDS NATIONAL AND RURAL EDUCATIONAL OBJECTIVES
AND STRATEGIES, THE TIMING AND INTER-RELATIONSHIP OF
PLANNED AID VISITS AND QUESTIONS CONCERNING THE FEASIBILITY/
DESIRABILITY OF THE PROJECT IN QUESTION. THE MISSION SHOULD

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PREPARE A PAPER ADDRESSING PARAS 1-8 FOR DISCUSSION AT FEBRUARY REVIEW.

2. THE PRELIMINARY EDUCATION SECTOR ASSESSMENT AND ANALYSIS CONTAINED IN THE FY-74 CAPAND PROP MADE A CONVINCING ARGUMENT THAT ADMINISTRATIVE REFORM AND DECENTRALIZATION WERE ESSENTIAL TO A LONG-RANGE EFFORT TO IMPROVE THE RELEVANCY AND ACCESSIBILITY OF EDUCATION IN RURAL BOLIVIA. THE ASSESSMENT DID NOT PROVIDE, HOWEVER, SUFFICIENT INFORMATION ON WHAT SHOULD AND COULD BE DONE, BEYOND ADMINISTRATIVE

REFORM, TO IMPROVE RURAL EDUCATION, TO PERMIT AID AS AN AGENCY TO DETERMINE WHAT IT SHOULD DO TO ASSIST THE GOR IN THIS AREA.

3. AID/MS RESPONSE TO PRELIMINARY EDUCATION SECTOR ASSESSMENT, STATE 164398, THEREFORE REQUESTED THAT CERTAIN ANALYTICAL GAPS BE FILLED QUOTE ...BEFORE MAKING NEW INVESTMENTS REQUIRING EVEN GREATER OPERATING BUDGETS, UNQUOTE I.P., BEFORE APPROVING AN OVERALL AID STRATEGY FOR RURAL EDUCATION IN BOLIVIA. WE RECOGNIZE THE MISSION'S EFFORTS TO DEVELOP THESE ANALYSES AND APPRECIATE YOUR STATUS REPORT ON THEM, LA PAZ R289. IT IS ESSENTIAL THAT THE SUBSTANCE OF THESE ANALYSES BE AVAILABLE FOR REVIEW BEFORE ANY NEW LOANS ARE AUTHORIZED.

4. IT SEEMS APPARENT FROM YOUR REPORT AND OUR INITIAL DISCUSSIONS HERE THAT THE NATIONAL EDUCATION PLAN, WHEN AND IF IT IS FINALLY PROMULGATED, WILL NOT BE SUFFICIENTLY PRECISE OR DETAILED IN EITHER EDUCATION OBJECTIVES OR IMPLEMENTATION STRATEGIES TO SERVE AS FRAMEWORK FOR AN AID RURAL EDUCATION PROGRAM. SPECIFICALLY, THE OBJECTIVES AND COMMITMENTS OF THE NATIONAL EDUCATION PLAN IN TERMS OF QUANTITY, QUALITY AND TIME ARE UNCLEAR. WHAT KIND OF EDUCATION DOES THE MINISTRY PLAN TO PROVIDE TO HOW MANY BOLIVIAN CHILDREN? WHERE? AND, OVER WHAT PERIOD OF TIME? WHAT WILL BE THE MANPOWER AND FINANCIAL IMPLICATIONS OF THESE OBJECTIVES, WHAT ARE THEIR RELATIVE PRIORITIES, AND HOW WILL THE PROGRAM BE FINANCED? IT WILL BE NECESSARY, THEREFORE, FOR THE MISSION, BASED ON ITS KNOWLEDGE OF THE GOR'S OBJECTIVES AND EXECUTING CAPABILITIES (POLITICAL,

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ADMINISTRATIVE AND FINANCIAL), TO DEVELOP AN OPERATIONAL AND EDUCATIONAL STRATEGY FOR THE RURAL AREAS - A STRATEGY WHICH DETAILS OUR OBJECTIVES IN TERMS OF EDUCATION PER SE AND IN TERMS OF OUR BROADER INTEREST IN IMPROVING THE WELL BEING OF THE DISADVANTAGED RURAL BOLIVIAN. AN INTEGRAL PART OF THIS STRATEGY MUST BE A CAREFULLY DESIGNED EFFORT TO ASSIST THE GOB TO SET REALISTIC PRIORITIES AND OBJECTIVES FOR THE SUB-SECTOR, AND DEVELOP FEASIBLE AND EFFECTIVE PROGRAMS TO MEET THESE OBJECTIVES. SINCE THE PROGRAM IS ORIENTED TOWARD THE RURAL AREAS AND THE VAST MAJORITY OF THE RURAL POPULATION ARE MONO-LINGUAL INDIANS, WILL THE NEW CURRICULUM BE BI-LINGUAL BI-CULTURAL? WHAT IS THE NATURE OF GOB COMMITMENT TO THIS?

5. PERHAPS THE MOST IMPRESSIVE PIECE OF DATA CONTAINED IN THE SECTOR ASSESSMENT WAS THAT 95 PER CENT OF THE MINISTRY OF EDUCATION'S BUDGET IS IN FIXED COSTS - PRINCIPALLY SALARIES, LEAVING ONLY 5 PER CENT FOR NON-TEACHER COSTS. IN RECENT YEARS THE MINISTRY'S BUDGET ACCOUNTED FOR 25 PER CENT OF TREASURY EXPENDITURES - A PERCENTAGE WHICH IS UNLIKELY TO INCREASE GREATLY. THERE APPEARS TO BE NO EXCESS FOR QUALITATIVE IMPROVEMENTS AND SYSTEM EXPANSION UNLESS AND UNTIL SIGNIFICANT IMPROVEMENTS IN EFFICIENCY WITHIN THE EXISTING SYSTEM ARE REALIZED. THE INEQUITIES BETWEEN URBAN/RURAL EDUCATION EXPENDITURES, ADMINISTRATIVE/SUPERVISORY VS. TEACHER PERSONNEL, ETC. WERE DETAILED IN THE ASSESSMENT AND THE GOB HAS COVENANTED TO MOVE TO REDRESS THESE INEQUITIES. WHAT IS THE MISSION PLAN FOR ASSISTING THE MINISTRY TO BREAK DOWN THESE RIGIDITIES AND FULFILL THE COVENANTS? CAN THE MEC EMBARK ON ANY MAJOR NEW PROGRAMS GIVEN PRESENT STAFFING AND FINANCIAL CONSTRAINTS?

6. YOUR FY 74 CAP SUGGESTS THAT THE SUBSTANCE OF A RELEVANT RURAL EDUCATION PACKAGE (RELEVANT IN TERMS OF STUDENT NEEDS AND NATIONAL DEVELOPMENT OBJECTIVES) WILL REQUIRE TWO TO THREE YEARS OF RESEARCH AND ANALYSIS TO DEVELOP, AND THAT THE PROCESS OF DEVELOPING AND ADAPTING CONCEPTS OF BILINGUAL EDUCATION AND NONFORMAL TECHNOLOGY SUITED FOR BOLIVIA WILL PROGRESS CONCURRENTLY. THE SAME SCHEDULE IS ASSUMED FOR THE OTHER INSTITUTIONAL IMPROV-

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MENTS SUPPORTED UNDER THE FY-74 PROGRAM. GIVEN THE LEAD TIME NEEDED FOR THE OTE R & D UNQTE. PHASE, WHAT PROGRAMS SHOULD AID SUPPORT DURING THIS PERIOD? WHAT SHOULD BE THE MIX AND TIMING OF THESE PROGRAMS BOTH AT THE NATIONAL AND REGIONAL LEVEL? CAN MAJOR ACTIVITIES BE STARTED NOW WITHOUT SPEKING GOB COMMITMENTS WHICH WTLI PREJUDGE AND PERHAPS DISTORT LATER REFORMS? CONVERSFLY, ARE THERE NEW CONCEPTS AND PROGRAMS WHCH COULD BEST BE TESTED IN A REGIONAL OR PILOT PROJECT? HOW CAN WE AVOTD LOCKING OURSELVES AND THE GOB INTO PROGRAMS WHCH IN THE LONG TERM THEY WILL NOT BE ABLE TO SUPPORT?

7. ONE OF THE MAJOR CONCEPTUAL DIFFICULTIES ATD/W HAS IN REVUEVING THE PRP LIES IN ITS TIMING. IT IS NECESSARY TO UNDERSTAND THE ROLE OF THE PROPOSED LOAN IN AN OVERALL EDUCATIONAL STRATEGY IN BOLIVIA, I.E., WHERE IT STANDS IN THE TEMPORAL AND CAUSATIVE SEQUENCE OF DECISIONS AND ACTIONS THAT APPEAR TO BE LOGICAL PRE-CONDITTON TO ITS SUCCESS. IT WOULD BE PARTICULARLY USEFFUL IF THE MISSION COULD EXPLAIN HOW THE PROJECT SHOULD FLOW IN TWO AREAS: (A) HOW IT RELATES TO PRECEDING ACTIVITIES, I.E.,

ITS LINKAGES TO THOSE COMPONENTS OF THE ADMINISTRATIVE REFORM PROGRAM WHICH APPEARS TO BE PPECONDITTONS) AND (B) HOW IT WILL SUPPORT SURSEQUENT ACTIVITIES, I.E., EXPLAIN ITS FORWARD LINKAGES. SEVERAL PRIOR LINKAGES SHOULD BE TIED INTO THE PROPOSED PROJECT STRUCTURE) CON- CLUSTONS OF GOB/USAID ANALYSES; PROGRESS ON GOB POLICY DECISIONS SUCH AS SHFTING ALLOCATTONS FROM URRAN TO RURAL AREAS; AND INITIAL RESULTS OF THE EDUCATIONAL ADMINISTRA- TION LOAN SUCH AS CURRICULUM REFORM. FORWARD LINKAGES SHOULD INCLUDE THE PROJECT'S POTENTIAL IMPACT ON THE TEACHER TRAINING LOAN PROPOSED FOR 1976, AND REMAINING COMPONENTS OF THE COUNTRY'S OVERALL EDUCATIONAL AND DE- VELOPMENT STRATEGY.

8. DUE TO THE COMPREHENSIVENESS AND MAGNITUDE OF THE EXISTING ADMINISTRATIVE REFORM PROGRAM AND THE TWO NEW PROPOSED EDUCATION PROJECTS, THE COMMITTEE ASKS THAT THE MISSION DEVELOP A PERT ANALYSIS ON LINKAGES) BETWEEN THESE ACTIVITIES.

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9. AT THE TIME OF THE REVIEW OF THE PROPOSED FY-76 TEACHER TRAINING LOAN, THE MISSION SHOULD ALSO BE PREPARED TO DESCRIBE PROBABLE CONTENT AND TECHNICAL FEASIBILITY OF THE FOLLOWING ANALYSES REQUIRED FOR DEVELOPMENT OF THE FY-76 RURAL EDUCATION PROJECT PAPER AND THE PROBABILITY OF COMPLETING SUCH ANALYSES BY MAY 1975, THE PROJECT PAPER SUBMISSION DATE:

A) AS INDICATED IN PRECEDING QUESTIONS ON SECTOR STRATEGY, A RATIONALE FOR THE TIMING AND MIX OF PROPOSED RURAL EDUCATION ACTIVITIES IS REQUIRED. THIS SHOULD INCLUDE DESCRIPTIONS OF: (1) ADVANTAGES AND DISADVANTAGES OF A LIMITED DEPARTMENTAL PROGRAM AT THIS TIME, AS COMPARED TO ALTERNATIVES, E.G. OTHER NATIONAL-LEVEL PROGRAMS OR SMALLER PILOT PROJECTS IN VARIOUS REGIONS TO TEST AND ADAPT RESULTS OF RESEARCH FINANCED UNDER THE FY-74 EDUCATION MANAGEMENT LOAN; (2) EVIDENCE OF GOR COMMITMENT TO USAID'S DEPARTMENTAL EMPHASIS, OTHER THAN SIGNATURE OF THE LOAN; (3) THE PROBABLE REACTION OF OTHER DEPARTMENTS TO FAVORING COCHABAMBA AND THE EFFECT THIS WILL HAVE ON THE GOR'S WILL TO EXECUTE THE PROJECT; (4) PROSPECTS FOR REPLICABILITY OF THE COCHABAMBA EXPERIENCE IN OTHER REGIONS; AND (5) THE ESTIMATED AVAILABILITY OF GOR AND OTHER RESOURCES REQUIRED TO REPLICATE PROGRAMS, SIMILAR TO COCHABAMBA'S, NATIONWIDE.

B) THE PROPOSED LOAN WOULD SUPPORT ACTIVITIES IN COCHABAMBA WHICH ARE BASED ONLY ON ROUGH IDEAS OR HAVE NOT BEEN ADEQUATELY TESTED. FOR EXAMPLE, THE COURSE CONTENT AND SOME PEDAGOGIC TECHNIQUES IN THE PROPOSED TEACHER TRAINING COMPONENT PRESUMABLY SHOULD BE BASED ON THE NEW PRIMARY CURRICULUM AND MATERIALS TO BE FINANCED UNDER THE FY-74 LOAN. SINCE THE CURRICULUM WILL TAKE ABOUT 24 MONTHS TO DEVELOP, AND THE DISTRICT CENTER STAFFS (WHO WILL ADAPT THAT CURRICULUM TO THEIR REGIONS) HAVE NOT YET BEEN INSTALLED OR TRAINED, A NEW CURRICULUM ON WHICH TO BASE CHANGES IN NORMAL SCHOOL COURSES OF INSTRUCTION APPEAR TO BE SEVERAL YEARS AWAY. A SIMILAR PROBLEM EXISTS IN THE PROPOSED EXPANSION AND REMODELING

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OF A NUMBER OF RURAL SCHOOLS. THE PROJECT PAPER SHOULD INCLUDE ANALYSIS OF: (1) GOB AND USAID CAPABILITY TO

DEVELOP A VERTICALLY INTEGRATED PROGRAM IN ONE REGION BEFORE ESSENTIAL COMPONENTS OF THAT PROGRAM (E.G. METHODOLOGY AND RATIONALE FOR BILINGUAL AND NON-FORMAL COMMUNITY EDUCATION) HAVE BEEN DEVELOPED AND TESTED; (2) ACTUAL NEEDS FOR, AND RELEVANCE OF PHYSICAL PLANT IMPROVEMENT TO THE TYPES OF ACTIVITIES TO BE CARRIED OUT; (3) THE RATIONALE FOR SELECTING THE ISCC MODEL AS THE DELIVERY MECHANISM AS COMPARED WITH ALTERNATIVE FEASIBLE MEANS OF INCREASING RURAL ACCESS TO MORE RELEVANT EDUCATION; (4) GOB AND LOCAL CAPABILITIES TO FINANCE ACTIVITIES AND MAINTAIN ISCC'S AFTER TERMINATION OF THE LOAN; AND (5) EVIDENCE OF A PLAN AND MECHANISM FOR COORDINATION AMONG THE MINISTRIES (E.G. EDUCATION, AGRICULTURE AND HEALTH) WHICH WOULD BE EXPECTED TO UTILIZE THE ISCC'S. KISSYNDER

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E. O. 11652: N/A

TAGS:

SUBJECT: ALLOTMENT INCREASE UNDER EHRD

REF: (A) LA PAZ 2177; (B) TELECON EYRE/KIMBALL: 3/28/77

1. ALLOTMENT 425-50-511-00-69-71 IS INCREASED BY 600,000.00 DOLLARS TO A NEW TOTAL OF 1,246,000.00 DOLLARS.

2. THE INCREASE CONSISTS OF 100,000.00 DOLLARS FOR RURAL EDUCATION I PROJECT (511-0470) CHANGED TO 511-0477 WHICH HAD A PREVIOUSLY APPROVED AMOUNT OF 200,000.00 DOLLARS FOR A NEW TOTAL OF 300,000.00 DOLLARS. THE AMOUNT SHOWN IN THE FY 1977 CONGRESSIONAL PRESENTATION. THE BALANCE OF THE REQUEST IN REF (A) WILL BE PROVIDED UPON COMPLETION OF THE CONGRESSIONAL NOTIFICATION EXPIRY DATE.

3. THE INCREASE ALSO CONSISTS OF 500,000.00 DOLLARS FOR FY 1977 FOR THE RURAL EDUCATION II - TEACHER TRAINING PROJECT 511-0482 WHICH IS THE COMPANION TO LOAM NO. 511-V-857.

4. CONGRESSIONAL NOTIFICATION REQUIREMENTS HAVE BEEN MET FOR PROJECT 511-0482.

5. CONFIRMING ADVICE FOLLOWS.
CHRISTOPHER

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UNITED STATES GOVERNMENT

PD-AAB-677

Memorandum

TO : Mr. Marshall D. Brown, LA/DR AID/W

FROM : Parke D. Massey, AD/CAP USAID/Bolivia

SUBJECT: Loan Completion Review Report for 511-L-038
Community Development

CAP-M-349/74
DATE: SEP 3 1974

I. Purpose of the Loan

As stated in Annex I of the Loan Agreement, signed on August 24, 1970, the purpose of the Loan was to:

assist the Borrower in promoting a community development program which is designed to foster self-help efforts and community organizations through implementation of community development projects in Bolivia.

Through July 1974, using Loan funds, the National Community Development Service (NCDS) had worked with more than 200 communities and community organizations and completed 201 projects. These projects generated a total community self-help contribution to the Program of the equivalent of approximately US\$450,000.00 in cash and kind while in each project the community contributed at least fifty percent of the project value. Therefore, USAID/B considers that the purpose of the Loan has been achieved.

II. Covenants Eliminated From Further Monitoring

Upon the termination of the Program, the following covenants written into the Agreement to ensure that the Loan Program would be carried out according to A.I.D. criteria became unnecessary and are eliminated from USAID/B's monitoring scope:

A. Under Article IV, General Covenants and Warranties, the following sections:

Section 4.01. Execution of the Program, sub-sections (a), (b), (c) and (d) in which the Borrower covenants (i) to carry out the Program with due diligence and efficiency and in conformity with sound engineering, construction, financial, and administration practices; (ii) to execute the Program in accordance with the rules and regulations submitted by the NCDS and accepted by A.I.D.; (iii) to allow A.I.D. to review and disapprove any vouchers for payment and; (iv) to review any Community Development projects prior to financing.

Section 4.02, Funds and Other Resources to be Provided by Borrower, both sub-sections (a) and (b) in which the Borrower covenants to provide (i) all other resources required for the punctual and effective carrying out of the



Program and; (ii) (by reference to 301(d)) financing for goods and services at least equivalent to the yearly level of funding received by the Program in 1969 and 1970.

Section 4.08, Commissions, Fees and Other Payments, sub-sections (a) and (b) in which the Borrower warrants and covenants that no commissions or fees were paid or would be paid to obtain the Loan and no payments have been or will be received by the Borrower in connection with the procurement of goods and services financed with Loan funds except those legally established in Bolivia.

B. Under Article V, Special Covenants, the following sections are to be eliminated:

Section 5.02, Covenants of the Borrower Under Other Loan Agreements with A.I.D., in which the Borrower agrees to promptly and effectively carry out work outlined in the Loan Agreement for MOE-USAID Loan N° 511-LCL-1026.

Section 5.04, Compliance with Recommendations to Improve the Management of NCDS, in which the Borrower agrees to cause the NCDS to implement measures to improve its financial and administrative management.

Section 5.05, Maximum Financing, which stipulates that the maximum financing under the Loan for an individual project shall not exceed the equivalent of US\$7,000.00 or 50% of the project cost whichever is less.

Section 5.06, Implementation of Procurement and Voucher Procedures, in which the NCDS agrees to implement and enforce the procurement procedures and control of vouchers set forth in the attachments to letter 1375/70 of August 14, 1970 from the NCDS Director.

C. Under Article VI, Procurement, all covenants under this article are to be eliminated since all procurement related to the Program has taken place. These sections are:

Section 6.01, Procurement from Other Western Hemisphere Countries.
 Section 6.02, Procurement from Bolivia.
 Section 6.03, Eligibility Date.
 Section 6.04, Goods and Services Not Financed Under Loan.
 Section 6.05, Implementation of Procurement Requirements.
 Section 6.06, Reasonable Price.
 Section 6.07, Shipping and Insurance, sub-sections (a),(b), (c) and (d).
 Section 6.08, Notification to Potential Suppliers.
 Section 6.09, United States Government-owned Excess Property.
 Section 6.10, Information and Marketing.

III. Covenants Retained for Monitoring

In keeping with the original purpose of the Loan, several covenants and warranties will continue to be monitored to assure the continued success of the Program. From this group USAID/B will directly monitor the following covenants:

Section 4.01, Execution of the Program, sub-section (e). Borrower covenantes that A.I.D. considers the Program operative only under its actual decentralized structure and that if this structure is changed then A.I.D. would have the right to cancel the undisbursed portion of the Loan.

Section 4.07, Disclosure of Material Facts and Circumstances. The Borrower agrees that it shall promptly inform A.I.D. of any facts and circumstances that arise that might materially affect the Program or the discharge of the Borrower's obligation under the Loan Agreement. Any reports generated in response to this covenant will be monitored when received by USAID/B.

Section 4.09, Maintenance and Audit of Records. The Borrower agrees that the NCDS will maintain adequate books and records relating to the Program and the Loan Agreement based on the standards and procedures established for the NCDS by an independent accounting firm which records shall be maintained for five years after the date of the last disbursement by A.I.D. These books and records will be monitored by USAID/B as necessary.

Section 4.10, Reports. The Borrower agrees to furnish information and reports to A.I.D. (Monthly and Quarterly Reports according to Implementation Letter N° 1). Once the final report is received from the Borrower, this covenant shall be eliminated from the Mission's monitoring scope.

Section 5.01, Cooperation between NCDS and Other Ministries and Entities of the Borrower, which stipulates that the NCDS will coordinate its plans and actions with GOB national priorities and with appropriate Ministries.

Section 5.03, Review and Adjustment of Salary Level of NCDS Professional Personnel, in which the Borrower agrees to review the salaries of NCDS personnel and make necessary adjustments to assure comparability with other Borrower agencies.

VI. Other Retained Covenants

The rest of the covenants shall be retained since they grant rights to A.I.D. However, these covenants, which are listed below, require no specific monitoring by USAID/B.

Section 4.03, Continuing Consultation, in which the Borrower and A.I.D. agree to cooperate fully to assure that the purpose of the Loan will be accomplished.

Section 4.04, Management, in which the Borrower agrees that qualified and experienced management will be provided to the NCDS.

Section 4.05, Taxation, which exempts the Loan, any evidence of indebtedness issued in connection with the Loan Agreement and the principal and interest from any taxation or fees imposed by Bolivian laws. (The Controller will observe any failure to comply).

Section 4.06, Utilization of Goods and Services, both sub-sections (a) and (b). These stipulate that goods and services financed under the Loan shall (i) be used exclusively for the Program and (ii) not be used to promote or assist any foreign aid activity of any country not included in A.I.D. Geographic Code 935.

Section 4.11, Inspections, which gives A.I.D. the right to inspect the Program, the utilization of all goods and services financed under the Loan, and the books, records, and other documents of the Borrower and, in particular, of the NCDS and any sub-borrowers hereunder relating to the Program and the Loan. This item would also include the information and marking requirements of Section 6.10 above mentioned.

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LA/DR-DAEC/P-75-39
MEMORANDUM FOR THE LA BUREAU DEVELOPMENT ASSISTANCE EXECUTIVE COMMITTEE

FROM: USAID/Bolivia

PD-AAB-677

TITLE: Rural Education II (Teacher Training and Development)

FISCAL YEAR PROPOSED FOR FINANCING: 1976

APPROPRIATE CATEGORY: Education and Human Resources

DATE OF SUBMISSION TO BUREAU: January 21, 1975

PROJECT DEVELOPMENT TEAM: The Mission has designated the following Project Team to conduct the project review and prepare the Project Paper:

Stephen Jacobson	-	CAP Loan Officer & Coordinator
David Jickling	-	Human Resources Officer
Loc Eckerseley	-	CON Financial Analyst
Hasan Hasan	-	ETD Engineer
Randolph Mye	-	ECCOM Economist
Earl Smith	-	RDD Deputy Food and Agriculture Officer
Max Williams	-	CDD Special Projects Supervisor
James Becht	-	HAD Health Sector Assessment Coordinator
Angel Díaz	-	PR Program Officer

I. Priority and Relevance

The draft National Education Development Plan prepared by the Minister of Education and Culture (MEC) identifies the development of rural teachers to help improve the productivity and quality of life of rural Bolivians as one of the principal goals of Bolivian education, and periodic statements by President Banzer have emphasized that a better trained rural teacher to improve rural education is a priority of the GOB. The National Educational Development Plan is now being reviewed in draft form by the GOB and with the public. It should be adopted prior to presentation of the Project Paper. The goal and objectives aspect of the draft Plan are well done and conform to our anticipations as expressed in the Mission's Preliminary Education Sector Assessment. The implementation aspects of the draft Plan are weak.

The Mission's Preliminary Sector Assessment also concluded that increased attention to the rural populace should be the goal of AID's future programs in education because of the predominance of the rural sector in population terms and its potential for improved performance in economic and social terms. Furthermore, the importance of rural education to other programs in other sectors was indicated in the Mission's Agriculture Sector Assessment which identified deficient rural education as a factor which impedes the development of the Agriculture Sector because of the low skills levels and lack of literacy in the rural labor force in the modernization process.

The Mission's DAP, Part I, and Preliminary Education Sector Assessment identified three major education problems which interfere with the achievement of the improvement in the productivity and quality of life among Bolivian rural people: (i) the present managerial weaknesses in the MEC, (ii) the low quality of rural education

(including the performance of rural teachers), and (iii) the lack of access to a relevant and adequate education by large segments of the rural population.

To address the first problem, the MEC has established an Administrative Reform Program which is supported by a FY-1974 Educational Management and Instructional Development Loan and a FY-1975 Educational Management and Rural Development Grant. This Program seeks to improve and decentralize the administrative systems (including finance, planning, personnel and information) of the MEC, as well as to strengthen in-service training of administrators and to expand instructional support services at the decentralized levels. The program includes research and advisory work in rural and bi-lingual education which will be directly supportive of the MEC's plans to improve rural education. It will operate with a national scope (See CAP of Educational Management and Instructional Development Loan pp. 39-40).

To address the second problem identified in the Assessment - the poor quality of rural education - the MEC will initiate a Rural Educational Development Program in a limited geographic area. This program seeks to achieve greater relevance of rural education to the needs of the target population. Its techniques would utilize the decentralized system created by the Administrative Reform program. The program would include rural teacher training, curriculum development, the expansion of the formal education system, and support of non-formal educational activities of the GOB. The Mission proposes to support that program with a FY-1975 loan and additional grant-funded technical assistance. Two rural normal schools would be included in the program.

The purpose of this proposed Project is to address on a national basis another aspect of the second of the three problems identified by the DAP for USAID priority attention - i.e. rural teacher training and development. The GOB's "Global Diagnosis of Bolivian Education"^{1/} has identified inadequate teacher preparation as one of the main obstacles to a higher quality rural education. The GOB views rural primary school teachers as key figures in the transformation of rural education and rural development. At present, they are poorly prepared for the job they are expected to perform. In order to address the problem, the MEC has identified the following activities as necessary to improve the rural teachers' performance: upgrade the performance of the rural normal school system through better staff preparation and improved learning environment; strengthen the leadership role in rural teacher training of the MEC's Superior Institute of Rural Education (ISER) by improving its program of post-graduate training and upgrading facilities; extend the present four year rural normal school program in order to improve the quality of the education of the rural normal schools. The GOB, in the Diagnosis has proposed an action plan^{2/} to include: reducing the number of rural normal schools; standardizing and improving the study programs; providing necessary physical facilities; expanding library facilities; assigning normal school teachers according to specialization and training; improving equipment and instructional materials of the rural normal schools, and improving health facilities for students.

The current status of selective aspects of the Ministry's plan in which we propose to cooperate is as follows: 1. Consolidation of Rural Normal Schools. The MEC

1/ Diagnóstico Global de la Educación Boliviana - Ministerio de Educación y Cultura. Abril de 1974, Segunda Parte, Sección 1.3
"Educación de la Comunidad Rural" p.9

2/ See Annex II

proposes to reduce the number of Rural Normal Schools as soon as possible. It has concluded that eight is an appropriate number to serve training needs of rural Bolivia for the foreseeable future.^{3/} (See Section III and Annex I for additional details regarding the Rural Normal Schools). This proposed Project would assist the Ministry with resources and technical assistance to carry out this reform.

2. Type of curriculum to be used. The Ministry is now defining the steps to be taken in the reform of the Rural Education curricula. Curriculum strategy will be developed with the MEC during preparation of this Project Paper. During preparation of the FY-1975 Rural Education I Project Paper the Mission and the GOB plan to develop a curriculum strategy which will lay the groundwork for a headstart in our joint efforts to introduce a new curriculum into the eight rural normal schools. The essence of the target curriculum for the rural student and teacher, and rural normal school student and teacher is a practical, rural development oriented curriculum relevant to the needs of the campesino children. These needs include skills for earning a living and for becoming a part of the national culture and economy. Bolivia's education is visualized as a key element in enabling non-Spanish-speaking children to more easily make the transition from their home culture to the national culture.

3. Teacher training. Rural Normal Schools currently graduate approximately 1,700 students per year. Although no projections of future teacher demand have been prepared, we estimate that the rural school system can absorb 1,700 new teachers each year and as rural student retention rates increase and access to rural schools improves the demand for rural school teachers should increase. Besides training new teachers, the Project will reach approximately 2,500 existing teachers through in-service training. The proposed FY-1975 and FY-1977 projects will eventually reach all rural teachers with in-service training related to the utilization of new instructional materials and the reform of the rural primary curriculum.

4. Source and timing of instructional materials. Instructional materials to reform the Rural Education program at the rural normal school and teacher training levels will begin to be developed under the FY-1974 Educational Management Project and FY-1975 Rural Education I Project. These materials will subsequently be introduced at the Rural Normal School level on a nation-wide basis under this proposed FY-1976 Project. Instruction materials are clearly distinct between normal schools and primary schools. Curricula at both levels, however, must be closely linked, i.e. teachers must be taught to carry out a practical, bi-lingual rural education curriculum.

5. Physical facilities. Existing depleted physical facilities will be upgraded to provide a better learning and teaching environment for teachers and students. The FY-1974 Educational Management and Instructional Development loan includes some construction of classrooms at ISER and the proposed FY-1975 Rural Education I Project would provide funds for remodeling and improving facilities at two rural normal schools. This proposed Project will fund construction inputs at the remaining six rural normal schools and ISER including classrooms, laboratories, libraries and living quarters.

The goal of the proposed Project is to establish a more efficient and equitable public education system institutionally and substantively responsive to the needs of the target population in rural Bolivia. The purpose of the proposed Project is to develop rural teacher training institutions country-wide. During the Intensive Review of the Project we will analyze the proposed national scope of the teacher training program especially with regard to the rhythm of implementing the strategy

^{3/} Although we are referring to eight rural normal schools and list the names of these schools, it should be noted that the eight named are tentative, although final selection will be made soon. The MEC has assured us that the final number of rural normal schools will not be more than eight.

and to determine whether a national or sequential geographic approach is more appropriate to this Project. Its techniques would be to utilize the decentralized system being created by the administrative reform program and to incorporate feedback from the FY-1975 Rural Education I Project as it becomes available to modify and improve project design inputs. The FY-1975 Project is an initial effort in our over-all education strategy which will provide for the introduction of new ideas formulated and tested in the FY-1974 Project. The main thrust of the FY-1975 Loan will be to use a selected District Educational Development Center (DEDC) as a coordinating organization for furthering rural educational development in a selected geographic area. Under the FY-1976 proposed Project we would use selected District Centers to coordinate the teacher training programs in the Rural Normal Schools.^{4/}

We will assist the Ministry to develop a reduced number of higher quality teacher training institutions on a country-wide basis. The rationale for this priority is that as a pre-condition for country-wide rural education reform there must be higher quality teachers, that is, capable teachers dedicated to a practical, rural education. To achieve this objective of a turn-around in rural education we plan to work through selected teacher training institutions on two levels: short term, in-service training to upgrade the skills of existing teachers and long term, pre-service training for new teachers. The teachers are considered as the vital link in the chain of rural education reform. Parallel with teacher development must go curriculum reform, instructional materials development and community non-formal educational development. However, these other elements of reform will not have a meaningful impact if the teachers do not accept, understand and put into practice the new concepts and systems. Thus, teacher training, including pre-service and in-service training is viewed as the key factor in rural educational development. Teacher training is not part of the overall rural education package because we believe that scheduling this activity prior to the other activities will yield important benefits such as greater teacher acceptance and understanding of the new initiatives. Also the MEC is currently interested in emphasizing teacher training activities.

An indication of the type of training and facilities that are needed is evident when one looks at the rural teacher and the environment in which he studies, works and lives. He has studied in rural normal schools under a classical, rote learning education system utilizing an urban-oriented traditional curriculum which did not include programs and projects in health, agriculture, rural industries or home economics. Not more than 42% of his teachers have studied beyond the rural normal school, including 35% who studied at the Superior Institute of Rural Education (ISER). His rural normal school lacks sufficient resources to provide him with an adequate education. His classrooms lack desks and chairs; libraries are non-existent; and laboratory facilities are meager. His living quarters, as well as those of his teachers, are almost uninhabitable. After graduation, he enters his professional career as a rural teacher. The vast majority of his students, if in the Altiplano, speak only Aymara, and if in the central valleys, speak only Quechua. The work situation that he confronts - lack of materials; cultural difficulties of students trying to assimilate a Spanish, urban oriented school system; lack of facilities and the isolated life he leads present formidable barriers to his success in a new professional career. Even with expanding governmental assistance to the rural area, he is left to his own resources. During the preparation of the

^{4/} See Section III for more details on the relationships between the Rural Normal School and the DEDC.

Project Paper we shall continue to look at the various aspects of the rural teachers' professional life such as improved housing and salary incentives and try to determine the specific areas in which assistance can be provided to establish and maintain an improved professional commitment by rural teachers to the development of better rural learning systems. This focus on various aspects of the rural teachers' professional life would reinforce Mission and GOB initiatives proposed under the FY-1975 Project.

As part of the negotiations of the proposed loan we shall seek commitments from the GOB dealing with: selecting and upgrading rural normal schools that focus on rural, not urban or semi-urban students, so that the students are committed to rural development; enhancing the role of ISER as a quality training facility for the staffs of rural normal schools; and upgrading the role of women in Bolivia by establishing committees at the national and DEDC level to examine the role of women and make specific suggestions as to how the education system can respond to their needs. The negotiations also will be conducted so as to reinforce the GOB's commitments under the Educational Management and Instructional Development loan and the Rural Education I loan dealing with the allocation of resources in real terms to rural education, rural teacher certification and fringe benefits, and improved housing facilities for teachers and students at the normal schools.

The Mission's Education Sector Program projects additional loan assistance for FY-1977 to support a program of adoption on a wider geographic scale of the type of program to be undertaken in a limited geographic area under the proposed FY-1975 Rural Education I loan. We anticipate that Rural Education I will be implemented beginning in 1976 in a single area of Bolivia. Rural Education II (teacher training) will follow with implementation beginning in 1977, and Rural Education III will expand comprehensive reform to the remaining areas of the country beginning in 1978. These three phases visualize an integrated step-by-step program in collaboration with the MEC in Rural Education Development. The problem of increased access to rural education would be addressed by the proposed Rural Education I and III Projects at the primary level through the expansion of rural nuclear and satellite schools and at the secondary level through the upgrading of selected secondary technical schools if that activity is not undertaken by another assistance agency.

II. BORROWER/GRANTEE/ADMINISTERING AGENCY:

The amount of the proposed project is \$14.6 million. The project would include \$1.1 million in grant assistance and a \$8.0 million loan with a forty-year repayment period, including a ten-year grace period, with interest at 2% per annum during the grace period and 3% per annum thereafter. The project would be administered by the Ministry of Education's Rural Education Directorate.

III/ DESCRIPTION OF THE PROJECT

Loan funds would be utilized to: (i) improve the quality of rural teacher training provided by selected rural normal schools; (ii) strengthen the leadership role in teacher training and development of the Superior Institute of Rural Education (ISER) or similar facilities; (iii) construct, remodel and add to rural normal school facilities. The activities to be implemented under these general areas of the Project are described below.

The Project would receive support from the Rural Education Planning Advisor, and the Bi-lingual Education Advisor being funded under the Educational Management and Rural Development Project and from the three additional Rural Education specialists proposed for addition to that Project in conjunction with the Rural Education I loan (FY-1975). Funds would be added to that project in FY-1976 to support any additional resident advisors who may be found to be necessary. A modification to the existing PROP would be submitted to AID/W together with the Project Paper for this proposed loan. At this time we should estimate that such advisors may be necessary to work with the six rural normal schools not included in the FY-1975 proposal. These advisors will function as institution-building advisors. They will also form a network to facilitate professional interchange between the Rural Normal Schools and to promote progress towards a uniform nation-wide Rural Education Reform program.

a. Rural Normal School Development

This Project would enable the eight schools to become centers of excellence in the preparation of rural teachers. These eight would be selected to provide an adequate geographical distribution and to provide through their graduates an adequate number of teachers to meet projected rural school teacher needs. The capacity of the eight rural normal schools will be sufficient to handle the 2,300 students from the seven extra schools plus 1,600 additional slots to meet the proposed extension in the present four-year rural normal school program. The Mission and the GOB will review this strategy during the Intensive Review. Of the present normal schools, several now draw heavily on semi-urban students while others are so remote that they are of questionable viability. The GOB will change these into rural technical secondary institutions. The eight rural normal schools selected for development would receive assistance in teacher development, curriculum reform and facilities improvement. This assistance would also include instructional materials reproduction and library and laboratory materials as needed. The purpose would be to create a center for rural educational research and development in each school that will serve as a teacher preparation center as well as a broader educational development center for the region in which the school is located. In addition to serving as formal training institutions for new teachers preparing for a career in rural education, the normal schools will develop in-service training programs to reach all rural teachers in their districts with practical, short courses on a wide range of pedagogical and technical subjects. These in-service courses will be given primarily during vacation periods although on occasion short teachers' institutes will be given during the school year.

Admission requirements for Rural Normal School candidates currently include five years of primary instruction and three years of intermediate schooling or a total of eight years of preparation. The Ministry is moving towards a program of requiring additional preparation for rural normal school applicants and extending the present four year rural normal school program in order to improve the quality of the output of the rural normal schools.

The Project would assist the eight selected rural normal schools with in-country and foreign training for their staff. This training would enable the teachers of normal school students from throughout the country to become familiar with sound, practical rural teacher training, curriculum and methodology. The Project would provide advisory assistance to these normal schools through funding a long term institutional development advisor at each normal school, plus short-term specialists in selected rural and community education themes. In addition, the Project would

fund the improvement and expansion of the physical facilities of the selected normal schools, including classrooms, laboratory, shops, library and other learning facilities as well as staff and student living facilities.

Project activities will utilize Rural Normal School and DEDC facilities in each Departmental Capital. During the Intensive Review the relationship between the DEDC and the Rural Normal School will be defined in more detail. The Center will include facilities for basic administration services and instructional development support functions, including a curriculum laboratory and in-service training facilities. We anticipate that training activities at the center would focus on those subjects which are of common interest to both urban and rural teachers. The training activities at the Rural Normal school will be more specialized to respond to the unique requirements of the rural teacher and student.

b. Superior Institute of Rural Education Development

The Superior Institute of Rural Education (ISER) was created in 1962 to provide rural teachers with post-Normal School training in school administration and special skills. From 1964 through 1971, ISER trained 785 rural teachers in agriculture, health, domestic science as well as the traditional sciences, mathematics and languages. Approximately 150 teachers per year now attend the intensive, full-time 10 month-course of study at ISER. UNICEF and UNESCO provided limited assistance to ISER until 1971 including foreign scholarships, technical assistance, library and other teaching equipment.

Under the AID FY-1974 Educational Management and Instructional Development loan the administrative training capacity of ISER will be strengthened through the construction of additional classroom space and the provision of limited advisory assistance in this field. An advisor funded under the Education Management and Rural Development Grant in connection with Rural Education I activities at ISER will serve as Project Coordinator for this proposed Project. The proposed loan would provide additional funds for long-term foreign training for 20 selected ISER professors to give staff members a common stimulus in practical rural education. The FY-1974 Educational Management and Instructional Development loan and the FY-1975 Rural Education I Project will both provide needed inputs for the instructional materials, i.e. new curriculum and bi-lingual materials, to be used in the proposed Project.

The Project would enable ISER to fund a visiting professor program to bring researchers and lecturers to Bolivia in the field of practical, rural education. Expanded in-country professional interchange among rural normal school teachers under ISER direction would be funded including publications, conferences and short courses. The physical facilities of ISER would be upgraded to enable it to more effectively play its short-term and long-term teaching role as well as carry on an expanded research and publication programs.

c. Physical Facilities

Engineering and construction will be undertaken in support of the other two activities of the Project to insure that an appropriate physical plant is available at the Rural Normal Schools and ISER to meet the effective implementation of all Project components. The work envisioned will be extensive

in scope. Existing, depleted physical facilities need to be upgraded to improve the overall ambiente of the school, provide better study and recreation areas, and make living accomodations more suitable for the teacher and the student.

The capacity of the eight schools will be increased from 2,700 students to approximately 6,600 students in order to absorb those students currently attending the seven extra schools and make provisions for extending the present four year rural normal school program. Facilities at two of the Rural Normal Schools would be improved under the FY-1975 Rural Education Loan to handle 600 additional students and the capacity of the six remaining Rural Normal Schools would be increased to absorb the remaining students.

The construction program includes facilities for each Rural Normal School such as new or improved libraries, science laboratories, mechanical shops and home economic areas. Existing dormitories for students and living quarters for the faculty would be modernized and expanded as necessary. New dormitories would be built as needed. It is estimated that 35,000 square meters of new educational space will be constructed under this program including 4.5 square meters per student for school facilities, and 6 square meters for dormitory space.

Special attention will be given to the physical requirements of the Superior Institute of Rural Education (ISER) which will include the renovation of existing facilities and the addition of new ones. The FY-1974 Educational Management and Instructional Development Loan provides limited funds for remodeling one or two classrooms at ISER for administrative training purposes.

Responsibility for construction and remodeling of buildings and procurement of equipment will be with the Project coordinator in the Ministry of Education's Rural Education Division. He will be assisted by MEC project managers at the DEDC level who will supervise District level activities.

IV. BENEFICIARIES

The immediate target group of this project are the 15,000 rural school teachers, 5,000 rural normal school students, 400 rural normal school teachers and 20 ISER professors.

Most of the rural school teachers and rural normal school students have studied under a classical, rote learning education system utilizing an urban-oriented traditional curriculum which did not include programs and projects in health, agriculture, rural industries and home economics. At the academic level, not more than 42% of the rural normal school students' teachers have studied beyond the rural normal school. The classrooms lack desks and chairs; libraries are non-existent; and laboratory facilities are meager. Coming from a small town environment, as most rural normal school students do, their life as rural school teachers is full of surprises. The vast majority of the students as well as parents in the Altiplano and the Valleys speak an Indian language. The work situation that they confront - lack of materials; cultural difficulties of students

trying to assimilate a Spanish, urban oriented school program, lack of facilities; a yearly salary averaging \$1,500 per year; and the isolated life they lead - presents formidable barriers to success in a new professional career.

The ultimate beneficiaries are the 600,000 rural families in the small farm sector of the valleys, lowlands and altiplano of Bolivia. Cultivating approximately 3.5 hectares of land in the valleys, 4-5 hectares in the low lands and raising approximately 20-25 head of sheep or llama in the Altiplano are the principal activities of this group. Crop production is largely subsistence in character and based on traditional production techniques. Family labor is used intensively in land preparation, tending the sheep and llama, seeding, insect and pest control, harvesting and marketing. The level of investment in fixed capital is low. Common characteristics of farming practices in rural Bolivia include the use of primitive plows and digging tools, native varieties of seed and livestock breeds long indigenous to the continent. Crop yields, wool production, and, consequently resource productivity and farm income generally are low by Latin American standards.

VII. OTHER DONORS

UNICEF, OAS, CREFAL^{7/}, German Volunteers and Dutch Volunteers (Catholic Church) are all working with the GOB in fields related to education and rural development in geographic areas that overlap with this project.

- (1) UNICEF works with the MEC in the Departments of Chuquisaca and Tarija to implement the Regional Development Plan. It includes fourteen nuclear schools that will be equipped over a three-year period beginning in FY-1976 at a total cost of \$240,000. No technical assistance is provided in the UNICEF proposal, nor does the project involve work with normal schools or ISER.
- (2) The OAS, through a special Socio-Economic Development Fund for Argentina, Bolivia and Paraguay, plans to provide socio-economic research, training, and a laboratory for action research. Under the Cuenca del Plata Project, the OAS also is providing \$190,000 in support for rural education. The parameters of the project have not been set, but it is likely that they will not be the same as the AID proposal.
- (3) CREFAL, under the OAS Cuenca del Plata Project, will offer a one month training program in community development and technical/vocational subjects for 125 rural teachers and 40 other professionals. The possibility that this activity may be used to help meet the short-term training needs (Section III) of the proposed Project will be fully explored prior to preparation of the Project Paper.
- (4) The Dutch and German bi-lateral assistance programs focus on adult vocational education for middle level technicians (mechanics and carpenters) in Chuquisaca and Tarija.

Donor assistance to Ministry programs is coordinated through the recently designated Coordinator of Plan Implementation in the MEC.

^{7/} Regional Center for Latin American Fundamental Education (UNESCO)

VIII. FINANCIAL PLAN 8/

The estimated cost of activities financed under this Project is \$14.6 million. The A.I.D. loan would provide approximately \$8.0 million. The GOB would repay the loan from general government revenues. The existing \$3.5 million Educational Management and Rural Development Grant would be amended to add \$1.1 million in technical assistance to complement activities to be financed by the proposed loan.

The GOB is expected to contribute approximately the equivalent of \$5,471,000 over 3 years or 36.8 percent of total project cost.^{2/} Of this amount it is expected that approximately \$1,575,000 represents an increase over present GOB budget allocations over the three years of the loan. Included in the \$1,575,000 is \$600,000 for textbooks, teaching materials, furnishings and equipment and \$800,000 for salaries. This contribution is separate and distinct from the GOB's \$3.5 million contribution under the Educational Management and Instructional Development Loan and the \$3.9 million contribution under the Rural Education I Loan. It is within the magnitude of budget support by the GOB which was judged feasible in the Mission's Preliminary Sector Assessment.

Timing of Project Disbursements (FY) (US\$000)

	1977	1978	1979	1980	1981	TOTAL
AID Loan						
(FC)	700	1,394	886	-	-	2,980
(LC)	350	1,994	2,706	-	-	5,050
AID Grant						
(FC)	360	360	360	-	-	1,080
GOB Contribution						
(LC)	<u>1,230</u>	<u>2,135</u>	<u>2,008</u>	<u>48</u>	<u>50</u>	<u>5,471</u>
T O T A L	<u>2,640</u>	<u>5,883</u>	<u>5,060</u>	<u>48</u>	<u>50</u>	<u>14,581</u>

IX. PROJECT DEVELOPMENT SCHEDULE

Final preparation of the Project will follow this schedule:

<u>DATE</u>	<u>ACTIVITY</u>
1. February 1975	Review of PRP in Washington.
2. July 1975	Specific TDY assistance needs will be determined. Mission anticipates that TDY assistance will be needed to extend and strengthen initial strategies developed under the Educational Management and Instructional Development Project and Rural Education I Project in the areas of rural teacher

8/ See Annex III for details on Project financing.

9/ See Annex III for details of GOB contribution.

DATE

ACTIVITY

2. (continued)

training, rural normal school curriculum and preparation of an economic analysis of the proposed normal school sites. We may need a certain amount of TDY assistance to develop a connection between formal and non-formal training programs; however, most non-formal education activities will occur under the proposed FY-1975 Rural Education I Project and contemplated FY-1977.

3. May 1976

Submit PP and Revision to Education Management and Rural Development PROP to AID/W.

X. ANALYSIS

A. Economic

During development of the Project Paper, the Mission in conjunction with the MEC will establish decision criteria for the selection of the six rural normal schools for assistance in this project.

As indicated in the Preliminary Education Sector Assessment, Section I, a theoretically positive relationship exists between education and income growth to which the Mission hopes to give empirical content during the Project development period. For this project better trained teachers will facilitate the transfer of knowledge to rural people who would use these education skills to apply to their work activities, thereby increasing their productivity through use of better techniques. Specifically, in the case of agriculture their newly acquired knowledge would permit the rise of appropriate production technology. Skill acquisition by teachers who would be better able to implant these skills with the rural population would result in improved individual income levels. The Mission will attempt to assure that the skills acquired reflect manpower requirements in the Bolivian economy. Although the most direct benefit of this Project would result from the improved quality of teacher preparation and general professional upgrading, the Mission will try to establish measures to reduce the chances of inappropriate use of resources. It will be necessary for the Mission to develop an information and data base to permit full analysis of the project's indirect and direct impact on the economy.

The reduction in the number of rural schools and the expansion in the facilities of the remaining schools appears appropriate in terms of efficiency. The introduction of economics of scale should permit the reduction in the per unit costs of teacher training. Moreover, the centralization of facilities should provide greater access to improved libraries, laboratories, etc.

B. Technical

(1) Construction. In construction terms, all buildings to be constructed are simple in design and common in Bolivia. They will require no special design or treatment. They can be built at a reasonable cost and in a reasonable length of time.

All services and materials financed under the loan will be procured from the private sector in Bolivia or Code 941 countries.

C. Administrative Analysis

The proposed Project builds upon the creation of the District Educational Development Centers (DEDC) established under the Educational Management Program and the curriculum revisions and technical education initiatives introduced into selected Integrated School Community Centers (ISCC) and selected rural normal schools under the Rural Education I Loan Project.

It is estimated that 4 DEDCs will be completed by December 1976 and the remaining 5 by December 1977. In the interim, the administrative organization and technical capability for each Center is expected to be established and functioning in time to implement this Project. Each Center will include facilities for basic administrative services and instructional development support functions for the proper servicing of all teachers and children. It will house the District Administrative Service (SIDA); Instructional Support Services (SAED) for rural and urban supervisors, school directors and teachers; the District Directors for rural and urban education; and the District Consejo Técnico, composed of the two District Directors and the Head of SIDA operations.

The potential role of the Ministries of Agriculture, Health and Labor in the training of rural and rural normal teachers will be examined, managed and coordinated through the MEC at two levels. At the District level, the Rural Education Division will meet monthly with representatives of the Agriculture Extension Service, the National Community Development Service and the Ministries of Health to define each agency's inputs, determine funding requirements of the proposed programs, identify facilities that can be jointly used, and design an inter-sectoral strategy toward rural development utilizing the technical specialties of each Ministry. At the national level, the Sub-Secretary of Education will establish a coordinating group including Sub-Secretaries from the Ministries of Health and of Agriculture. This group will provide sub-cabinet level guidance and support to the district working group, and will be responsible for obtaining national level funding and support for the inter-sectoral approach. This is the same strategy for inter-sectoral cooperation that is being developed under the FY-1975 Rural Education I Project.

D. Financial

The preliminary cost estimate is relatively firm, but will be refined and verified while preparing the Project Paper. Financial resources consist of loan proceeds, grant funds and the GOB contribution. The preliminary Education Sector Assessment analyzes the GOB budget strategy and make recommendations as to how the MEC's funding requirements will be met for this and other AID-assisted education projects. However, the question of what additional financial resources support may be required of the MEC following the loan disbursement period will be further analyzed during preparation of the Project Paper.

E. Environmental Considerations

The Project will not have a significant environmental impact. Agriculture and health activities will follow environmental guidelines.

F. Social - Role of Women

The Project should have a strong positive impact on women as individuals, teachers, supervisors and learners. A majority of rural teachers are now women; however, their access to supervisory positions is limited. In this project we shall explore ways to improve their access to teaching and administrative positions. We will seek ways to fill vacancies at the supervisor and district director level with qualified women and to increase the number of female post-graduate students at ISER to prepare more females for high-level policy making roles with the MEC. By encouraging the GOB to place emphasis on the role of women in education we hope to initiate the beginnings of a change in attitude toward the education of young girls in rural Bolivia. The impact of this strategy combined with our attempts to increase the enrollment of girls in rural primary grades by 9% per year from 34% to 55% over a five year period under the FY-1975 Rural Education I loan should contribute in a significant manner to an improvement in the status of women in education and society.

G. Political

Few rural normal school students come from the major cities in Bolivia. Many, however, come from the smaller towns. They enter the rural normal schools to obtain a teaching certificate often with the hope of eventually moving to the city as an urban teacher. The important factor for rural education development, however, is to obtain students with a commitment to contributing to rural development as a career, and not just as a stepping stone to becoming an urban teacher. The solution will probably have to lie in creating educational alternatives for the "semi-urban" and urban oriented student rather than having them enroll in rural normal schools.

The transition for both urban and semi-urban students and rural students will be gradual for the following reasons: First, until the rural education system can supply qualified secondary school applicants for rural normal schools the rural system will have to rely upon urban students to fill rural teaching positions. Second, with a capacity increase of 1,600 positions over the current enrollment level, the rural normal schools should be able to absorb both urban and rural enrollment pressure in the short-run.

Escuelas Normales Rurales - Proposed for Strengthening as Centers of
Excellence in Rural Teacher Training

1. Warisata, founded in 1931 by Prof. Elizardo Perez
105 Km. from La Paz
La Paz Department, Omasuyos Province

6 classrooms, physics-chemistry laboratory, weaving, mechanics and carpentry shops, agricultural pavillon, teacher housing, health post and bakery, 3 offices, home economics classroom, 8 dormitories (5 for boys, 3 for girls), kitchen, 2 dining rooms (for 400 persons), garden and sports fields. General condition of facilities: Good.

Rural nuclear school, demonstration school, secondary school

406 students in 1972 (334 boys, 72 girls)
17 teachers in 1972 { 8 graduates of ISEB, 2 post grad. study
abroad, 5 normal school graduates,
2 technical school graduates.

2. Paracaya "Manuel Ascencio Villarroel"
45 Km. from Cochabamba
Cochabamba Dept., Punata Province

3 offices, 4 classrooms
2 dormitories, physics-chemistry laboratory
Carpentry shop, agricultural pavillon, bakery, kitchen, garden of 25 hectares, sports fields. General condition of facilities: In construction.

511 students in 1972 (257 boys, 254 girls)
18 teachers { 11 graduates of ISEB, 7 post
graduate training abroad

3. Caracollo "René Barrientos Ortuño"
30 Kms. from Oruro
Oruro Department, Cercado Province

3 offices, 4 classrooms, 4 dormitories for girls, library, dining room, kitchen, garden, sports fields.
General condition of facilities: Very good.

350 students in 1972
16 teachers { 12 graduates of ISEB, 2 post grad.
training abroad, 2 normal school
graduates

4. Villa Serrano "Franz Tamayo"
200 Kms. from Sucre
Department of Chuquisaca, Belizario Boeto Province
- 5 offices, 5 classrooms, 4 dormitories (2 for boys and 2 for girls)
library, physics-chemistry laboratory, 2 kitchens, 2 dining rooms,
gardens, sports fields.
General condition of facilities: Good
- 217 students in 1972 (133 boys, 84 girls)
16 teachers (12 graduates of ISER
(3 normal school grads., 1 technical
(school grad.
- Demonstration school with boarding facilities.
- Has received support from the German religious group "Trevenis".
5. Caiza "D" - "Jose de Berrios"
64 Kms. from Potosí
Potosí Department, Linares Province
- 2 offices, 3 classrooms, library, 8 dormitories (6 for boys
and 2 for girls), physics-chemistry laboratory (in construction).
Carpentry shop, teacher housing, gardens and sports fields.
General condition of facilities: Good
- 146 students in 1972 (99 boys, 47 girls)
14 teachers (9 grads. of ISER
(3 normal school grads.
(1 technical school grad.
6. Canasmoro "Juan Misael Saracho"
25 Kms. from Tarija
Tarija Department, Mendez Province
- 3 offices, 4 classrooms, library, rural industries, carpentry,
and mechanics shop, kitchen, dining room for 300 people, gardens
and sports fields. General condition of facilities: Good.
Serves as experimental center for ISER
- 262 students in 1972 (121 boys, 141 girls)
17 teachers (11 grads. of ISER, 1 post grad.
(study abroad, 5 normal school grads.
7. Riberalta
3 Kms. from Riberalta
Beni Department, Vaca Diez Province
- 2 offices, 4 classrooms, library, kitchen, dining room for 185

people, carpentry shop, gardens, and sports fields. No dormitories. General condition of facilities: Fair

185 students in 1972 (91 boys, 94 girls)
16 teachers (8 graduates of ISER, 5 normal school
(graduates, 2 interim teachers,
(1 teacher titled by seniority

Demonstration school in La Esperanza, 20 Kms. from the normal school, transportation is difficult.

8. Portachuelo

80 Kms. from Santa Cruz
Santa Cruz Department, Sara Province

4 offices, 6 classrooms, 1 dormitory for girls (1 Km. from school), 1 kitchen (in construction), 1 dining room (provisional)
2 laboratories (unequipped), lack of furniture.
General condition of facilities: Fair

592 students in 1972 (272 boys, 320 girls)
18 teachers (9 graduates from ISER, 1 post grad.
(study abroad, 6 normal school
(graduates, 1 teacher school grad.
(12 inter-im teachers

Male/Female ratio (1971) for all 15 rural normal schools:

5,193 rural normal school students
3,115 boys - 60%
2,078 girls - 40%

Origin of students:

Of 4,212 students studied:

From:	<u>Boys</u>		<u>Girls</u>		<u>Total</u>	
Campesino population	1,147	27%	545	13%	1,682	40%
Semi urban population	920	22%	776	18%	1,696	40%
Urban population	457	11%	377	9%	834	20%
	<u>2,524</u>	<u>60%</u>	<u>1,688</u>	<u>40%</u>	<u>4,212</u>	<u>100%</u>

Number of Graduates of all 15 rural normal schools:

1967	647
1968	799
1969	1,140
1970	1,236
1971	1,056

1971 Graduates by Institution:

1. Santiago de Huata	119	
2. Warisata	86	8%
3. Vacas	132	
4. Paracaya	134	13%
5. Caiza "D"	43	4%
6. Canasmoro	62	6%
7. Portachuelo	121	12%
8. Charagua	35	
9. Riberalta	78	7%
10. Ilica	21	
11. Villa Serrano	40	4%
12. Caracollo	78	7%
13. Cororo	71	
14. Sacaca	36	
15. Chayanta	0	

Total 1,056

61% of graduates in 1971 came from 8 schools tentatively selected for development.

Operating costs of 15 rural normal schools: (1971)

Administration	\$b. 1,167,900	14.5%
Salaries	6,127,900	76 %
Maintenance	259,000	3 %
Other Expenses	499,900	6 %
	<u>8,054,700</u>	<u>100 %</u>

Cost per student per year: \$b. 1,840.23 (4,377 rural normal students)

The general conclusions of the "Diagnostico" on Rural Normal Schools are as follows:

1. Lack of an adequate rural education policy.
2. Absence of coordinating mechanisms for planning, programs of study and methods.
3. Unnecessary proliferation of Rural Normal Schools.
4. Low productivity and poor teacher preparation in the Rural Normal Schools.
5. Limited economic and human resources for rural teacher training.

The recommendations of the "Diagnostico" follow:

1. Develop an integrated rural teacher development plan.
2. Reduce the number of rural normal schools.
3. Adopt admission criteria to unify and raise levels of students.
4. Awaken the interest of rural young people in teaching as a profession.
5. Create a student orientation program for student selection and orientation.
6. While awaiting a general revision of the system, take these immediate steps:
 - a. Reduce the number of rural normal schools.
 - b. Standardize and improve the study programs.
 - c. Provide necessary physical facilities.
 - d. Expand library facilities.
 - e. Assign normal school teachers according to their specialization and training.
 - f. Provide medical-dental services to the rural normal school students.
 - g. Improve equipment and instructional materials of the rural normal schools.

RURAL TEACHER DEVELOPMENTTABLE OF ITEMS INCLUDED IN FINANCIAL PLAN
(US\$ 000)

	<u>AID Grant</u>	<u>AID Loan</u>		<u>GOB</u>	
	<u>F C</u>	<u>F C</u>	<u>L C</u>	<u>Contrib.</u>	<u>Total</u>
1) Engineering		500			500
2) Construction		500	4,000		,500
3) Technical Assistance	1,080	300			1,680
4) Textbooks & Teaching Mater		530		300	830
5) Training		700	1,050		1,750
6) Furnishings & Equip.		450		300	750
7) Land				400	400
8) Maintenance				150	150
9) Salaries & Oper. Expenses				<u>4,321</u>	<u>4,321</u>
	<u>1,080</u>	<u>2,980</u>	<u>5,050</u>	<u>5,471</u>	<u>14,581</u>

RURAL TEACHER DEVELOPMENT

ANNEX III

Page 2 of 5

ANALYSIS OF THE GOB CONTRIBUTION 1/ (\$000)

	<u>GOB 2/ New Budget Allocations</u>	<u>GOB Current Budget Allocations</u>	<u>GOB In-Kind Contributions</u>	<u>Total GOB Contributions</u>
A. Textbooks and Teaching Materials	300			
B. Furnishings and Equipment	300			300
C. Land				300
D. Maintenance	150		400	400
E. Salaries	<u>825</u>	<u>3,496</u>		150
	<u>1,575</u>	<u>3,496</u>	<u>400</u>	<u>4,321</u>
				<u>5,471</u>

- 1/ The Mission has reviewed the makeup of the GOB contribution in the Educational Management and Instructional Development loan and the proposed Rural Education I loan along with this proposed Rural Education II loan. As a result of this review it has been determined that there is no duplication or double-counting of the similar GOB inputs to these three loan projects.
- 2/ The new budget allocations will be needed for the purchase of new textbooks and teaching materials, new furnishings for classrooms, the maintenance of the newly constructed facilities (7) and for the fringe benefits, rural teachers incentive pay, and training incentive pay for the teachers trained under this project. The fringe benefits and incentives are not now being paid however the MEC has made a commitment to USAID to pay these items. The \$1.57 million in new budget allocations will be disbursed over the three years of the loan project. In addition the GOB will have to provide a continuing support of the project after the three year project period of approximately \$700,000 per year. This amount includes the continuing maintenance of the newly constructed facilities and the continued payment of fringe benefits and incentives to the rural teacher.

In order to clarify the separation of the GOB contribution between the Educational Management and Instructional Development loan, Rural Education I loan and this loan we submit the following:

A. Salaries

- The major GOB contribution to the Educational Management loan is the salaries of the management personnel during and after their training period. These employees will be in purely managerial positions such as district administrators, school directors, field supervisors, etc. The total of their salaries (at current salary levels) included as GOB contribution to the project is \$2,813,000 over four years. The following chart indicates types of employees and the salaries included under the GOB contribution:

<u>Position Classification</u>	<u>No. of Employees</u>	<u>(FY) 1976 - 1978 (US\$ Salaries)</u>
General Directorate	65	532,350
District Directors	18	52,650
District Center Special Staff	100	317,000
Field Supervisors	220	1,001,000
School Directors	<u>1,750</u>	<u>910,000</u>
	<u>2,153</u>	<u>2,813,000</u>

- The salary component of the GOB contribution to the Rural Educational I loan includes the salaries of teachers both during and after their training calculated at current salary levels. These employees will be in purely pedagogical positions such as normal school instructors, nucleo school teachers and satellite school teachers in the specific geographic areas dealt with. The following chart indicates types of employees and the salaries included in the GOB contribution:

<u>Position</u>	<u>No. of Employees</u>	<u>(FY) 1976 - 1978 (US\$) Salaries</u>
Teachers (Normal School & ISER)	50	525,000
Teachers (In Service)	<u>1,850</u>	<u>2,220,000</u>
	<u>1,900</u>	<u>2,745,000</u>

- The salary component of the GOB contribution to the Rural Education II (Teacher Development and Training) loan includes the salaries of ISER, rural teachers and rural normal school teachers - all at current salary levels. These employees will be in purely pedagogical positions such as ISER professors, rural normal school teachers and rural school teachers and, with the exception of ISER professionals, do not work in the same

area or areas contemplated under the Rural Education I loan.

<u>Position</u>	<u>No. of Employees</u>	(FY) 1977 - 1979 <u>(US\$) Salaries</u>
*Teachers (ISER) & Normal Schools	120	980,000
Teachers (Normal School)	450	255,000
Teachers (Rural School)	2,500	3,000,000

*out-of-country training

B. Equipment and Commodities

1. The equipment and other purchases under the Educational Management loan are in direct support of the nine district centers planned for construction.
2. Under the Rural Educational loan the only commodities planned as local contributions are the few materials to be donated by the communities in support of their arts and crafts courses.
3. The equipment and other purchases under the Rural Teacher Development and Training are primarily in support of ISER and the Rural Normal Schools. A limited amount may be used at the DEDC level in support of in-service training programs for rural teachers.

C. Land

1. There is an amount of \$792,000 planned to be contributed by the GOB for land for the District Centers under the Educational Management Loan. This land will be used solely for the administrative centers.
 2. The land contributed to the Rural Educational Project by the GOB for the value of \$600,000 will be used for the construction and expansion of two Rural Normal Schools and for the construction of the School/Community Centers. This construction will be separate and apart from the District Centers.
 3. The land contributed to the Rural Teacher Development and Training Project by the GOB for the value of \$500,000 will be for the construction of facilities at six Rural Normal Schools and ISER. The construction activity will be separate and distinct from construction at the DEDCs and at the two rural normal schools financed under the FY-1975 Rural Education I Project.
- D. In the remaining GOB contribution under the three loans there does not occur any duplication or even similar categories.

The following chart outlines the total fiscal implication of all current USAID financed education programs over the years 1975 - 1979 (FY).

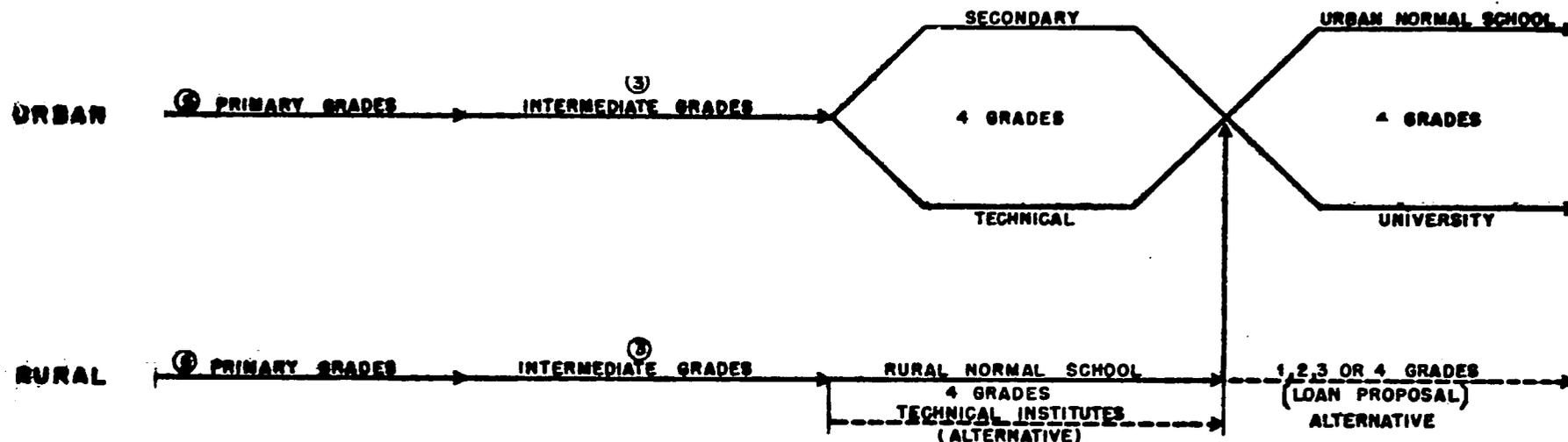
	GOB new budget ^{2/} allocations	GOB current budget allocations	GOB In-Kind contributions	TOTAL (\$000) ^{1/}
FY-1974 Educational Management and Instructional Development Loan	1,260	2,653	1,500	5,413
FY-1975 Rural Education I	1,500	1,800	600	3,900
FY-1976 Rural Teacher Development and Training	1,575	3,496	400	5,471
T O T A L	4,335	7,949	2,500	14,784

^{1/} This table includes the additional budgetary support needed to complete the GOB commitments to USAID under all three loans for the period of disbursement of these loans.

^{2/} The new budget allocations in support of these loans averages less than \$1 million per year for the period 1975 through 1979. The current MEC budget is approximately \$65 million per year. The total new allocation by the GOB of 1.5% of the current MEC budget is feasible and does not place an undue burden on other new projects of the GOB.

THE RURAL AND URBAN EDUCATION PATH

ANNEX 4



The MEC and the Mission are exploring alternative means of upgrading rural education. Two interventions under consideration are between the rural intermediate and rural normal school phase or following the rural normal school phase. The above diagrams demonstrate the discrepancies between the rural and urban education chain. Because of the different priorities that exist between urban and rural education, it is not proposed that the rural education system replicate the urban system.

V. PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK

Life of Project:
From FY 77 through FY 81
Loan disbursements: FY 1977-FY 1979
Grant Assistance: FY 1977-FY 1979

Project Title & Number: _____

PAGE 1

NARRATIVE SUMMARY (A-1)	OBJECTIVELY VERIFIABLE INDICATORS (A-2)	MEANS OF VERIFICATION (A-3)	IMPORTANT ASSUMPTIONS (A-4)
<p>Program or Sector Goal: The broader objective to which this project contributes:</p> <p>To establish a more efficient and equitable public education system institutionally and substantively responsive to the needs of rural Bolivia.</p>	<p>Measures of Goal Achievement: (A-2)</p> <ul style="list-style-type: none"> - Increase enrollment in rural primary grades by 9% per year by FY 1980. - Increase the cohort flow so that the rate of completion of rural area 1975-1980 cohort increases from approximately 9% to 15%. - Improve grade distribution of enrollment and lower repetition rate. * - Decrease in illiteracy from an estimated 80% of rural people to 70% by 1980. - Increase in retention rate of rural students from 14% to 40% between 1975 to 1980. <p>* percentage to be determined during preparation of FY 1975 Project Paper.</p>	<ul style="list-style-type: none"> - Records of MEC on rural school enrollment, cohort flow, grade distribution, repetition rate, retention rate and survey to establish baseline data in respective areas. - Test of learning outcomes to establish literacy rates. - Review of records and special studies of contract advisors. - Accounting records and evaluating reports. - Completion of research activities. - Inauguration of SIDA's and construction facilities. 	<p>Assumptions for achieving goal targets:</p> <ul style="list-style-type: none"> - That GOB with Donor assistance will provide essential financial support to educational development. - That rural students and teachers will be responsive to various initiatives. - Government policies will motivate education system to produce better teachers and provide a better educational environment for students.
<p>PROJECT PURPOSE (B-1)</p> <p>To improve the professional capability of rural teachers through better trained Rural Normal School Teachers, a more relevant rural-oriented training program and better facilities.</p>	<p>CONDITIONS THAT WILL INDICATE THAT PURPOSE HAS BEEN ACHIEVED: EOPS (1980) (B-2)</p> <ul style="list-style-type: none"> - The training chain to develop more qualified rural teachers will have been established between: Superior Normal School (ISER) Staff Rural Normal School Teachers, RNS Students and Rural Teachers. - Increase the percentage of Rural Normal Teachers with advanced degrees from 35% in 1974 to 70% in 1980. 	<p>VERIFICATION OF CONDITIONS EXPECTED AT END OF PROJECT (B-3)</p> <ul style="list-style-type: none"> - Actual observation by educational experts and records of MEC. 	<p>ASSUMPTIONS FOR ACHIEVING PURPOSES (B-4)</p> <ul style="list-style-type: none"> - That rural students and teachers will be responsive to educational changes in curriculum and non-formal education. - That the achievements will contribute substantially to measurements of Goal Achievement at the national level. - That the FY-1975 Rural Education I Project lays the groundwork for new initiatives in teacher training that would be applicable to this Project.

PROJECT PURPOSE (B-1)	CONDITIONS THAT WILL.... (B-2)	VERIFICATION OF.... (B-3)	ASSUMPTIONS FOR (B-4)																																																						
	<ul style="list-style-type: none"> - Revised, relevant curriculum methods and materials will be used in eight Rural Normal Schools. - Eight Rural Normal Schools and ISER will have been remodeled and improved. - Revised program of studies in these schools emphasizing practical, rural education. - A network of professional interchange on rural education under the leadership of ISER. 	<ul style="list-style-type: none"> - Project manager's observation and comparison of old and new curriculum for rural normal school education. - Inspection and school records. 	<ul style="list-style-type: none"> - That training methods meet needs for training teachers in Bolivia. - That GOB will make available adequate funds to support and continue teacher training, curriculum development, non-formal education programs and related ISCC activities. 																																																						
PROJECT OUTPUTS (C-1)	MAGNITUDE OF OUTPUTS (C-2)	MEANS OF VERIFICATION (C-3)	ASSUMPTIONS (C-4)																																																						
<ol style="list-style-type: none"> 1. Eight expanded and improved Rural Normal Schools with a capacity of 500 students. each. 2. Expanded and improved Superior Institute of Rural Education (ISER) 3. Personnel trained <ol style="list-style-type: none"> a. Superior Institute teachers b. Rural normal school teachers c. Rural Teachers 4. Curriculum revision <ol style="list-style-type: none"> a. ISER b. Rural normal schools 5. Coordinated professional development network for rural education under ISER. 	<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="width: 10%;"></th> <th style="width: 15%;"><u>1977</u></th> <th style="width: 15%;"><u>1978</u></th> <th style="width: 15%;"><u>1979</u></th> <th style="width: 15%;"><u>1980</u></th> <th style="width: 15%;"><u>1981</u></th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td>2</td> <td>3</td> <td>3</td> <td></td> </tr> <tr> <td></td> <td></td> <td>1</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>20</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>30</td> <td>30</td> <td>30</td> <td>30</td> <td></td> </tr> <tr> <td></td> <td>X</td> <td>X</td> <td>X</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td>X</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>X</td> <td></td> </tr> </tbody> </table>		<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>			2	3	3				1					20						30	30	30	30			X	X	X					X							X							X		<ol style="list-style-type: none"> 1. Inspection by USAID & CONES * 2. Inspection by USAID & CONES 3. Reports of Advisors. Observation of work accomplished. 4. Comparison of old and new curricula and materials. MEC documentation. 5. ISER grants an advanced degree in education. Observation of advisors working with ISER and in Rural Normal Schools. 	<ul style="list-style-type: none"> - Political stability permitting a continuing program. - Continuity in leadership of Rural Education in MEC. - GOB and local financed inputs will be made when required. - Time frame can be addressed - Timely GOB/US inputs. - Qualified personnel are made available for training. - That FY-1975 loan funding has been provided for complementary teacher training activities in that proposed Project area or areas.
	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>																																																				
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		<p>* National Council for School Construction.</p>																																																							

PROJECT INPUTS (D-1)	(D-2)					MEANS OF VERIFICATION (D-3)	ASSUMPTIONS (D-4)
	1977	1978	1979	1980	1981		
I. AID (continued)							
C. Participant training (Loan financed*)							
1. Out of country							
a. training for 120 normal school teach. 6 mos. each \$5,000	300	300					- GOB Contract and US personnel will be competent.
b. training for 20 ISER personnel, 6 mos. each at \$5,000	50	50					
2. In-country training							
a. Professionalization training \$50x\$500 for normal school staffs	75	75	75				
b. In-service training for rural teachers, 2500x\$330	275	275	275				
*3 yrs. disbursement period							
II. GOB Inputs *							
A. Salary of Bolivian coordinator of project.	15	15	18	18	20		
B. Salaries of out of country trainees		490	490				
C. Salaries of in-country trainees.	1,000	1,000	1,000				
D. Land	100	200	100				
E. Furniture, equipment and libraries		315	285				
F. Maintenance	30	30	30	30	30		
G. Salaries of ESE teachers during in-service training	85	85	85				
* 5 yrs. disbursement period.							

DOEC schedules for Nov 22, 1976
"cancelled"; status?
File 5110482-10

PD-148-677

MEMORANDUM

TO: Development Assistance Executive Committee
FROM: USAID/Bolivia
SUBJECT: Rural Teacher Training Interim Report

Summary

The Rural Teacher Training Project will support the acceleration of improvements in the preparation of rural primary school teachers. The size of the proposed project is \$12.0 million, including: \$7.5 million in loan funds; \$3.0 million in Government of Bolivia (GOB) support; and \$1.5 million in grant funds. The project will finance activities at six rural normal schools and the Instituto Superior de Educacion (ISE) in Tarija. Approximately 30 rural education trainers will be selected for long-term foreign training as media specialists, education specialists and education supervisors. ISE's leadership role as a post-graduate institution will be strengthened through: long-term foreign training of its teaching staff; long-term technical assistance to help prepare new curricula and materials; and a visiting professor program which will provide experts in traditional as well as community education areas. In addition, project funds will finance repairs, remodeling and new construction activities at the rural schools and ISE in support of the projects' activities.

The Rural Education Program

I. Current Status of Existing Projects:

The Mission's program for improved rural education is based on a series of four projects. The Program is designed to address two key problems identified by the Sector Assessment and the Ministry of Education's (MEC) Diagnosis. These are: the administrative weakness and managerial ineffectiveness of the education system, especially the rural education system and the inadequate attention and understanding in the Ministry of the special problems associated with rural educational development. The Mission has planned or is in the process of implementing this four-stage program package. Each project is or will be designed to stand independently on its own merits while contributing to the overall success of the entire program. The full benefit of any one project would be achieved only with the accomplishment of the full program.

various aspects of the Project: one group is designing an information system incorporating financial accountability, inventory control and personnel at national and departmental levels; a second work group is focusing on macroeducational planning which will initially emphasize the collection and analysis of data necessary for decentralized decision-making and establishing regional educational priorities; a third group has been examining curriculum reform and developing bilingual educational materials for in-service training and for rural students.

An ongoing PAK evaluation has tentatively indicated that the project's basic design is solid but proposed that the information management activities be eliminated so that the implementation team could concentrate on the more critical aspects of decentralization, such as professional development, financial management, curricula and instructional materials and research and evaluation. The draft evaluation, completed by three outside evaluators, indicates that the pace of implementing project activities is adequate but that the project implementation period probably should be extended to provide sufficient time for the new activities and procedures to be properly adopted by the MEC hierarchy.

B. Rural Education I - Cochabamba. Loan Number 511-V-054

The second project in the program, a \$4.92 million loan and a \$1.0 million grant, was signed on December 29, 1975, and began implementation in late FY 1975. This project supports the carrying out of a comprehensive reform of rural education in 20 rural nuclear school systems and the Rural Normal School of Vacas, all located in the Department of Cochabamba. Within its discrete area the project covers a wide range of rural education reform activities -- curriculum improvement, the introduction of new instructional materials, improved teacher training and improved facilities. The Diagnosis and the Education Sector Assessment concluded that all those elements of the education system would have to be improved if significant progress were to be made on making rural education more relevant to the needs of rural youth and achieving a decrease in the high drop-out rate among primary rural education students.

Three working groups are in the process of revising existing rural primary school curricula and developing new materials to be tested and evaluated in the 20 rural school systems: the Curriculum Reform Commission is in the initial phase of rewriting the new skeletal curricula for grades 1-8; the Bilingual Education Team is developing new curricula materials for the first three primary grades; and the Upper Grades Materials Development Team is working on materials for grades 4-8. In addition, rural normal school teachers and students have begun preliminary work on a framework for rural normal school education.

The project will: (i) select and train a group of 30 rural teacher trainers to improve the quality of in-service rural teacher training provided in the normal schools; (ii) strengthen the leadership role of ISE/Tarija in providing post graduate teacher training; and (iii) construct, remodel and add to rural normal schools and ISE/Tarija facilities as necessary.

1) Rural Teacher Trainers

The Rural Teacher Trainers will be divided into three groups; six media specialists will teach normal school students and teachers how to produce and introduce instructional materials into rural primary schools; eight rural normal school trainers and eight rural primary school trainers will be responsible for developing better teaching/learning materials in traditional as well as specialized subject matter and for introducing materials and developing courses which will enable rural teachers to work better in the multigrade rural classroom; and eight supervisor trainers will be responsible for preparing the students to be better primary school supervisors and principals. The thirty trainers will study materials related to their new responsibilities for six to nine months prior to being assigned to the rural normal schools. Long and short-term technical assistance will be provided to reinforce the participant training provided to the Rural Teacher Trainers and to work with normal school students and teachers in developing new curricula and materials.

2) Strengthening ISE/Tarija

Participant training, technical assistance and additional resources will be provided to strengthen the ISE role in training rural teachers. Funds will be used to: (i) provide long-term training to rural normal school professors on ways to improve pre-service teacher training; (ii) design and present seminars, discussion groups and other training sessions needed to acquaint ISE teachers with new curriculum materials and concepts being introduced under the two on-going AID education projects; (iii) collect, design and evaluate training programs, curriculum, materials and methods such that all ISE training is supportive of and contributes to the effectiveness of a practical, rural education; and (iv) present short courses to rural education personnel (teachers, school directors and other administrative personnel) explaining new concepts and methods that can be used to help rural teachers improve their teaching. These activities also will be supported by a visiting professor program which will provide technical expertise to assist ISE personnel in designing new materials in specific subject areas such as agriculture and nutrition and in presenting these materials to students.

III. Variations in the Elements/Emphasis of the Rural Teacher Training Project (RE II) from That Proposed in the PRP:

The design of the Rural Teacher Training Project has not changed significantly from the description included in the PRP. The first draft of the Rural Teacher Training Project Paper suggests that more emphasis is going to be placed in two areas of the project's design. First, in order to improve the quality of rural teacher training, the project proposes to develop a cadre of 30 rural trainers. Six trainers would specialize in materials/media preparation; 16 would be trained as teacher trainers and eight would be responsible for working with supervisory personnel at the rural normal schools. During the initial phase of the intensive review the Project Development Committee, with the help of outside technical assistance, identified the rural teacher trainer concept as the most appropriate vehicle for introducing new materials into the rural normal school system and assist the ISE in training rural normal school teachers in the use and application of new materials and concepts. The trainers are expected to have a direct impact on training the 280 rural normal school teachers which in turn will influence the preparation of approximately 5,000 students in the rural normal schools. The rural education trainers will form the core for all rural education training and will be assigned to the participating rural normal schools. Second, the project proposes to significantly improve the level of post-graduate training provided for rural normal school teachers by the Superior Institute of Education/Tarija (ISE). In rural teacher training ISE is a key institution. It is the only institution in Bolivia which currently provides rural teachers and rural normal school teachers with the opportunity to continue their education under a degree type of program. The project will enable ISE to begin to upgrade its training and professional development activities and to create a network of interchange among the rural normal schools on curriculum development, instructional materials, non-formal education and other related aspects of rural education in Bolivia. The end result will be to create within ISE the continuing research and development capability to serve as a catalytical agent for change and improved effectiveness in rural education.

The Mission also proposes to extend the project implementation period to five years rather than the three-year time period proposed in the PRP. This is being done to allow for a reasonable scheduling of in-service and in-country training activities and to obtain maximum impact from the nine month, long-term foreign training of the rural education trainers. Our experience with other projects in education and other sectors in terms of introducing substantive policy/procedural changes has demonstrated that a longer gestation-implementation period is required. The five-year disbursement period also would afford more time for remodeling and construction activities at the six rural normal schools.

IV. International Power Activity:

The World Bank and the GOB are developing an integrated rural development project for the Altiplano which is similar to the ongoing Rural Education I Project in Cochabamba. The Project includes funds to support rural teacher training activities at the Warisata Rural Normal School in the La Paz Department as well as funds to support integrated rural development-type activities in rural communities on the Altiplano. The Project is still in the planning stage and the size as well as the specific components have not been agreed to between the MEC and the World Bank.

V. Issues

Coordination of Activities with Future World Bank Activities in Rural Education.

The World Bank's Integrated Rural Development Project in the Altiplano and the Rural Education I Project in Cochabamba focus on very similar types of rural education problems. Several MEC members of the World Bank Project Development Committee also served on the Rural Education I Project Development Committee. Although the World Bank project is still in the planning stage, both USAID and the MEC are concerned that the activities of the two projects be closely coordinated so that the results can be introduced throughout Bolivia under subsequent projects. This coordination is being effected through bi-monthly meetings with the former Subsecretary for Urban Education, who is now the World Bank Project Coordinator, the Director of CRA and the Manager of the Rural Education I Implementation Team. Plans for subsequent expansion of rural education projects are being coordinated through their efforts.

VI. PP Preparation

The Project Development Committee plans to complete a second draft of the PP by early December and a final draft in late December. We anticipate that an additional two months of TDY beginning as soon as possible, will be needed to complete the economic analysis and Rural Learning Needs Study. Completion of the final draft will depend upon the progress made on these two items; however, the Project Paper should be ready for DAEC review in late March.

SJacobson:al
10.11.76

3) Construction Activities

Project funds will be used so that an appropriate physical plant is available for the effective implementation of all project components.

The rural normal schools and ISE lack sufficient resources and infrastructure to be able to provide efficient rural teacher training. Classrooms lack desks and chairs; libraries are practically non-existent; science laboratories are poorly equipped; and facilities for rural vocational education are meager. For both professors and students living conditions are very poor.

Existing facilities will be repaired and remodeled, new structures will be built where needed, and equipment and materials will be provided to support project activities. We estimate that the six rural normal schools and ISE will each need a new or improved library, science laboratories, mechanical shops, and home economic areas. Existing dormitories and housing facilities will be remodeled or new facilities built for students and teachers.

B. Basic Rural Education (RE III)

The final project in this package, for which authorization is anticipated in late FY 1979, would build on all the previous activities. It would support the extension of an integrated rural education reform system to geographic areas beyond Rural Education I in Cochabamba. The extent of its coverage would depend upon the progress made under both Rural Teacher Training and Rural Education I in Cochabamba and the degree of financial support provided by the GOB.

The objective of the project would be to extend the benefits gained from Rural Education I in parts of Cochabamba and from Rural Teacher Training in rural normal school development, to other areas of the country. The project will include funding for the preparation and distribution of formal and non-formal rural learning materials, for the in-service training of rural teachers in modern teaching methodology, and for the improvement and expansion of rural school facilities. Primary emphasis will be given to facility expansion in the first five grades. The Ministry has set as a goal the achievement of universal school attendance through that level. This program will assist the Ministry in reaching that goal.

The Ministry of Education has been negotiating with the University of New Mexico for the provision of six long-term technicians in support of this project, to begin arriving in January 1977. In late August CRA and the Rural Education I Implementation Team sponsored a rural teacher training seminar for approximately 500 rural teachers from the 20 project sites. Seminar discussion leaders brought the teachers up-to-date on new curriculum and instructional materials and bilingual materials that are being developed by CRA and explained how the Rural Education I Project plans to use these materials in developing skeletal curricula and additional materials for the 20 rural school systems.

II. Proposed Projects

A. Rural Teacher Training - Rural Education II

The third project in the program, Rural Teacher Training, is currently scheduled for authorization in March 1977. Full implementation would start about six to nine months later and last through 1982. The project would include about \$7.5 million in loan funds and about \$1.5 million in grant funds.

The purpose of the project is to accelerate improvements in the preparation of rural primary school teachers. The project will enable the Ministry of Education to reduce the number of rural teacher training institutions to eight ^{1/} and upgrade their quality. The difference in standards between urban and rural normal schools is now a major problem. The urban normal schools have reasonably adequate facilities and programs while those of the rural normal schools are grossly inadequate. This project will help continue the process of righting this imbalance and redirect the rural normal schools toward the development of their capacity to contribute to more effective rural learning systems. The rural normal schools in recent years have tended to drift toward an urban orientation. The need exists to encourage and assist their concentration on rural economic and social development. Their programs will be designed to enable rural teachers to come to grips with formal and non-formal learning needs at the rural community level. The experience gained under the Rural Education I teacher training activity -- which is being given priority attention at both the pre-service level of the Vacas Rural Normal School and the in-service level through in-service training of 500 teachers -- also would be used in this Project's implementation. It is estimated that the proposed project will benefit about 5,000 students in pre-service training activities and up to 15,000 teachers with in-service training activities.

^{1/} The MEC has made a policy decision to reduce the number of Rural Normal Schools from 15 to 8. This will enable the MEC to improve teacher training at each school by consolidating resources, improving the professional level of the staff and developing curricula and materials which are specific to each area. This project will work with six of the eight Rural Normal Schools. The Vacas Rural Normal School and the Warisata Rural Normal School are included in Rural Education I and the World Bank Rural Education Project, respectively.

A. Educational Management and Instructional Development.
Loan Number 511-V-051

The first project, a \$9.65 million loan and \$1.5 million grant, was signed on August 16, 1974, and has been in the implementation stage for approximately two years. The objectives are the decentralization of the operations of the Ministry of Education and the strengthening of its administrative system in such areas as information, planning, finance and management. The purpose is to support the implementation of an administrative reform program by the MEC to: (i) strengthen its organization for administration and instructional development, its financial base and its capacity for research, information management, budgeting, program and policy planning; and (ii) provide a basic decentralized organizational structure required to move management functions and instructional support services closer to the people served by the educational system. Under this project the Ministry has established District Education Development Centers (DEDC) to provide basic services and instructional development support functions for teachers and students in each department.

The project was beset with initial implementation problems which now appear to be largely resolved. The technical assistance team has been working with the MEC implementing unit, the Consejo de Racionalización Administrativa (CRA), for the past year. CRA, with the help of the technical assistance team, has completed an analysis of non-formal education programs and is currently involved in a socio-linguistic study which will identify the cultural-linguistic patterns of Quechua, Aymara and Spanish speakers in Bolivia. This study will provide information to be used in the development of curricula policy in this project and for the design of new materials under the Rural Education I Project in Cochabamba and the proposed Rural Teacher Training Project. Twenty-five technicians soon will complete an educational administration training program at the University of New Mexico. These individuals will be assigned to staff positions at the District Education Development Center Units (DEDC) in the nine Departments in January 1977. It is expected that most of the trainees will be assigned to planning and evaluation positions in the DEDCs. Twenty-five more technicians currently are being selected to begin the same type of training at the University of New Mexico in January 1977.

In addition, the MEC, with the assistance of a consulting engineering firm, has selected construction sites and completed the initial design for eight DEDCs 1/. Several MEC working groups are in the process of implementing

1/ The Ministry plans to provide permanent facilities for the La Paz DEDC in its new national headquarters.

MAR 1 1977

5110482-11

PD-AAB-677

INFORMATION MEMORANDUM FOR THE ACTING ASSISTANT ADMINISTRATOR (LA)

FROM: LA/DR, Charles B. Weinberg

Subject: Bolivia Rural Education II (Rural Teacher Training)
Loan/Grant PP

A DAEC meeting has been scheduled for Friday, March 11, 1977, at 2:30 p.m. to review the \$11.73 million Bolivia Rural Teacher Training Loan/Grant PP.

The purpose of the project is to improve the professional capability of rural teachers to meet the educational needs of their students. This objective will be sought through the consolidation of the ten existing rural normal schools into eight sites, and the improvement of teacher training, curriculum development, teaching materials, physical facilities and administrative procedures. The project will directly benefit approximately 20 Superior Institute of Rural Education (ISER) professors, 200 normal school faculty members, 5000 rural normal school students, and up to 9000 rural school teachers by up-grading their skills and improving teaching materials, curriculum, and physical facilities. Approximately 275,000 rural school students and two million rural poor throughout the country will receive the benefits of an increased number of rural school teachers and up-graded quality of teacher preparation.

Total project cost is estimated at \$16.98 million of which \$10.0 million in AID loan funds will finance construction of facilities, procurement of equipment and materials, and costs of teacher training and short-term technical assistance. AID grant funds totalling \$1.73 million will finance long-term technical assistance. The GOB will contribute \$5.25 million for local costs of training, equipment, materials, and construction, as well as salaries of new personnel and operating expenses. This host country contribution is over 30% of the total project cost, thus satisfying the requirements of Section 210(a) of the FAA.

The project appears in the FY 1977 Congressional Presentation. However, the loan was presented at a funding level of \$7.5 million, and the grant at \$1.58 million, and an Advice of Program Change is required to notify Congress of the increase in project funding.

The DAEC will consider the following issues and points of clarification:

(1) GOB Policy on Teacher Recruitment

The PP cites a law enacted in 1975 requiring twelve years of education as a pre-requisite for entrance into the rural normal schools. This law has obvious implications for rural teacher training, particularly insofar as it may discourage entrance into the rural education field. Given the importance of these implications for the Project, the DAEC will seek more information on this law, specifically with respect to (a) how strictly it is being enforced; (b) what allowances, if any, have been made to provide for a smooth transition to the 12-year entrance requirement from the prior 8-year requirement; (c) whether the recent decrease in normal school enrollments cited in the PP is significant and whether it may be directly attributed to the law; (d) whether the effects of the law will be to deflect a sizable number of would-be teachers into other, more attractive professions; and (e) whether its enforcement will result in the reduction of teacher recruitment from among the poorer strata.

(2) Rural Teacher Incentives (Issue)

The project's focus on upgrading rural teachers makes a critical assumption that the rural education field will offer adequate incentives both to attract new people into rural normal schools and to retain those already in the system. Given experiences in the education sector in Bolivia which indicate that these incentives do not now exist, the DAEC will examine the basis for the Mission's confidence that adequate incentives can and will be offered to encourage trained teachers to remain in the rural education field. In particular, the DAEC will discuss if this aspect of project feasibility relies on positive results from the experiment with non-monetary incentives under Rural Education I, and if so, whether such results may be expected on a timely basis.

(3) Linkages with On-going AID Education Projects

This project is dependent upon certain outputs expected from two other AID education projects in Bolivia, the Educational Management and Instructional Development and the Rural Education I projects. These outputs include a core curriculum for rural education, detailed curricula for rural primary and normal schools, bilingual and other education materials, and a program for in-service training. The PP fully describes the nature of these linkages, but fails to specify the time phasing required to permit smooth implementation of related activities. Given that the two on-going projects are suffering some delays, the DAEC will examine whether these outputs will come on stream on a timely basis for use by the project, and if not, what adverse effects this may have on project implementation. In this regard, the DAEC will discuss what steps will need to be taken to avoid bottlenecks and/or duplication by the three projects in the areas of curriculum development and teaching materials.

(4) GOB Commitments to Rural Education

The Bolivian Government, working with the Mission, has made certain commitments to the rural education sub-sector in the areas of rural teacher training, relevant curriculum, educational and bilingual materials, improved administrative services, and development of the rural school as a focal point in community life. The DAEC will inquire as to this commitment to rural education as evidenced by increased resource flows to the sector, particularly in view of the fact that Bolivia's economy has dramatically improved over the last three years. The DAEC will also discuss whether the size and nature of the GOB's contribution to this project adequately reflects a continuing interest and commitment to rural education.

(5) Institutional Constraints (Issue)

The PP notes that implementation progress on the two on-going education projects has been slow, but that the Mission expects improved performance under these projects in the future. Even if these expectations are justified, a question is raised regarding the GOB/MEC capability to absorb and manage a third large scale project at this time, particularly in view of the on-going structural changes arising from the decentralization process. The DAEC will explore whether it would be possible for other institutions such as the ISER or normal schools to assume direct responsibility for administering some portions of the Project. Toward that end, the DAEC will discuss whether technical assistance under the project would be more appropriately directed to the operational levels of the rural education system.

(6) Role of Women (Issue)

The ability of women to accept teaching positions in many geographical locations is limited in most Latin American countries by cultural restraints and marital status. Women cannot be placed in areas where they are totally isolated from their immediate families. It is understood that approximately 50% of the teachers trained in the normal schools of Bolivia are women. The DAEC will examine whether this factor has been considered in estimating total teachers required to be trained given what will likely be a higher end of training attrition rate. The DAEC will also explore the possibility of lessening the impact of this factor through the development of a mechanism to select and place women in geographic areas appropriate to their needs.

(7) Maintenance of Facilities

The Project contemplates a sizeable investment in repair, construction, and equipping of facilities (roughly \$6.5 million in AID loan funds and \$2.7 million in GOP counterpart). Given that most construction will utilize low-cost materials such as adobe, which requires relatively more maintenance, the DAEC will seek assurances that adequate provision for maintenance of facilities has been made. In this regard, the Mission will be asked to elaborate on the expected nature of the maintenance plans which will be prepared by the GOB as conditions precedent to disbursement.

5110482 (12)

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

PD-AAB-677

March 11, 1977

TO: DFRE/FR, Mr. Jean Artaud

FROM: PDA/SPA, Richard L. Shortlidge, Jr. *R.L.S.*

SUBJECT: Comments on Project Paper: Bolivia - Rural Education II -
Teacher Training (Loan and Grant)

I have one general comment after reading the project paper. One of the objectives of the educational loan cum grant is the improvement of rural primary education in Bolivia. By consolidating 10 rural normal schools into 6, it is hoped to enhance the quality of education. In the discussion of alternatives (see pages 64 and 65) the emphasis is on the most cost-effective means to achieve this qualitative improvement. In this discussion, I found no mention of what the likely impact of this consolidation on student access to education. The emphasis is on cost, but obviously this is not the only concern of the Bolivian government.

Not on log sheet
2A7

Basic Rural Educ III
Proj # - 511-0467

5110482 (13)

JUN 20 1977

PD-AAG-677

INFORMATION MEMORANDUM FOR THE ACTING ASSISTANT ADMINISTRATOR (LA)

FROM : LA/DR, Charles B. Weinberg

SUBJECT: Issues Paper - Bolivia FY-1979 PIDs

A DAEC meeting will be held at 2:30 p.m. on Monday, June 20, 1977, to review the Bolivia PIDs submitted with the Mission's FY-1979 ABS.

The Bolivia Mission has submitted six PIDs for a total funding level of \$51.4 million (\$41.0 million in loans and \$10.4 million in grants). The program includes four combined loan/grant projects which are follow-ons to current projects, one new grant activity, and one loan in support of the narcotics program. Two of the loan/grant projects are proposed for FY-78 authorization.

Following are brief descriptions of each of the six projects, and a listing of the issues and points of clarification that the DAEC will discuss:

✓ 1. Basic Rural Education III (\$14.5 million loan; \$5.2 million grant) 511-0467

This is AID's fourth project in education, and it will extend the benefits and experience gained from these prior activities on a broader, possibly country-wide, scale. The project will be implemented by the Ministry of Education and will concentrate on the expansion of non-formal education activities, in-service teacher training, and improved teaching materials.

The DAEC will discuss:

(1) The feasibility of the proposed expansion of activities in terms of the GOB's institutional and financial capacity for project administration and maintenance, and transportation constraints which remain in many parts of the country;

(2) In the event a more modest effort is required, how the project design should be modified, i.e., either by significantly limiting geographic coverage or by reducing the scope of activities;

(3) The feasibility of the proposed timing of this project in view of the delays in implementation of on-going projects on which the feasibility of this project depends; and

(4) The size of the participant training component (almost 50% of the loan) in terms of the availability of qualified candidates, staffing needs during the life of the project, and the level of prior AID assistance for this activity.

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2. National Urban Development Service II (SENDU) (\$8.5 million loan; \$1.1 million grant)

This PID proposes a follow-on project to an \$8 million SENDU I loan, which will further assist SENDU to help local governments and rural municipalities to mobilize and efficiently use their own resources in support of development at the local level. The project will include a revolving credit fund, technical assistance, in-country training, and some commodities. The project will focus on communities with populations ranging from 200 - 10,000 people and will finance both urban infrastructure as well as income-producing projects such as slaughterhouses, central market facilities, and processing plants.

The DAEC will discuss:

(1) The feasibility of this broader program in terms of SENDU's institutional capacity given the problems it had in carrying out the more modest previous projects;

(2) The likelihood that sufficient evaluation data on SENDU I performance will be available in time for FY-78 PP submission to determine project feasibility, particularly with regard to credit demand and capitalization of the revolving fund;

(3) Whether the project can be designed to meet target group concerns given the urban nature of SENDU's focus to date;

(4) The possibility of duplication between SENDU's proposed infrastructure projects (e.g., water systems, electrical systems) and other on-going USAID projects;

(5) Whether SENDU's activities under this project will over-lap with the responsibilities of other decentralized institutions, particularly the departmental development corporations, and, if so, whether this project could be better implemented by including these institutions in the project design; and

(6) Whether it would be appropriate to solicit a stronger GOB commitment to the developmental role of municipalities (e.g., as demonstrated by meaningful revenue-sharing schemes) prior to moving forward with this follow-on project.

3. Rural Electrification III and IV (\$23.0 million loan; \$800,000 grant)

This PID includes two follow-on loans to the on-going rural electrification program in Bolivia: Rural Electrification III (\$7.5 million loan) and Rural Electrification IV (\$15.5 million loan, \$800,000 grant). The project purpose is to extend the benefits of rural electrification to more rural people in Bolivia by expanding the geographic coverage in

the departments of Cochabamba, Potosi, Chucquisaca, Santa Cruz and La Paz, and introducing coverage to the Beni. Rural Electrification III is proposed for FY-1978 funding. ENDE, the implementing entity of the two on-going rural electrification loans, will also implement these new initiatives in collaboration with local electrical cooperatives and service companies.

The DAEC will discuss:

- (1) The institutional capability of ENDE to administer these projects in addition to administering current projects and planned generation-transmission loans to be financed by other international lending agencies;
- (2) The institutional capability of local cooperatives and service companies, particularly in the departments of La Paz and the Beni;
- (3) Given that earlier rural electrification projects were primarily justified on the basis of agro-industrial potential, whether such potential exists within the new geographic areas of focus; and
- (4) Whether adequate generation and transmission facilities (which do not now exist) will come on stream in time to supply energy for the proposed distribution nets.

4. Small Farmer Organizations (SFO) II (\$11.0 million loan; \$3.8 million grant)

The project is designed to build on the experience gained under the ongoing \$11.12 million loan/grant project (SFO I) and will (i) develop 15 - 20 viable integrated cooperatives, (ii) assist in the development of one or more national cooperative organizations, (iii) strengthen the capacity of the National Community Development Service (NCDS), and (iv) complete the development of the pilot integral cooperatives initiated under the SFO I project. The project will finance credit for agricultural production, economic infrastructure, and start-up costs of new cooperatives, technical assistance, training, and commodities.

The DAEC will discuss:

- (1) The viability of a rural cooperative structure given the subsistence level of agriculture, transportation constraints, and the historical GOB neglect of rural cooperatives;
- (2) The likelihood that sufficient experience under the restructured SFO I project will be available in time to assess the viability of an expanded cooperative sector and the feasibility of this project;

(3) The institutional capacity of NCDS to administer this program, especially given its poor performance to date under AID loans 044 and 055 and the extent of its responsibilities under other on-going and proposed projects;

(4) The justification for the large amount of credit proposed under this program, especially agricultural credit (which is 68% of the loan), in view of the alternative sources of credit currently available to the rural sector under AID and other donor programs; and

(5) The likelihood that the required 25% counterpart requirement will be met.

5. Women in Development (\$600,000 grant)

This project will explore ways to integrate women more fully into the local development process. The grant will finance a study of the obstacles to greater women's participation in development activities. Based on the results of this study, a coordinated strategy will be formulated to overcome these obstacles. The strategy will then be tested through the implementation of four - six pilot projects. The National Community Development Service (NCDS) will implement the project.

The DAEC will discuss:

(1) The appropriateness of NCDS as the implementing entity of the project, given its rural infrastructure and small farmer focus;

(2) The likelihood that the proposed types of pilot projects will produce more positive results than those gained from similar projects under the two Bolivia program loans; and

(3) What follow-up action (e.g., loan program, legislative effort) is projected assuming that project yields meaningful data and what commitment is the GOB likely to give in this regard.

6. Development of the Yungas and Chapare

This PID proposes a \$17 million loan project in support of the goal of reducing coca production in Bolivia and of improving the standard of living in the major coca-producing areas. This project will finance economic infrastructure, marketing, credit, and applied research in the Yungas and Chapare necessary to reduce coca cultivation in these areas, and will build on the findings of the research financed under the on-going Coca Crop Substitution project. Since it is expected that this project will be funded under the International Narcotics Control appropriation, review of this PID by the DAEC will be deferred pending re-assessment of the Bolivia narcotics control program by S/NM.

5110482 - (14)

PD-AAB-677

A.I.D. Loan 511-V-057

A.I.D. Grant 511-0482

ALLIANCE FOR PROGRESS

PROJECT AGREEMENT

BETWEEN

THE REPUBLIC OF BOLIVIA

AND

THE UNITED STATES OF AMERICA

RURAL EDUCATION II PROJECT

DATE: August 30, 1977.

*Rec'd Confirmed
Copy 9/19/77*

RECORD COPY

PROJECT AGREEMENT, dated August 30, 1977 (the "Agreement"), between the Republic of Bolivia ("Bolivia") and the United States of America, acting through the Agency for International Development ("A.I.D.")

ARTICLE 1: THE AGREEMENT

The purpose of this Agreement is to set out the understandings of the parties named above with respect to the undertaking by Bolivia of the project described in Section 2.1 (the "Project") and the financing of the Project by the parties.

ARTICLE 2: THE PROJECT

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will consist of (1) training professors at the Institute of Higher Education (ISER) in Tarija along with rural normal school teachers and rural school professors; (2) developing the ISER and rural normal school curricula; (3) preparing teaching materials for ISER and the Rural Normal Schools; (4) improving the facilities of the six consolidated Rural Normal Schools and the facilities of the ISER; and (5) improving the administrative system and managerial capability of the rural normal school system at the national, ISER and rural normal school levels. The Implementing Agency for the Project will be the Ministry of Education and Culture.

Annex 1, attached, amplifies the definition of the Project contained in this Section 2.1. Within the limits of the definition of the Project in this Section 2.1, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the parties named in Section 9.3 without formal amendment of the Agreement. Annex 1 identifies those elements of the Project which are Grant-financed, and those which are Loan-financed.

ARTICLE 3: FINANCING

SECTION 3.1. The Grant; The Loan. To assist Bolivia to meet the costs of carrying out the Project, A.I.D., in furtherance of the Alliance for Progress and pursuant to the Foreign Assistance Act of 1961, as amended, agrees to grant to Bolivia under the terms of this Agreement not to exceed Five Hundred Thousand United States Dollars (\$500,000) (the "Grant") and to lend to Bolivia under the terms of this Agreement not to exceed Ten Million United States Dollars (\$10,000,000) (the "Loan"). The aggregate amount of disbursements under the Loan constitutes the Loan principal.

The Loan may be used to finance U.S. dollar costs (as defined in Section 7.1) and Bolivian peso costs (as defined in Section 7.2) of goods and services required for the Project. The Grant may be used to finance only U.S. dollar costs from the United States (as defined in Section 7.3).

SECTION 3.2. Bolivian Resources for the Project.

(a) Bolivia agrees to provide or cause to be provided for the Project all funds, in addition to the Loan and Grant, and all other resources reasonably required to carry out the Project effectively and in a timely manner, in accordance with the objectives of this Agreement.

(b) The resources provided by Bolivia for the Project will be not less than the equivalent of U.S.\$5.25 million, including costs borne on an "in-kind" basis.

SECTION 3.3. Project Assistance Completion Date.

(a) The Project Assistance Completion Date ("PACD") which is August 30, 1982, or such other date as the parties may agree to in writing, is the date by which the parties estimate that all services financed under the Loan and Grant will have been performed and all goods financed under the Loan and Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement under the Loan or Grant for services performed after the PACD or for goods furnished for the Project, as contemplated in this Agreement, after the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in Section 8.1 no later than nine (9) months following the PACD, or such other period as A.I.D.

agrees to in writing. After such period, A.I.D., giving notice in writing to Bolivia, may at any time or times reduce the amount of the Loan or Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed Project Implementation Letters, were not received before the expiration of said period.

ARTICLE 4: LOAN TERMS

SECTION 4.1. Interest. Bolivia will pay to A.I.D. interest on the Loan which will accrue at the rate of two percent (2%) per annum for ten years following the date of the first disbursement of the Loan hereunder and at the rate of three percent (3%) per annum thereafter on the outstanding balance of principal and on any due and unpaid interest. Interest on the outstanding principal balance will accrue from the date (as defined in Section 8.5) of each respective disbursement, and will be payable semi-annually. The first payment of interest will be due and payable no later than six (6) months after the first disbursement of the Loan hereunder, on a date to be specified by A.I.D.

SECTION 4.2, Repayment. Bolivia will repay the principal to A.I.D. within forty (40) years from the date of the first disbursement of the Loan in sixty-one (61) approximately equal semi-annual installments of principal and interest. The first installment of principal will be payable nine and one-half (9-1/2) years after the date on which the first interest payment is due in accordance with Section 4.1. A.I.D. will

provide Bolivia with an amortization schedule in accordance with this Section after the final disbursement, as projected in Annex 1, under the Loan.

SECTION 4.3. Application, Currency, and Place of Payment. All payments of interest and principal hereunder will be made in U.S. Dollars and will be applied first to the payment of interest due and then to the repayment of principal. Except as A.I.D. may otherwise specify in writing, payments will be made to the Controller, Office of Financial Management, Agency for International Development, Washington, D.C., 20523, U.S.A., and will be deemed made when received by such office.

SECTION 4.4. Prepayment. Upon payment of all interest and any refunds then due, Bolivia may prepay, without penalty, all or any part of the principal. Unless A.I.D. otherwise agrees in writing, any such prepayment will be applied to the installments of principal in the inverse order of their maturity.

SECTION 4.5. Renegotiation of Terms.

(a) Bolivia and A.I.D. agree to negotiate, at such time or times as either may request, an acceleration of the repayment of the Loan in the event that there is any significant and continuing improvement in the internal and external economic and financial position and prospects of Bolivia, which enable Bolivia to repay principal and interest on a different schedule.

(b) Any request by either party to the other to so negotiate will be made pursuant to Section 9.2 and will give the name and address of the person or persons who will represent the requesting party in such negotiations.

(c) Within thirty (30) days after delivery of a request to negotiate, the requested party will communicate to the other, pursuant to Section 9.2, the name and address of the person or persons who will represent the requested party in such negotiations.

(d) The representatives of the parties will meet to carry on negotiations no later than thirty (30) days after delivery of the requested party's communication under sub-section (c). The negotiations will take place at a location mutually agreed upon by the representatives of the parties; provided that, in the absence of mutual agreement, the negotiations will take place at the office of the National Institute of Finance, or successors, in Bolivia.

SECTION 4.6. Termination on Full Payment. Upon payment in full of the principal and any accrued interest, this Agreement and all obligations of Bolivia and A.I.D. relating to the provisions of this Agreement will terminate except for any obligations under Sections B.3 or D.6 with respect to Grant funds.

ARTICLE 5: CONDITIONS PRECEDENT TO DISBURSEMENT

SECTION 5.1. Conditions Precedent to Initial Disbursement. Prior to the first disbursement of the Loan or Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, Bolivia will, acting through the Ministry of Education and Culture, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) a legal opinion of the Attorney General of Bolivia or other counsel acceptable to A.I.D. that this Agreement has been duly authorized and/or ratified by, and executed on behalf of, Bolivia and that it constitutes a valid and legally binding obligation of Bolivia in accordance with all of its terms; and

(b) a statement of the name of the person for Bolivia holding or acting in the office specified in Section 9.3, and of any additional representatives, together with a specimen signature of each person specified in such statement.

SECTION 5.2. Conditions Precedent to Disbursements Other Than for Technical Assistance. Prior to disbursement of the Loan or Grant, or the issuance by A.I.D. of documentation pursuant to which disbursement will be made, for any purpose other than to finance technical assistance services, the Ministry of Education and Culture will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) a financial plan for the Project specifying the amount and timing of Bolivia's contributions during the life of the Project;

(b) an organization plan for the Office of the Coordinator for Rural Education;

(c) evidence of the appointment of a subdirector in the Office of the Coordinator for Rural Education who will act as project manager for the Project;

(d) a maintenance plan for vehicles and equipment to be procured with Loan funds;

(e) a plan for providing non-monetary incentives aimed at retaining qualified rural teachers;

(f) a plan for the conversion to alternative educational uses of the four rural normal schools to be phased out as a result of the Project; and

(g) a legal disposition which establishes that Normal Rural Schools included in Rural Education to Project II, are of an experimental nature and are capable of introducing new work techniques and modifications in administration, organization and curriculum.

SECTION 5.3. Conditions Precedent to Disbursement for Construction Sub-projects. Except as A.I.D. may otherwise agree in writing, prior to any disbursement of the Loan or Grant or the issuance by A.I.D. of documentation pursuant to which disbursement will be made for any individual construction subproject, the Ministry of Education and Culture will, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) evidence of clear title to the land upon which construction is to take place;

(b) final plans and specifications, bid documents, bid awards

and contracts for construction of the individual subprojects;

(c) a maintenance plan for the facilities to be constructed;

and

(d) deposit of a preagreed amount into a joint fund to cover a portion of Bolivia's share of the costs of the construction contract.

SECTION 5.4. Notification of Meeting Conditions Precedent. When the conditions precedent specified in Sections 5.1, 5.2 and 5.3 have been satisfactorily met, A.I.D. will notify Bolivia within twenty-one (21) days.

SECTION 5.5. Terminal Dates for Conditions Precedent.

(a) If all of the conditions specified in Section 5.1. have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by prior written notice to Bolivia.

(b) If all of the conditions specified in Section 5.2. have not been met within 120 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may cancel the then undisbursed balances of the Loan and Grant, to the extent not irrevocably committed to third parties, and may terminate this Agreement by prior written notice to Bolivia. In the event of such termination, Bolivia will repay immediately the principal then outstanding and any accrued interest.

ARTICLE 6: SPECIAL COVENANTS

SECTION 6.1. Project Evaluation. The parties agree to establish an evaluation program as part of the Project. Except as the parties otherwise agree in writing, the evaluation program will include annually during the implementation of the Project and at one or more points thereafter: (a) evaluation of progress toward attainment of the objectives of the Project; (b) identification and evaluation of problem areas or constraints which may inhibit such attainment; (c) assessment of how such information may be used to help overcome such problems; and (d) evaluation, to the degree feasible, of the overall development impact of the Project.

SECTION 6.2. Operating and Maintenance Budgets. The Ministry of Education and Culture and the Ministry of Finance covenant that they shall provide adequate operational and maintenance budgets for the Instituto Superior de Educación Rural and the six normal school facilities to be constructed under the Loan.

SECTION 6.3. Rural Education Budget. The Ministry of Education and Culture and the Ministry of Finance covenant that they shall provide budget support to rural education on a continuing basis at levels required to implement the improvements in rural teaching achieved under this Project.

SECTION 6.4. Incentives Plan. The Ministry of Education and Culture covenants that implementation of the incentives plan for rural teachers will be carried out on a timely basis.

ARTICLE 7: PROCUREMENT SOURCE

SECTION 7.1. U.S. Dollar Costs (Loan). Disbursements under the Loan pursuant to Section 8.1. will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Dollar Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

SECTION 7.2. Bolivian Peso Costs (Loan). Disbursements under the Loan pursuant to Section 8.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Bolivia ("Bolivian Peso Costs").

SECTION 7.3. U.S. Dollar Costs from the United States (Grant). Disbursements under the Grant pursuant to Section 8.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in countries included in Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Grant Dollar Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

ARTICLE 8: DISBURSEMENTS

SECTION 8.1. Disbursement for Dollar Costs.

(a) After satisfaction of conditions precedent, Bolivia may obtain disbursements of funds under the Loan for the Dollar Costs or the Grant for the Grant Dollar Costs of goods or services required for the Project in accordance with the terms of the Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests for reimbursement for such goods or services, or requests for A.I.D. to procure commodities or services on behalf of Bolivia for the Project; or

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services; or directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers, through Letters of Credit or otherwise, for such goods or services.

(b) Banking charges incurred by Bolivia in connection with Letters of Commitment and Letter of Credit will be financed under the Loan unless Bolivia instructs A.I.D. in advance to the contrary.

SECTION 8.2. Disbursement for Bolivian Peso Costs.

(a) After satisfaction of conditions precedent, Bolivia may obtain disbursement of funds under the Loan for Bolivian Peso Costs

required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The Bolivian Pesos needed for such disbursement hereunder may be obtained by acquisition by A.I.D. with U.S. dollars by purchase.

(c) The U.S. dollar equivalent of the Bolivian pesos made available hereunder will be, in the case of subsection (b) above, the amount of U.S. dollars required by A.I.D. to obtain the Bolivian pesos in accordance with the provisions of Section 8.4.

SECTION 8.3. Other Forms of Disbursement. Disbursements of the Loan or the Grant may also be made through such other legal means as the parties may agree to in writing.

SECTION 8.4. Rate of Exchange. Except as may be more specifically provided under Section 8.2, if funds provided under the Loan or the Grant are introduced into Bolivia by A.I.D. or any public or private entity for purposes of carrying out obligations of A.I.D. hereunder, Bolivia will make such arrangements as may be necessary so that such funds may be converted into Bolivian pesos at the highest beneficial rate of exchange which, at the time the conversion is made, is not unlawful in Bolivia.

SECTION 8.5. Date of Disbursement. Disbursements of the Loan or Grant by A.I.D. will be deemed to occur (a) on the date on which A.I.D.

makes a disbursement to Bolivia or its designee, or to a bank, contractor or supplier pursuant to a Letter of Commitment or Letter of Credit; (b) on the date on which A.I.D. disburses to Bolivia or its designee Bolivian pesos acquired in accordance with Section 8.2(b) or (c) in the case of disbursements pursuant to Section 8.3, on the date specified in the other form of disbursement documents.

ARTICLE 9: MISCELLANEOUS

SECTION 9.1. Investment Guaranty Project Approval. Construction work to be financed under this Agreement is agreed to be a project approved by Bolivia pursuant to the Agreement on Investment Guaranties between Bolivia and the United States of America, dated September 23, 1955 and no further approval by Bolivia will be required to permit the United States to issue investment guaranties under that agreement covering a contractor's investment in that project.

SECTION 9.2. Communications. Any notice, request, document or other communication submitted by either party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following address:

To Bolivia:

Mail Address: Ministry of Finance
c/o INDEF
La Paz, Bolivia

Cable Address: MINFINANZAS
La Paz, Bolivia

To A.I.D.:

Mail Address: United States AID Mission to Bolivia
c/o United States Embassy
La Paz, Bolivia

Cable Address: USAID, AmEmbassy
La Paz, Bolivia

All such communications will be in English unless the parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of prior notice.

SECTION 9.3. Representatives. For all purposes relevant to this Agreement, Bolivia will be represented by the individual holding or acting in the Office of the Executive Director of INDEF and A.I.D. will be represented by the individual holding or acting in the Office of Mission Director, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1. to revise elements of the amplified description in Annex 1. The names of the representatives of Bolivia, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 9.4. Standard Provisions Annex. A "Combined Loan and Grant Standard Provisions Annex" (Annex 2) is attached to and forms part of this Agreement.

SECTION 9.5. Controlling Language. This Agreement is executed in both the English and Spanish languages. In case of inconsistency or conflict between the two versions, the English version shall control.

IN WITNESS WHEREOF, the Republic of Bolivia and the United States of America, each acting through its duly authorized representatives, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

UNITED STATES OF AMERICA

THE GOVERNMENT OF BOLIVIA

/s/ Frank B. Kimball
 Frank B. Kimball
 USAID/Bolivia Director

/s/ Carlos Calvo
 Lic. Carlos Calvo G.
 Minister of Finance

/s/ JN de Guzmán Q
 Col. Jaime Niño de Guzmán
 Minister of Education and Culture

ANNEX 1

DETAILED PROJECT DESCRIPTION

SUMMARY

The Project will seek to improve the professional capability of rural teachers to meet the educational needs of their students through:

- (1) training professors at the Institute of Higher Education (ISER) in Tarija along with rural normal school teachers and rural school professors;
- (2) developing the ISER and rural normal school curricula;
- (3) preparing teaching materials for ISER and the Rural Normal Schools;
- (4) improving the facilities of the six consolidated Rural Normal Schools and the facilities of the ISER; and
- (5) improving the administrative system and managerial capability of the rural normal school system at the national, ISER and rural normal school levels.

A. Introduction

Financing for the Project will be principally from three sources: The AID loan (\$10 million), the GOB contribution (\$5,294 million) and a grant (\$1.7 million).

The expenditure of Project monies will focus on increasing and bettering the educational services provided to the rural normal schools and ISER in order to improve the professional capability of rural teachers to meet the educational needs of rural students. The direct recipient of the Project activities are ISER professors, rural normal school

teachers and rural school teachers who will have their skills upgraded and the rural normal school students who will receive better quality instruction. The indirect beneficiaries will be the students in rural schools and the rural population in general who will be served by a rural school system which provides a better quality education more responsive to their needs.

The Project is further described by definition of project components outlined in Section 1.02 of the Loan Agreement.

B. Project Components

The Project consists of five discrete components: (1) Teacher Training; (2) Curriculum Development; (3) Teaching Material Development; (4) School Consolidation and Improvement; and (5) Administrative Improvement.

1. Teacher Training

Training activities are aimed at four groups of teachers: ISER professors; rural normal school teachers; rural school trainers; and rural school teachers.

a. ISER Professors

The Project will provide funds for overseas training for approximately 20 professors to be recruited to work at ISER. Courses of study will include rural education administration and supervision, planning and evaluation, research, program design, curriculum development and implementation, rural education techniques and methodologies, community/non-formal education, bilingual education and teaching materials,

preparation and dissemination as well as subject matter fields.

b. Rural Normal School Teachers

The following groups of rural normal school teachers will receive training under the Project:

- i) Approximately twelve rural normal school teachers will study curriculum development and implementation, rural education techniques and methodologies, community/non-formal education, bilingual education and courses in subject matter fields for a school year in a foreign institution.
- ii) Project funds will be used to train about 40 underqualified rural normal school teachers at ISER in rural education techniques and methodologies, community/non-formal education, bilingual education and teaching materials preparation for a school year.
- iii) One month summer school courses for three years will be presented for about 80 qualified rural normal school teachers. These courses will include rural education techniques, community/non-formal education, bilingual education and teaching materials preparation.
- iv) Approximately 24 qualified urban normal school teachers will be selected to work at the rural normal schools. They will be trained in rural education techniques and methodologies, community/non-formal education, bilingual education and teaching materials preparation as well as introductory courses in agriculture, health and hygiene, and sanitation at ISER.
- v) Approximately 44 rural school teachers will be trained

as rural normal school teachers at ISER. They also will study rural education, bilingual education and teaching materials preparation.

The teacher training program will be supported by a visiting professor program consisting of seminars and workshops. The visiting professors will include rural community development technicians as well as professional educators. They will bring information to Bolivia on the latest advances and experiments in rural education and rural community development in order to infuse new ideas into the rural education system and inspire the staffs of ISER and the rural normal schools. Three visiting professors per year for four years will give seminars and training courses at ISER and the rural normal schools.

c. Rural School Trainers

Each rural normal school will be assigned two full time teams of about 5 members each to provide in-service training to rural teachers. Six of the teams will study abroad; and six will study at ISER. Course content will be directed toward rural education needs.

d. Rural School Teachers

Approximately 900 teachers will study for two months each summer for three years at the Rural Normal Schools. Teacher trainers and rural normal school professors will provide instruction in rural education techniques and methodologies, community/non-formal education, bilingual education, teaching materials preparation and teaching in the multi-grade setting. The in-service training will be reinforced by training teams during visits to the rural primary schools.

In addition, the National Staff of Rural Education will receive training in Bolivia, and abroad, as necessary for project implementation.

An illustrative Financial Plan follows:

<u>Teacher Development</u>				
<u>Component</u>	<u>Loan</u>	<u>Grant</u>	<u>GOB</u>	<u>Total</u>
Technical Assistance	92	323		415
Training	1,328		148	1,476
Equipment and Materials	204			204
Personnel			792	792
Operating Expenses	—	—	185	185
Total	1,624	323	1,125	3,072

2. Curriculum Development

In order to properly serve rural Bolivia, the rural normal school and rural school curricula must reflect the different conditions and needs of the diverse regions of the country. This situation leads to a division of the curriculum into two parts, a core curriculum which does not change with the geographic area and a specialized curriculum which changes from region to region. The rural normal school core curriculum includes areas such as pedagogy, community/non-formal education, teaching materials preparation, child development, and subject matter content. Area specific curriculum would include such as indigenous language skills (bilingual education), agriculture, health, hygiene, sanitation, home

economics, nutrition, industrial arts and cottage industry courses.

New curricula at ISER and the Rural Normal Schools will be developed under the Project. At ISER, rural normal school teachers, national level supervisors and ISER professors will work toward a new, redesigned curriculum. Their efforts will be supported by a curriculum and teaching materials development specialist who will be assigned to ISER for 48 months. Project funds also will provide a total of 15 worker months of short term assistance to support curriculum development activities in library science, rural education methodologies and techniques, community/non-formal education and bilingual education.

Rural normal school directors, rural normal school teachers, ISER professors, District Education Development Center personnel and national supervisors also will help to develop the new rural normal school curricula.

The ISER curriculum and materials development specialist will work with the personnel in developing the new curricula; an additional 19 worker months of short-term technical assistance in pedagogy, child-development, sociology, health, hygiene, sanitation, animal husbandry and industrial arts will be provided to work with education personnel in the development of the new curricula.

An illustrative financial plan for this component is included under three (3.) below.

3. Teaching Material Development

Teaching materials will be developed to support the new

curriculum that will be introduced at ISER and the Rural Normal Schools. A new operational system of teaching materials preparation in support of the curriculum development process will be introduced at ISER and the Rural Normal Schools. This system will be responsible for reproduction and dissemination of rural normal school and rural school curriculum materials as they become available to ISER professors and rural normal school teachers. Materials for ISER and the Rural Normal Schools' core curriculum will be prepared and reproduced at ISER. Area specific materials for each geographic region will be prepared at the respective rural normal schools.

The curriculum and teaching materials specialist will work with ISER and rural normal school personnel to develop new teaching materials. A short-term media specialist will work with ISER and rural normal school personnel to help prepare illustrations, charts, photographic layouts, films and slides for the new materials.

An illustrative financial plan is as follows:

<u>Curriculum and Teaching Material Development</u>				
<u>Component</u>	<u>Loan</u>	<u>Grant</u>	<u>GOB</u>	<u>Total</u>
Technical Assistance	252	323		575
Equipment and Materials	225			225
Personnel			458	458
Operating Expenses	—	—	107	107
Total	477	323	565	1,365

4. School Consolidation and Improvement

The provision of efficiently run and adequate facilities is necessary to provide a quality education and to enable selected institutions to attract more highly qualified teachers and students. Therefore the GOB has decided to concentrate efforts on 8 selected normal schools. Six of the eight rural normal schools plus ISER are included in this project. They are: Portachuelo, Caracollo, Villa Serrano, Canasmoro, Caiza D and Riberalta. Two other schools, Warisata and Vacas, form part of the World Bank and Rural Education I Projects respectively.

At ISER the Project will provide funds for equipment needs such as library, laboratory, specialized courses, audiovisual, workshop and office equipment and finance the purchase of library books, instructional materials, secretarial equipment and furnishings for the school buildings.

At six rural normal schools, the following construction activities will be done: Repairs will be made to existing structures, e.g., classrooms, water tanks, and dormitories; new facilities will be constructed to accommodate the new curriculum, e.g., workshops and home economics centers; teachers housing will be provided, where needed; potable water will be assured, and irrigation will be provided where practicable. Such measures are to be taken consistent with the enrollment of the student body, the curriculum, and the overall school program. New construction such as classrooms and dormitories will be built to support project activities.

An illustrative financial plan follows:

Facilities Improvement

<u>Component</u>	<u>Loan</u>	<u>Grant</u>	<u>GOB</u>	<u>Total</u>
Technical Assistance	123	-		123
Equipment and Materials	973	-	147	1,120
Construction	5,067	-	2,574	7,641
Personnel			170	170
Operating Expenses	_____	_____	<u>41</u>	<u>41</u>
Total	6,163	-	2,932	9,095

5. Administrative Improvement

Effective administration of ISER and the rural normal schools is important to the Project's success. Therefore, the Project will invest significant resources at the national, ISER and rural normal school level to improve the administration of the rural normal school system.

At the national level, technical assistance will be provided to work with the Director of Rural Education and Rural Teacher Training Coordinator. Advice and assistance will be provided in all matters related to the implementation and monitoring of the Project. In addition Project funds also will provide 7 short-term advisors in educational sociology, educational statistics, and rural learning needs to develop baseline data for use in evaluating the Project.

Project administrative improvement efforts at ISER will focus on planning ISER's role in Bolivia's education system including its relationship with the rural normal schools. Efforts will be made to improve

the personnel management system, record keeping system, and evaluation program at ISER. In addition, funds will be provided to initiate a national rural education journal at ISER serving the rural education community.

The Project will provide the services of an education planner and administration specialist to work at ISER and will provide advanced foreign training for ISER personnel in administration and management.

Long-term foreign training for National and ISER personnel and rural normal school professors will include course work in educational administration and management. In addition, the Visiting Professor Program will include seminars and workshops which focus on improved administrative and management practices at ISER and the rural normal schools.

An illustrative financial plan follows:

Administrative Improvement

<u>Component</u>	<u>Loan</u>	<u>Grant</u>	<u>GOB</u>	<u>Total</u>
Technical Assistance	178	858		1,036
Training	98			98
Equipment and Materials	155			155
Personnel			160	160
Operating Expenses	—	—	<u>37</u>	<u>37</u>
Total	431	858	197	1,486

C. Technical Assistance

1. Planning and Administration Specialist

Approximately 48 worker months of technical assistance will be provided to the Rural Normal Schools Directorate in La Paz. The Specialist will provide advice and assistance in: (1) overall rural education system planning; (2) rural education project identification, development, implementation, monitoring and evaluation; (3) budgetary planning; (4) management practices; (5) personnel management; (6) overall planning and monitoring of rural education curriculum and teaching development activities; and (7) overall direction of rural education research and statistical development.

2. Education Logistics Advisor

The advisor will work for approximately 48 months with the Coordinator for Rural Education in La Paz on all matters related to the implementation and monitoring of the Project. Assistance will be provided in arranging overseas contracting for long and short term technical assistance, procuring commodities and contracting for design and construction activities.

3. Education, Planning and Administration Specialist - ISER

Approximately 36 worker months of assistance will be provided to the ISER Director in: (1) planning of ISER's role in Bolivia's rural education system including its relationship with rural normal schools; (2) selection of curriculum and development of ISER courses; (3) development of rural education personnel management systems; (4) record

keeping; (5) evaluation studies of rural education personnel management systems; (6) rural education research and statistical development; and (7) development of a national rural education journal.

4. Training Advisor

Approximately 48 worker months of assistance will be provided to advise and assist the rural normal school directors on the operation of the teams of trainers providing in-service training to rural school teachers. This advisor will be located at Portachuelo.

5. Curriculum and Teaching Materials Development

Approximately 48 worker months of technical assistance will be provided in curriculum and materials development activities to provide advice and assistance to GOB personnel working on curriculum development activities at ISER and the rural normal schools.

6. Short-Term Technical Assistance

The Project provides for a total of 78 worker months of short-term technical assistance including: (1) 12 worker months for the Visiting Professor Program; (2) 15 worker months for ISER curriculum development activities; (3) 17 worker months for rural normal school curriculum development activities; (4) 6 worker months for ISER teaching materials development; (5) 28 worker months for administrative improvement activities.

SUMMARY FINANCIAL PLAN

<u>Component</u>	<u>Loan</u>	<u>Grant</u>	<u>GOB</u>	<u>Total</u>
Technical Assistance	645	1,504	-	2,149
Training	1,425	-	148	1,573
Equipment and Materials	1,558	-	147	1,705
Construction	5,067	-	2,574	7,641
Personnel	-	-	1,580	1,580
Operating Expenses	<u>-</u>	<u>-</u>	<u>370</u>	<u>370</u>
Sub-Total	8,695	1,504	4,819	15,018
Inflation (5%)	435	75	143	653
Contingencies (10%)	<u>870</u>	<u>150</u>	<u>287</u>	<u>1,307</u>
Total	US\$ <u>10,000</u>	<u>1,729</u>	<u>5,249</u>	<u>16,978</u>

The Table below represents the Current Estimate of Annual GOB Contributions to the Project:

GOB PROJECT COSTS (US\$)

<u>Activity</u>	<u>CY</u> <u>1977</u>	<u>CY</u> <u>1978</u>	<u>CY</u> <u>1979</u>	<u>CY</u> <u>1980</u>	<u>CY</u> <u>1981</u>	<u>CY</u> <u>1982</u>	<u>Total</u>
Training (Travel & Per Diem)		2	39	41	43	23	148
Equipment and Materials			147				147
Construction			515	515	772	772	2,574
Personnel	4	149	253	321	418	435	1,580
Operating Expenses	<u>4</u>	<u>49</u>	<u>59</u>	<u>77</u>	<u>89</u>	<u>92</u>	<u>370</u>
Sub-Total	8	200	1,013	954	1,322	1,322	4,819
Inflation (5%)				11	53	79	143
Contingency (10%)	—	—	—	—	—	<u>287</u>	<u>287</u>
Total	<u>8</u>	<u>200</u>	<u>1,013</u>	<u>965</u>	<u>1,375</u>	<u>1,688</u>	<u>5,249</u>

ANNEX 2

COMBINED LOAN AND GRANT
PROJECT STANDARD PROVISIONS ANNEX

Definitions: As used in this Annex, the "Agreement" refers to the Loan and Grant Agreement to which this Annex is attached and of which this Annex forms a part. Terms used in this Annex have the same meaning or reference as in the Agreement.

Article A: Project Implementation Letters. To assist Bolivia in the implementation of the Project, A.I.D., from time to time, will issue Project Implementation Letters that will furnish additional information about matters stated in this Agreement. The parties will also use jointly agreed-upon and signed Project Implementation Letters to confirm and record their mutual understanding on aspects of the implementation of this Agreement. Project Implementation Letters will not be used to amend the text of the Agreement, but can be used to record revisions or exceptions which are permitted by the Agreement, including the revision of elements of the amplified description of the Project in Annex 1.

Article B: General Covenants

SECTION B.1. Consultation. The parties will cooperate to assure that the purpose of this Agreement will be accomplished. To this end, the parties, at the request of either, will exchange views on the progress of the Project, the performance of obligations under this Agreement, the performance of any consultants, contractors or suppliers engaged on the Project, and other matters relating to the Project.

SECTION B.2. Execution of Project. The Ministry of Education and Culture will:

(a) carry out the Project or cause it to be carried out with due diligence and efficiency, in conformity with sound technical, financial, and management practices, and in conformity with those documents, plans, specifications, contracts, schedules or other arrangement, and with any modifications therein, approved by A.I.D. pursuant to this Agreement; and

(b) provide qualified and experienced management for, and train such staff as may be appropriate for the maintenance and operation of the Project, and, as applicable for continuing activities, cause the Project to be operated and maintained in such manner as to assure the continuing and successful achievement of the purposes of the Project.

SECTION B.3. Utilization of Goods and Services.

(a) Any resources financed under the Loan or Grant will, unless otherwise agreed in writing by A.I.D., be devoted to the Project until the completion of the Project, and thereafter will be used so as to further the objectives sought in carrying out the Project.

(b) Goods or services financed under the Loan or Grant, except as A.I.D. may otherwise agree in writing, will not be used to promote or assist a foreign aid project or activity associated with or financed by a country not included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time of such use.

SECTION B.4. Taxation.

(a) This Agreement, and the Loan or Grant will be free from, and the principal and interest of the Loan will be paid free from, any taxation or fees imposed under laws in effect in Bolivia.

(b) (1) Any foreign contractor, including any consulting firm, any foreign personnel of such contractor financed under the Loan or Grant, and any property or transaction relating directly to such contracts and (2) any commodity procurement transaction financed under the Loan or Grant, are exempt from identifiable taxes, tariffs, duties or other levies imposed under laws in effect in Bolivia.

(c) To the extent any such contractor or commodity may not be exempt from such taxes in Bolivia, Bolivia will, as and to the extent provided in and pursuant to Project Implementation Letters, pay or reimburse the same with funds other than those provided under the Loan or Grant.

SECTION B.5. Reports, Records, Inspections, Audit. Ministry of Education and Culture will:

(a) furnish A.I.D. such information and reports relating to the Project and to this Agreement as A.I.D. may reasonably request;

(b) maintain or cause to be maintained, in accordance with generally accepted accounting principles and practices consistently applied, books and records relating to the Project and to this Agreement, adequate to show, without limitation, the receipt and use of goods and services acquired under the Loan or Grant. Such books and records will

be audited regularly, in accordance with generally accepted auditing standards, and maintained for three years after the date of last disbursement by A.I.D.; such books and records will also be adequate to show the nature and extent of solicitations of prospective suppliers of goods and services acquired, the basis of award of contracts and orders, and the overall progress of the Project toward completion; and

(c) afford authorized representatives of A.I.D. the opportunity at all reasonable times to inspect the Project, the utilization of goods and services financed by A.I.D., and books, records and other documents relating to the Project and the Loan or Grant.

SECTION B.6. Completeness of Information. Bolivia confirms:

(a) that the facts and circumstances of which it has informed A.I.D., or caused A.I.D. to be informed, in the course of reaching agreement with A.I.D. on the Loan or Grant, are accurate and complete, and include all facts and circumstances that might materially affect the Project and the discharge of responsibilities under this Agreement, and

(b) that it will inform A.I.D. in timely fashion of any subsequent facts and circumstances that might materially effect, or that it is reasonable to believe might so effect, the Project or the discharge of responsibilities under this Agreement.

SECTION B.7. Other Payments. Bolivia affirms that to the best of its knowledge no payments have been received and that Bolivia will take every reasonable measure to assure that none will be received by

any official of Bolivia in connection with the procurement of goods or services financed under the Loan or Grant except fees, taxes, or similar payments legally established in Bolivia.

SECTION B.8. Information and Marking. The Ministry of Education and Culture will give appropriate publicity to the Loan and Grant and the Project as a program to which the United States has contributed, identify the Project site, and mark goods financed by A.I.D., as described in Project Implementation Letters.

Article C: Procurement Provisions.

SECTION C.1. Special Rules.

(a) The source and origin of ocean and air shipping will be deemed to be the ocean vessels's or aircraft's country of registry at the time of shipment.

(b) Premiums for marine insurance placed in Bolivia will be deemed an eligible Dollar Cost, if otherwise eligible under Section C.7.
(a).

(c) Any motor vehicles, (defined as automobiles, motorcycles, and trucks), financed under the Loan or Grant will be of United States manufacture, except as A.I.D. may otherwise agree in writing.

(d) Transportation by air, financed under the Grant, of property or persons (and their personal effects) will be on carriers holding United States certification, to the extent service by such carriers is available.

SECTION C.2. Eligibility Date. No goods or services may be financed under the Loan or Grant which are procured pursuant to orders or contracts firmly placed or entered into prior to the date of this Agreement, except as the parties may otherwise agree in writing.

SECTION C.3. Plans, Specifications, and Contracts. Except as the parties may otherwise agree in writing:

(a) Ministry of Education and Culture will furnish to A.I.D. upon preparation:

(1) any plans, specifications, procurement or construction schedules, contracts, or other documentation relating to goods or services to be financed under the Loan or Grant, including documentation relating to the prequalification and selection of contractors and to the solicitation of bids and proposals. Material modifications in such documentation will likewise be furnished to A.I.D. on preparation;

(2) such documentation will also be furnished to A.I.D., upon preparation, relating to any goods or services which, though not financed under the Loan or Grant, are deemed by A.I.D. to be of major importance to the Project. Aspects of the Project involving matters under this subsection (a)(2) will be identified in Project Implementation Letters;

(b) Documents related to the prequalification of contractors, and to the solicitation of proposals for goods and services financed under the Loan or Grant will be approved by A.I.D. in writing prior to

their issuance, and their terms will include United States and Bolivian standards and measurements when applicable;

(c) Contracts and contractors financed under the Loan or Grant for engineering and other professional services, for construction services, and for such other services, equipment or materials as may be specified in Project Implementation Letters, will be approved by A.I.D. in writing prior to execution of such contracts. Material modifications in such contracts will also be approved in writing by A.I.D. prior to execution;

(d) Consulting firms used by Bolivia for the Project but not financed under the Loan or Grant, the scope of their services and such of their personnel assigned to the Project as A.I.D. may specify, and construction contractors used by Bolivia for the Project but not financed under the Loan or Grant, shall be acceptable to AID; and

(e) Bidding, contracting and procurement under the Loan and Grant shall be carried out in accordance with Bolivian laws and regulations except where A.I.D. regulations and procedures with respect to international project agreements (including A.I.D. Handbook 11, copy of which has been provided to Bolivia), are applicable.

SECTION C.4. Reasonable Price. No more than reasonable prices will be paid for any goods or services financed, in whole or in part, under the Loan or Grant. Such items will be procured on a fair and, to the maximum extent practicable, on a competitive basis.

SECTION C.5. Notification to Potential Suppliers. To permit all United States firms to have the opportunity to participate in furnishing goods and services to be financed under the Loan and Grant, Bolivia will furnish A.I.D. such information with regard thereto, and at such times, as A.I.D. may request in Project Implementation Letters.

SECTION C.6. Shipping.

(a) Goods which are to be transported to Bolivia may not be financed under the Loan or Grant if transported either: (1) on an ocean vessel or aircraft under the flag of a country which is not included in A.I.D. Geographic Code 935 as in effect at the time of shipment, or (2) on an ocean vessel which A.I.D., by written notice to Bolivia, has designated as ineligible; or (3) under an ocean or air charter which has not received prior A.I.D. approval.

(b) Costs of ocean or air transportation (of goods or persons) and related delivery services may not be financed under the Loan or Grant if such goods or persons are carried: (1) on an ocean vessel under the flag of a country not, at the time of shipment, identified under the Article and Sections of the Agreement entitled "Procurement Source: U.S. Dollar Costs (Loan)" or "Procurement Source: U.S. Dollar Costs from the United States (Grant)", without prior written A.I.D. approval; or (2) on an ocean vessel which A.I.D., by written notice to Bolivia, has designated as ineligible; or (3) under an ocean vessel or air charter which has not received prior A.I.D. approval.

(c) Unless A.I.D. determines that privately-owned United States-flag commercial ocean vessels are not available at fair and reasonable rates for such vessels, (1) at least fifty percent (50%) of the gross tonnage of all goods (computed separately for dry bulk carriers, dry cargo liners and tankers) financed by A.I.D. which may be transported on ocean vessels will be transported on privately-owned United States-flag commercial vessels, and (2) at least fifty percent (50%) of the gross freight revenue generated by all shipments financed by A.I.D. and transported to Bolivia on dry cargo liners shall be paid to or for the benefit of privately-owned United States-flag commercial vessels. Compliance with the requirements of (1) and (2) of this subsection must be achieved with respect to both any cargo transported from U.S. ports and any cargo transported from non-U.S. ports, computed separately.

SECTION C.7. Insurance.

(a) Marine insurance on goods financed by A.I.D. which are to be transported to Bolivia may be financed under the Loan or Grant, as a Dollar Cost or Grant Dollar Cost under this Agreement provided (1) such insurance is placed at the lowest available competitive rate, and (2) claims thereunder are payable in the currency in which such goods were financed or in any freely convertible currency. If the government of Bolivia, by statute, decree, rule, regulation, or practice discriminates with respect to A.I.D.-financed procurement against any marine insurance company authorized to do business in any State of the United

States, that all goods shipped to Bolivia financed by A.I.D. hereunder will be insured against marine risks and such insurance will be placed in the United States with a company or companies authorized to do a marine insurance business in a State of the United States.

(b) Except as A.I.D. may otherwise agree in writing, Bolivia will insure, or cause to be insured, goods financed under the Loan or Grant imported for the Project against risks incident to their transit to the point of their use in the Project; such insurance will be issued on terms and conditions consistent with sound commercial practice and will insure the full value of the goods. Any indemnification received by Bolivia under such insurance will be used to replace or repair any material damage or any loss of the goods insured or will be used to reimburse Bolivia for the replacement or repair of such goods. Any such replacement will be of source and origin of countries listed in A.I.D. Geographic Code 935 as in effect at the time of replacement, and, except as the parties may agree in writing, will be otherwise subject to the provisions of the Agreement.

SECTION C.8. U.S. Government-owned Excess Property. Bolivia agrees that wherever practicable United States Government-owned excess personal property, in lieu of new items financed under the Loan or Grant may be utilized. Funds under the Loan or Grant may be used to finance the costs of obtaining such property for the Project.

Article D: Termination; Remedies.

SECTION D.1. Cancellation by Bolivia. Bolivia may, by giving A.I.D. 30 days' written notice, cancel any part of the Loan or the Grant which has not been disbursed or committed for disbursement to third parties.

SECTION D.2. Events of Default; Acceleration. It will be an "Event of Default" if Bolivia shall have failed: (a) to pay when due any interest or installment of principal required under this Agreement; (b) to comply with any other provision of this Agreement, or (c) to pay when due any interest or installment of principal or other payment required under any other loan, guaranty or other agreement between Bolivia or any of its agencies and A.I.D. or any of its predecessor agencies. If an Event of Default shall have occurred, then A.I.D. may at its option give Bolivia notice that all or any part of the unrepaid principal will be due and payable sixty (60) days thereafter, and, unless such Event of Default is cured within that time:

(1) such unrepaid principal and accrued interest hereunder will be due and payable immediately, and

(2) the amount of any further disbursements made pursuant to then outstanding commitments to third parties or otherwise will become due and payable as soon as made.

SECTION D.3. Suspension. If at any time:

(a) An Event of Default has occurred; or

(b) An event or events occur which in the judgment of A.I.D. create an extraordinary situation that makes it improbable either that the purpose of the Loan or Grant will be attained or that Bolivia will be able to perform its obligations under this Agreement; or

(c) Any disbursement by A.I.D. would be in violation of the legislation governing A.I.D.; or

(d) Bolivia shall have failed to pay when due any interest, installment of principal or other payment required under any other loan, guaranty, or other agreement between Bolivia or any of its agencies and the Government of the United States or any of its agencies;
then A.I.D. may:

(1) suspend or cancel outstanding commitment documents to the extent they have not been utilized through irrevocable commitments to third parties or otherwise, giving prompt notice thereof to Bolivia.

(2) decline to issue additional commitment documents or to make disbursement other than under existing ones; and

(3) at A.I.D.'s expense, direct that title to goods financed under the Loan or Grant be transferred to A.I.D. if the goods are from a source outside Bolivia, are in a deliverable state and have not been off-loaded in ports of entry of Bolivia. Any disbursement made under the Loan with respect to such transferred goods will be deducted from principal.

SECTION D.4. Cancellation by A.I.D. If, within sixty (60) days from the date of any suspension of disbursements pursuant to Section D.3., the cause or causes thereof have not been corrected, A.I.D. may cancel any part of the Loan or Grant that is not then disbursed or irrevocably committed to third parties with prior notice to INDEF and the MEC.

SECTION D.5. Continued Effectiveness of Agreement. Notwithstanding any cancellation, suspension of disbursement, or acceleration of repayment, the provisions of this Agreement will continue in effect until the payment in full of all principal and accrued interest hereunder.

SECTION D.6. Refunds.

(a) In the case of any disbursement which is not supported by valid documentation in accordance with this Agreement, or which is not made or used in accordance with this Agreement, or which was for goods or services not used in accordance with this Agreement, A.I.D. may require Bolivia to refund the amount of such disbursement in U.S. Dollars to A.I.D. within sixty days after receipt of a request therefor.

(b) If the failure of Bolivia to comply with any of its obligations under this Agreement has the result that goods or services financed under the Loan or Grant are not used in accordance with this Agreement, A.I.D. may require Bolivia to refund all or any part of the amount of the disbursements under this Agreement for such goods or services in U.S. dollars to A.I.D. within four months after receipt of a request therefor.

(c) The right under subsection (a) or (b) to require such a refund of a disbursement will continue, notwithstanding any other provision of this Agreement, for three years from the date of the last disbursement under this Agreement.

(d) Any refund under subsection (a) or (b), or any refund to A.I.D. from a contractor, supplier, bank or other third party with respect to goods or services financed under the Loan or Grant, which refund relates to an unreasonable price for or erroneous invoicing of goods or services, or to goods that did not conform to specifications, or to services that were inadequate, will be made available first for the cost of goods and services required for the Project, to the extent justified, and the remainder, if any, (i) will be applied to the installments of principal in the inverse order of their maturity if derived from Loan funds and the amount of the Loan reduced by the amount of such remainder; and (ii) will be applied to reduce the amount of the Grant if derived from Grant funds.

(e) Any interest or other earnings on Grant funds disbursed by A.I.D. to Bolivia under this Agreement prior to the authorized use of such funds for the Project will be returned to A.I.D. in U.S. Dollars by Bolivia.

SECTION D.7. Nonwaiver of Remedies. No delay in exercising any right or remedy accruing to a party in connection with its financing under this Agreement will be construed as a waiver of such right or

remedy within the terms of the Agreement.

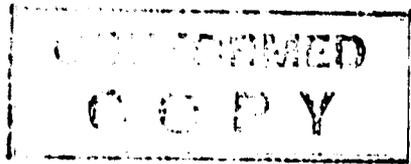
SECTION D.8. Assignment. Bolivia agrees, upon reasonable request, to execute an assignment to A.I.D. of any cause of action which may accrue to Bolivia in connection with or arising out of the contractual performance or breach of performance by a party to a direct U.S. Dollar contract with A.I.D. financed in whole or in part out of funds granted by A.I.D. under this Agreement.

Préstamo A.I.D 511-V-057

A.I.D. Loan 511-V-057

Donación A.I.D. 511 - 0482

A. I. D. Grant 511 - 0482



ENMIENDA No. 2
AMENDMENT No. 2

AL
TO THE

CONVENIO DE PROYECTO
PROJECT AGREEMENT

ENTRE
BETWEEN

LA REPUBLICA DE BOLIVIA
THE REPUBLIC OF BOLIVIA

Y
AND

LOS ESTADOS UNIDOS DE AMERICA
THE UNITED STATES OF AMERICA

PROYECTO EDUCACION RURAL II
RURAL EDUCATION II PROJECT

Fecha: Marzo 30, 1979
Date: March 30, 1979

Enmienda No. 2 al Convenio de Proyecto ("Convenio de Proyecto") de fecha 30 de agosto de 1977 y enmendado el 23 de marzo de 1978, entre la República de Bolivia ("Bolivia") y los Estados Unidos de América, actuando a través de la Agencia para el Desarrollo Internacional ("A.I.D."), para el Proyecto Educación Rural II ("Proyecto")

Propósito de la Enmienda No. 2

Las partes desean incrementar el monto de la Donación disponible para el Proyecto en una suma de quinientos setenta y cinco mil dólares americanos (\$575,000). El monto del préstamo continúa inalterable. La contribución de Bolivia al proyecto continúa inalterable. Con el fin de incrementar el monto de la Donación, las partes convienen en enmendar el Convenio de Proyecto según se establece a continuación.

1. SECCION 3.1 La Donación; el Préstamo se enmienda como sigue:

"A.I.D. por la presente acuerda en incrementar el monto de la Donación especificada en la Sección 3.1 de \$700,000 a \$1,275,000.

2. SECCION 3.2. Forma de Desembolso de Cuotas de la Donación se enmienda para leer como sigue:

"La contribución de A.I.D. a la porción del Proyecto financiada con fondos de la Donación será provista en cuotas, habiendo sido dispuesta la primera de ellas por un monto de \$500,000 de acuerdo con la Sección 3.1 enmendada de la Enmienda No. 1, la segunda por un monto de \$200,000 de acuerdo con la Sección 3.1 de la Enmienda No. 1 y la tercera por un monto de \$575,000 estará disponible de acuerdo con la Sección 3.1 enmendada de la presente Enmienda No. 2 al Convenio de Proyecto.

Amendment No 2 to the Project Agreement dated August 30, 1977 and amended on March 23, 1978 ("Project Agreement") between the Republic of Bolivia ("Bolivia") and the United States of America, acting through the Agency for International Development ("A.I.D."), for the Rural Education II Project ("Project").

Purpose of Amendment No 2

The parties desire to increase the amount of the Grant available for the Project by Five Hundred Seventy Five Thousand United States Dollars (\$575,000). The amount of the Loan remains unchanged. The contribution of Bolivia to the Project remains unchanged. In order to increase the amount of the Grant, the parties agree to amend the Project Agreement as set forth below.

1. SECTION 3.1. The Grant; the Loan is amended as follows:

"A.I.D. hereby agrees to increase the amount of the Grant specified in Section 3.1 from \$700,000 to \$1,275,000

2. SECTION 3.2 Incremental Nature of Grant is amended to read as follows:

"A.I.D.'s contribution to the Grant-financed portion of the Project will be provided in increments, the initial one in the amount of \$500,000 having been made available in accordance with Section 3.1 of the Project Agreement, the second one in the amount of \$200,000 made available in accordance with amended Section 3.1 of Amendment No. 1 and the third one in the amount of \$575,000 being made available in accordance with amended Section 3.1 of this Amendment No. 2 to the Project Agreement

Las cuotas subsiguientes de hasta \$ 454,000 y hasta un total de \$1,729,000, estarán sujetas a la disponibilidad de fondos de A.I.D. para este propósito y al mutuo acuerdo de las partes en el momento de la subsiguiente cuota".

5. Excepto lo modificado específicamente por las estipulaciones de esta Enmienda No. 2 al Convenio de Proyecto, todos los términos y condiciones del Convenio de Proyecto continúan inalterables y en plena vigencia y efecto.

EN TESTIMONIO DE LO CUAL, la República de Bolivia y los Estados Unidos de América, actuando cada cual por medio de sus respectivos representantes debidamente autorizados, han suscrito la presente Enmienda No.2 al Convenio de Proyecto en sus nombres y lo han otorgado el día de hoy 30 de marzo de 1979.

REPUBLICA DE BOLIVIA
REPUBLIC OF BOLIVIA

/s/ Wenceslao Alba
Titulo: Ministro de Finanzas
Title: Minister of Finance

/s/ Cnl.DEM José Olvis Arias
Titulo: Ministro de Educación y Cultura
Title: Minister of Education and Culture

Subsequent increments of up to \$ 454,000, for a total of up to \$1,729,000, will be subject to availability of funds to A.I.D. for this purpose and to the mutual agreement of the parties to proceed at the time of a subsequent increment"

5. Except as specifically modified by the provisions of this Amendment No. 2 to the Project Agreement, all terms and conditions of the Project Agreement remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Republic of Bolivia and the United States of America, each acting through its duly authorized representatives, have caused this Amendment No. 2 to the Project Agreement to be signed in their names and delivered this 30th day of March, 1979.

ESTADOS UNIDOS DE AMERICA
UNITED STATES OF AMERICA

/s/ Frank B. Kimball
Titulo: Director, USAID/Bolivia
Title: USAID/Bolivia Mission Director

511-0482 - (16)
511-V-057
LA/DC-IEE-07-51

PD-AAB-677

ENVIRONMENTAL THRESHOLD DECISION

Location : Bolivia
Project Title : Rural Education II (Rural Teacher Training)
Funding : FY 1977 - \$11,700,000 (\$10,000,000 - Loan; \$1,700,000 - Grant)
Life of Project: Five Years

Mission Recommendation:

Based on the Initial Environmental Examination, the Mission has concluded that the project will not have a significant effect on the human environment and therefore recommends a Negative Determination.

The Latin America Bureau's Development Assistance Executive Committee has reviewed the Initial Environmental Examination for this project and concurs in the Mission's recommendation for a Negative Determination.

AA/LA Decision:

Pursuant to the authority vested in the Assistant Administrator for Latin America under Title 22, Part 216.4a, Environmental Procedures, and based upon the above recommendations, I hereby determine that the proposed project is not an action which will have a significant effect on the human environment, and therefore, is not an action for which an Environmental Impact Statement or an Environmental Assessment will be required.

James L. Zini Atty

Assistant Administrator
for Latin America

11 March 1977

Date

Clearances:

DAEC Chairman: *Weinberg*
IA Environmental Coordinator: *McMurtre meq*

RECORD COPY

Initial Environmental Examination

Project Location: Bolivia, particularly the Departments of Santa Cruz, Oruro, Chuquisaca, Tarija, Potosi and Beni.

Project Title: Rural Education II (Rural Teacher Training).

Funding: FY 1977 \$11,700,000 (\$10,000,000 Loan and \$1,700,000 Grant).

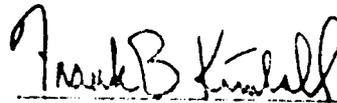
Life of Project: Five (5) years (FY 1978 to FY 1983).

IEE Prepared by: Edward H. Smith, Jr. and Robert D. Adams.

Date: March 5, 1977.

Environmental Actions Recommended: Negative Determination.

Concurrence:



Frank B. Kimball
Mission Director
USAID/Bolivia

Date: March 5, 1977

Initial Environmental Examination

I. Examination of Nature, Scope and Magnitude of Environmental Impacts.

A. Description of Project

The purpose of the Project is to improve the professional capability of rural teachers to meet the educational needs of their students. This objective will be sought through (1) consolidating the existing ten rural normal schools in the seven departments included in the Project into six larger more efficient units, (2) training professors of the Institute of Higher Education (Rural) Tarija (ISE(R)), rural normal school teachers and rural school teachers, (3) developing the ISE(R) and rural normal school curricula, (4) developing teaching materials primarily for ISE(R) and the rural normal schools, (5) improving the facilities at ISE(R) and the six rural normal schools included in the Project and (6) improving the administration of the rural normal school system at the national, ISE(R) and rural normal school levels. Facilities improvement will involve the repair of serviceable existing facilities and the design and construction of new facilities at the Project's six rural normal schools. Provision of needed equipment to ISE(R) and the rural normal schools will also be included in the facilities improvement element of the Project.

B. Identification and Evaluation of Environmental Impacts.

Section 216.2(a) of Appendix 50 Environmental Procedures of Handbook 3 Project Assistance indicates that: "Education or training programs not designed to result in activities directly affecting the environment" are included among general classes of activities which "will not normally require the filing of an Environmental Impact Statement or the preparation of an Environmental Assessment." Project teacher training, curriculum development and teaching material development activities all fall into this category. In fact, these activities are expected to have a positive cultural impact on the environment. One of the objectives of these activities is to make the Bolivian rural education system more responsive to the needs of the rural areas, particularly through bilingual and community/non-formal education. Such efforts should make the transition from the indigenous culture to the urban-oriented Spanish culture easier for the average campesino.

Another group of Project activities, although not listed in Section 216.2, are likely to have a very limited effect on the environment. This group includes Project administrative improvement and equipment upgrading activities.

The consolidation of the ten existing rural normal schools in the Project area into six larger units is likely to have some socioeconomic impact on the communities involved. Economic activity is likely to decline in the communities where rural normal schools are being phased out, although the schools will be converted to alternative educational uses. Where rural normal schools will be upgraded and expanded as a result of the Project, economic activity is likely to pick up.

The nature and scale of Project construction activities indicates that they are likely to have a direct, though moderate, local environmental impact. This impact will be felt principally through increased noise and dust levels, additional work and traffic hazards and additional waste disposal problems.

The land areas around the six rural normal schools to be upgraded have already been cleared. In most cases, the schools are near rivers whose waters they use to irrigate school garden plots and for domestic purposes. As part of the Project a sewage system based on a septic tank or similar sewage digestion system will be provided to each rural normal school. These systems will permit return of waters to the rivers without shock to the stream ecology. In fact, because present sewage disposal systems at these schools are either inadequate or non-existent, the schools are likely to have a smaller adverse effect on nearby streams as a result of the Project, even taking into account sharply increased enrollments.

II. Recommendation for Environmental Action.

Based on the above discussion which indicates that this Project will not have a significant effect on the environment, it is recommended that a Negative Determination be made.

IMPACT IDENTIFICATION AND EVALUATION FORM

<u>Impact Areas and Sub-areas 1/</u>	<u>Impact Identification and Evaluation 2/</u>
A. LAND USE	
1. Changing the character of the land through:	
a. Increasing the population -----	N
b. Extracting natural resources -----	N
c. Land clearing -----	N
d. Changing soil character -----	N
2. Altering natural defenses -----	N
3. Foreclosing important uses -----	N
4. Jeopardizing man or his works -----	N
5. Other factors	
-----	-----
-----	-----
B. WATER QUALITY	
1. Physical state of water -----	N
2. Chemical and biological states -----	L
3. Ecological balance -----	N
4. Other factors	
-----	-----
-----	-----

1/ See Explanatory Notes for this form.

2/ Use the following symbols: N - No environmental impact
 L - Little environmental impact
 M - Moderate environmental impact
 H - High environmental impact
 U - Unknown environmental impact

C. ATMOSPHERIC

- 1. Air additives -----
 - 2. Air pollution -----
 - 3. Noise pollution -----
 - 4. Other factors
-
-

D. NATURAL RESOURCES

- 1. Diversion, altered use of water -----
 - 2. Irreversible, inefficient commitments -----
 - 3. Other factors
-
-

E. CULTURAL

- 1. Altering physical symbols -----
 - 2. Dilution of cultural traditions -----
 - 3. Other factors
-
-

F. SOCIOECONOMIC

- 1. Changes in economic/employment patterns -----
 - 2. Changes in population -----
 - 3. Changes in cultural patterns -----
 - 4. Other factors
-
-

G. HEALTH

- 1. Changing a natural environment _____
- 2. Eliminating an ecosystem element _____
- 3. Other factors _____

H. GENERAL

- 1. International impacts _____
- 2. Controversial impacts _____
- 3. Larger program impacts _____
- 4. Other factors _____

I. OTHER POSSIBLE IMPACTS (not listed above)

See attached Discussion of Impacts.

5110482-17

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D. C. 20523

PD-AAB-677

OFFICE OF
THE ADMINISTRATOR

511-0482

A.I.D. Loan 511-V-057
(Ref. AID-DLC/P-2218)

PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS

Name of Country: Bolivia
Name of Project: Rural Education II - Teacher Training
Project Number: 511-0482

Pursuant to Part I, Chapter 1, Section 105 of the Foreign Assistance Act of 1961, as amended, and in furtherance of the Alliance for Progress, I hereby authorize a loan in an amount not to exceed Ten Million United States Dollars (\$10,000,000) (the "Loan") and a grant in an amount not to exceed Five Hundred Thousand United States Dollars (\$500,000) to the Republic of Bolivia ("Government of Bolivia") to help in financing certain foreign exchange and local currency costs of goods and services required for the project (the "Project") which consists of the consolidation of ten existing normal schools into six sites, and the improvement of teacher training, curriculum development, teaching materials, physical facilities and administrative procedures. The entire amount of the Loan financing herein authorized for the Project will be obligated when the Project Agreement is executed.

I approve the total level of A.I.D. appropriated funding planned for the grant portion of the Project of not to exceed One Million Seven Hundred Twenty Nine Thousand United States Dollars (\$1,729,000) (the "Grant"), including the funding authorized above, during the period FY 1977 through FY 1982. I approve further increments during that period of Grant funding up to \$1,229,000, subject to the availability of funds in accordance with A.I.D. allotment procedures. I approve the obligation of not to exceed \$500,000 of the Grant for FY 1977 upon the signing of the Project Agreement.

I hereby authorize the negotiation and execution of the Project Agreement by the officer to whom such authority has been delegated in accordance with A.I.D. regulations and delegations of authority, subject to the following essential terms, covenants and major conditions together with such other terms and conditions as A.I.D. may deem appropriate:

1. Interest Rate and Terms of Repayment (Loan)

The Government of Bolivia shall repay the Loan to A.I.D. in United States Dollars within forty (40) years from the date of first disbursement of the loan, including a grace period of not to exceed ten (10) years. The Government of Bolivia shall pay to A.I.D. in United States Dollars interest from the date of first disbursement of the Loan at the rate of (a) two percent (2%) per annum during the first ten (10) years, and (b) three percent (3%) per annum thereafter, on the outstanding disbursed balance of the Loan and on any due and unpaid interest accrued thereon.

2. Source and Origin of Goods and Services (Loan)

Except as A.I.D. may otherwise agree in writing, goods and services financed by A.I.D. for the Loan shall have their source and origin in countries included in A.I.D. Geographic Code 941 or in Bolivia, with the exception of ocean shipping financed for the Loan which shall be procured in any eligible source country except Bolivia.

3. Source and Origin of Goods and Services (Grant)

Except as A.I.D. may otherwise agree in writing, goods and services financed by A.I.D. for the Grant shall have their source and origin in countries included in A.I.D. Geographic Code 000.

4. Conditions Precedent to Initial Disbursement

Prior to any disbursement or to the issuance of any commitment documents under the Project Agreement, the Government of Bolivia shall furnish to A.I.D., in form and substance satisfactory to A.I.D.:

- (1) a legal opinion of the Attorney General of Bolivia or other legal counsel acceptable to A.I.D. to the effect that the Project Agreement has been duly authorized and/or ratified by the Government of Bolivia and executed on its behalf and that it constitutes a valid and legally binding obligation of the Government of Bolivia in accordance with all its terms; and

- (ii) a certified statement of the name of the person(s) authorized under the Project Agreement to act as the Government of Bolivia's representative under the Agreement with authenticated specimen signatures of said representatives.

5. Conditions Precedent to Disbursements Other Than For Technical Assistance

Except as A.I.D. may otherwise agree in writing, prior to any disbursement or the issuance of any commitment documents under the Project Agreement to finance other than technical assistance, the Government of Bolivia shall furnish to A.I.D., in form and substance satisfactory to A.I.D.:

- (i) a financial plan for the Project specifying the amount and timing of the Government of Bolivia's contributions during the life of the Project;
- (ii) an organization plan for the Office of the Coordinator for Rural Education;
- (iii) evidence of the appointment of a subdirector in the Office of the Coordinator for Rural Education who will act as project manager for the Project; and
- (iv) a plan for the maintenance of vehicles and equipment to be procured with loan funds.

6. Conditions Precedent to Disbursement for Construction Subprojects

Except as A.I.D. may otherwise agree in writing, prior to any disbursement or the issuance of any commitment documents under the Project Agreement to finance any individual construction subproject, the Government of Bolivia shall furnish to A.I.D. in form and substance satisfactory to A.I.D.:

- (i) evidence of clear title to the land upon which construction is to take place;
- (ii) final plans and specifications, bid documents, bid awards, and contracts for construction for the individual subprojects; and
- (iii) a maintenance plan for the facilities to be constructed.

7. Special Covenants

The Government of Bolivia, except as A.I.D. shall otherwise agree in writing, shall covenant that:

- (i) an effective program for maintenance and repair, including necessary funding therefor, will be provided for all facilities constructed under the Loan;
- (ii) adequate operational budgets will be provided for the Instituto Superior de Educacion Rural and the six normal schools; and
- (iii) budget support to rural education will be provided on a continuing basis at levels required to implement the improvements in rural teaching achieved under this project.

8. Waivers

I hereby approve a source/origin waiver to A.I.D. Geographic Code 935 in an amount not to exceed \$30,000 for the purchase of approximately 25 lightweight, off-road motorcycles to meet the needs of the Project. Detailed treatment of the justification for the waiver is contained in the Project Paper.

Pat Weston

Acting Deputy Administrator

4/3/77

Date

Clearance:

GC/LA, JLKessler *JLK*
LA/SA, JEyre *J.E.*
LA/DR, CWeinberg *CW*
LA/DR, HHasan *HH*
AA/LA, DLion *D*
GC, GMorgan *GM*
PPC/DPR, EHogan *EH*
SER/FM/C, TBlackal *TB*
AA/PPC, AShakow *AS*

Date _____
Date _____
Date *5/24/77*
Date *3/28/77*
Date *3/16/77*
Date *3/17/77*
Date *3/31/77*
Date *3/30/77*
Date *3/31/77*

GC/LA, TLGeiger:lp
3/16/77 *22*

AGENCY FOR INTERNATIONAL DEVELOPMENT
**PROJECT AUTHORIZATION AND REQUEST
 FOR ALLOTMENT OF FUNDS PART I**

1. TRANSACTION CODE

A = ADD
 C = CHANGE
 D = DELETE

PAF

2. DOCUMENT CODE
 5

3. COUNTRY/ENTITY

Bolivia

4. DOCUMENT REVISION NUMBER

5. PROJECT NUMBER (7 digits)

[511-0482]

6. BUREAU/OFFICE

A. SYMBOL LA B. CODE [5]

7. PROJECT TITLE (Maximum 40 characters)

[Rural Education II - Teacher Training]

8. PROJECT ACTION TAKEN

APPROVAL
 DECISION

A - APPROVED
 D - DISAPPROVED
 DE - DEAUTHORIZED

9. EST. PERIOD OF IMPLEMENTATION

YRS. [5] QTRS. []

10. APPROVED BUDGET AID APPROPRIATED FUNDS (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		E. 1ST FY 77		H. 2ND FY 78		K. 3RD FY 79	
		C. GRANT	D. LOAN	F. GRANT	G. LOAN	I. GRANT	J. LOAN	L. GRANT	M. LOAN
(1) EH	600	634	634	500	10,000	-0-	-0-	500	-0-
(2)									
(3)									
(4)									
TOTALS				500	10,000	-0-	-0-	500	-0-

A. APPROPRIATION	N. 4TH FY 80		O. 5TH FY 81		LIFE OF PROJECT		11. PROJECT FUNDING AUTHORIZED		A. GRANT	B. LOAN
	C. GRANT	P. LOAN	R. GRANT	S. LOAN	T. GRANT	U. LOAN	(ENTER APPROPRIATE CODE(S)) 1 = LIFE OF PROJECT 2 = INCREMENTAL LIFE OF PROJECT			
(1) EH	400	-0-	329	-0-	1,729	10,000			2	1
(2)										
(3)										
(4)										
TOTALS		400	-0-	329	-0-	1,729	10,000	C. PROJECT FUNDING AUTHORIZED THRU		FY [8] [1]

12. INITIAL PROJECT FUNDING ALLOTMENT REQUESTED (\$000)

A. APPROPRIATION	B. ALLOTMENT REQUEST NO. 341	
	C. GRANT	D. LOAN
(1) EH	500	10,000
(2)		
(3)		
(4)		
TOTALS	500	10,000

13. FUNDS RESERVED FOR ALLOTMENT

TYPED NAME (Chief, SER/EM/F&D)

Jean McColl

SIGNATURE

Jean McColl

DATE

3/20/77

14. SOURCE/ORIGIN OF GOODS AND SERVICES

000 341 LOCAL OTHER

15. FOR AMENDMENTS, NATURE OF CHANGE PROPOSED

FOR PPC/PIAS USE ONLY	16. AUTHORIZING OFFICE SYMBOL	17. ACTION DATE	18. ACTION REFERENCE (Optional)	ACTION REFERENCE DATE
		MM DD YY		MM DD YY

MAR 31 1977

ACTION MEMORANDUM FOR THE ACTING DEPUTY ADMINISTRATOR

THRU: ES

FROM: AA/PPC, A. Sharrow 

Problem: To authorize an FY 1977 \$11.73 million Rural Education II (Rural Teacher Training) Loan/Grant to Bolivia.

Discussion: The purpose of the project is to improve the professional capability of rural teachers to meet the educational needs of their students. The project will finance the consolidation of ten existing normal schools into six sites, and the improvement of teacher training, curriculum development, teaching materials, physical facilities, and administrative procedures. The project will be implemented by the Ministry of Education and Culture, the Superior Institute of Rural Education (ISER), and the faculties of the rural normal schools.

The project will directly benefit approximately 20 ISER professors, 200 normal school faculty members, 5,000 rural normal school students, and up to 9,000 rural school teachers by up-grading their skills and improving teaching materials, curriculum, and physical facilities. Approximately 275,000 rural school students and two million rural poor throughout the country will receive the benefits of an increased number of rural school teachers and up-graded quality of teacher preparation.

Total project cost is estimated at \$16.98 million of which \$10.0 million in A.I.D. loan funds will finance construction of facilities, procurement of equipment and materials, and costs of teacher training and short-term technical assistance. A.I.D. grant funds totalling \$1.73 million will finance long-term technical assistance. The GOB will contribute \$5.25 million for local costs of training, equipment, materials, and construction, as well as salaries of new personnel and operating expenses. This host country contribution is over 30% of the total project cost, thus satisfying the requirements of Section 110(a) of the FAA.

The grant and loan projects appear on pages 34 and 41, respectively, of the FY 1977 Congressional Presentation. However, the loan was presented at a funding level of \$7.5 million and the grant at \$1.58 million, and an Advice of Program Change indicating the increase in project funding was forwarded to Congress on March 16, 1977.

The LA Bureau's Development Assistance Executive Committee (DAEC) reviewed the project on March 11, 1977, and recommended approval.

The DLSC approved the project on March 29, 1977.

Recommendation: That you sign the attached Project Authorization and Request for Allotment of Funds (PAF) form, thereby authorizing the Mission to negotiate and execute a Project Agreement for the Rural Teacher Training Loan/Grant.

LA/DR: :ash
3/22/77

Clearance:

AA/LA:DMLion  Date 3/30/77

GC:GMorgan GM  Date 3/31/77

727 in 29 sheet EA7

Proj #: 511-0467
5110467-13

AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT IDENTIFICATION DOCUMENT FACESHEET
TO BE COMPLETED BY ORIGINATING OFFICE

1. TRANSACTION CODE
 C A = ADD
C = CHANGE
D = DELETE

PID
PD-438-677
2. DOCUMENT CODE
1

3. COUNTRY/ENTITY
BOLIVIA

4. DOCUMENT REVISION NUMBER

5. PROJECT NUMBER (7 DIGITS) 511-0467

6. BUREAU/OFFICE
A. SYMBOL LA B. CODE 3

7. PROJECT TITLE (MAXIMUM 40 CHARACTERS)
 BASIC RURAL EDUCATION (RE III)

8. PROPOSED NEXT DOCUMENT
A. 2 = PIP
 3 = PP
B. DATE

9. ESTIMATED FY OF AUTHORIZATION/OBLIGATION
A. INITIAL FY 7 8
B. FINAL FY 8 3

10. ESTIMATED COSTS (\$000 OR EQUIVALENT, \$1 = \$20.38)

FUNDS SOURCE		1985-86
A. AID APPROPRIATED		19,700
Other U.S.B.		
C. HOST COUNTRY		6,600
D. OTHER DONOR(S)		
TOTAL		26,300

11. PROPOSED BUDGET AID APPROPRIATED FUNDS (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		E. FIRST FY 79		LIFE OF PROJECT	
		C. GRANT	D. LOAN	F. GRANT	G. LOAN	H. GRANT	I. LOAN
(1) RE	E-600	600	600	1,600	14,500	5,200	14,500
(2)							
(3)							
(4)							
TOTAL				1,600	14,500	5,200	14,500

12. SECONDARY TECHNICAL CODES (maximum 16 codes of three positions each)

650 | 620 | 640 | 610

13. SPECIAL CONCERNS CODES (MAXIMUM SIX CODES OF FOUR POSITIONS EACH)

14. SECONDARY PURPOSE CODE

15. PROJECT GOAL (MAXIMUM 250 CHARACTERS)
 To raise the standard of living of the rural population through more effective formal and non-formal educational learning systems.

16. PROJECT PURPOSE (MAXIMUM 400 CHARACTERS)

- To extend educational opportunity to a greater proportion of the rural population, both school age and adults.
- To make rural education more relevant.
- To involve more community members and public and private agencies in rural education.
- To improve the quality of instruction through better teaching, better materials and better facilities.

17. PLANNING RESOURCE REQUIREMENTS (staff/funds)
1 Bilingual Ed. Specialist for 4 weeks \$5,000. 1 Teacher Training Specialist 4 w \$5,000.
1 Curriculum Materials Specialist for 4 w, \$5,000. 1 Community Ed. Specialist 4 w \$5,000.

18. ORIGINATING OFFICE CLEARANCE

Signature

Title
Frank H. Marshall
Director, AID/Bolivia

Date Shipped
MM DD YY

AID 1330-2 (3-76)

19. DATE DOCUMENT RECEIVED BY AID/W, OR FOR AID/W DOCUMENTS. DATE OF DISTRIBUTION

MM DD YY
RECORDS COPY

I. SUMMARY OF THE PROBLEM AND PROPOSED RESPONSES

At the present time the rural education system is clearly unable to fulfill the learning needs of rural children. The quantitative indicators of intake and retention show that school enrollment of eligible rural youth in the rural areas is 49 percent for males and 33 percent for females. The age distribution of enrollment shows that the school experience for most children occurs within the ages of six to eight. On the average, boys log 2.9 years in school while girls barely reach 2.1 years. Retention is extremely low: no more than one fifth of rural children (based on current data) are expected to go beyond the basic three year level and only four percent are likely to finish the six-year cycle.

Nor is curriculum adapted to the children's needs and environment. The Diagnóstico noted this when it pointed out that: (a) the content of courses lacks practical orientation, i.e. it is obsolete and alien to the pupils' mentality; (b) the methods encourage a passive attitude on the part of students; and, (c) there is a lack of support materials like textbooks and other teaching aids.

The National Education Development Plan also identifies the development and extension of a relevant rural education system to help improve the productivity and quality of life of rural Bolivians as one of the principal goals of Bolivian education. The need to improve the rural education system is supported by the Mission's Preliminary Education Sector Assessment which concludes that increased attention to the rural populace should be a goal of A.I.D.'s future programs in education because of the predominance of the rural sector in population terms and its poor performance in economic and social terms. The Sector Assessment and the Mission's DAP identified three major education problems which interfere with the productivity and quality of life among Bolivia's rural people: (i) the present managerial weakness in the Ministry of Education and Culture (MEC), (ii) the low quality of rural education (especially at the primary level), and (iii) the lack of access to a relevant and adequate education by large segments of the rural population.

To address the first problem, the MEC has established an Educational Management Program which is supported by a FY-1974 Educational Management and Instructional Development Loan and FY-1975 Educational Management and Rural Development Grant. These programs seek to improve and decentralize the administrative system (including finance, planning, personnel and information of the MEC, as well as to strengthen in-service

training of administrators and to expand instructional support services at the sub-national levels. The program includes research and advisory work in rural and bilingual education which will be directly supportive of the MEC's plans to improve rural education.

To begin to address the second and third problems the MEC has begun to implement the Rural Education I Project in the department of Cochabamba which is supported by a FY-1976 Loan and the continuing Educational Management and Rural Development Grant and the Rural Teacher Training Program which is supported by a FY-1977 loan and grant.

Both Rural Education I and Rural Teacher Training (Rural Education II) address the second problem identified in the Assessment: the poor quality of rural education. The Projects place major emphasis on: making the rural primary school curriculum, Grades 1-8, more relevant to the needs of rural students; introducing bilingual education tools into the first three rural primary grades so that primary students can become more fluent in both the vernacular and Spanish; developing a strategy to meet the non-formal education needs of rural people; and providing rural primary and rural normal school teachers with in-service and other types of training. The Projects also provide funds for research in Bolivia in bilingual education, non-formal education and for the collection of baseline data. Rural Teacher training focuses specifically on those problems which will improve the teaching performance of rural teachers while Rural Education I addresses all the major problems identified in the Sector Assessment.

The Mission's program for rural education consists, therefore, of three consecutive loan and grant financed projects -Rural Education I (Cochabamba), Rural Education II (Teacher Training) and Rural Education III (Geographic Expansion). The last is the subject of this PID. All three are described and interrelated below.

The Rural Education I loan agreement was signed in December 1975 and implementation started about May 1976, running through March 1979. The loan supports the carrying out of a comprehensive reform of rural education in the limited geographic area of Cochabamba. Within Cochabamba the Project covers the entire complex of rural education reform -- curriculum improvement, the introduction of new instructional materials, improved teacher training and improved facilities. The Diagnosis and the Education Sector Assessment conclude that all those elements of the education system would have to be improved if significant progress were to be made on making rural education more relevant to the needs of rural youth and achieving a drop in the

high drop-out rate in rural primary education. Since it appears to the Mission that it would be most ill advised (if not literally impossible) to undertake at one time and on a national scale a full, integrated program covering all those elements, the decision was made to break up the program first on a geographic basis. This decision first to address a fully integrated reform package on a geographic basis (in contrast with taking one element of the package in a nationwide basis) was based on several factors. First by taking the major elements and putting them in place in a limited geographic area, we expect to facilitate the process of uncovering the difficulties or (hidden advantages) of the attempted system and the interplay of its elements. Second, an analysis of the cultural situation which in Bolivia is important to an education project would be much more manageable on an area specific basis. Third, there appears to be a need to test as soon as possible the utility for rural education of the Management Reform Project and this could be done thoroughly only by meshing its effort with those of a full education reform system - and again only an area specific approach seems feasible.

Rural Education II, Rural Teacher Training, was authorized in March 1977. Full implementation would start about six months later and last through 1981.

The purpose of the Project is to accelerate improvement in the preparation of rural primary school teachers. The Project proposes to take this horizontal approach, in contrast to the vertical approach of Rural Education I for several reasons. First, it seems to us that before seeking to expand the geographic coverage of the whole rural education reform system it would be advisable to get some experience with its initial implementation. Second, improvement in the preparation of primary school teachers probably will take somewhat longer for its completion than the other elements of the system, and thus it seems wise to get a headstart on that element in anticipation of later geographic expansion of the coverage of the full system. Third, even if work on the teacher training element gets somewhat ahead of the rest of the system in certain geographic areas, there will be little or no loss since a better trained teacher by himself is an asset -- the element of the system that can best stand by itself. Fourth, activities under the Educational Management and Instructional Development and Rural Education I Project would have made substantial progress on preparing the institutional materials and training programs needed for this Project thus permitting quicker implementation than would be the case if it were the second unit of implementation of the sector Program rather than the third. The experience gained under the teacher training activities of Rural Education I -- which are being given priority attention in that Project's implementation -- also will be used in this Project's implementation.

The Project envisioned for 1979 would address the third problem identified by the Assessment: the lack of access to a relevant and adequate education by large segments of the rural population. The goal of the proposed Project would be to raise the standard of living of the rural population through more effective formal and non-formal educational learning systems. The specific purposes of the proposed project are: (1) to extend the educational opportunity to a greater proportion of the rural population, both school age and adults; (2) to make rural education more relevant; (3) to involve more community member and public and private agencies in rural education; and (4) to improve the quality of instruction through better teaching, better materials and better facilities. It would propose to build upon the activities initiated under the previous three projects and utilize the new improved rural education techniques in other geographic areas in Bolivia. It would support the extension of the integrated rural education reform system to geographic areas beyond that of Rural Education I in Cochabamba. The extent of its coverage would depend upon the progress made in Rural Education I and II and the degree of financial support provided by the GOB. The extent of the coverage will be an issue to be looked at during the development of the Project Review Paper and the Project Paper. Tentatively, Mission projects that coverage will be nationwide with priority emphasis focused on Aymara speaking communities in the Departments of Oruro and Potosí and the new rural immigration areas of Santa Cruz. Financial calculations for the Project are based on nationwide coverage.

This Project would serve as a capstone of our cooperation in rural education, extending the benefits and experience gained in Rural Education I in one area of the country, and from Rural Education II in rural normal school development, to up to all districts of the country. The Project would include the preparation and distribution of formal and non-formal rural learning materials, training of rural teachers in modern teaching methodology, and the improvement of rural school facilities needed to insure the success of the above mentioned activities.

Expansion of the rural education system envisions three major outputs:

1. Non-formal education including innovative approaches - radio, communication media, adult education, and community education media to be used and tested in Rural Education I in Cochabamba to develop skills which should raise the economic and social-cultural level of rural Bolivians.

2. In-service teacher training - This activity would be based on and expand the successful activities begun in Rural Education II to include intensive training of rural primary teachers in new techniques and new methodologies which would be related to the development and introduction of a revised curriculum and new materials.

3. Expansion of materials - New curriculum and materials, developed and tested under the 1974, 1975 and 1977 Projects would be expanded to other geographic areas. New materials, such as bilingual readers in both Aymara and Quechua for the first three primary grades and agricultural, health and home economics materials for grades 1-8 would be introduced on a much broader geographic base under this Project. Using the experience gained in preparing and using rural primary education materials in Quechua in the Department of Cochabamba under the Rural Education I Project, this Project envisions a major expansion of bilingual materials in both Aymara and Quechua. Additional materials related to the in-service training of rural primary teachers also would be introduced.

The strategy calls for a system of design, development, use, testing, evaluation and revision of educational reform concepts leading to the Rural Education III Project. All inputs for this Project would have been thoroughly analyzed and "debugged".

The Project would involve continued use of technical assistance to modify the new curriculum to respond to differing social, cultural and economic constraints in the rural areas; to insure that bilingual education materials and techniques are being appropriately and effectively used in helping rural primary school children use the vernacular language to learn Spanish, and; to continue the process of upgrading the professional level of rural primary teachers through in-service training programs.

The end-of Project status for this Project would represent the cumulative effect of the four Projects - Educational Management and Instructional Development, Rural Education I, II, and III. The Rural Education Sector will register an increase in the cohort flow so that the rate of completion of the rural areas 1975-1980 cohort increases from the current level of 9 percent to 15 percent. The rate of illiteracy would decrease from an estimated 85 percent of the rural people to 75 percent by 1980. Institutionally, the Rural Education System would have developed the capacity to carry out policies supported by research and analysis. It would be able to propose, design and carry forward the new concepts in bilingual education, teacher training, curriculum reform and materials preparation that would have been proven successful under the previous four Projects.

The estimated disbursement period for loan financing is five years. The major assumptions affecting the success of the Project are:

- 1) That the activities undertaken in the previous three Projects will have provided sufficient feedback so that the Project can expand to other geographic areas.

2) That the techniques used in one project will prove successful in other geographic areas after they have been modified to consider cultural and linguistic variations.

The Preliminary Education Sector Assessment thoroughly discussed realistic alternatives to this Project in terms of placing emphasis on secondary education, technical/vocational education or university education. It was concluded in the Sector assessment that the maximum impact from USAID efforts would be obtained at the primary rural education level since 95 percent of Bolivia's youth leave school before the end of the fifth grade.

The direct beneficiaries are the 450,000 rural primary students and 10,000 rural teachers or future rural teachers. Indirect beneficiaries are the 550,000 rural farm families of Bolivia whose earnings range between \$30 - \$120 per capita. About 70 percent of these families speak an indigenous language and farm an area of from 3.5 - 10 hectares. The principal crops are quinoa, wheat, potatoes and corn. The animals raised are pigs, llamas or sheep and poultry.

Most of the rural school teachers and rural normal school students have studied under a classical, rote learning education system utilizing an urban oriented traditional curriculum which did not include programs and projects in health, agriculture, rural industries and home economics. At the academic level, not more than 42 percent of the rural normal school teachers have studied beyond the rural normal school. The rural classrooms where they work lack desks and chairs; libraries are non-existent; and laboratory facilities are meager. Coming from a small town environment as most of the rural school students do, their life as rural school teachers is full of surprises. The vast majority of the students as well as the parents speak an indigenous language. The work situation that they confront, lack of materials, cultural difficulties of students trying to assimilate a Spanish urban oriented school program, lack of facilities, a yearly teaching salary averaging \$1,300 per year; and the isolated life they lead - present formidable barriers to success for both the professional teacher and the rural primary student.

The vast majority of the rural population in the target areas are subsistence farmers who are poor not only economically - on the average earning an annual off-farm income of approximately \$50.00 but in their condition of health. As a general rule, the rural population has only limited access to health facilities and generally relies on traditional community health practitioners for many of the services they receive. The typical rural family consists of 5 - 9 members often including grandparents and other relatives. The housewife, if in the childbearing years, is either pregnant, has just given birth,

or has suffered an abortion. Probably as many children have died as are still living within the family. Children usually go barefooted and members of the family, if they live in the high valleys, seldom bathe. The family generally lives in a one or two room adobe house with unplastered walls, thatched roof, and dirt floor. Windows generally do not exist in houses in colder areas and screens are a rarity in the warmer zones. The house offers little privacy and often is shared with the domestic animals. The family food intake is normally unvarying and lacks nourishment consisting mostly of starch and most members of the family are affected with respiratory and parasitic diseases.

The cost of expanding the program out of the Department of Cochabamba into other geographic areas and the GOB's capacity to fund the on-going system have been subject to prior analysis in Rural Education I and in Rural Education II. It is anticipated that the savings generated from the Education Management Reform Program (over \$ 20 million) will be more than adequate to meet requirements for new money that may arise under this program. The GOB contribution to the Project will total \$6.6 million of which approximately \$3.6 million is new money for the purchase of materials, payment of salaries for new teachers and the improvement of existing facilities.

II. FINANCIAL PLAN

A. USAID and Local Contribution

Financial Plan
(in millions of dollars)

<u>Component</u>	<u>AID Loan</u>		<u>Grant</u> <u>F/C</u>	<u>GOE Con-</u> <u>tribution</u>	<u>Total</u>
	<u>F/C</u>	<u>L/C</u>			
<u>Community</u>					
<u>Non-Formal Education</u>					
1. Equipment	1.5	1.0			2.5
2. Materials & Livestock				.6	.6
3. Technical Assistance	.7		1.6		2.3
4. Participant Training	1.6				1.6
5. Building Improvements	.3	.6		1.8	2.7
<u>Rural Teachers'</u>					
<u>Education & Training</u>					
1. Participant Training	2.3	1.0		1.0	4.3
2. Technical Assistance	1.0		1.8		2.8
3. Budget Support, Staff Salaries				3.0	3.0
<u>Curriculum Reform</u>					
<u>& Materials Expansion</u>					
A. Technical Assistance	.5		1.8	.2	2.5
B. Instructional Materials	1.0	1.0			2.0
C. Participant Training	1.0	1.0			2.0
Total	9.9	4.6	5.2	6.6	26.3
Percent Participation	75%			25%	100%

The projected disbursement period is estimated to be five years for loan funds.

III. DEVELOPMENT OF THE PROJECT

It is anticipated that additional research and evaluation on the effectiveness of bilingual education, curriculum reform, teacher training methodology and non-formal education financed under previous projects will provide substantial information that can be used to develop this Project.

The proposed submission date for the PRP is September 1977, we shall not need outside assistance to prepare the Project Review Paper but will probably need the services of a bilingual educator with experience in the development of Aymara materials for one work month to work on the Project Paper. Two technicians for one month each in curriculum and materials preparation and teacher training will be needed to help Mission review what has already been accomplished and to develop the strategy under which these materials and concepts will be introduced to other geographic areas. Finally a Community Education Specialist will be needed for 4 work weeks to help the Mission review the Rural Education and Non-formal Education program and to develop the strategy to introduce it into other geographic areas. Mission proposes to submit the PP in March 1979.

IV. POLICY AND PROGRAM ISSUES

As previously mentioned the geographic scope of this Project is an issue. The estimates of target group, financial expenditures, the end of Project status and the financial impact of the Project on the GOB are based upon the extension of this effort into the remaining eight Departments of Bolivia. This issue will be thoroughly analyzed during development of the Project Review Paper and Project Paper.

Retype

511-0482 (19)

511-V-057
PO-ARG-677

AID 100-1 (7-71)	DEPARTMENT OF STATE AGENCY FOR INTERNATIONAL DEVELOPMENT	1. Cooperating Country BOLIVIA	Page 1 of 5 Pages
		2. PID/T No. 511-000-3-60054	3. <input checked="" type="checkbox"/> Original or Amendment No.
PID/T	PROJECT IMPLEMENTATION ORDER/TECHNICAL SERVICES	4. Project/Activity No. and Title 511-T-999-000 Technical Support Education and Human Resources	

DISTRIBUTION	5. Appropriation Symbol 72-1111025	6.A. Allotment Symbol and Charge 425-50-511-00-69-61	6.B. Fundy Allotted To: <input type="checkbox"/> A.I.D./W <input checked="" type="checkbox"/> Maintenance		
	7. Obligation Status <input checked="" type="checkbox"/> Administrative Reservation <input type="checkbox"/> Implementing Document	8. Funding Period (Mo., Day, Yr.) From 8/1/76 To 12/31/76			
	9.A. Services to Start (Mo., Day, Yr.) 8/1/76	9.B. Completion date of Services (Mo., Day, Yr.) 9/30/76			
	10.A. Type of Action <input checked="" type="checkbox"/> A.I.D. Contract <input type="checkbox"/> Cooperating Country Contract <input type="checkbox"/> Participating Agency Service Agreement <input type="checkbox"/> Other				
	10.B. Authorized Agent AID/W				
	Estimated Financing				
	\$1.00 = \$0.20.38	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
11.	Maximum A.I.D. Financing	A. Dollars	-0-	\$13,000	\$13,000
		B. U.S.-Owned Local Currency			
12.	Cooperating Country Contributions	A. Counterpart	-0-	\$ 500	\$ 500
		B. Other			

13. Division Reference
 PID/T 60053
 State N° 110772
 CRL N° 46

14. Instructions to Authorized Agent
 AID/W is hereby authorized to enter into a personal service contract (b) with two technicians to assist in the design of the Rural Education III Project Paper. The technicians should arrive on/about August 15, 1976.

* 30 days from initiation of contract.

15. Cooperator - Show Office Symbol, Signature and Date for all necessary Clearances.

A. The specific nature of the work and technically adequate IRDD <i>[Signature]</i>	D. Funds for the services requested are available CON <i>[Signature]</i>
C. The scope of work lies within the purview of the initiating and approved Agency Program. FR <i>[Signature]</i>	E. ADM <i>[Signature]</i> 6/1/76
E. AD <i>[Signature]</i>	F. SHJ DR

16. For the cooperating country: The terms and conditions set forth herein are hereby agreed to

17. For the Agency for International Development
 Signature: *John R. Oleson*
 Title: USAID/B - Director

18. Date of Signature: 6/11/76

AID No. 34 (1-70)	Cooperating Country BOLIVIA	PIO/T No. 511-000-3-60064	Page 2 of 5 Pages
PIO/T	Project/Activity Title: 511-11-999-000 Technical Support Education and Human Resources		

SCOPE OF WORK

13. Scope of Technical Services

- A. Objective for which the Technical Services are to be rendered -** Prepare project paper for Rural Education II in cooperation with MEC and USAID/B HRDD and DR officials.
- B. Description**
Project paper will cover primarily the means of extending work done in pilot Rural Normal School (RNS) to other RNS's.

Expert in teacher training (with experience in upgrading faculties of teacher training institutions). Technician will make individual contributions as noted below, while coordinating work of two others in preparation of project paper (See PIO/T N° 60063) for Rural Education II. Technician will:

- develop plan for pre-service program for students in 6 to 8 RNSs (including course of study, internship, books, equipment, organization, administration, staffing),

(Cont. on page 2a)

G. Technician

(1) (a) Number	(b) Specialized Field	(c) Grade and/or Salary	(d) Duration of Assignment (Months)
1	Teacher Training Curriculum and In-Service Training Spec.	\$135/day	1 man month
1	Teacher Training Specialist	\$125/day	1 man month

(2) Duty Post and Duration of Technical Services

La Paz with visits to various schools in Cochabamba and other rural sites.

(3) Language requirements

Spanish S-2; R-2 (No language training authorized)

(4) Access to Classified Information

Not required

(5) Dependents Will Will Not Be Permitted to Accompany Technician at U.S. Government Expense

D. Financing of Technical Services

(1) By AID - \$ 13,000

(2) By Cooperating Country - \$500.- from counterpart funds C.R.L. # 46

19. B. Description (Continued)

- ✓ 2. develop methods, programs, materials for upgrading staffs of those institutions,
3. determine amount of technical assistance to be provided by contract team (to be chosen later) and by Bolivian team that will work on implementing RE-II: type, function, timing, physical location, number, etc.
- ✓ 4. review the rural learning needs study prepared in conjunction with the Rural Education I Project Paper and adopt the study to identify and describe the needs of the Rural Normal School students.
- ✓ 5. suggest criteria and guidelines to be used by the MFC and Mission to select Rural Normal Schools for inclusion in the proposed project.
6. analyze specific results obtained from the Educational Management and Instructional Development Project (511-V-051 and 511-V-054) which form the basis for the proposed Rural Education II Project.
- ✓ 7. work with GOB to develop a commitment to convert remaining rural normal schools into technical or other types of schools.

Note: Curriculum strategy is being developed with the MEC and technical assistance teams in connection with both the RE-I and the Educational Management and Instructional Development (EMID) projects.

Expert in teacher training curriculum and in-service training programs. The technician will:

1. prepare individual sections on teacher training curriculum and in-service training program for inclusion in above project paper.
2. prepare plan, outline, and strategy for in-service training of teachers in nuclear and satellite (or sectional) schools used for observation and practice teaching by Rural Normal Schools (RNS) of RE-II Project (approximately 2500 teachers related to 6 to 8 RNSs).
3. develop plan for introduction of instructional materials being developed under Education Management and Instructional Development (EMID) and Rural Education-I (RE-I) into RNSs.

12. B. Description (Continued)

including bilingual education and community development materials.

- ✓ 4. plan for coordination of all pre-service and in-service programs.
- ✓ 5. review the post-graduate teacher training programs at ISER and other post-graduate institutions and propose strategy whereby the institution can be strengthened.
- ✓ 6. prepare specific suggestions for revisions in the rural school and rural normal school curricula and methodologies.
- ✓ 7. establish the rationale and basis for upgrading physical facilities.

Note 1: The teacher training curriculum and the curriculum for rural schools must be clearly linked but are distinctly separated.

Note 2: The scope of work will be reexamined on the arrival of the technicians to set priorities in case everything outlined above cannot be accomplished in the period specified.

AID 1350-1 (8-70) PIO/T	Cooperating Country BOLIVIA Project/Activity No. and Title Technical Support 511-11-999-000 Education and Human Resources	PIO/T No. 511-000-3-60064	Page # of 5 Pages
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22. Reports by Contractor or Participating Agency (Indicate type, content and format of reports required, including language to be used if other than English, frequency or timing of reports, and any special requirements)

The two technicians, together with the one contracted under PIO/T N° 60063 will prepare a joint report using AID Guidelines for the preparation of loan funded project paper and submit ten copies of the final version in English, before departing Bolivia, to HRDD and DR, USAID/B.

Two additional copies of the final report should be sent to SER/DM/ARC.

23. Background Information (Additional information useful to Authorized Agent and Prospective Contractors or Participating Agency; if necessary cross reference Block 19.C(2) above.)

Relevant files and documents at the Ministry of Education and USAID/B shall be available to the technicians.

24. Relationship of Contractor or Participating Agency to Cooperating Country and to AID

A. Relationships and Responsibilities

The technicians will perform their services under the guidance of the USAID/B.

B. Cooperating Country Liaison Official

Director of Rural Education Project I, representing the Ministry of Education and Culture.

C. AID Liaison Officials

USAID/B HRDD and DR officials.

FIG/T

Project/Activity No. and Title 511-11-999-000
 Technical Support
 Education

LOGISTIC SUPPORT

25. Provisions for Logistic Support A. Specific Items (Insert "X" in applicable column as right. If entry needs qualification, insert asterisk and explain below in C. "Comments")	In Kind Supplied By		From Local Currency Supplied By	
	AID	Cooperating Country	AID	Cooperating Country
(1) Office Space	X			
(2) Office Equipment	X			
(3) Housing and Utilities				
(4) Furniture				
(5) Household Equipment (Stoves, Refs, etc.)				
(6) Transportation in Cooperating Country	X			
(7) Interpreter Services				X
(8) Secretarial Services	X			
(9) Translation Services	X			
(10)				
(11)				
(12) <u>2/</u> From Counterpart funds according to CRL 46.				
(13)				
(14)				
(15)				

Other (Specify)

B. Additional Facilities Available From Other Sources

No APO nor Commissary privileges will be granted to technicians.

C. Comments

Estimated Budget
 (6 working days a week)

Salaries:				
1 Teacher Training Specialist	26 working days x \$125	=	\$ 3,250	
1 Teacher Training Curriculum and in-service training Spec.	26 working days x \$135	=	\$ 3,510	
	Sub Total		\$ 6,760	6,760
Per Diem:				
La Paz 40 days x 45/day		=	\$ 1,800	
Cochabamba 20 days x 18/day		=	\$ 360	
	Sub Total		\$ 2,160	2,160
International Travel and Per Diem	900 x 2		1,800	
Passport and Medical Clearance	125 x 2		250	
In-Country Transportation			400	
Translation Services			400	
	Sub Total		\$ 2,850	2,850
Personal Benefits 18%				1,217

*Cable 6/22/76
McD*

UNITED STATES GOVERNMENT

Memorandum

TO : IA/DR/SA, Ms. Ann McDonald

DATE: June 22, 1976

FROM : LA/OPNS - Cecil H. Uyehara

PRP Rmd Ed II

SUBJECT: Clearance of Mission-Issued PIO/Ts

1. Attached is a copy of the PIO/T described below:

Country: ECUADOR

PIO/T No.: 511-000-3-60064

Project/Activity No. & Title: 511-11-999-000

Technical Support - Education and Human Resources

2. You are requested to clear the PIO/T or take any other action, if necessary, in accordance with ARA/LA Instruction No. 107, dated December 29, 1972.
3. SER/CM needs to have a specific Bureau recommendation on method of implementation, e.g., PSC, commercial institution, university. Consequently, please discuss this issue with SER/CM and reach an informal understanding with them on implementation before you give us your clearance of this PIO/T. When you return this form indicating your clearance, please note what arrangement you have worked out with SER/CM. When we send formal Bureau clearance to SER/CM we will repeat this statement on arrangements in our notification to them. If a sole source procurement waiver is required, the project officer must submit a memorandum of justification to this office together with this clearance memo. Such information will then be forwarded to SER/CM together with the action copy of the PIO/T for processing. THE FOREGOING DOES NOT APPLY TO PASA ARRANGEMENTS.
4. Please indicate your clearance by signing below and returning this memo to LA/OPNS by COB, June 25, 1976.
5. Please keep attached PIO/T for your files.

(Name)

ATTACHMENT:
PIO/T



RECORD COPY

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan