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UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
Washington, D. C. 20523

GUATEMALA

PROJECT PAPER

RURAL PRIMARY EDUCATION IMPROVEMENT

AID/LAC/P-205

Loan Number:520-V-038
Loan Number:520-V-038A

UNCLASSIFIED

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Project Authorization

Name of Country: Guatemala

Name of Project: Rural Primary Education Improvement

Number of Project: 520-0282

Loan Number: 520-V-038
520-V-038A

1. Pursuant to Section 105 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Rural Primary Education Improvement Project for Guatemala involving planned obligations of not to exceed EIGHT MILLION SEVEN HUNDRED THOUSAND LOAN FUNDS ("Loan") and THREE MILLION THREE HUNDRED THOUSAND GRANT FUNDS ("Grant") over a two year period from date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB allotment process, to help in financing foreign exchange and local currency costs for the Project. The planned life of the Rural Primary Education Improvement Project is six years from the date of initial obligation.

2. The Project ("Project") consists of assistance to improve the efficiency and relevance of Guatemala's rural education system. The Project will achieve this purpose by financing administration and supervision, curriculum development, textbook printing, school furniture, training, and research activities in support of the country's primary bilingual education system.

3. The Project Agreement(s), which may be negotiated and executed by the officer to whom such authority is delegated in accordance with A.I.D. regulations and delegations of authority, shall be subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate.

A. Interest Rate and Terms of Repayment:

The Government of Guatemala (GOG) shall repay the Loan to A.I.D. in U.S. Dollars within twenty-five (25) years from the date of first disbursement of the Loan, including a grace period of not to exceed ten (10) years. The GOG shall repay to A.I.D. in U.S. Dollars interest from the date of first disbursement of the Loan at the rate of (i) two percent (2%) per annum during the first ten (10) years, and (ii) three percent (3%) per annum thereafter, on the outstanding disbursed balance of the Loan and on any due and unpaid interest accrued thereon.

B. Source and Origin of Goods and Services (Loan):

Goods and services, except for ocean shipping, financed by A.I.D. under the Loan shall have their source and origin in countries included in A.I.D. Geographic Code 941 and Guatemala, except as A.I.D. may otherwise agree in writing. Ocean shipping financed by A.I.D. under the Loan shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States or of countries that are members of the Central American Common Market.

C. Source and Origin of Goods and Services (Grant):

Goods and services, except for ocean shipping, financed by A.I.D. under the Grant shall have their source and origin in the United States, (A.I.D. Geographic Code 000) or in countries that are members of the Central American Common Market, except as A.I.D. may otherwise agree in writing. Ocean shipping financed by A.I.D. under the Grant shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

D. Conditions Precedent to Disbursements (Grant):

Prior to any disbursement, or the issuance of any commitment documents under the Project for any purpose other than technical assistance, the Cooperating Country shall furnish to A.I.D., in form and substance satisfactory to A.I.D., a detailed implementation plan and schedule for the life of the Project, covering Loan, Grant and GOG financed Project activities.

E. Covenants (Grant):

(i) The Cooperating Country shall covenant that, unless A.I.D. otherwise agrees in writing, it will annually update its Life of Project Implementation Plan and Schedule, and have such update completed and available to support the Ministry of Education's budget submission to the Ministry of Finance by May of each year.

(ii) The Cooperating Country shall covenant that, unless A.I.D. otherwise agrees in writing, it will establish an evaluation program satisfactory to A.I.D. as an integral part of the Project. Such program, except as the Parties shall otherwise agree in writing, will include evaluations during the implementation of the Project and at one or more points thereafter.

F. Conditions Precedent to Disbursement (Loan):

(i) Prior to any disbursement, or the issuance of any commitment documents under the Project Loan Agreement for any purpose other than technical assistance, the Cooperating Country shall, 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 that the Ministry of Education has hired six (6) Grant-funded administrators to work in the Bilingual Education Unit.

G. Covenants (Loan):

(i) The Cooperating Country shall covenant that it will establish and fund on a timely basis 59 civil service positions for technical and administrative personnel in order to strengthen the GOG implementation capacity.

(ii) The Cooperating Country shall covenant that it will create 900 positions for bilingual teachers/promoters during the life of the project (approximately 150 per year for six years) and that all 900 will be assigned to project schools.

F. Waiver:

A waiver of the requirement that motor vehicles financed by A.I.D. have their source and origin in the United States is hereby granted in order to permit the procurement of approximately 30 trail bikes, with displacement of 175 cc or less, in an amount not to exceed $50,000 from countries included in A.I.D. Geographic Code 935. The provisions of section 636 (i) of the Foreign Assistance Act of 1961, as amended, which prohibits the purchase of non U.S. manufactured motor vehicles, are also hereby waived.

Charles E. Costello
Director
USAID/Guatemala

DATE: 10/17/84

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RURAL PRIMARY EDUCATION IMPROVEMENT PROJECT

PROJECT PAPER

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EXECUTIVE SUMMARY

The project described in this paper, "Rural Primary Education Improvement," will create a permanent capability within the Ministry of Education to provide relevant bilingual education to monolingual indigenous children living in the Guatemalan Highlands. The project will also directly support the delivery of bilingual education, through the training of bilingual teachers and the publication of new bilingual textbooks, for over 240,000 Indian children in 800 schools (400 at the preprimary level only and an additional 400 preprimary through fourth grade). This represents about 40% of the immediate target population of all Indian children enrolled in Highlands primary schools.

According to the A.I.D. Policy Paper, Basic Education and Technical Training (December, 1982), primary education results in reduced population growth, adoption of modern health and nutrition practices, and improved agricultural productivity. Basic education is essential if individuals are to take advantage of other training opportunities later in life, such as vocational skills training. Literacy skills and fundamental awareness of history and government are needed for informed participation in the emergence of democratic political institutions. Guatemala's failure to provide effective, relevant primary education to its indigenous people has been a major factor in sustaining the extreme poverty of this increasingly restive segment of its population. USAID/Guatemala has been engaged in detailed policy discussions with the GOG concerning bilingual education for the Indian population, and has found strong and growing support at all levels of the Government for large-scale implementing of the approach that has been developed under the current A.I.D. Bilingual Education Project (520-0258).

The indigenous population of Guatemala has traditionally been ill-served by the national public education system. A recent AID study indicates that only 40% of the eligible population is enrolled in school. Guatemala's present program for providing primary school education to Indian children, called Castellanizacion, involves giving a year of intensive instruction in Spanish language skills to 5-year-old pre-primary school children. First grade instruction is entirely in Spanish from the first day, usually taught by a teacher who is a native Spanish speaker and who does not understand the indigenous language of the children. This program has had limited success. Usually children's fluency in Spanish is inadequate and they cannot understand the academic material that is presented in the classroom. Of Indian children who enter the first grade, a majority (50%) fail and drop out by the end of the year. Eighty percent do not complete the fourth grade.

Bilingual education, on the other hand, is an approach that offers instruction in the students' own local language and has a culturally relevant curriculum. Experience with bilingual education in a number of countries has shown that this approach can significantly increase student comprehension of the subject matter and, as a consequence, substantially reduce failure,

repetition, and drop-out rates. In Guatemala, A.I.D.'s experimental Bilingual Education Project is demonstrating that a transitional model of bilingual education offers an effective and economical solution to the problem of delivering primary education to members of minority linguistic groups.

The approach involves gradually shifting the language of instruction from the indigenous language to Spanish over a five year period. In the initial year of pre-primary instruction, almost all instruction is in the indigenous language and the class is taught by a bilingual promoter -- a para-professional teacher who is a native speaker of the local language. In the first year, reading and writing are taught in the indigenous language along with oral Spanish as a second language. In subsequent years, reading and writing in the Spanish language are added, and other subjects are increasingly presented in Spanish. By the end of the fifth year, students will be able to read, write, and understand both their local language and Spanish and will have levels of achievement in other curriculum areas such as math, social studies, science and history that are comparable to those of native Spanish speaking students who have studied under the traditional Spanish-only curriculum.

The Rural Primary Education Improvement Project will build directly on the development work and experimentation undertaken by the current Bilingual Education Project. The Bilingual Education Project has developed a modern bilingual curriculum and textbooks for the four largest indigenous-language groups in the country and has been carefully evaluating their effectiveness in forty pilot schools. On-going evaluation studies are providing convincing evidence of the effectiveness of the transitional bilingual education approach in increasing the academic achievement of Indian children and in reducing drop-out and failure rates.

The new project will result in the institutionalization and eventual nationwide implementation of the transitional bilingual education approach, and will deliver bilingual education to a approximately 240,000 Indian children over a period of six years. The project will establish a permanent training capability for teachers and supervisors, print and distribute student texts for 800 schools, train teachers and promoters, and develop one additional year of the bilingual curriculum. The project complements a new school construction program in the Highlands financed by the InterAmerican Development Bank, which will expand access to primary education for the indigenous population.

In summary, the project consists of six components. First, under the Administration and Supervision Component, the project will help finance the creation of a permanent implementation unit within the Ministry of Education. This unit will be responsible for the administration of a national bilingual education program. Second, the Curriculum Development Component will develop bilingual curriculum and materials for the fourth grade, as well as revise

existing bilingual materials from pre-primary through the fourth grade. Third, the Textbook Printing and School Furniture Procurement Component will finance the printing of bilingual education textbooks and teachers' guides and the purchase of desks, blackboards and other equipment for rural schools. Textbook printing and distribution will be carried out in close cooperation with the World Bank-supported textbook unit,"Centro Nacional de Libros de Textos." Fourth, the Training Component consists of three activities: in-service training of educational personnel in the use of bilingual materials, long-term in-service training for 580 bilingual promoters; and university level training in bilingual education. Fifth, the Research and Evaluation Component will establish a research and evaluation unit to support the institutionalization of a bilingual education program in Guatemala. Finally, a Technical Assistance Component will provide long-term consulting services in six areas: bilingual primary curriculum development, anthropology/linguistics, research and evaluation, training, field supervision, and project administration. Scholarships for long-term training will also be included in the joint technical assistance contract under this component.

Report of the National Bipartisan Commissioner on Central America

The Rural Primary Education Improvement Project directly responds to the mandate of the Kissinger Commission Report. The report calls attention to the traditional exploitation and cultural isolation of the Indian population in Guatemala. At the same time, the report notes the emerging demand of the Indian population to participate in Guatemala's economy and politics.

In chapter five on human development, the Kissinger report recommends as realistic objectives for the 1980's the elimination of illiteracy and the achievement of universal access to primary education. In the same chapter, the report focuses on the need for improving the quality of primary education. The Rural Primary Education Project is designed to improve the quality of primary education available to rural Indian students and thus to increase student enrollment and promotion rates and reduce student drop-out and repetition rates. Over the short run, the project will thus contribute to the goal of improved literacy and universal primary education among Guatemala's Indian population. Over the long run, it is expected that the project will promote a greater integration of the indigenous population into the political and economic mainstream of Guatemalan society.

The summary budget below provides a breakdown of AID Loan, Grant and GOG funding for these six project components.

SUMMARY PROJECT BUDGET
(In U.S. $000)

Component	Loan	Grant	AID Total	GOG	Total
Research and Evaluation	253	380	633	48	681
Curriculum Development	627	--	627	396	1023
Training	2363	1236	3599	--	3599
Textbook Printing and School Furniture Procurement	3042	--	3042	--	3042
Administration & Supervision	2415	74	2489	24499	26988
Technical Assist.	--	1460	1460		1460
Other Costs (Evaluations and Audits)	--	150	150	--	150
Total	8700	3300	12000	24943	36943

I. RATIONALE

A. Background: Bilingual Education in Guatemala

As in most developing countries, Guatemala's population is largely rural (66%). Subsistence agriculture predominates except for those areas of the country, primarily the Pacific Coastal region, where export crops are grown. A unique characteristic is the division of the population into two groups, the indigenous population (Indians), and Ladinos, a term used to encompass both people of European or mixed blood, and Indians acculturated to Hispanic society. Forty-two percent are members of indigenous groups and speak one of 22 different indigenous languages. Of the twenty-two indigenous languages, four are predominant, with approximately 83% of the indigenous population speaking one of these four languages. (Table 1)

The majority of the remaining 18 languages have fewer than 53,000 speakers per language group (e.g. Pocomchi, 50,000; Jacalteco, 32,000; Pocomam, 31,000; and Chuj, 29,000).

In the 1930's, the Government of Guatemala began assigning teachers to teach indigenous children to speak Spanish during a preschool year called Castellanizacion. The object of the pre-school instruction in Spanish

TABLE I
THE FOUR PREDOMINANT
MAYAN LANGUAGES OF GUATEMALA (1983)

	Total Population
Quiche	925,000
Mam	688,500
Cakchiquel	405,000
Kekchi	361,000
TOTAL	2,379,500

language skills was to prepare Indian children for an all-Spanish educational curriculum which started in the first grade. By 1964, 838 monolingual Spanish teachers were involved in teaching Spanish as a second language to Indian children at the pre-school level. The teachers in this early program did not understand or speak the children's indigenous languages. As a result, the success of this program was limited. The teachers themselves admitted that their ability to communicate in the teaching-learning process was greatly inhibited by their lack of fluency in the language of the children.

Based on recommendations of a National Seminar on Problems in Rural Education (June 1964), the Castellanizacion Program changed from a monolingual to a bilingual approach. The Bilingual Castellanizacion Program was initiated in 1965. The instructors for this program were bilingual promoters -- native speakers of an indigenous language who had also mastered Spanish and completed a sixth grade education. These bilingual promoters were taught how to teach oral Spanish as well as basic literacy in the students' first language, at the pre-school level.

Due to the relatively modest level of formal training received by bilingual promoters (sixth grade primary school education plus one month intensive Castellanizacion training), their teaching load theoretically was limited to the preschool year. While the monolingual teachers had limited their efforts to teaching oral Spanish to facilitate student transition into primary school, the bilingual promoters had two additional objectives: (1) to teach the students how to read and write in their vernacular languages, and (2) to aid the transition from the vernacular alphabet writing system to literacy in Spanish. Because of the scarcity of rural teachers, bilingual promoters often teach the first two grades of primary school as well. The 1979 baseline study[1/] for the Bilingual Education Project found that 34% of the bilingual promoters were teaching in the first two grades.

The number of bilingual promoters has increased over the last 18 years to the current level of 1,080. Bilingual promoters are currently working in 10 of the 22 Mayan languages. A recent study comparing bilingual promoters and monolingual, Spanish-speaking teachers in a sample of rural primary schools found that bilingual promoters were able to reduce drop-out rates to some extent, compared with monolingual Spanish-speaking teachers, at the pre- primary level.[2/] In the first and second grades, drop-out and repetition rates continued to be somewhat better for female students studying with bilingual promoters, compared with Spanish-speaking teachers. For male students, on the other hand, there was no significant difference between bilingual promoters and Spanish-speaking teachers beyond the pre-primary year. Overall, the Bilingual Castellanizacion Program has been a marginal improvement over the previous practice of simply beginning instruction in Spanish. However, drop-out and repetition rates continued to be unacceptably high, with a majority of Indian students continuing to fail and drop out within the first two years of primary school.

1/ Ned Seelye, "Baseline Study for Bilingual Education Project," USAID/ Guatemala, September, 1979.

2/ Nelson Amaro, "The Comparative Effectiveness of Bilingual Promoters and Monolingual Teachers," USAID/Guatemala, September 5, 1983.

In 1979, as a result of the limited success of the Bilingual Castellanizacion Program, USAID/Guatemala and the Guatemalan Ministry of Education concluded that a bolder, more comprehensive approach to improving the quality of primary education for the indigenous population was required. A study was made of different alternative methodologies for educating children from minority linguistic groups.[3/] It was decided that a transitional bilingual curriculum appeared pedagogically sound and politically and culturally acceptable. While evidence from other countries indicates that four to six years of a gradual transition from the indigenous language to Spanish as the language of instruction is desirable, GOG education officials were anxious to compress the transition period.[4/] Eventually, it was decided that a three-year curriculum, starting in the pre-primary year and ending after second grade, would be tried. A.I.D.'s Bilingual Education Project provided funding and technical assistance for development and field testing of the new curriculum and textbooks. Due to the innovative nature of this methodology, it was decided to test the program in a carefully-controlled small-scale field experiment, making it possible to validate and refine the approach before moving to full, national-scale implementation. Project implementation began in the summer of 1980.

As of September, 1984, the Bilingual Education Project has completed its curriculum and materials development activities through the third grade. Students in the experimental schools are nearing the end of second grade, which is the third year of instruction under the bilingual curriculum. Achievement tests were given at the end of the each academic year. Forty control schools with indigenous children studying under the

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3/ One of the earlier successful bilingual education programs was initiated in the Chiapas, Mexico in the 1960's. After three years of instruction, a significant difference in skill in reading Spanish was found in favor of Indian children taught in a bilingual program. (Nancy Modiano, Indian Education In the Chiapas Highlands. New York: Holt, Rinehart & Winston 1973). Similar positive results with higher academic achievement and lower drop-out and retention rates were identified in a study of an AID-sponsored bilingual education program in Bolivia. (David P. Dolson, "Informe del Estudio de Evaluacion - Proyecto de Educacion Bilingue en Bolivia" La Paz, Bolivia, 1983). Other bilingual projects reporting improved school efficiency measures are being conducted in Haiti (Creole/French) and Peru (Quechua/Spanish) with funding from the World Bank. The best summary to date of evidence supporting bilingual education programs is presented in Nadine Dutcher's "The Use of First & Second Languages In Primary Education: Selected Case Studies," World Bank Working Paper No. 504, January, 1982.

4/ Rudolph C. Troike, "Guatemala Bilingual Project 1980-83 An Analytical and Comparative Assessment," USAID/Guatemala, September 21, 1983.

traditional program using only Spanish as the medium of instruction provide a comparative basis for evaluating the achievement levels of the students studying under the new experimental bilingual education curriculum.

Classroom observation as well as results of the longitudinal study suggest the following conclusions:

(1) The bilingual curriculum and materials are producing student achievement levels that are significantly higher than the traditional curriculum in all subject areas;

(2) Drop-out rates are lower among students in the bilingual schools while promotion rates are higher;

(3) The three-year transition curriculum is too short. Students will not be fluent and literate in Spanish by the end of the second grade. An additional two years is necessary to complete the bilingual transition.5/

A baseline study for the Rural Primary Education Improvement Project was conducted to identify schools where the project would be implemented. The study was conducted throughout the Highlands to determine which schools had: (1) a 90% Indian student population; (2) an installed capacity of pre-primary through fourth grade; (3) at least one bilingual promoter or teacher already on-site to facilitate the implementation of the project. The survey identified 400 schools which met the above criteria. These schools contain 40% of the Indian students enrolled in school.

The survey identified 700 bilingual teachers (5% of the rural teaching force) who are fluent in Spanish and one of the four major Mayan languages: Mam, Quiche, Cakchiquel and Kekchi. The implementation of the project requires 1,600 bilingual teachers. The GOG agreed to create 900 positions (150 per year for six years) to complement the existing cadre of 700 bilingual teachers.

5/ A longitudinal study of the Bilingual Education Project (No. 0258) was initiated in 1982. The study compares the achievement, drop-out, and promotion rates of students in the experimental bilingual program vs. students in comparison schools taught only in Spanish. After two years of bilingual instruction, experimental students had a promotion rate of 75% vs. a rate of 65% for students in comparison schools. Drop-out rates were significantly lower in experimental classes while achievement in math and reading was significantly higher. These results were achieved in schools amidst conditions of significant civil unrest. It is expected that the difference will increase to 15% higher promotion and lower drop-out rates under peaceful conditions.

As mentioned earlier, the project focuses on the development of a bilingual curriculum in Spanish and the four major Mayan languages spoken by 83% of the indigenous population. During the life of the project, a study will be conducted to examine the feasibility of extending bilingual education to minority language areas. The study will examine the costs involved of implementing a bilingual education program for the 18 minority language groups. The study will also develop alternatives for a modified bilingual curriculum for these minority language areas.

B. The Problem

The problem addressed by the Rural Primary Education Improvement Project is the ineffective delivery of primary education services to children of indigenous non-Spanish speaking cultures in the Guatemalan Highlands. Because all instruction is in Spanish, indigenous children who do enroll in school learn little and soon drop out. MOE statistics indicate that half of the indigenous students in school drop out by the end of first grade in comparison with urban Ladino students who experience only a 25% drop-out rate.

1. Educational Coverage in the Highlands

With the exception of the pre-primary Castellanizacion Program and the pilot Bilingual Education Project (AID 520-0258), Spanish is the only language of instruction at the primary school level. World Bank statistics indicate that more than 90% of the Indian children in the country do not have the opportunity to attend school in which instruction is given in a language which they understand.

A recent World Bank study observed that causes of non-attendance are a curriculum which is urban biased and imparted in a language foreign to the indigenous child; the cost to poor parents of education in terms of buying uniforms, books and school supplies; the opportunity costs to parents of allowing children to attend school who might be assisting with household chores and caring for siblings; and lack of schools.

2. Internal Efficiency of the Educational System

The vast majority of indigenous children enrolled in schools are located in rural areas. Those who do attend school soon drop out. A 1978 AID Sector Assessment of the Educational System in Guatemala indicates that almost 80% of the rural students who enroll in school drop out by fourth grade. Only 15% of the rural students who enter first grade actually complete fourth grade. The study goes on to state:

> Continued reduction of desertion is essential to improved internal efficiency in all sectors. Evidence suggests that both improved access and Castellanizacion programs help reduce drop-outs.

Extremely high drop-out and repetition rates lead to high costs and a large and unnecessary wastage of the scarce resources available for primary education. While there is a great concentration of students in the first three grades, few children reach fifth and sixth grades. Seventy-three percent of the students already enrolled in school are registered in the first three grades. (See Table 2).

High repetition and high drop-out rates are caused by external factors, such as poor health and nutrition, which are beyond the scope of the educational system, as well as by factors which are internal to the school system. The internal factors which have caused the slow flow of students in Guatemala include (1) language barriers to achievement, (2) deficiencies in school organization, (3) inadequate evaluation systems, and (4) inadequate physical facilities.

TABLE 2
ENROLLMENT FIGURES PER GRADE (1982)

Grade	Total Enrollment ('000)	Urban Enrollment ('000)	Rural Enrollment ('000)	Grade Enrollment as % of total
6	60	42	18	7
5	73	50	23	9
4	95	57	38	11
3	130	66	64	15
2	172	75	97	20
1	320	110	210	38
TOTAL	850	400	450	100

3. Relevance (Quality) of Instruction

The national school curriculum for primary education is not relevant to rural learning needs and conditions. There are no differences between the urban and rural curriculum. The traditional curriculum, based upon the European model, provides the Indian child with an unfamiliar vocabulary and illustrations. The content of the curriculum provides little information that is of practical use in rural life. Indian culture is demeaned by being completely ignored.

There is a serious lack of textbooks and teaching materials in all schools. Typically, there may be one book for every ten children, and in many cases even the teacher does not have the official text from which to

teach. Teaching materials in indigenous languages are virtually nonexistent. In 1982, a national pre-service qualification test for teachers was failed by 9,600 out of 12,000 graduated teachers. Also, the vast majority of teachers have been trained in urban normal schools which have a traditional, outdated, urban-oriented teacher training curriculum.

The Bilingual Education Project (No. 0258) directly addressed the problem of an urban oriented curriculum which traditionally ignored Guatemala's indigenous community. The project developed a bilingual curriculum in Spanish and the four major Mayan languages which responded to regional needs and included illustrations which reflected the rural customs and traditions of Guatemala's indigenous population.

II. PROGRAM FACTORS

A. Relationship of Project to CDSS and Other AID Projects

The goal and purpose of the project are in accordance with the Mission's current country strategy. By institutionalizing a five-year (pre-school through fourth grade) bilingual education program within the formal educational system of the Ministry of Education and by providing additional in-service training to teachers, supervisors, school directors, and bilingual promoters, the project will contribute to the long term goal of the Mission to increase rural incomes and productivity.

The effect of primary schooling on farmer productivity is highlighted in a World Bank Staff Working Paper titled "Education and Income." In this review of studies evaluating the relationship between farmer education and farm efficiency, the report states that farm productivity increases on the average by 7.4% as a result of a farmers having completed four years of elementary education.

In the area of health, other World Bank studies point to the strong correlation between life-expectancy which is mainly influenced by variations in infant and child mortality. Specifically, the higher the mother's level of schooling, the lower the rate of infant and child mortality. In short, parents with greater amounts of primary schooling have healthier, longer-living children, who form a healthier, more productive work force.

All current Mission human resources projects are focused on the achievement of the following sector objectives:

1. To increase the efficiency in the use of available productive resources by the rural poor.

2. To increase the access of the target group to relevant social services.

The sector strategy has provided for the development of a series of loan and grant projects which support a broad range of both formal and non-formal educational activities. These projects are currently proving effective as a means of upgrading the human resources potential in the rural areas of Guatemala.

In accord with the CDSS, the Rural Primary Education Improvement Project will reach 40% of the Indian children currently enrolled in school. The project is expected to produce higher achievement among Indian students and to increase student outputs by 15% through increased promotion and reduced drop-out rates. This qualitative improvement will over the long-run result in an increased demand for primary education among the Mayan Indian population. This increased demand will contribute toward the realization of an 80% primary school enrollment rate as projected in the CDSS.

The present project will build on the successful efforts of previous AID-funded loans and grants supporting the establishment of an incipient infrastructure for a National Bilingual Education Project. Under AID loan 520-V-015 a normal school at Santa Lucia Atitlan was constructed and equipped to provide pre-service training for bilingual teachers. Under Loan 520-V-025 new bilingual promoters received training in bilingual teaching techniques at the pre-primary level. Under Loan 520-V-029, pre-primary materials developed by the Bilingual Education Project (520-0258) were printed on a national scale and 800 bilingual promoters were trained in their use. The present project will extend and amplify the Bilingual Education Project by increasing the coverage of schools, students, teachers, and supervisors. The staff at the Santa Lucia Normal School and other selected normal schools will also be upgraded. The project will provide the necessary step from the initial pilot experimental project to the development and institutionalization of a national program in bilingual education. The training component will coordinate activities with the training unit developed within the Ministry of Education under the Educational Administration Project (520-0259). The in-service and pre-service training will be designed to upgrade the skills of bilingual promoters, teachers, supervisors and school directors.

B. Other International Donor Relationships

The Rural Primary Education Improvement Project will be developed in congruence with the implementation of two primary school loans funded by the World Bank ($18.5 million) and the InterAmerican Development Bank ($28 million), both signed in 1983. The World Bank project focuses on the development of a national textbook production system. The loan includes funding for the initial printing of the bilingual texts and teachers' guides produced by the Bilingual Education Project (520-0258) for first and second grades. The Rural Primary Education Improvement Project will work through the World Bank warehousing and distribution system to supply textbooks and teaching materials to all project schools. The Interamerican Development Bank (IDB) loan focuses on the construction of rural primary schools. However,

funds are also included to upgrade the professional credentials of 500 bilingual promoters to the level of primary school teachers. The new AID loan will complement the IDB objective by upgrading the credentials of an additional 500 promoters to the level of bilingual teacher. The bilingual teacher has an educational level of six years of elementary education and six years of normal school while the bilingual promoter only has a sixth grade education.

C. Guatemalan Education Program Strategy

The main GOG education sector goals as stated in the National Education Plan of the Ministry of Education are: (1) to substantially improve access to primary education in the rural areas, especially for the indigenous populations; (2) to restructure the curriculum content and instructional materials to the characteristics, needs and interests of the population groups; and (3) to extend the coverage of bilingual education for monolingual Indian children. The long range educational development goal in Guatemala is to provide at least a fourth grade education for all eligible children. The GOG's growing commitment to primary education is demonstrated by the fact that funding for rural primary education has increased from 30% of the total education budget in 1970 to 47% in recent years.

Due to the initial success of the current Bilingual Education Project, the GOG has requested that AID assist in the development of a National Bilingual Education Program. In addition, the unexpectedly strong support for bilingual education exhibited by Indian parents and the improved achievement of students receiving bilingual instruction in the pilot Bilingual Education schools have led the GOG and USAID/Guatemala to the conclusion that the time is propitious to enter into a sectoral program in Bilingual Education.

Other local political factors suggest that the timing is appropriate for the development and institutionalization of a National Bilingual Program through the fourth grade for Guatemalan's Mayan population. The Government of Guatemala has created a committee to develop a bilingual educational policy for the country. The success of the Bilingual Education Project was highlighted in a presentation given by the Minister of Education to the GOG Cabinet. The presentation was well received with indications of full support for the project from the Chief of State and Cabinet members.

The proposed project is congruent with an overall sector strategy currently being formulated by the GOG Ministry of Education. With the understanding that the GOG will be unable to provide universal primary education within the near future, the MOE with the support of USAID is concentrating on developing a sector strategy which extends non-formal education opportunities to out-of-school youth and non-literate adults. An important dimension of both the formal and non-formal educational systems is the ability to provide effective, practical instructional services to the indigenous population in the local indigenous languages. In the formal educational area, USAID and the Ministry of Education are cooperating closely

in developing a fully bilingual curriculum and delivery system for Indian students. In the non-formal area, radio broadcasting in the vernacular languages of the target population is an important part of the new AID-funded Non-formal Education Project.

D. AID Policy

Consistent with AID's traditional policy emphasis on primary education, previous AID education sector loans have addressed the problem of access to primary education by including major components for school construction (520-L-015; 520-L-025; and 520-L-029). Guatemala continues to have a serious access problem with only 40% of the eligible Mayan Indian school-age cohort (ages 5-9) enrolled in school. Of those enrolled less than 20% in the rural areas complete fourth grade. Total primary school enrollment for Guatemala is lower than any other Central American country (See Table 3).

TABLE 3
PRIMARY SCHOOL ENROLLMENT RATIOS FOR
CENTRAL AMERICA: AGES 6-11

COUNTRY	TOTAL
Costa Rica	96.0%
Honduras	66.4%
El Salvador	65.0%
Nicaragua	59.8%
Guatemala	47.9%

With the signing of the new IDB ($28 million) loan, the Ministry of Education is continuing to address the problem of access through the expansion of school facilities for the rural primary education system.

While AID continues to be concerned about the problem of school access two factors have contributed to a shift in AID programming in the education sector. First, the IDB has demonstrated its willingness to continue with the school construction program originally instituted by AID under previous sector loans. Second, the 1982 AID policy paper "Basic Education and Technical Training" recommended that AID emphasize the need to improve the efficiency with which education resources are used, rather than expanding school facilities. The direction AID is to take is stated below:

> In efforts to expand basic education AID will give first priority to improvements in retention, promotion, and other efficiency measures rather than to increasing initial enrollment figures.

The proposed project is also consistent with important U.S. political objectives in the Central American region. By providing educational services which are designed to contribute to increased literacy, improved educational attainment, greater productivity, and more informed political participation on the part of the large indigenous population of Guatemala, the project will help reduce the vulnerability of this increasingly volatile group to radical ideologies and movements if other positive changes in Guatemalan society are also proceeding apace. By promoting greater integration of the indigenous population into the economic and political mainstream, the project should contribute in some measure to two complementary goals. First, as the Government of Guatemala becomes more responsive to the urgent need of the indigenous population for education services through the implementation of this project, the likelihood that the indigenous people will be attracted to violent political alternatives is reduced. Second, by promoting more informed political participation by the upcoming generation of young indigenous Guatemalans through the educational process, the project will help broaden the base of the political system in Guatemala and make it more pluralistic, increasing the pressure on the political system to offer greater opportunities for political participation and more effective democratic institutions. Together, these two objectives of this project will help promote political stability as well as constructive political change in Guatemala in the long term.

III. PROJECT DESCRIPTION

A. Goal:

The goal of this project is to improve the social and economic status of the Guatemalan Indian population.

B. Purpose:

The purpose of this project is to improve the efficiency and relevance of Guatemala's rural educational system.

C. End of Project Status:

1. A national rural bilingual education program covering pre-primary through fourth grades will be functioning.

2. Tested-validated bilingual curriculum and materials covering Social Studies, Natural Science, Mathematics, Agriculture and Spanish-as-a-second language will be available for application at the fourth grade level. The curriculum and materials will be appropriate to the needs of rural Indian students.

3. Tested-validated bilingual curriculum and materials for pre-primary through third grade will be in use in 2,400 classrooms.

4. MOE field personnel (supervisors, principals, teachers, promoters) will have qualifications required to implement the bilingual program.

5. A central office capable of managing the bilingual program will be functioning.

6. A local university will train bilingual education specialists.

D. Outputs

Specific project outputs required to accomplish the EOPS will be the following:

1. A permanent Bilingual Education Department in the Ministry of Education

A Bilingual Education Division will be established within the Ministry of Education to administer activities directly related to bilingual education. This unit will have three functions: (a) supervising of bilingual teachers and bilingual teacher training, (b) evaluation/research; and (c) a curriculum development and review unit.

2. Two permanent on-going training programs

a. A university level program will be developed and staffed at a Guatemalan university to train staff for the MOE Bilingual Education Division and for the Santa Lucia Bilingual Education Normal school and other selected normal schools.

b. The normal school at Santa Lucia, already established by the MOE to train bilingual teachers, will receive staff training, a new teacher training curriculum, and new teaching materials in order to train teachers in the effective use of the new bilingual curriculum and materials in the classroom.

3. Trained Staff at all levels of the Bilingual System

The project will train 1,600 bilingual teachers, 800 bilingual promoters, 20 teacher trainers and 50 supervisors.

4. Curriculum

A full curriculum for the fifth and final year of bilingual instruction will be developed, including textbooks, teachers guides, and teacher training materials.

5. Materials

Thirty-six (36) new texts and teacher guides will be developed and field tested; the 119 texts and guides previously developed under the Bilingual Education Project will be revised; and 1,300,000 copies of the texts and guides will be printed for use by students and teachers participating in the bilingual education program.

6. Students

240,000 students will have received the new bilingual curriculum in the course of this project.

E. Project Beneficiaries:

Immediate beneficiaries are the 240,000 monolingual Indian children who will receive bilingual instruction using the new curriculum financed by the project. This figure represents 40% of the indigenous primary school enrollment for ages 5-9. It is estimated that 56% of the beneficiaries will be male and 44% female.

IV. PROJECT COMPONENTS

A. Administration and Supervision (Loan: $2,415,000 Grant: $74,000 GOG: $24,499,000)

This component contributes to achievement of the overall project purpose by establishing a permanent capacity to deliver and expand appropriate education to Highland Indian children.

The project will create a permanent implementation unit within the Ministry of Education responsible for the administration of a national bilingual education program. The unit will coordinate the work of the curriculum development, training, research and evaluation and printing/distribution teams. It will be responsible for ensuring that only bilingual promoters, teachers, school directors and supervisors are assigned to the bilingual education system of approximately 800 schools. The unit will coordinate the on-going supervision of all bilingual schools and determine such important issues as end-of-year examination and promotion procedures.

Principal inputs for this component include AID grant funding for 4 years for 6 clerical and accounting positions to improve the administrative capability of the implementing unit. These 6 positions will be assumed by the GOG during the last two years of the project. Basic office equipment will be provided. In addition, AID will finance the procurement of 5 vehicles and 50 motorcycles. The primary GOG contribution under this component will be the creation of 900 positions for bilingual teachers all of whom will be assigned to project schools. It should be noted that all positions financed initially by AID will be gradually funded during the later part of the project by the GOG. Finally, AID loan funds will cover per diem for 50 supervisors during the life of the project.

B. Curriculum Development Component (Loan: $627,000 Grant: $0 GOG: $396,000)

The Bilingual Education Project (0258) was originally designed to develop a bilingual curriculum, textbooks and teachers' guides from pre-primary through second grade. With additional funding providing for bridge financing, the project was extended for one year beyond its current PACD of June 30, 1984. This one-year extension allowed the project to extend the bilingual curriculum and materials development effort through third grade. Under the Rural Primary Education Loan, the bilingual curriculum and materials for fourth grade will be developed.

The Mission considers the development of a bilingual curriculum covering pre-primary through fourth grade to be a sufficient span of time to impart a basic education which will provide the indigenous student with a functional competency in reading and speaking Spanish as well as a mastery of basic skills in mathematics, social studies and science. The Mission decision is based on both local and international experience in the field of bilingual education which indicates that four to six years of primary education is needed to develop an adequate bilingual competency as well as impart a basic education.6/

As part of the curriculum development component of the loan, the project will rely on the installed capacity developed by the Bilingual Education Project. The existing curriculum development teams created under the original project will draft trial fourth grade bilingual materials in the country's four major languages (Mam, Quiche, Cakchiquel and Kekchi) which will be field tested in the project's forty schools and then revised prior to the initial printing for use on a national scale.

6/ Ibid. Froike. See also, Patricia Engles, Bilingual Education in Guatemala, USAID/Guatemala, 1975.

A second task under the curriculum development component of the loan will involve the revision of all materials produced by the Bilingual Education Project. The bilingual curriculum development staff of the Rural Primary Educational Improvement Project will be responsible for carrying out necessary revisions of all bilingual texts and guides based on experience gained through national application of the materials. The schedule for the development of revised texts and guides is presented in Table 4.

The curriculum development component is essential to project success since it provides educational content designed to be relevant, practical, and interesting to Indian children. A relevant curriculum will increase the developmental payoff of primary education, and will contribute to the reduction of drop-out and repetition rates. The curriculum development will require no additional staff members beyond those already working within the original Bilingual Education Project. This staff includes four curriculum development teams. Each team is responsible for the development of materials in its language area (Mam, Kekchi, Cakchiquel and Quiche). There are five members on each curriculum team: a linguistic/anthropologist, a curriculum expert, a Mayan writer, an educational supervisor and a secretary.

AID inputs under this component include the loan funding of 14 positions including 4 Mayan writers, 2 curriculum experts, 4 linguists and 4 secretaries. All of these positions will be financed by the GOG during the last two years of the project. AID loan funds will also assist in financing per diem and gasoline costs.

TABLE 4
SCHEDULE FOR REVISION OF TEXTBOOKS AND TEACHERS GUIDES

Grade	National Use of Texts in Loan Schools	Revision to Be Completed
Pre-Primary	1984 through 1986	1986
First	1985 through 1987	1987
Second	1986 through 1988	1988
Third	1987 through 1989	1989
Fourth	1988 through 1990	1990

C. Equipment and Education Materials (Loan: $3,042,000 Grant: $0 GOG: $0)

A major component of the Rural Primary Educational Improvement Loan will be the printing of 1,300,000 bilingual education student textbooks and teachers' guides. This activity will be carried out in close collaboration

with the World Bank supported textbook unit ("Centro Nacional de Libros de Textos" CENALTEX). All textbook printing will be contracted to private printing firms. Specifications for paper, page designs, typesetting, binding and packing will be established by the GOG Ministry of Education through the project implementation unit described in Section IV.A.

Textbook distribution to project schools will be carried out through the CENALTEX regional warehouses. Textbooks and guides will be sent first to the appropriate regional warehouses and then to project schools. The project loan will be used to contract local transportation companies for the delivery of books to the regional warehouses. The regional warehouse supervisors will then be responsible for contracting local services to transport materials to project schools. All distribution costs will be financed with the loan.

To ensure book supply in the field, the local warehouses will be provided reserve stocks of up to 30% of copies based on enrollment. The books for project schools will be school property, not for rent or sale, and will be for classroom use. The life per book is estimated at three years.

Educational research in a number of countries has shown that the presence of textbooks in the classrooms is one of the strongest predictors of student academic achievement.7/ The textbook component will contribute to accomplishments of the project purpose by enhancing the learning of literacy skills and other academic subjects by Indian children.

The following tables present a timetable for the preparation and printing of all bilingual pedagogical materials.

TABLE 5
PROPOSED TIMETABLE FOR PRINTING OF BILINGUAL MATERIALS

Year	Grade	Edition	Funding Source
1983	Pre-primary	First	029 (Loan)
1984	First	First	World Bank
1985	Second	First	World Bank
1986	Third	First	0282 (Loan)
1986	Pre-Primary	Revised	0282 (Loan)
1987	Fourth	First	0282 (Loan)
1987	First	Revised	0282 (Loan)
1988	Second	Revised	0282 (Loan)
1989	Third	Revised	0282 (Loan)
1990	Fourth	Revised	0282 (Loan)

7/ World Bank Staff Working Paper No. 398 "Publishing for Schools: Textbooks and the Less Developed Countries," June, 1980.

Loan funds will also provide approximately 120,000 new pupil desks to the target schools. Current MOE estimates indicate that 60% of the existing school desks are in need of replacement.

AID inputs include loan funds for procurement of equipment and the printing of books. Under this component AID will finance the procurement of 35,000 school desks, 400 blackboards, 800 bookcases and 800 flipcharts. In addition AID funds will be used to print and distribute all of the above mentioned student texts and teachers' guides.

D. Training Component (Loan: $2,363,000 Grant: $1,236,000 GOG: $0)

Key to the success of the effort to institutionalize a bilingual education system in Guatemala will be a training component. The training of bilingual personnel will be carried out by a network of institutions within the Ministry of Education and through a training program at a local university with staff development provided by a U.S. university. The following is a summary of the training activities of the project.

1. In-service Training of Educational Personnel in Use of New Bilingual Materials

Bilingual promoters as well as first through fourth grade bilingual teachers will be trained in the use of new curriculum and materials through a two-week course to be conducted in January of each year. The training schedule is presented in Table 6. Approximately $390,600 in loan funds will be used to finance this training activity.

The training in the use of the materials will be conducted by members of the original Bilingual Education Project staff . These employees have had four years of experience in training bilingual promoters and teachers in the use of bilingual texts and teachers' guides. As indicated in Table 6 each year bilingual staff members will instruct 400 new bilingual teachers in the use of the new materials during a two-week seminar. New teachers will receive orientation in the principles underlying bilingual education and be instructed in specific pedgagogical techniques of the new bilingual curriculum. Training for new teachers will be held in four regional sites according to the specific language areas. Tentative training sites are Huehuetenango for the Mam area, Quetzaltenango for the Quiche area, Chimaltenango for the Cakchiquel area, and Coban for the Kekchi area.

TABLE 6
TRAINING SCHEDULE FOR BILINGUAL PROMOTERS/TEACHERS

No.	Grade Level	Level
800 bilingual promoters	pre-primary	1983 (Loan 029)
400 bilingual teachers	first	1985
400 bilingual teachers	second	1986
400 bilingual teachers	third	1987
400 bilingual teachers	fourth	1988

2. Long Term In-service Training for 580 Bilingual Promoters

In order to strengthen the pedagogical and subject matter competencies of bilingual promoters and thus maximize their impact on student learning, the Rural Primary Educational Improvement Project will provide $2,000,000 in loan funds for in-service training of approximately 500 bilingual promoters to upgrade their credentials to the level of bilingual teacher. The training will be conducted on an intensive basis at the Santa Lucia Normal School and the Pedro Molina Normal School in Chimaltenango which are responsible for the pre-service preparation of bilingual teachers.

3. University Level Training in Bilingual Education

A local university with a commitment to bilingual education will be identified. The university which is selected for this program will receive $437,500 in grant funding to institutionalize a college level B.A. degree for the purpose of preparing high level educational personnel in the field of bilingual education. Grant funded scholarships will be offered to train 25 bilingual professional educators from the staff of the Santa Lucia Normal School and other normal schools graduating bilingual teachers. Seventy-five grant funded scholarships will also be available to members of the implementing unit as well as regional supervisors of bilingual schools. The local university will receive staff development support from a U.S. university with a capability in the area of bilingual education. This university degree program will build upon the experience of the already existing mid-level training in bilingual education being funded at a local university under the Bilingual Education Project.

The new B.A. level program will train Indian educators within the MOE to serve as leaders in the national bilingual education program. Promising Indian educators will be trained at the university level to assume roles as administrators, supervisors, curriculum developers and researchers. The curriculum for this program will include courses in basic and applied linguistics, language planning, bilingual education curriculum development, and administration and supervision.

These different training activities are essential to achievement of project objectives by creating the human resource base needed to sustain, expand, and improve bilingual education services without developing a permanent dependency on external assistance.

Under this component AID will finance both long and short-term training. AID will provide loan funding for the training of 500 bilingual promoters to upgrade their credentials to the level of bilingual teacher. AID will provide grant funding for 75 scholarships for mid-level university degrees, 25 B.A. degree scholarships and 10 M.A. degree scholarships in the U.S. All of the above training will focus on the area of bilingual education. AID will provide loan funding for short-term training for 2,400 bilingual teachers in the use of the new materials. Finally, AID loan funding will be used to procure basic audio-visual equipment for training.

E. Research and Evaluation Component (Loan: $253,000 Grant: $380,000 GOG: $48,000)

The Rural Primary Educational Improvement Project will establish a research and evaluation unit to support the institutionalization of a bilingual education program in Guatemala. The unit will be responsible for carrying out a series of research and evaluation tasks. In support of the curriculum development unit, the research team will be responsible for formative curriculum evaluation of the bilingual materials prior to their revision and re-printing. The unit will also continue the longitudinal study initiated under the Bilingual Education Project to monitor the achievement, enrollment, retention and promotion of students in the 40 experimental and 40 pilot schools. The unit will also be responsible for conducting research concerning ways to improve the organization and deployment of resources in project schools. It will provide recommendations for improving pupil evaluation procedures.

The unit will consist of four research and evaluation technicians funded by the AID grant for 4 years. They will be trained by a long-term technical assistance specialist, also grant funded, in the field of research and evaluation. The grant will also provide funding for contracting short-term data gatherers to assist in conducting the above studies. The unit will be directly responsible to the project director. The above four technicians will be funded by the GOG during the final two years of the project.

Research is important to the accomplishment of the project purpose because it provides the feedback linkage from indigenous learners to the Ministry of Education, making it possible to develop instruction that is relevant and useful in the changing rural social and economic environment.

A key research and evaluation activity will be the preparation of an annual plan for re-assignment of Spanish-speaking teachers and the assignment of new bilingual teachers. While bilingual personnel at the pre-primary and

first grade level are for the most part already in place, the MOE will undertake necessary personnel assignment and transfer actions at the beginning of each academic year. Transfers will be coordinated through regional educational supervisors.

AID financed inputs include financing for 4 evaluation specialists, the purchase of gasoline and per diem. In addition, AID funding is provided to contract short-term data gatherers to assist in completing the project's longitudinal study.

F. Technical Assistance (Grant: $1,610,000)

Technical assistance for the project will be provided by a joint U.S.-Guatemalan university team. The team will consist of the following six long-term technicians: (1) bilingual education primary curriculum development specialist, (2) anthropologist/linguist with specialization in one or more of the project's four Mayan languges, (3) research and evaluation expert, (4) in-service training specialist, (5) field supervision consultant, and (6) project administration consultant. In addition, short-term consultants will be contracted to advise in the development and revision of curriculum materials.

G. Six Year Implementation Schedule for the Rural Primary Education Improvement Project

It is estimated that six months will be needed to meet initial conditions precedent for the loan/grant. Six years are necessary for the sequential introduction of bilingual materials (see Section VI), and the subsequent revision and printing of the texts and guides. Five and a half years is also considered a feasible time to complete all short-term and long-term training.

Scholarships for long-term training will also be included in the joint technical assistance contract. The project includes 75 junior college level and 25 B.A. degree level scholarships in the field of pedagogy with a specialization in bilingual education. The scholarships will be offered to outstanding bilingual teachers, school directors and technicians in the project implementation unit. In addition, 10 M.A. degree scholarships in the field of bilingual education will be offered to the participating local university.

V. FINANCIAL PLAN

A. Life of Project Financial Plan

The proposed project herein will total approximately $36.9 million of which $12.0 million (32%) will be provided by AID and the equivalent of $24.9 million (68%) by the Government of Guatemala (GOG) as counterpart to the project.

Of AID's total contribution ($12.0 million), $8.7 million will be provided in the form of a loan and $3.3 million in the form of a grant. The loan portion of AID's contribution will bear the following terms:

a) Total Period: 25 years

b) Grace Period: 10 years

c) Interest Rate: 2% during the grace period and 3% thereafter.

The program funding period will be from FY 1985 through FY 1990. Tables Summary Cost Estimate and Financial Plan and Projection of Expenditures by Fiscal Year, contained in the Financial Analysis, reflect project costs by specific inputs, by cost elements within those inputs and by foreign exchange and local currency.

A summary of projected cost by method of financing (Loan or Grant), source of funds (AID or GOG) and major inputs to be financed follows:

TABLE 7
PROJECTED COSTS
(IN U.S. $000)

	AID				
Inputs	Loan	Grant	Total	GOG	Total
Personnel	1184	136	1320	24722	26042
Technical Assistance	--	1217	1217	--	1217
Training	--	1068	1068	--	1068
Commodities & Services	3290	5	3295	183	3478
Travel & Per Diem	2909	123	3032	--	3032
Baseline Study Evaluation & Audits	25	305	330	--	330
Subtotal	7408	2854	10262	24905	35167
Contingencies and Inflation	1292	446	1738	38	1776
Project Total	8700	3300	12000	24943	36943

The above inputs will serve to achieve expected outputs under the basic components of this project. These components and expected amounts to be allocated to them follow:

TABLE 8
SUMMARY PROJECT BUDGET
(In U.S. $000)

Component	Loan	Grant	AID Total	GOG	Total
Administration & Supervision	2060	64	2124	24462	26586
Curriculum Devl.	537	--	537	395	932
Equipment & Educational Materials	2588	--	2588	--	2588
Training	2008	1068	3076	--	3076
Research and Evaluation	215	328	543	48	591
Technical Assist.	--	1244	1244	--	1244
Other Costs (Evaluations & Audits)	--	150	150	--	150
Contingencies & Inflation	1292	446	1738	38	1776
Total	8700	3300	12000	24943	36943

Of AID's total contribution, 14% (1.7 million) will be required to cover the U.S. dollar cost of the project and 86% ($10.3 million) to cover the project's local currency requirements.

Expenditures under this project are expected t ta e p

TABLE 9
LIFE OF PROJECT DISBURSEMENTS SCHEDULE
(In U.S.. $000)

Years	AID Loan	Grant	Total	GOG	Total
1	1869	616	2485	2792	5277
2	2055	1006	3061	3292	6353
3	1509	1041	2550	3790	6340
4	1356	257	1613	4291	5904
5	955	153	1108	5103	6211
6	956	227	1183	5675	6858
TOTAL	8700	3300	12000	24943	36943

As reflected in Table 8 of this section $1,850,000 has been budgeted for contingencies and inflation. This amount which is approximately 5% of the total program (excluding contingencies) will be used to cover any future events which may force original estimates to change. A summary of estimated costs along with the financial plan is presented in the Financial Analysis It should be noted that during the six year project life the GOG contribution increases by about $500,000 per year for years one through three, then drops off to increase of only $200,000 in year four, between years five and six it increases again by almost $600,000. Relating Table 9 to Table 10 it is noted that the GOG budget the year following the PACD (i.e., year 7) must be increased by $1.0 million to absorb costs previously financed with loan and grant funds.

B. Recurrent Cost Analysis

Table 10 provides a yearly forecast of project related costs which the GOG must meet in order to sustain project activities beyond the PACD. Estimates of these recurring costs were largely extrapolated from total project expenditures in the sixth and final year of the project - the year which is most representative of continuing costs necessary to sustain the project. These figures do not include future inflation, nor do they include the costs of expanding the bilingual education program to the other 60% of the Indian student population not addressed during LOP.8/

8/ The $7,500,000 annual recurring cost figure used in the Economic Analysis varies by approximately 15% from the annual costs shown in Table 10. This higher figure for the Economic Analysis reflects an added provision for 900 additional teachers, school furniture and printing of additional textbooks to meet the needs of an additional 240,000 new students which are absorbed by the bilingual primary school system during years 7-10. The lower recurring cost figure used in the Financial Analysis does not reflect this added influx of new students.

Annual recurring cost for investigation and evaluation, curriculum development, training, technical assistance, and administration and supervision activities represent a straight line extrapolation of total expenditures in the sixth year of the project. Education materials expenditures, consisting of text printing costs plus $10,000/year for text transportation and distribution, vary annually in accordance with the schedule to replace the first, second, third and fourth printing of school texts completed during the LOP. Recurring audit and evaluation costs represent a one-time added expense, occurring the third year after the PACD.

The most significant recurring cost to the GOG is for administration and supervision, amounting to around $5,700,000 per year, or more than 86% of total recurring costs during the four year period following the PACD. This line item consists of salaries and benefits for 900 teachers, 800 promoters, 50 supervisors, and 25 administrators.

TABLE 10
RECURRING PROJECT COSTS DURING FIRST FOUR YEARS
FOLLOWING COMPLETION OF PROJECT

(Annual Cost in $000)

ITEM	Year 7	Year 8	Year 9	Year 10	TOTAL
A. Investigation & Evaluation	78	78	78	78	312
B. Curriculum Development	151	151	151	151	604
C. Training	393	393	393	393	1572
D. Educational Materials (printing of texts and transportation)	349	338	167	123	977
E. Administration, Supervision & Teachers	5699	5699	5699	5699	22796
F. Technical Assistance (National)	35	35	35	35	140
G. Other Costs (Audits and Evaluation)	---	---	75	--	75
TOTAL	6705	6694	6598	6479	26476

VI. PROJECT EVALUATION

Comprehensive external evaluations will be conducted in the third and final year of the project. Both evaluations will measure project impact while the first will also examine administrative bottlenecks to effective implementations.

Other activity specific evaluations will be undertaken during the life of the project to measure and adjust specific inputs as follows:

A. Formative Curriculum Evaluation

1. A formative curriculum evaluation effort will be carried out in 40 experimental schools to field test the fourth grade curriculum.

2. An on-going curriculum evaluation will be carried out to monitor the use of the bilingual materials (pre-primary through fourth grade) in the project's 400 schools. Feedback will be gathered for the revision of all materials prior to the printing of the second edition.

B. Longitudinal Evaluation

The project will complete the longitudinal evaluation initiated under the Bilingual Education Project (No. 0258). The longitudinal evaluation will compare the academic achievement, promotion, repetition and drop-out rates of students in 40 experimental classes field testing the new curriculum vs. students in 40 comparison schools.

The longitudinal study will also examine the impact of the bilingual education program relative to such variables as teacher training, curriculum, provision of student textbooks, and the Hawthorne effect 9/ on student learning achievement and improved school efficiency factors. The longitudinal evaluation will pay special attention to the impact of the project on female promotion and retention rates.

C. Evaluation of School Efficiency Factors

The project will collect data on the promotion, drop-out and repetition rates of students in the 400 project schools in comparison with national averages of indigenous students in primary schools in the Guatemalan Highlands.

9/ The "Harthorne Effect" is a term attributed to the positive impact which often occurs during the early years of innovation as a result of an unusual amount of high level special attention focused on the introduction of a new project.

D. External Evaluation

An external evaluation will be conducted during the third and sixth years of the project. While the Project Paper guidance cable suggests that the first external evaluation should be conducted one year to eighteen months after project obligation, the Mission after careful consideration has decided to schedule the evaluation in the third year of the project. The Mission has determined that more meaningful results from an external evaluation can be achieved after at least two years of implementation have been completed.

VI. IMPLEMENTATION CALENDAR

The following is an implementation calendar listing the schedule for individual activities. A procurement plan is presented in Annex 5 B.

CALENDAR OF ACTIVITIES

Components and Activities	1985	1986	1987	1988	1989	1990
1. Curriculum Development						
1.2 Materials Development - 4 grade	Jan.-July					
1.6 Material Application - 4 grade	March-Oct.					
1.7 Pre-primary Revision Material	Jan.-Oct.					
1.8 Material Revision - 1st grade		Jan.-Oct.				
1.9 Material Revision - 2nd grade			Jan.-Oct.			
1.10 Material Revision - 3rd grade				Jan.-Oct.		
1.11 Material Revision - 4th grade				Jan.-Oct.		
2. Training						
2.1 Short-Term						
2.1.1 Train 400 Bilingual Promoters 1st grade	Jan.					
2.1.2 Train 400 Bilingual Promoters 2nd grade	Jan.					
2.1.3 Train 400 Bilingual Promoters 3rd grade		Jan.				
2.1.4 Train 400 Bilingual Promoters 4th grade			Jan.			
2.2 Long-Term						
2.2.1 Upgrading of Educational Bilingual Promoters	Oct.-Nov.	Oct.-Nov.	Oct.-Nov.	Oct.-Nov.	Oct.-Nov.	

Components and Activities	1985	1986	1987	1988	1989	1990
2.2.2 Local Scholarships (75) Prof. Med.		Jan.-Oct.	Jan.-Oct.	Jan.-Oct.		
2.2.3 Local Scholarships B.A. (25)		Jan.-Oct.	Jan.-Oct.	Jan.-Oct.	Jan.-Oct.	Jan.-Oct.
2.2.4 U.S. Scholarships (10)		Jan.-Oct.	Jan.-Oct.			
3. Printing of Textbooks						
3.1 First Printing						
3.1.1 First Grade	Jan.-Marzo					
3.1.2 Second Grade	June-Dec.					
3.1.3 Third Grade		June-Dec.				
3.1.4 Fourth Grade			June-Dec.			
3.2 Second Printing						
3.2.1 Pre-primary		June-Dec.				
3.2.2 First Grade			June-Dec.			
3.2.3 Second Grade				June-Dec.		
3.2.4 Third Grade					June-Dec.	
3.2.5 Fourth Grade						June-Dec.
4. Furniture						

Components and Activities	1985	1986	1987	1988	1989	1990
4.1 Inventory of existing needs	Jan.-Feb.					
4.2 Construction of desks	March-August					
4.3 Delivery to schools of school desks	Sept.-Oct.					
4.4 Maintenance of school furniture		Jan. & June	Jan. & June	Jan. & June	Jan. & June	Jan. & June
5. Administration and Supervision						
5.1 Administration						
5.1.1 Selection & Contracting of Personnel	Jan.-March					
5.1.2 Training	April-Nov.					
5.1.3 Development of Annual Implementation Plan	Jan. & Dec.	Dec.	Dec.	Dec.	Dec.	
5.1.4 Meetings with the project steering committee	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.
5.1.5 Annual Budget preparation	June	June	June	June	June	
5.1.6 Project Reports	monthly	monthly	monthly	monthly	monthly	monthly
5.2 Supervision						
5.2.1 Field and Exective Unit	April, July Oct.	April, July Oct.	April, July Oct.	April, July Oct.	April, July Oct.	April, July Oct.
5.2.2 Annual Operational Plan	July	July	July	July	July	July
5.2.3 Bimonthly Plan	weekly	weekly	weekly	weekly	weekly	weekly

Components and Activities	1985	1986	1987	1988	1989	1990
5.2.4 Executive Committee	twice a month	twice a month	twice a month	twice a month	twice a month	twice a month
6. Research and Evaluation						
6.1 Formation of evaluation team	Jan.-March					
6.2 Application of evaluation instruments (longitudinal study)	Feb. & Sept.					
6.3 Evaluation of materials and methodology application	April, July, Oct.	April, July, Oct.	April, July, Oct.	April, July Oct.	April, July, Oct.	April, July, Oct.
6.4 Evaluation reports	Dec.	Dec.	Dec.	Dec.	Dec.	Dec.

VII. PROJECT ANALYSES

SOCIAL SOUNDNESS ANALYSIS

A. Social Conditions

The rural population of Guatemala, particularly the farm families living in the Highland Region and belonging to indigenous cultural minorities, live in extreme proverty. Of the total national population of 7.2 million, 42% is Indian and 67% live in rural areas. A number of quality-of-life indicators reflect the poverty of the Indians compared with the non-Indian ("Ladino") population. The literacy rate of Ladinos is 71%; the literacy rate of Indians is 29%. Life expectancy among Ladinos is 55 years; among Indians it is 44 years. The crowded Highlands contain about 46% of the total population (67% of the rural population) of Guatemala, yet they have only 19% of the good land. The population density of the Highlands is over 190 people per square kilomter. A 1982 study estimated that 91% of the people in the Highlands had family incomes of less than $2,400 annually. Farming (almost exclusively in corn and beans) remains the primary occupation of most residents of the Highlands, despite the fact that farms have been subdivided to the point that they are no longer capable of supporting families within present technology limits.

The social organization of the rural Highlands is rigidly class-stratified and parallels the basic divisions of the ethnic groups. The most priviledged group consists of the Ladino elite. Generally, these people are the social and political leaders of the community and set the styles in dress, recreation and social activity. They maintain considerable control over the economic, social and religious affairs of many Indian communities.

A second, intermediate, social stratum consists of both Ladinos and culturally transitional Indians who reside in the municipal capitals and larger communities in the Highlands region. The Ladinos in this group generally enjoy access to better housing and social services. They make their livelihood from a variety of small commercial and service occupations, such as store owners, truck drivers, semi-professionals, such as administrative clerks, nursing auxiliaries or school teachers. The transitional Indians in this group have either taken up occupations similar to those of the Ladinos or are the owners of small-scale land holdings. Almost all Indians in this stratum are conversant in Spanish. The Ladinos have received some formal schooling, many having completed primary school, and they encourage their children to continue their education beyond the sixth grade if possible. Many transitional Indians in this stratum, on the other hand, are illiterate, although they are conversant in Spanish and have developed a facility for

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* The complete Social Soundness Analysis is on file in the PDSO Office, USAID/Guatemala.

dealing in the market economy. They do see the value of formal education for their children and encourage them to stay in school, at least through the primary grades.

The third class is composed of the large mass of Indian peasants who earn their living as landless day laborers and subsistence farmers. Very few have any formal education. Of those who have been to school, many have regressed to illiteracy. Many of the men are conversant in Spanish and deal effectively in local markets. Although the Indian peasant often recognizes the value of formal education for his children, few progress beyond the third grade.

B. Beneficiaries

Direct beneficiaries of the project are 240,000 indigenous children enrolled in rural primary schools in the Guatemalan Highlands. It is estimated that at least 56% of the beneficiaries will be male and 44% female. Subsequent beneficiaries will be all the other indigenous children enrolled in primary schools, as the bilingual curriculum comes to be universally applied as the standard curriculum for schools serving indigenous communities. Finally, an optimistic projection of beneficiaries would include children in communities that do not presently have educational services, but which will gain access to public primary education as the GOG expands the coverage of the primary school system.

C. Socio-cultural Feasibility

Bilingual Education is the subject of considerable debate and controversy in linguistic and anthropological circles. There are two general socio-cultural issues that are relevant to the success of this project. These are: (1) its impact on indigenous languages and culture, and (2) the relevance of its curriculum and materials to members of indigenous cultures.

1. Impact on Indigenous Languages and Cultures

A controversial issue related to language teaching and bilingual education programs for cultural, linguistic, and ethnic minority groups is the possibility that they may contribute to the decline, assimilation, or eventual disappearance of the minority cultures and languages. To a nation, the assimilation or disappearance of ethnic minority cultures may represent the loss of a valuable part of its historic, cultural, and artistic heritage. The continuing existence of people and traditions from local cultural and linguistic groups often adds to the richness and uniqueness of a nation's identity and self-image. Indigenous traditions in countries such as Mexico have come to assume political and cultural importance far greater than the demographic and economic importance of the indigenous people in the country would seem to justify. In a time of spreading cultural homogeneity, the cultural diversity that remains in countries like Guatemala is a valuable, though non-quantifiable, asset which can never be recovered once it is lost.

The human cost of accelerating the decline of cultural minority groups is also high. Cultural assimilation takes a heavy psychological toll on the transitional generation. Transitional individuals may find that they are not adequately fluent in either the minority or the dominant culture lifestyle. As a result, they may be unable to establish a stable family or career in either culture, and may suffer from alcoholism, anomie, alienation and other psychological or personal disorders.

The Bilingual Education program is sensitive to the issue of cultural preservation, and represents a compromise between the two extremes of either idealizing and isolating the indigenous cultures to preserve them or eradicating them with heavy-handed, culturally-insensitive social and economic programs. In the education sector, providing theoretically "separate-but-equal" instructional services in indigenous languages, without instruction in Spanish, would preserve the cultural and linguistic integrity of the indigenous tribes, but it would also contribute to their continued isolation from the economic and political development processes under way in Guatemala. Spanish is the language of higher education, of government, and of the private sector in Guatemala, and young people who do not learn to speak Spanish fluently have severely limited options for economic mobility and political participation.

The bilingual education curriculum is designed to make students fully fluent in both languages and able to function effectively in both cultures. The transition from the indigenous language to Spanish as the language of instruction occurs gradually over a five year period, and is not complete until the end of the fourth grade. At age 9, the fifth grader's fluency in the local language is complete, and he is unlikely to forget it even if he moves out of the community. Unlike the existing Castellanizacion Program, which abruptly replaces the mother tongue with Spanish in the first grade, the transitional bilingual education approach provides concurrent instruction in both languages through grade four, demonstrating to students that both languages have value and that they can be used in a complementary fashion.

An initial indication of the cultural advantages of the transitional bilingual education curriculum is provided by an interim evaluation study of the experimental A.I.D. Bilingual Education Program.10/ This study measured attitudes toward learning Spanish as toward forgetting the local language on the part of the parents and children.

> On the topic of bilingual education, it was found that speaking Spanish for members of the community was considered "very important" by 210 out of the 220

10/ Stephen O. Stewart, "The Guatemalan Bilingual Education Project," September 5, 1983; mimeo.

parents (95.5%) interviewed. But this did not mean that they were willing to give up speaking their own languages. A total of 189 out of the 220 parents (85.9%) thought it was not a good idea for parents to want their children to learn Spanish to the point of forgetting their own language. A very interesting situation came to light when the children of these same parents were interviewed on the same subject. Over two-thirds of the pilot school children also thought it would not be a good idea to give up entirely speaking their own languages in favor of Spanish, while just 41% of the comparison school children thought it would be a bad idea and 37.6% thought it would be a good idea.

These results are a clear indication that the transitional bilingual education approach is demonstrating the value of both languages to children and parents, while the more traditional curriculum is detrimental to student's valuation of their mother tongue.

2. Relevance of Instruction to the Indian Culture

A related issue is the cultural orientation of the curriculum content and materials that are used in indigenous schools. The texts and curriculum that are currently in use are intended to be culturally neutral, so that they can be used throughout the country. In fact, the existing curriculum and materials offer little that is relevant to children who live in rural areas, who are poor, who are from a non-European culture, and/or who will make a living in agriculture. In the present materials, middle-class lifestyles in urban settings are depicted. People in western dress, schoolbuses, airplanes, space capsules, and supermarkets are used to illustrate lessons.

The bilingual education curriculum and materials, on the other hand, are specifically tailored for farm life in the indigenous Highlands. People are depicted in traditional Indian dress, and common farm animals and implements are used throughout the materials to illustrate lessons.

This emphasis on material relevant to Indian children should have two beneficial effects. First, it will facilitate learning, since children are learning to count and read about familiar objects. Second, it does not imply the inferiority of rural and indigenous cultural and economic institutions and practices by ignoring them. Instead, it teaches children to value and study their own local environment and resources.

3. Migration Patterns

Studies of the migration pattern of Guatemalan Indians highlight the movement of poor farmers from their small plots in the Western

Highlands to work on the large commercial farms of the South Coast.11/ Migrant labor is needed to harvest the export crops of coffee, sugar and cotton. Research indicates that most migrant laborers travel without their families and are generally 25 years of age or less. There is a positive correlation between socio-economic status (SES) of the individual farmer and his tendency to migrate. The lower the SES, the more likely a farmer is to migrate to supplement his income from subsistence farming.

Studies conducted for the Bilingual Education Project (No. 0258) show that migration occurs most frequently in the Mam and Quiche areas. Migration from the Kekchi and Cakchiquel areas is minimal. In the Kekchi area migration, when it occurs, is to nearby coffee fincas and does not generally disrupt school attendance patterns. In the Cakchiquel areas land holdings are large enough to sustain the families of small farmers and migration to supplement family incomes is not considered necessary.

Migration in the Quiche and Mam areas occurs in late August and lasts until January. The school year is from mid-January through early October. Thus, students who do withdraw from school to accompany their parents to the South Coast usually miss the month of September and final examinations in October. The result is student drop out or repetition. The Rural Primary Education Project will monitor the effects of migration on school attendance on a school-by-school basis and, where feasible, experiment with a flexible school calendar.

D. Social Impact

The project will have several different kinds of impact. First, it will improve the internal efficiency of the primary education system by reducing the large and wasteful failure, drop-out, and grade repetition rates. The project will contribute to equity in this regard, since failure, drop-out, and repetition wastage is considerably worse in Indian schools than in Ladino schools.

Second, the project will increase the learning of relevant information by Indian children. Improved mathematics and literacy skills and greater knowledge of history, social studies, practical science, and culture will equip Indian children for a better future in several ways: (1) Indians will be better prepared to participate in vocational skills training programs of various kinds, (2) the capability of Indians to participate in government and the development of local democratic institutions will be enhanced, and (3)indigenous Highlands farmers will be able to increase agricultural production by having increased access to information and modern agricultural technologies and practices. Indigenous groups will be able to participate

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11/ Nelson Amaro, "Feasible Alternatives for Absenteeism, Seasonal Migration and The School Calendar Year," September, 1983; mimeo.

selectively in Guatemalan institutions and will be better able to control their own cultures' interactions with the dominant Ladino culture. Finally, it is expected that indigenous groups' cultural identity and self-esteem will be increased, eventually helping to make them more effective partners in the social and economic development of Guatemala. It is expected that the project will have a significant impact on improving literacy rates of the indigenous female population. Recent World Bank research reports indicate that the higher a mother's level of schooling, the lower the infant and child mortality rates are. The reports also indicate that children of more schooled mothers tend to be better nourished. Higher education levels for women tend to reduce demand for children as the perceived benefits of having larger families falls and the perceived costs rise. Furthermore, as women become literate and knowledgeable as to how to regulate fertility, they are better able to choose the number of children they wish to have. All of the above benefits are a function of an increasingly literate female population.

The project also expects to increase the percent of Indian girls enrolled in school. Previous research funded by the Mission indicates that bilingual promoters have been able to attract the attendance of more female pupils than have Ladino teachers at the pre-primary level. Research conducted under the Bilingual Education Project indicates that bilingual education has improved the achievement and promotion rates of indigenous female students in comparison with their counterparts taught only in Spanish. The new project will continue to monitor the impact bilingual education is having on attracting and retaining Indian female primary school students.

ECONOMIC ANALYSIS

A. Introduction and Methodology:

A modified benefit-cost analysis has been employed to evaluate the economic feasibility of the Rural Primary Education Project. The work in this section follows the methodology of the economic analysis contained in the Project Paper for the Bolivia Bilingual Primary Education Project (511-0520). In addition to computing quantitative benefit-cost ratios under different sets of assumptions, the analysis will also comment on the unique social advantages of bilingual education in the Guatemalan context which makes the proposed project an especially attractive investment of development resources.

B. Project Beneficiaries:

The Project Paper cites that new bilingual education activities will involve 240,000 students, or 40% of the current enrollment of Indian students ages 5-9. Based on the current pre-primary and primary classroom capacity, it is anticipated that 40,000 students will enter the bilingual program starting in the first project year.

For the economic analysis it is assumed that only students who participate in the full five-year program will receive project benefits. This

assumption reflects the long-term nature of many of the project activities. The analysis also assumes that the number of students entering the program each year will remain constant. In other words, no allowance is made for population growth or induced increases in school attendance. This eliminates the need to estimate the marginal cost per student and the costs of expanding school facilities.

The project expects to achieve a 75% increase in the number of 4th grade completers, from 20% to 35%. The benefits of completing 4th grade will be attributed to the incremental 75% who graduate from 4th grade. Benefits associated with participation in a bilingual rather than monolingual program will be received by all graduates.

C. Project Benefits:

Two categories of benefits will be considered for this analysis: (1) improvements in income realized by incremental graduates of the fourth grade and (2) "non-quantifiable" social benefits all graduates will attain as a result of instruction in two languages.

Income improvements occur due to the greater productivity of individuals who are literate and numerate. The 1978 Guatemala Education Sector Assessment documents the substantial differentials between fourth grade graduates and non-graduates in farm income, off-farm income and employment. Commensurate producticity gains in home production of goods and services, home health care and nutrition practices would also be expected to occur.

Rather than attempting to estimate the exact earnings gains the incremental graduates will achieve, the benefit-cost analysis will consider different plansible increases to income. For an additional fourth-grade completer, the present value of each 10% increase in annual earnings (estimated to average at Q1,000) is equal to Q372.68 in the year he leaves school. The calculation assumes a 15% opportunity cost of capital and gradual earnings growth (with age and experience) according to the following schedule:

Ages 11-15	-	25% of average
Ages 16-20	-	50% of average
Ages 21-25	-	75% of average
Ages 26-30	-	100% of average
Ages 31-45	-	150% of average

All graduates of the bilingual program will enjoy "non-quantifiable" social benefits of bilingual education, which the Bolivia Project Paper describes as "improved self-image, cultural pride and the ability to function fully in both native and Spanish-speaking cultures." Recognizing that these factors are of greath worth to the target population, an arbitrary value will be posited for this set of project benefits. The present value of each Q25 increment of "non-quantifiable benefits" per graduate over 35 years is Q190.22[1/] Different potential levels of this benefit will be evaluated in the benefit-cost calculations.

D. Project Costs:

The project costs over its 6-year life and the recurrent costs incurred by the GOG in the final four years of the ten-year project life are displayed in Table 1.

Two different project cost scenarios are identified. In the first, research, training, curriculum development and technical assistance costs are fully charged to the project. This assumes that bilingual education will not be extended beyond the current target population. The second cost calculation is based on the other extreme - the widest possible replication of bilingual instruction. Since the current project covers only 40% of the enrolled Indian population, only 40% of the program development costs should be charged to project beneficiaries under the second scenario. Benefit-cost comparisons will be made for both cases of no replication and maximum replication.

A second category of cost relates the changes in the internal efficiency of the school system resulting from the project. The 1978 Educational Sector Assessment defines internal efficiency as the relationship between the school system's output and the cost of the resources expended in providing education.

The Bolivia project economic analysis relied on two summary measures of internal efficiency to project the effects of reducing of desertion and repetition rates on educational costs.

These measures were defined as the percentage of entering students eventually graduating (C), and the ratio of the optimal number of years of instruction per graduate to the observed average, taking into account total years of education imparted to both graduates and non-graduates (E).2/

Based on these two measures, the net change in education costs due to improved internal efficiency was calculated as:

$$(1) \qquad \text{education costs} = K\ S\ N\ \frac{C}{E} - \frac{C'}{E'}$$

where: K is the cost per year per additional student (including both public and private costs); S is the number of entering students; N is the number of years required to completed the bilingual program; C' is the new value of C expected as a result of the project; and E' is the new value of E expected as a result of the project.

The change in educational costs can be positive or negative, depending on the relative effects on drop-out and repeater rates. If

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1/ For the year he/she leaves school.

TABLE No. 1

PROJECT COSTS (Q000's)

YEAR	1	2	3	4	5	6	7	8	9	10
Scenario 1 - No Replication										
AID Loan	1869	2055	1509	1356	955	956				
AID Grant	616	1006	1041	257	153	227				
GOG Project	2792	3292	3790	4291	5103	5675				
GOG Recurrent							6705	6694	6598	6479
TOTAL	5277	6393	6340	5904	6211	6858	6705	6694	6598	6479

Present Value (15%) = 31,206

Scenario 2 - Maximum Replication:										
AID Loan	1514	1665	1222	1098	774	774				
AID Grant	246	402	416	103	61	91				
GOG Project	2764	3259	3752	4248	5052	5618				
GOG Recurrent							6311	6300	6159	6085
TOTAL	4524	5326	5390	5449	5887	6483	6311	6300	6159	6085

Present Value (15%) = 28,037

NOTES:

1) All contingencies are assumed to be physical.

2) Very few inputs of unskilled labor or imported goods are used in the project, so no shadow-pricing was undertaken.

TABLE No. 2

PROJECT COSTS (Q000's)

YEAR	1	2	3	4	5	6	7	8	9	10
Assuming No Replication										
AID Loan	1869	2055	1509	1356	955	956				
AID Grant	616	1006	1041	257	153	227				
GOG Project	2792	3292	3790	4291	5103	5675				
GOG Recurrent							6705	6694	6598	6479
TOTAL	5277	6393	6340	5904	6211	6858	6705	6694	6598	6479

Present Value (15%) = 31,205.89

Assuming Full Replicability:1/										
AID Loan	1514	1665	1222	1098	774	774				
AID Grant	246	402	416	103	61	91				
GOG Project	2764	3259	3752	4248	5052	5618				
GOG Recurrent							6311	6300	6159	6085
TOTAL	4524	5326	5390	5449	5887	6483	6311	6300	6159	6085

Present Value (15%) = 28,037.20

NOTES:

1) Only 40% of program development activities charged to project.

repetition is reduced while desertion rates are constant, the cost of the system will go down. If desertion rates are decreased with no effect on repetition, educational costs will go up as students will attend school for more years on average.

The conclusion in the Bolivia project was that since the anticipated increases in both C and E were about the same magnitude in percentage terms (about 40%) the net effect on educational costs is zero.3/

The project anticipates an increase in the percentage of entering students who graduate of 75%, from 20% to 35%. The 1978 Education Sector Assessment shows rural primary grades 1-4 to have an "E" value of 22.4%. A 75% improvement in this index would be 39.2%. When compared to the 1978 figure of 53.8% for urban-primary grades 1-4, a 75% increase seems a realistic, plausible goal. Hence, for this project it can be assumed that no increase in the cost of the educational system will be induced by the project.

E. Results of Benefit-Cost Calculations:

Due to the lack of conclusive evidence on the value of income and social gains which can be expected to result from the Bilingual Education Project, a range of plausible values of each measure is considered. The matrix below indicates the net present value of project benefits for each combination of income and non-quantifiable benefit postulated.

2/ Bolivia Bilingual Education Project Paper, Exhibit B, page 8.

3/ This can be seen in Equation (1) if C' is assumed to be 1.4C and E' is 1.4E. The term in parentheses, then, equals zero.

Net Present Value of Project Benefits
(Q000's)

Social Benefits - Annual Value per Graduate	Q0	Q25	Q50
Percentage Income Gain for Incremental Graduates			
30%	14,515	20,277	26,039
40%	19,353	25,115	30,877
50%	24,192	29,954	35,716

NPV of Project Costs (No Replication) = 31,203
NPV of Project Costs (Maximum Replication) = 28,037

For any of the shaded combinations of benefits, the project will be economically justified for the scenario of maximum replication. If no replication occurs, only the combination of Q50 in annual social benefits and a 50% annual income gain will yield a benefit-cost ratio greater than 1.00. These values seem reasonable given the considerable handicap monolingualism represents for the Guatemalan Indian population. The project is particularly profitable if its benefits can be extended to all Indian primary students.

TECHNICAL ANALYSIS

1. Alternative Approaches to Educating Linguistic Minorities

Bilingual Education is a sensitive and controversial area within the education sector, with complex pedagogical, linguistic, cultural and political dimensions. Different approaches to providing basic education to linguistic minority groups have been advocated and tried in a number of countries. The principal alternative approaches can be characterized as follows:

a. Instruction in the dominant language only

One common approach to educating children of linguistic minority groups has been to simply ignore their need for special assistance. It is not easy to persuade government education officials, who are generally members of the dominant ethnic and linguistic group, to divert scarce resources from education programs that serve the majority of children to provide special services for minorities. In opposition to programs providing special instructional help for minority children, there are ample precedents that can be cited of cultural minorities that have been assimilated spontaneously into the cultural mainstream, without any special education services at all. Also, special eductional programs for minorities can be

disproportionately expensive, requiring specialized staff, facilities, and materials to serve only a relatively small number of students. In these cases, then, children from linguistic minority groups have simply been left to learn as best they can in a language they do not understand.

b. Special instruction in the dominant language

In an effort to integrate children from minority linguistic groups into classroom instruction with a minimum of disruption and expense, intensive extra-curricular language instruction is sometimes given to minority children. This approach, known as English-as-a-second-language (ESL) in the United States and Castellanizacion in Guatemala, has met with limited success for a number of reasons. Minority children have difficulty grasping academic material presented in what is, to them, a foreign language. Their less-than-fluent verbal skills put them at a permanent academic disadvantage, and teachers may be unable to give them the extra attention they require to master the material in the curriculum. Experience in Guatemala has shown that the Castellanizacion Program (Spanish as a second language classes for pre-primary children) does reduce drop-out and repetition rates of monolingual Indian children compared with schools that give no special instruction in Spanish at all, but academic failure in the first and second grades is still the norm rather than the exception.

c. Instruction in Vernacular Language Only

Yet a third model consists of providing instruction in all school subjects to minority students in their native language. Proponents of this model argue that this is the only way to provide education that does not put minority students at an academic disadvantage. It has the additional feature of preserving the minority language and culture, rather than replacing it with the dominant language and culture. Disadvantages are that it is very expensive and it does not equip students to function in the dominant culture.

d. Transitional Bilingual Education

The approach selected for implementation in the Guatemalan Highlands permits a gradual transition from instruction in the indigenous language to instruction in Spanish. Initially, all academic subjects (including reading and writing) are presented in the local language, assuring that Indian children keep pace academically with Ladino children in Spanish language schools. At the same time, Indian children receive instruction in speaking, reading, and writing Spanish. Gradually, instruction in other academic areas shifts from the indigenous language to Spanish. While this approach is still being refined, it appears to offer a number of advantages over the other alternatives, including:

1) The indigenous language and culture are not replaced; Indian children are given the skills needed to function effectively in both Ladino and indigenous cultures.

2) Excessive and costly drop-out and repetition rates that affect indigenous students are reduced.

3) Academic achievement of indigenous children in a bilingual program is superior to the achievement of indigenous children in the traditional program.

2. The Guatemala Bilingual Education Project: Methodology and Results

The A.I.D. experimental Bilingual Education Project has developed a working Bilingual Education methodology for Guatemala. The following description of the project and its initial results is excerpted from an interim evaluation paper.11/

The Guatemalan Government, in collaboration with the United States Agency for International Development, established the Bilingual Education Project in order to increase the chances for success in school and in subsequent social and economic endeavors of rural Indian children by improving the relevancy of primary school education. More specifically, this bilingual project has three major objectives:

a. To design an instructional program that integrates basic concepts and skills which are culturally and linguistically relevant to rural Guatemalan indigenous students, preschool through second grade, and to produce and field test bilingual education prototypes for this instructional program.

b. To provide the training needed by project personnel (administrative staff, curriculum adaptation team members, rural teachers in pilot schools where curriculum materials are field tested, support staff) to coordinate, implement, and evaluate a bilingual instructional program, preprimary through grade two, in rural Guatemalan schools.

c. To provide a multitrait-multimethod approach to the study of bilingual program effects, thereby producing multiple opportunities to detect program trends and various means of cross-validating these trends.

11/ Stephen O. Stewart, "The Guatemalan Bilingual Education Project," September 5, 1983; mimeo.

To implement the first of the objectives, four curriculum adaptation teams were formed, one team for each of the following language groups: Mam, Kekchi, Quiche, and Cakchiquel. (These four languages together represent 83% of those Guatemalans whose native language is Mayan.) Each team was composed of a bilingual promoter, a bilingual promoter supervisor ("orientador"), a Mayan language writer, a curriculum specialist, and someone trained in linguistics and/or anthropology. All team members share two languages: Spanish and one of the four Mayan languages.

Since 1980, these teams have prepared new curriculum materials during the same year that they are being field tested in the schools. The new materials were adapted from the integrated problem-solving techniques developed by the Programa para el Mejoramiento de Educacion Primaria (Loan 015). The subject matter materials (mathematics, natural science, agriculture, reading and writing, health, social studies) are culturally and linguistically relevant for the children in the preprimary class and in grades 1 and 2 for the four Mayan language groups.

The materials are being field tested in 40 schools with 5,600 monolingual Indian children.

The staff development component complements the materials development process. It has included a revised, updated training design for bilingual promoters, orientation seminars for 40 promoters, as well as in-service training for 120 bilingual teachers. In addition, the project has included in-service training of the project staff charged with adapting curricula to the four language areas plus long-term administrative staff training and orientation.

For the interim evaluation study, a sample of students from experimental schools who were studying under the new bilingual education program was compared with a sample of students studying in traditional monolingual Spanish language schools. Briefly, the results (all statistically significant) of the testing of first graders, who had been in the experiment for nearly two academic years, were as follows:

1. On the natural sciences test, students in the pilot schools scored an average of 4.45 out of a possible 5 and had a minimum of 3 correct answers. The control school students, on the other hand, averaged 3.90 out of 5 and had a minimum of 1 correct.

2. In the social studies test the pilot group averaged 3.20 out of 5 with a minimum of 1 correct, while the control group averaged 2.22 with a minimum of 0 correct.

3. On the mathematics test, the pilot group scored an average of 3.77 out of 5 with a minimum correct score of 2, while the control group again averaged significantly lower at 2.80 out of 5 with a minimum score of 0.

Past studies of the Castellanizacion Program have continually demonstrated that Mayan students have a higher promotion rate and a lower drop-out rate in a bilingual education program than in a traditional all Spanish curriculum. The most recent evidence for the superior efficiency of a bilingual education system comes from the A.I.D. Bilingual Education Project. World Bank figures indicate that the national drop-out average for rural Guatemalan school students is 19.4%, while the average drop-out rate for year one of the Bilingual Education Project students was 10.6%. Similarly, World Bank statistics reflect an average promotion rate for rural primary students in the first year of study of 59.4%, while the promotion rate for Year One students in bilingual schools was 63.3%.

Further evidence of the impact of the Bilingual Education Project is provided in a longitudinal study comparing school efficiency measures and achievement of students in the bilingual program vs. students taught only in Spanish. The most recent project evaluation conducted at the end of the 1983 school year showed that students who have participated in the bilingual program for two years had statistically significant higher academic achievement scores and promotion rates and lower drop-out rates than students in comparison schools following the traditional program.

3. MOE Capacity for Increased Student Enrollment and Expansion of Bilingual Education Program To Additional Schools.

Through increased efficiency of the existing system, the project will produce increased student population at the higher grade levels. During the life of the project, it is expected that this increase can be accommodated by a more efficient use of existing resources. While pre-primary classes have a teacher/student rate of 1/50, sixth grade classes have a ratio of 1/30. Upper level primary teachers can accommodate an increase in student enrollment. Over the long run, it is expected that the project will increase student enrollment so that additional class sections will have to be created. The vast majority of rural schools in Guatemala are only utilized half day. Thus, increased student enrollments can be accommodated by utilizing existing school facilities for afternoon sessions.

Assuming the success of the current project, the GOG will be expected to extend the bilingual education program to additional schools. It is estimated that within three years there will be a sufficient pool of new normal school bilingual graduates to extend the program to an additional 400 schools.

INSTITUTIONAL ANALYSIS

The purpose of this analysis is to assess the administrative capability of the Ministry of Education in areas relevant to the execution of the Rural Primary Education Improvement Project (RPEIP) and to determine the feasibility of the project implementation plan. The analysis will examine the

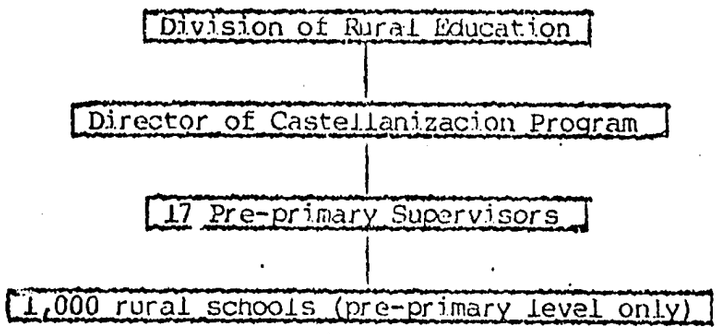
administrative structure of the current Bilingual Education Project and the Castellanizacion Program. It will then present the administrative requirements of a national bilingual education program as well as the institutional structure necessary to assure the continuation of such a program. Finally, the analysis will review the calendar for the new project with recommendations for key action necessary for implementation to proceed.

1. Current Structure of Bilingual Education Project

The original Bilingual Education Project (No. 0258) was designed as a pilot effort to develop a bilingual education curriculum in Spanish and the four major Mayan languages (Quiche, Mam, Cakchiquel and Kekchi) pre-primary through second grade. The project has validated the curriculum with accompanying texts and teachers' guides in 40 primary schools (10 in each of the above language areas).

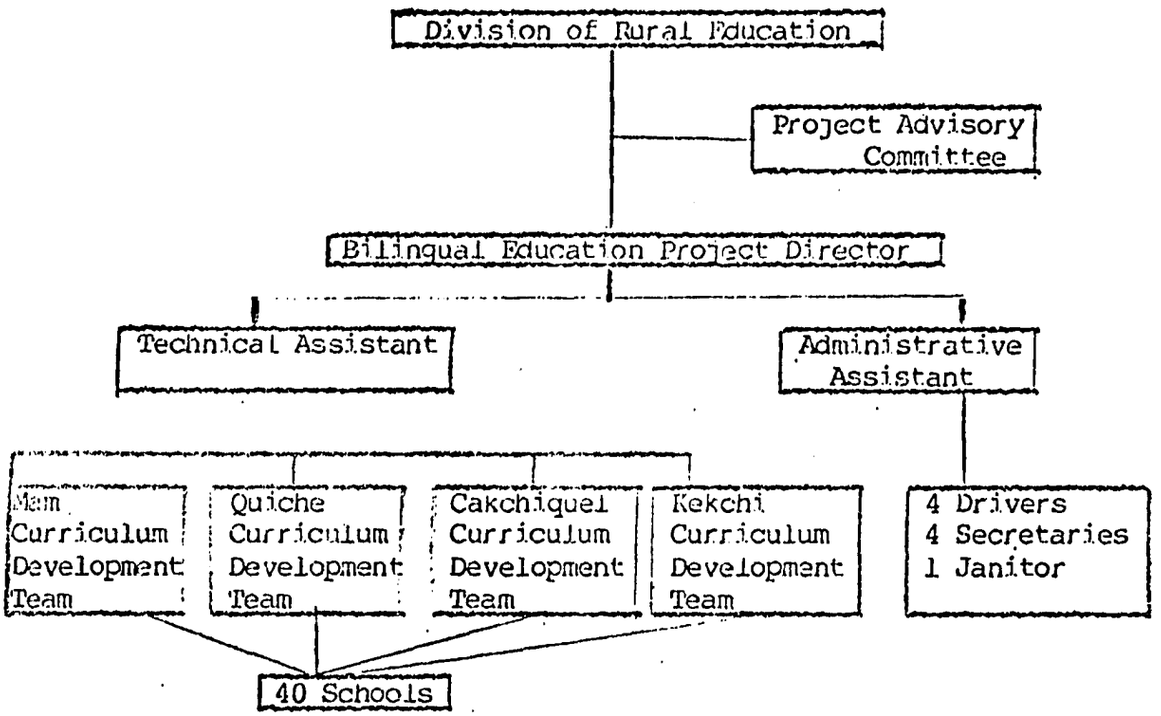
Within the MOE's Division of Rural Education is the Castellanizacion Program. It oversees a national pre-primary program in approximately 1,000 schools in the Highlands. The organization chart for the program is as follows:

CASTELLANIZACION PROGRAM



The organizational chart for the current Bilingual Education Project is as follows:

BILINGUAL EDUCATION PROJECT

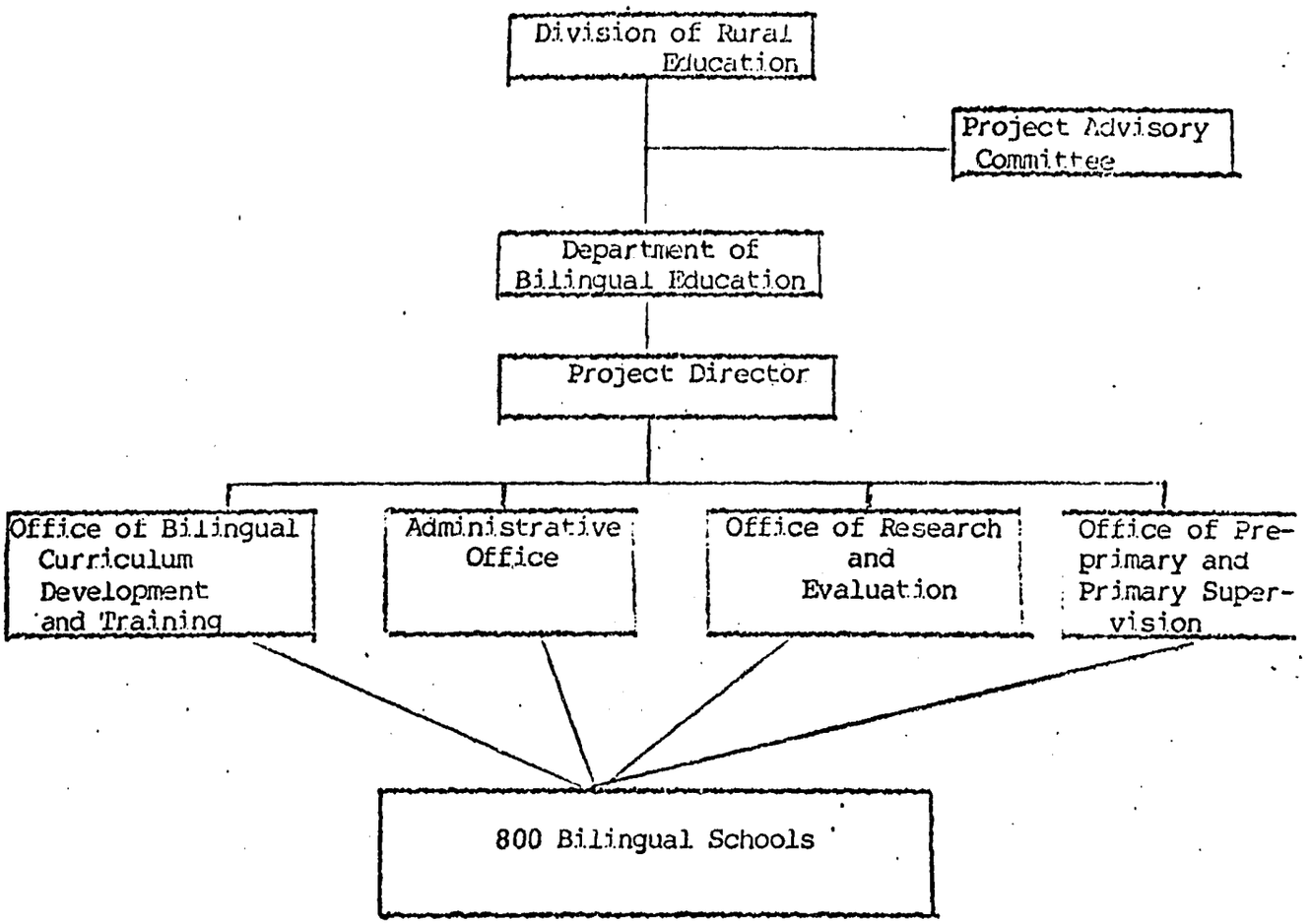


Note: Each team consists of:
- Supervisor
- Mayan language writer
- Linguist/anthropologist
- Curriculum technician
- Mayan language secretary

2. Organization of Implementing Unit for Rural Primary Education Improvement Project

The implementation unit for the project will be the Department of Bilingual Education within the MOE's Division of Rural Education. The organizational chart for this unit is outlined in the next page.

Ministry of Education



The new Department of Bilingual Education represents a fusion of the current Castellanizacion Program and the Bilingual Education Project. The implementing unit will carry out the following functions.

a. Curriculum Development and Training Section

This section will consist of 20 members of the current Bilingual Education Project (No. 0258). The section will have 4 curriculum development and training teams, one for each of the four languages areas. Each team consists of a linguist/anthropologist, a curriculum specialist, a Mayan writer, an educational supervisor, and a secretary.

The section will be responsible for developing, field testing and revising the fourth grade curriculum in the forty experimental

schools. The section will also be responsible for gathering feedback from the implementation of the new curriculum in 400 schools and conducting a revision of all texts and guides (pre-primary through fourth grade).

b. Pre-Primary and Primary Supervision Section

This section will be composed of the current Castellanizacion Program staff. It will be headed by the chief of the Castellanizacion Program who will continue to direct activities in approximately 1,000 rural schools at the pre-primary levels under the supervision of the current 17 program supervisors. In addition, an additional 33 positions for supervisors will be created to monitor the implementation of the bilingual curriculum in 400 of the above 1,000 schools (pre-primary through fourth grade). Each supervisor will be fluent in Spanish and the indigenous language of the schools he will supervise as well as conform to GOG requirements for a rural primary school supervisor. New supervisors will receive on-the-job training from the curriculum development and training sections assisted by the current group of bilingual supervisors.

c. Research and Evaluation Section

The research and evaluation section will be created under the new project. The section will carry out the longitudinal study of the project comparing student achievement, drop-out, promotion, and retention rates in 40 experiment schools using the new bilingual curriculum vs. 40 comparison schools implementing the traditional curriculum taught only in Spanish. The section will also assist in monitoring the national use of project materials to gain feedback necessary for revision of all student texts and teachers' guides. Four evaluation technicians will be contracted to staff this section. They will be trained by the long-term research and evaluation specialist through grant-funded technical assistance.

d. Administrative Office

The administrative functions of the project (all accounting, procurement, contracting) will be performed by the administrative section of the Rural Education Division of the Ministry of Education. The administrative section will consist of a supervisor (currently the administrative assistant of the Bilingual Education Project) plus 6 new staff members to be hired in order to strengthen the staffing of the current unit. New staff members include an accountant, two bookkeepers and three secretaries. Based upon previous audit recommendations of the USAID/Guatemala portfolio, the project design team decided to fund the new administrative position under the grant for the first two years of the project to assure that these key personnel are on board from the beginning of the project. Each new member of the administrative office will be selected according to current GOG Civil Service requirements.

3. Key Issues to Assure Administrative Success of Project

a. GOG Counterpart Contribution

The major GOG counterpart contribution to the project will be the creation of 900 positions for bilingual teachers during the course of the loan. The GOG will create 150 new positions for bilingual teachers annually for six years. These new positions will be included in the Ministry of Education's annual budget. Candidates for the above positions will be screened, selected, and assigned to project schools during the first quarter of each calendar year. It might be noted that the GOG normally creates 300 to 500 new positions for primary teachers annually. These positions in the past have traditionally gone to Ladino teachers. The project commits the GOG to selecting 900 bilingual teachers, a social reform for Guatemala.

The project will require 800 bilingual promoters at the pre-primary level. All 800 promoters are currently in place. In addition, the project will require 1,600 bilingual teachers. Of this latter group, 700 bilingual teachers are in place and 900 additional bilingual teachers are needed, as indicated above.

b. Legal Policy

At present all instruction at the primary level is conducted in Spanish only. Prior to the signing of the loan/grant, the GOG must legalize the use of the four major Indian languages through grade four. Such a legal policy will be necessary to implement the loan and to assure the continuation of a bilingual education program after the termination of the loan. A draft legal decree officializing the use of Indian languages has already been signed by the Guatemalan Chief of State and Minister of Education. It is expected that the decree will be signed into law by December 30, 1984.

c. Collaboration with National Textbook Center

All printing of textbooks and teachers' guides will be contracted to private firms through competitive procurement carried out by the administrative section of the implementing unit. Warehousing and distribution will be done in collaboration with the World Bank-financed National Textbook Center (CENALTEX). CENALTEX is currently functioning and has funding for the initial printing, warehousing and distribution of bilingual texts and guides for first and second grade. The CENALTEX central warehouse is already in operation with the regional warehouses and distribution centers to begin functioning in 1985. Private contractors will be responsible for providing all transportation.

On-going discussions with World Bank and GOG officials have been held to insure necessary collaboration in the printing, warehousing and distribution efforts. The World Bank and GOG have included $1.0 million

(loan funding) to print, store and distribute bilingual project materials for first and second grade.

d. Supply of Bilingual Education Professional Personnel

A baseline study conducted to identify target schools included three criteria: (1) 90% indigenous student population; (2) school contains levels pre-primary through fourth grade; (3) at least one bilingual promoter or teacher on site. Four hundred schools were identified which met these criteria: (156 Quiche schools, 87 Cakchiquel schools, 87 Kekchi schools and 70 Mam schools). The following table projects teacher needs:

TABLE 7

Language Area	No. of Schools	No. of Teachers Needed	No. of Teachers Currently With Positions	No. of New Teachers Needed Over Six Year Period
Quiche	156	624	352	272
Cakchiquel	87	348	160	188
Kekchi	87	348	152	196
Mam	70	280	90	170
TOTAL	400	1560	754	826

The baseline study also identified seven normal schools which produce approximately 270 bilingual teachers annually. After the signing of the loan a second part of the baseline study will identify graduates of the above institutions who are unemployed and eligible to be contracted as bilingual teachers for the project. The annual supply of bilingual teachers plus the already existing pool of unemployed graduates will provide an adequate supply of teachers for project schools.

e. Capability of Local University to Offer University Level Bilingual Education Program

The project will provide funding for the initiation of a program at the university level to train leaders in the field of bilingual education. Under the current Bilingual Education Project, a two-year university training program with a specialization in bilingual education is being developed. The new project will build upon current efforts to offer a

four-year B.A. level program in bilingual education. The RPEIP will offer scholarships for ten university faculty education department members with the aim of institutionalizing the above university-level program.

4. Feasibility of Project Time-frame

Six years are necessary for the implementation of the project. The following is an abbreviated calendar for the loan:

1985	National printing and use of First Grade materials
1986	National printing and use of Second Grade materials
1986	Revision and second edition of Pre-primary materials
1987	National printing and use of Third Grade materials
1987	Revision and second edition of First Grade materials
1988	National printing and use of Fourth Grade materials
1988	Revision and second edition of Second Grade materials
1989	Revision and second edition of Third Grade materials
1990	Revision and second edition of Fourth Grade materials

As indicated above, the project requires six years to print the first edition of the bilingual texts, allow three years for use in the field, and then print a second edition incorporating necessary revisions. A shorter implementation period would not be feasible.

5. Collaboration with World Bank and InterAmerican Development Bank

The World Bank and the InterAmerican Development Bank (IDB) have traditionally provided support for secondary education in Guatemala. As indicated earlier, the IDB has funded a $28 million loan to the GOG to construct rural primary schools and train 500 bilingual promoters. The World Bank funded an $18.5 million loan to develop a national textbook production system and to construct urban middle schools in Guatemala City. Both loans were signed in 1983.

The Mission views the efforts of both donors as complementary to AID's education sector strategy. The World Bank loan includes funding for the printing, distribution of bilingual texts and teachers' guides for 400 schools and the training of teachers at the first and second grade levels. This Mission has worked closely with World Bank and GOG personnel to assure the success of this collaborative effort. If unanticipated delays in funding occur, the Mission has as an alternative strategy the use of project contingency funds and the re-programming of funds for school desks to carry out the above textbook printing, distribution and teacher training activities.

6. Private Sector Involvement

The project will contract the printing and distribution of all textbooks and teachers'guides through the private sector. In addition

procurement of school desks will be undertaken through private sector contracts. The above represents over $3.0 million in contracts for the private sector.

ENVIRONMENTAL ANALYSIS

At the PID stage an Initial Environmental Examination (IEE) was performed recommending that no additional environmental analysis be undertaken. The IEE and AID/W's concurrence of the negative determination are on file in LAC/Environment

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D C 20523

LAC/DR-IEE-84-4

ENVIRONMENTAL THRESHOLD DECISION

Project Location	:	Guatemalan Rural Areas
Project Title and Number	:	Rural Primary Education Improvement/ #520-0282
Funding	:	$12,000,000 LOP 8,710,000 Loan 3,290,000 Grant
Life of Project	:	Six years, FY 85 - 91
IEE Prepared by	:	Lawrence Odle/PDSO, Mission Environmental Officer
Recommended Threshold Decision	:	Negative Determination
Bureau Threshold Decision	:	Concur with Recommendation
Copy to	:	Charles E. Costello Mission Director USAID/Guatemala
Copy to	:	Lawrence Odle, USAID/Guatemala
Copy to	:	Lars Klassen, LAC/DR/EST
Copy to	:	IEE File

James S. Hester Date 10 November 1983

James S. Hester, LAC/DR/EST
Chief Environmental Officer
Bureau for Latin America
and the Caribbean

INITIAL ENVIRONMENTAL EXAMINATION

PROJECT LOCATION:	Guatemalan rural areas
PROJECT TITLE:	Rural Primary Education Improvement
PROJECT NUMBER:	520-0282
LIFE OF PROJECT:	6 years
IEE PREPARED BY:	Lawrence Odle/PDSO, Mission Environmental Officer
DATE:	October 4, 1983
ACTION RECOMMENDED:	Negative Determination
CONCURRENCE:	Charles E. Costello Director
	Date: 10-13-83

1. PROJECT DESCRIPTION

The goal of the proposed project is to improve rural incomes and productivity. The purpose of this project is to improve the efficiency and relevance of Guatemala's rural education system in support of social and economic development.

Specifically project funds will finance the achievement of the following objectives:

1. A national rural bilingual education program will be established.

2. Bilingual curriculum materials will be developed for the fourth grade in the areas of Social Studies, Natural Science, Mathematics, Agriculture, Spanish-as-a-second language and Reading and Writing in the Mother Tongue.

3. Bilingual curriculum materials for pre-primary through the third grade will be revised and improved.

B. WATER QUALITY

1. Physical state of water _____ N
2. Chemical and biological states _____ N
3. Ecological balance _____ N
4. Other Factors _____ N

C. ATMOSPHERIC

1. Air additives _____ N
2. Air pollution _____ N
3. Land clearing _____ N
4. Other Factors _____ N

D. NATURAL RESOURCES

1. Diversion, altered use of water _____ N
2. Irreversible, inefficient commitments _____ N
3. Other Factors _____ N

E. CULTURAL

1. Altering physical symbols _____ N
2. Dilution of cultural traditions _____ N
3. Other Factors _____ N

F. SOCIOECONOMIC

1. Changes in economical/employment patterns _____ M
2. Changes in population _____ M
3. Changes in cultural patterns _____ M
4. Other Factors _____ M

FINANCIAL ANALYSIS

NATIONAL PROJECT OF BILINGUAL EDUCATION
SUMMARY COST ESTIMATE AND FINANCIAL PLAN
(In U.S. $000)

Component	AID Loan FX	AID Loan LC	AID Loan TOTAL	AID Grant FX	AID Grant LC	AID Grant TOTAL	GOG LC	PROJECT FX	PROJECT LC	PROJECT TOTAL
Investig. & Evaluat.	--	215	215	--	328	328	48	--	591	591
Curricular Development	--	538	538	--	--	--	395	--	933	933
Training	9	2000	2009	600	468	1068	--	609	2468	3077
Equipment & Educational Materials	--	2588	2588	--	--	--	--	--	2588	2588
Administration & Supervision	165	1893	2058	--	64	64	24462	165	26419	26584
Technical Assistance	--	--	--	725	519	1244	--	725	519	1244
Other Costs Evaluation & Audits	--	--	--	--	150	150	--	--	150	150
Conting. & Inflation	29	1263	1292	205	241	446	38	234	1542	1776
Total Project1/	203	8497	8700	1530	1770	3300	24943	1733	35210	36943

Chart V shows in detail the inputs cost of the program:

1/ Includes contingencies and Inflation

DETAILED COSTING OF PROJECT INPUTS
(In U.S. $000)

Inputs	Investigat. & Evaluation			Curriculum Dev.			Training			Equp. & Educational Mat.			Administration & Superv.			Technical Asst.			All Components		
	FX	LC	TOTAL	FX	LC	TOTAL	FX	LC	TOTAL	FX	LC	TOTAL	FX	LC	TOTAL	FX	LC	TOTAL	FX	LC	TOTAL
I. AID																					
A. Loan																					
1 Personnel		97	97		332	332	--	--	--	--	--	--		755	755	--	--	--	--	1184	1184
2 Commodities																					
a. Vehicles	--	--	--	--	--	--	--	--	--	--	--	--	165	--	165	--	--	--	165	--	165
b. Materials & Supplies	--	20	20		20	20	--	14	14	--	--	--	--	400	400	--	--	--	--	454	454
c. Furniture & Educ. Mat.	--	8	8	--	30	30	9	--	9	--	2588	2588	--	--	--	--	--	--	9	2626	2635
d. Rent	--	--	--	--	--	--	--	--	--	--	--	--	--	36	36	--	--	--	--	36	36
Total Commodities		28	28	--	50	50	9	14	23	--	2588	2588	165	436	601	--	--	--	174	3116	3290
3 Travel & Per Dm.	--	65	65	--	156	156	--	1986	1986	--	--	--	--	702	702	--	--	--	--	2909	2909
4 Evaluation	--	25	25	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	25	25
Subtotal		215	215	--	538	538	9	2000	2009	--	2588	2588	165	1893	2058	--	--	--	174	7234	7408
Contingencies & Inflation		38	38	--	89	89	--	354	354	--	454	454	29	328	357	--	--	--	29	1263	1292
Total Loan		253	253	--	627	627	9	2354	2363	--	3042	3042	194	2221	2415	--	--	--	203	8497	8700
B. Grant																					
1 Personnel	--	72	72	--	--	--	--	--	--	--	--	--	--	64	64	--	--	--	--	136	136
2 Tech. Assist.	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	725	492	1217	725	492	1217
3 Training	--	--	--	--	--	--	600	468	1068	--	--	--	--	--	--	--	--	--	600	468	1068
4 Furniture	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	5	5	--	5	5
5 Travel & Per Dm.	--	101	101	--	--	--	--	--	--	--	--	--	--	--	--	--	22	22	--	123	123
6 Evaluation	--	155	155	--	--	--	--	--	--	--	--	--	--			--	150	150	--	305	305
Subtotal		328	328	--	--	--	600	468	1068	--	--	--		64	64	725	669	1394	1325	1529	2854
Contingencies & Inflation	--	52	52	--	--	--	92	76	168	--	--	--	--	10	10	113	103	216	205	241	446
Total Grant	--	380	380	--	--	--	692	544	1236	--	--	--	--	74	74	838	772	1610	1530	1770	3300
TOTAL AID	--	633	633	--	627	627	701	2898	3599	--	3042	3042	194	2295	2489	838	772	1610	1733	10267	12000
II. Guatemalan Govemt.																					
1 Personnel	--	48	48	--	396	396	--	--	--	--	--	--	--	24315	24315	--	--	--	--	24759	24759
2 Materials & Sup.		--	--	--	--	--	--	--	--	--	--	--		62	62	--	--	--	--	62	62
3 Rent		--	--	--	--	--	--	--	--	--	--	--	--	122	122	--	--	--	--	122	122
Total GOG		48	48	--	396	396	--	--	--	--	--	--	--	24499	24499	--	--	--	--	24943	24943
TOTAL PROJECT		681	681	--	1023	1023	701	2898	3599	--	3042	3042	194	26794	26988	838	772	1610	1733	[illegible]	[illegible]

PROJECTION OF EXPENDITURES
(In U.S. $000)

	Project Years 1	2	3	4	5	6	Total
I. AID Loan							
Investigation & Evaluat.	60	59	48	48	19	19	253
Curriculum Development	166	131	131	131	34	34	627
Training	94	454	454	454	454	453	2363
Equipment & Educ. Mat.	1085	1090	418	201	145	103	3042
Administration & Superv.	610	477	451	451	213	213	2415
Total Loan	2015	2211	1502	1285	865	822	8700
II. Grant							
Investigation & Eval.	144	56	45	45	45	45	380
Training	--	542	542	138	7	7	1236
Admin. & Supervision	37	37	--	--	--	--	74
Tech. Assistance	475	391	409	89	98	148	1610
Total Grant	656	1026	996	272	150	200	3300
Total AID	2671	3237	2498	1557	1015	1022	12000
III. GOG							
Invest. & Evaluation	--	--	--	--	24	24	48
Curriculum Development	38	38	38	38	122	122	396
Administration & Superv.	2756	3255	3753	4252	4956	5527	24499
Total GOG	2794	3293	3791	4290	5102	5673	24943
TOTAL PROJECT	5465	6530	6289	5847	6117	6695	36943

The Methods of Implementation and Financing for this program as currently envisioned by the Mission are shown in the next Table.

A detailed procurement plan follows that specifies purchase of services and goods each year according to the different program componets.

METHODS OF IMPLEMENTATION AND FINANCING
(In U.S. $000)

Inputs	Methods: Implementation	Methods: Financing	Amount
I. Foreign Exchange			
A. AID			
1 Administration & Sup.			
a. Vehicles	AID purchasing Agent	Direct Payment	165
			165
2 Training			
a. Equipment	AID purchasing Agent	Purchase Order	9
b. Scholarships	AID/G Contract	Direct Payment	600
			609
3 Technical Assist.			
a. International Consultants	AID/G Direct Contract	Direct Reimbursement	725
			725
Total			1499
II. Local Currency			
1 Investigation & Eval.			
a. Personnel	PCSs	Direct Reimbursement	169
b. Travel & Per Diem	GOG procedures	Direct Reimbursement	166
c. Commodities	H.C. Contract	Direct Reimbursement	28
d. Evaluation	Direct Contract	Direct Reimbursement	180
			543
2 Curriculum Devl.			
a. Personnel	PSCs	Direct Reimbursement	332
b. Travel & Per Diem	GOG procedures	Direct Reimbursement	156
c. Commodities	H.C. Contracts	Direct Reimbursement	50
			538
3 Training			
a. Travel & Per Diem	GOG procedures	Direct Reimbursement	1986
b. Commodities	H.C. Contracts	" "	14
c. Scholarships (Locals)	H.C. Contract	" "	468
			2468
4 Equipment & Educational Material	GOG procurement procedures	Direct Reimbursement	2588
5 Admin. & Supervision			
a. Personnel	PSC's	Direct Reimbursement	819
b. Travel & Per Diem	GOG procurement procedures	" "	702
c. Commodities	H.C. Contracts & Proc. Proced.	" "	436
			1957
6 Technical Assistance			
a. Consultants	PSC's	Direct Reimbursement	492
b. Travel & Per Diem	GOG procedures	" "	22
c. Commodities	H.C. Procurement procedures	" "	5
d. Evaluation & Audits	H.C. Contracts	" "	150
			669
Total Local Currency			8763
Contingency	N/A	N/A	1738
Total Project			12000

PROCUREMENT PLAN

Key 1. Reimbursement procedure
2. Direct reimbursement
3. AID purchasing agent

	TOTAL	1985	1986	1987	1988	1989	1990	AID payment procedure	Purchasing procedure	Type of income
Equipment & Educational Materials										
Desks	875,000	437,500	437,500					1 or 2	III	C - G
Bookcases and Flipcharts	180,000	180,000						1	III	C
Blackboards	168,750	168,750						1	III	C
Educational Materials	1,018,897		338,599	327,894	156,675	113,430	82,299	1	I	C
Transportation of equipment and educational material	345,719	135,000	155,194	26,672	12,754	9,295	6,804	2	I	C
I Investigation and Evaluation										
Printing of tests	20,000	10,000	10,000					1	I	C
Computer Service	80,000	20,000	20,000	10,000	10,000	10,000	10,000	1	I	C
Equipment and office furn.	500	500						1	II	C
Materials (gasoline)	25,200	4,200	4,200	4,200	4,200	4,200	4,200	1	II	
II Training										
Audio-visual equipment	8,800	8,800						3		C
Upgrading of bilingual promoters-teachers' salaries	30,000		6,000	6,000	6,000	6,000	6,000	1	exclusive contract	$
University training (3 yrs) technical level	337,500		112,500	112,500	112,500			1	I	C
University training Licenciatura level	100,000		50,000	50,000				1	C&E	C
International scholarships masters level	500,000		250,000	250,000				3		$
International scholarships specialization (short-term)	100,000		50,000	50,000						
Materials	13,380	2,230	2,230	2,230	2,230	2,230	2,230	3		$
	3,803,746	966,980	1,436,223	839,496	304,359	145,155	111,533			
IV Curriculum Development										
Materiales (gasoline)	19,530	3,255	3,255	3,255	3,255	3,255	3,255	1	II	:
Printing of experimental materials (4th grade)	30,000	30,000						1	I	:
V Administration and Superv.										
Rent (loan)	36,000	6,000	6,000	6,000	6,000	6,000	6,000	1	Admin. contract	:
Rent (GOG)	122,400	20,400	20,400	20,400	20,400	20,400	20,400			:
Materials	72,000	12,000	12,000	12,000	12,000	12,000	12,000	3	I	:
Equipment	54,915	54,915						1	II	
VI Vehicles										
5 Vehicles	100,000	100,000						3		$
50 Motorcycles	65,000	65,000						3		$
Gasoline (motorcycles)	30,378	5,063	5,063	5,063	5,063	5,063	5,063	1	II	:
Gasoline (vehicles) GOG	61,200	10,200	10,200	10,200	10,200	10,200	10,200			
Maintenance (motorcycles)	72,000	12,000	12,000	12,000	12,000	12,000	12,000	1	II	:
Maintenance (vehicles)	36,000	6,000	6,000	6,000	6,000	6,000	6,000	1	II	:
Insurance (motorcycles)	75,000	12,500	12,500	12,500	12,500	12,500	12,500	1	II	:
Insurance (vehicles)	21,600	3,600	3,600	3,600	3,600	3,600	3,600	1	II	:
Gasoline (vehicles) loan	38,880	6,480	6,480	6,480	6,480	6,480	6,480	1	II	:
VII Technical Assistance										
Equipment	1,350	1,350								
Office supplies	3,600	600	600	600	600	600	600			
International Tech. Assis.	725,000	300,000	225,000	200,000				3	III	:
National Technical Assist.	492,000	110,000	110,000	86,000	62,000	62,000	62,000	3	III	:
Per Diem	21,600	5,400	5,400	5,400	1,800	1,800	1,800			
TOTAL	5,882,199	1,731,743	1,874,721	1,228,994	466,257	307,053	273,431			

REPLICABILITY OF PROJECT

The continuity of this project is guaranteed by the institutionalization of bilingual education by the Guatemalan government. The request for institutionalization is currently in process. This indicates the government's desire to continue indefinitely the bilingual education program and as can be noted in the previous tables, the Guatemalan government is willing to increase the budget to Q11 million (quetzales) 12/ during the life of the program for its continuation and success.

B. Accounting and Financial Evaluation of the Executive Unit of the Program

A revision of the accounting and internal control systems used by the executive office of the rural education department (SER) was conducted in order to determine if they were adequate. The revision included the following:

a. Interview with the administrator of the bilingual education project and those accountants responsible for the accounting activities of the rural education department (SER).

b. Examination of the accounting records

c. Verification of accounting transactions.

1. Financial Department

In the strict sense of the term, it cannot be stated that the rural education department (SER) has a financial department. Actually the accounting is administered by one person who reviews all financial activity and six assistant accountants who carry out the different transactions. Also there is one secretary.

2. Accounting records

The accounting of the rural education department consists basically in three registers:

a. Control of budgets
b. Fiscal cash book
c. Current accounts book

Different auxiliary registers are maintained that control the movement of receipts authorized by the general accounting office. These registers control the incoming and outgoing funds.

12/ One Quetzal equals One Dollar.

Also, the rural education department uses additional registers to account for the grants given by different financial institutions.

3. System of Internal Controls

The revision of the internal controls indicated the following:

a) The functions of accounting and treasury are satisfactorily defined and separated.

b) A budget exists to control costs.

c) The explanations made in the fiscal cash book are adequately explained and supported by documentation and necessary signatures.

Although the general accounting office does not make periodic audits of the funds managed by the rural education department, these funds are subject to a fiscalization by the general accounting office as it is considered necessary. The general accounting office emphasizes the management of funds and its audit.

4. Purchase and contracts procedures

The procedures used by the rural education department to purchase goods or services are established by Governmental Decree #35-80 and they are obligatory for all state institutions. These procedures are basically compatible with AID regulations and any exceptions are clearly defined in the USAID "Basic guide for the Acquisition and Contracting of Goods and Services in Projects Financed by AID."

5. Audits

As mentioned previously ("system of internal controls"), program funds will be subject to a fiscalization by the general accounting office of the Government of Guatemala. Nevertheless, in order to provide an adequate control of funds and resources, two audits are planned during the life of the program. The project budget contains $50,000 to conduct these audits.

Conclusions and Recommendations

Because of the different activities that the new bilingual education program will realize and because of the substantial increase in funds ($23 million) that will be required, it is very important that the accounting, financial and administrative structure of the rural education department be strengthened. For these reasons, in the design of the new program, a financial-administrative section as a part of the executive office of the rural education will be included. This sector will contain the following units:

A. Purchasing and Materials
B. Accounting and Budget
C. Control of Personnel.

Additional information concerning the structure of the financial and administrative unit of the project is provided in the institutional analysis.

SOURCE OF FUNDS: AID - LOAN

Component and Items	1	2	3	4	5	6	Total
1. Investigation & Evaluation							
1.2 Printing of tests	Q.10,000	Q.10,000					Q. 20,000
1.3 4 evaluation supervisors x Q475 per month x 12 months x 4 years plus Christmas bonus of Q350 x four supervisors x 4 years	Q.24,200	Q.24,200	Q24,200	Q.24,200			Q 96,800
1.6 Office furniture- 4 filing cabinets at Q125	Q. 500						Q 500
1.7 Gasoline - 4 vehicles x 20 monthly trips x 350 Kms. an average trips x 6 years - 15 Kms. per gallons x Q.2.25 per gallon - 6 years	Q. 4,200	Q. 4,200	Q 4,200	Q. 4,200	Q. 4,200	Q. 4,200	Q 25,200
1.8 Materials (paper, dittos, etc.) Q.100 x 12 months x 6 years	Q. 1,200	Q. 1,200	Q 1,200	Q. 1,200	Q. 1,200	Q. 1,200	Q 7,200
1.9 Travel and Per Diem							
1.9.1 4 Evaluation Supervisors x 10 months x 15 days x Q.18 x 6 years	Q 10,8[illegible]	Q.10,800	Q10,800	Q.10,800	Q.10,800	Q.10,800	Q 64,800
Sub-Total	Q.50,900	Q.50,400	Q40,400	Q.40,400	Q.16,200	Q.16,200	Q214,500
Inflation and Contingencies	Q. 8,715	Q. 8,715	Q 7,199	Q. 7,199	Q. 3,031	Q. 3,031	Q 37,890
TOTAL	Q.59,615	Q.59,115	Q47,599	Q.47,599	Q.19,231	Q.19,231	Q252,390

SOURCE OF FUNDS: AID - GRANT

Component and Items	1	2	3	4	5	6	Total
1. Investigation and Evaluation							
1.1 Baseline study	Q. 75,000						Q. 75,000
1.4 20 evaluation field workers x 2 months x Q.300 per month x 6 years	Q. 12,000	Q. 12,000	Q. 12,000	Q. 12,000	Q. 12,000	Q. 12,000	Q. 72,000
1.5 Computer Services-Q20,000 per year for 1985-86 and lesser use in 1987-1990 (Q10,000 per year)	Q. 20,000	Q. 20,000	Q. 10,000	Q. 10,000	Q. 10,000	Q. 10,000	Q. 80,000
1.9 Travel and Per Diem							
1.9.2 20 evaluation field workers x Q.5 per trip x 20 days per month x 2 months x 6 years + 20 evaluation field workers x Q.16 per day x 20 days per month x 2 months x 6 years	Q. 16,800	Q. 16,800	Q. 16,800	Q 16,800	Q. 16,800	Q. 16,800	Q100,800
Sub-Total	Q.123,800	Q. 48,800	Q. 38,800	Q. 38,800	Q. 38,800	Q. 38,800	Q327,800
Inflation and Contingencies	19,790	7,490	5,885	5,885	5,885	5,885	50,820
TOTAL	Q.143,590	Q. 56,290	Q. 44,685	Q. 44,685	Q. 44,685	Q. 44,685	Q378,620

SOURCE OF FUNDS: GOG - COUNTERPART

Component and Items	1	2	3	4	5	6	Total
1. Investigation and Evaluation							
1.3 Four evaluation supervisors x Q.475 per month x 12 months x 2 years plus Christmas bonus of Q350 x four supervisors x 2 years					Q. 24,200	Q. 24,200	Q. 48,400
TOTAL					Q. 24,200	Q. 24,200	Q. 48,400

SOURCE OF FUNDS: AID - LOAN

Component and Items	1	2	3	4	5	6	Total
2. Curriculum Development							
2.1 Development of 4th grade experimental materials	Q. 30,000						Q. 30,000
2.2 Technical personnel							
2.2.1 4 Mayan writers x Q.500 per month x 12 months + Christmas bonus Q375 x 4	Q. 25,500	Q. 25,500	Q. 25,500	Q. 25,500			Q 102,000
2.2.2 2 curriculum experts x Q.575 per month x 12 months + Christmas bonus Q.450x2	Q. 14,700	Q. 14,700	Q. 14,700	Q.14,700			Q. 58,800
2.2.3 4 linguists x Q.575 per month x 12 months + Christmas bonus Q.450 x 4	Q. 29,400	Q. 29,400	Q. 29,400	Q. 29,400			Q.117,600
2.2.4 4 secretaries x Q.265 per month x 12 months + Christmas bonus Q.140 x 4	Q. 13,280	Q. 13,280	Q. 13,280	Q. 13,280			Q. 53,120

SOURCE OF FUNDS: AID - LOAN

Component and Items	1	2	3	4	5	6	Total
2. Curriculum Development							
2.3 Travel and Per Diem							
2.3.1 8 supervisory trips x 20 persons x Q.15 x 5 days	Q. 12,000	Q. 12,000	Q. 12,000	Q. 12,000	Q. 12,000	Q. 12,000	Q. 72,000
2.3.2 materials revision seminars - 160 teachers x 5 days x Q.15	Q. 12,000	Q. 12,000	Q. 12,000	Q. 12,000	Q. 12,000	Q. 12,000	Q. 72,000
2.3.4 Travel 160 teachers x Q.4	Q. 640	Q. 640	Q. 640	Q. 640	Q. 640	Q. 640	Q. 3,840
2.3.5 Per Diem-Technical personnel 16 persons x 5 days x Q.17.50	Q. 1,400	Q. 1,400	Q. 1,400	Q. 1,400	Q. 1,400	Q. 1,400	Q. 8,400
Sub-Total	Q. 26,040	Q. 26,040	Q. 26,040	Q. 26,040	Q. 26,040	Q. 26,040	Q.156,240

SOURCE OF FUNDS: AID - LOAN

Component and Items	1	2	3	4	5	6	Total
2. Curriculum Development							
2.4 Gasoline							
2.4.1 For supervisory visits:							
Area Mam (345 Kms.x2) + (50 Kms.x5 days) x 8 visits= 7520 Kms. - 15 Kms per gallon=501 gallons x Q.2.25	Q. 1,128	Q. 1,128	Q 1,128	Q. 1,128	Q. 1,128	Q. 1,128	Q. 6,768
Area Quiche (150 Kms.x2) +(40 Kms.x5 days) x 8 visits=4000 Kms.-15 Km. per gallon=266 gallons x Q.2.25	Q. 600	Q. 600	Q. 600	Q. 600	Q. 600	Q. 600	Q. 3,600
Area Kekchi (200 Kms.x2) + (60 Kms.x5 days) x 8 visits = 5600 Kms. - 15 Kms. per gallon = 373 gallons x Q.2.25	Q. 840	Q. 840	Q. 840	Q. 840	Q. 840	Q. 840	Q. 5,040
Area Cakchiquel (65 Kms. x2) + (50 Kms.x5 days) x8 visits = 3C4 Kms. - 15 Km. per gallon = 203 gallons x Q.2.25	Q. 458	Q. 458	Q. 458	Q. 458	Q. 458	Q. 458	Q. 2,748
2.4.2 For Materials Revision Workshops							
Area Mam - 345 Kms.x2= 690 Kms. - 15 Kms. per gallon = 46 gallons x Q.2.25 =	Q. 103	Q. 103	Q. 103	Q. 103	Q. 103	Q. 103	Q. 618
Area Quiche - 150 Kms. x 2 = 300 Kms. - 15 Kms. per gallon = 20 gallons x Q.2.25	Q. 45	Q. 45	Q. 45	Q. 45	Q. 45	Q. 45	Q. 270
Area Kekchi - 200 Kms. x 2 = 400 Kms. - 15 Kms. per gallon = 27 gallons x Q.2.25	Q. 61	Q. 61	Q. 61	Q. 61	Q. 61	Q. 61	Q. 366
Area Cakchiquel - 65 Kms. x 2 = 130 Kms. - 15 Kms. per gallon = 9 gallons x Q.2.25	Q. 20	Q. 20	Q. 20	Q. 20	Q. 20	Q. 20	Q. 120
Sub-Total	Q. 3,255	Q. 3,255	Q. 3,255	Q. 3,255	Q. 3,255	Q. 3,255	Q. 19,530
Sub-Total Loan	142,175	112,175	112,175	112,175	29,295	29,295	537,290
Inflation and Conting.	23,871	18,566	18,566	18,566	4,420	4,421	88,410
TOTAL	Q.166,046	Q.130,741	Q.130,741	Q.130,741	Q. 33,715	Q. 33,716	Q.625,700

SOURCE OF FUNDS: GOG - COUNTERPART

Component and Items	1	2	3	4	5	6	Total
2. Curriculum Development							
2.2 Technical Personnel							
2.2.1 4 technical supervisors of curriculum development teams xQ.335 per month x 12 months + Christmas bonus Q.210 x4	Q. 16,920	Q. 16,920	Q. 16,920	Q. 16,920	Q. 16,920	Q. 16,920	Q. 101,520
2.2.2 4 Mayan writers xQ.500 per month x 12 months + Christmas bonus Q.375 x 4					Q. 25,500	Q. 25,500	Q. 51,000
2.2.3 2 curriculum experts x Q.575 per month x 12 months + Christmas bonus xQ450x2 N.B. There are 4 curriculum experts, 2 of them are paid with loan funds 1985-1988 and 2 are paid with GOG funds 1985-1988. GOG pays the salaries of all 4 during the years 1989 & 1990	Q. 14,700	Q. 14,700	Q. 14,700	Q. 14,700	Q. 29,400	Q. 29,400	Q. 117,600
2.2.4 4 linguists x Q.575 per month x 12 months + Christmas bonus Q.450x4					Q. 29,400	Q. 29,400	Q. 58,800
2.2.5 4 secretaries x Q.265 per month x 12 months + Christmas bonus Q.140x4					Q. 13,280	Q. 13,280	Q. 26,560
2.2.6 2 illustrators x Q.265 per month x 12 months + Christmas bonus Q140x2	Q. 6,640	Q. 6,640	Q. 6,640	Q. 6,640	Q. 6,640	Q. 6,640	Q. 39,840
Sub-Total	Q. 38,260	Q. 38,260	Q. 38,260	Q. 38,260	Q. 121,140	Q. 121,140	Q. 395,320
Inflation and Contingencies	Q. 76	Q. 76	Q. 76	Q. 76	Q. 228	Q. 228	Q. 760
TOTAL	Q. 38,336	Q. 38,336	Q. 38,336	Q. 38,336	Q. 121,368	Q. 121,368	Q. 396,080

SOURCE OF FUNDS: AID - LOAN

Component and Items	1	2	3	4	5	6	Total
3. Training							
3.1 Short-Term							
3.1.1 Travel and per diems forteachers and technical personnel							
3.1.1.1 2,400 teachers xQ.15 x 10 days	Q. 60,000	Q. 60,000	Q. 60,000	Q. 60,000	Q. 60,000	Q. 60,000	Q. 360,000
3.1.1.2 2,400 teachers xQ.4	Q. 1,600	Q. 1,600	Q. 1,600	Q. 1,600	Q. 1,600	Q. 1,600	Q. 9,600
3.1.1.3 20 technical personnel x Q.17.50 x 10 days	Q. 3,500	Q. 3,500	Q. 3,500	Q. 3,500	Q. 3,500	Q. 3,500	Q. 21,000
3.1.2 Gasoline and materials							
3.1.2.1 Gasoline Mam Area -345 Kms.x2 - 15 Kms.xQ.2.25	Q. 105	Q. 105	Q. 105	Q. 105	Q. 105	Q. 105	Q. 630
Quiche Area - 150 Kms. x2 - 15 Kms. xQ.2.25	Q. 45	Q. 45	Q. 45	Q. 45	Q. 45	Q. 45	Q. 270
Kekchi Area - 200 x2 - 15 Kms. xQ.2.25	Q. 60	Q. 60	Q. 60	Q. 60	Q. 60	Q. 60	Q. 360
Cakchiquel Area - 65 Kms. x2 - 15 Kms. xQ.2.25	Q. 20	Q. 20	Q. 20	Q. 20	Q. 20	Q. 20	Q. 120
3.1.2.1 Materials Teaching materials - 2,400 teachers xQ.5	Q. 2,000	Q. 2,000	Q. 2,000	Q. 2,000	Q. 2,000	Q. 2,000	Q. 12,000
Sub total	Q. 67,330	Q. 67,330	Q. 67,330	Q. 67,330	Q. 67,330	Q. 67,330	Q. 403,980

SOURCE OF FUNDS: AID - LOAN

Component and Items	1	2	3	4	5	6	Total
3. Training							
3.1 Short-Term							
3.1.3 Audio Visual Equipment							
4 overhead projectors	$ 1,000						$ 1,000
1 electric mimeograph	$ 2,000						$ 2,000
1 video equipment	$ 1,600						$ 1,600
4 slide projectors	$ 1,000						$ 1,000
4 camaras	$ 600						$ 600
1 stencil burner	$ 1,000						$ 1,000
100 video cassettes	$ 1,000						$ 1,000
4 tape recorders	$ 600						$ 600
3.2 Long-Term							
3.2.2 Travel and Per Diems - promoters							
500 promoters x42 days x Q.15		Q. 315,000	Q. 315,000	Q. 315,000	Q. 315,000	Q. 315,000	Q.1,575,000
500 promoters x Q.8		Q. 4,000	Q. 4,000	Q. 4,000	Q. 4,000	Q. 4,000	Q. 20,000
Sub total Loan	Q. 76,130	Q. 386,330	Q. 386,330	Q. 386,330	Q. 386,330	Q. 386,330	Q.2,007,780
Inflation and Contingencies	Q. 17,680	Q. 67,192	Q. 67,192	Q. 67,192	Q. 67,192	Q. 67,192	Q. 353,640
TOTAL	Q. 93,810	Q. 453,522	Q. 453,522	Q. 453,522	Q. 453,522	Q. 453,522	Q.2,361,420

SOURCE OF FUNDS: AID - GRANT

Component and Items	1	2	3	4	5	6	Total
3. Training							
3.2 Long-Term							
3.2.1 Teaching staff - Santa Lucia	Q. 6,000	Q. 6,000	Q. 6,000	Q. 6,000	Q. 6,000		Q. 30,000
3.2.2 Local Scholarships-undergraduate level 3 year university technical training x Q.1,500 per student x 75 professors	Q. 112,500	Q. 112,500	Q. 112,500				Q. 337,500
2 year university degree -Licenciatura x Q.2,000 per student x 25 students	Q. 50,000	Q. 50,000					Q. 100,000
3.2.3 International Scholarships - masters level Q.25,000 per year x 10 students	$ 250,000	$ 250,000					$ 500,000
3.2.4 International Scholarships - short-term Q.10,000 per year x 10 students	$ 50,000	$ 50,000					$ 100,000
Sub total $	$ 300,000	$ 300,000					$ 600,000
Contingencies $	$ 46,350	$ 46,350					$ 92,700
TOTAL $	$ 346,350	$ 346,350					$ 692,700
Sub-Total Q	Q 168,500	Q. 168,500	Q. 118,500	Q. 6,000	Q. 6,000		Q. 467,500
Inflat. and Contingen.	Q. 27,007	Q. 27,007	Q. 19,506	Q. 750	Q. 750		Q. 75,020
TOTAL Q	Q. 195,507	Q. 195,507	Q. 138,006	Q. 6,750	Q. 6,750		Q. 542,520
TOTAL COMPONENT	Q. 541,857	Q. 541,857	Q. 138,006	Q. 6,750	Q. 6,750		Q.1,235,220

SOURCE OF FUNDS: AID - LOAN

Component and Items	1	2	3	4	5	6	Total
4. Equipment and educational materials							
4.1 Student desks-35,000x Q.25 - 2	Q. 437,500	Q. 437,500					Q. 875,000
4.2 Blackboards - 400 x Q.225	Q. 168,750						Q. 168,750
4.3 Bookcases and flipcharts							
800 bookcases x Q.175	Q. 140,000						Q. 140,000
800 flipcharts x Q.50	Q. 40,000						Q. 40,000
4.4 Educational Materials							
Third grade (first edition)			Q. 103,959				Q. 103,959
Preprimary (revision)			Q. 234,640				Q. 234,640
Fourth grade (first edition)			Q. 75,450				Q. 75,450
First grade (revision)			Q. 252,444				Q. 252,444
Second grade (revision)				Q. 156,675			Q. 156,675
Third grade (revision)					Q. 113,430		Q. 113,430
Fourth grade (revision						Q. 82,299	Q. 82,299
4.5 Transportation of equipment and educational materials							
540 trips xQ.500 per trip (270 in '85 + 270 in '86)	Q. 135,000	Q. 135,000					Q. 270,000
504,821 books x Q.0.15 per book		Q. 20,194	Q. 26,672	Q. 12,754	Q. 9,295	Q. 6,804	Q. 75,719
Sub-totals	Q. 921,250	Q. 931,293	Q 354,566	Q. 169,429	Q. 122,725	Q. 89,103	Q.2,588,366
Inflation and Contingencies	Q. 163,685	Q. 159,138	Q 63,655	Q. 31,828	Q. 22,734	Q. 13,640	Q. 454,680
TOTAL Component	Q.1,084,935	Q.1,090,431	Q. 418,221	Q. 201,257	Q. 145,459	Q. 102,743	Q.3,043,046

SOURCE OF FUNDS: AID - LOAN

Component and Items	1	2	3	4	5	6	Total
5. Administration and Supervision							
5.1 Administrative and teaching personnel							
5.1.1 Administrative							
Clerk III (1)			Q. 3,710	Q. 3,710			Q. 7,420
Accountantt (1)			Q. 4,620	Q. 4,620			Q. 9,240
Public Relations (1)			Q. 6,500	Q. 6,500			Q. 13,000
Secretaries (3)			Q. 9,960	Q. 9,960			Q. 19,920
Bookkeepers (2)			Q. 7,420	Q. 7,420			Q. 14,840
5.1.2 Teaching							
Regional supervisors (33) Q.5,238 x 33	Q.172,854	Q.172,854	Q.172,854	Q.172,854			Q.691,416
Sub-Total	Q.172,854	Q.172,854	Q.205,064	Q.205,064			Q.755,836
5.2 Office rent	Q. 6,000	Q. 6,000	Q. 6,000	Q. 6,000	Q. 6,000	Q. 6,000	Q. 36,000
5.3 Per Diems - Regional Supervisors 15 days per month x Q.15.60 x 10 months x 50	Q.117,000	Q.117,000	Q.117,000	Q.117,000	Q.117,000	Q.117,000	Q.702,000
5.4 Materials-paper, office supplies, etc.	Q. 12,000	Q. 12,000	Q. 12,000	Q. 12,000	Q. 12,000	Q. 12,000	Q. 72,000
5.5 Office furniture & equipment							
25 work tables at Q200		Q. 5,000					Q. 5,000
100 chairs at Q30		Q. 3,000					Q. 3,000
25 mimeographic machines (manual) at Q800		Q. 20,000					Q. 20,000
53 filing cabinets (3 draw.) at Q125		Q. 6,625					Q. 6,625
6 desks (secretarial) at Q175		Q. 1,050					Q. 1,050
28 mechanical typewriters at Q600		Q. 16,800					Q. 16,800
28 typewriter tables at Q40		Q. 1,120					Q. 1,120
6 desk chairs (secretarial) at Q50		Q. 300					Q. 300
4 electrical calculators at Q180		Q. 720					Q. 720
2 storage cabinets at Q150		Q. 300					Q. 300
Sub-Total	Q.135,000	Q.189,215	Q.115,000	Q.115,000	Q.115,000	Q115,000	Q.864,215

SOURCE OF FUNDS: AID - LOAN

Component and Items	1	2	3	4	5	6	Total
5. Administration and Supervision							
5.6 Vehicles							
5.6.1 Automobiles (5) at $20,000	$ 100,000						$ 100,000
5.6.2 Motorcycles (50) $1,300	$ 65,000						$ 65,000
5.6.3 Gasoline-Automobiles 10 trips per month x 360 Kms. x 12 months - 15 Kms. per gallon x Q2.25	Q. 5,480	Q. 6,480	Q. 6,480	Q. 6,480	Q. 6,480	Q. 6,480	Q. 38,880
5.6.4 Gasoline-Motorcycles 15 trips x 30 Kms. x10 monthsx 50 supervisors - 100 Kms. per gallon x Q.2.25	Q. 5,063	Q. 5,063	Q. 5,063	Q. 5,063	Q. 5,063	Q. 5,063	Q. 30,378
5.6.5 Maintenance-automobile and motorcycles Q20 per month x 12 months x 50 motorcycles Q100 per month x 12 months x 5 automobiles	Q. 18,000	Q. 18,000	Q. 18,000	Q. 18,000	Q. 18,000	Q. 18,000	Q. 108,000
5.6.6 Insurance Motorcycles Q250x50 12,500 Automobiles Q720x4 3,600	Q. 16,100	Q. 16,100	Q. 16,100	Q. 16,100	Q. 16,100	Q. 16,100	Q. 96,600
TOTAL	518,497 (Q353,497) ($165,000)	Q.408,412	Q.385,707	Q.385,707	Q.180,643	Q.180,643	2,059,609 (Q1,894,609) ($ 165,000)

PLEASE REFER TO "SUMMARY - LOAN", COMPONENT 5, ON PAGE No. 86

SOURCE OF FUNDS: AID - GRANT

Component and Items	1	2	3	4	5	6	Total
5. Administration and Supervision							
5.1 Administrative personnel							
Clerk III (1)	Q. 3,710	Q. 3,710					Q. 7,420
Accountant (1)	Q. 4,620	Q. 4,620					Q. 9,240
Public Relations (1)	Q. 6,500	Q. 6,500					Q. 13,000
Secretaries (3)	Q. 9,960	Q. 9,960					Q. 19,920
Bookkeepers (2)	Q. 7,420	Q. 7,420					Q. 14,840
TOTAL	Q. 32,210	Q. 32,210					Q. 64,420
Inflat. & Contingencies	Q. 4,840	Q. 4,840					Q. 9,680
TOTAL Component	Q. 37,050	Q. 37,050					Q. 74,100

SOURCE OF FUNDS: GOG

Component and Items	1	2	3	4	5	6	Total
5. Administration and supervision							
5.1 Administration and teaching personnel							
5.1.1 Administrative							
Director (1)	Q. 8,975	Q. 8,975	Q. 8,975	Q. 8,975	Q. 8,975	Q. 8,975	Q. 53,850
Chief, Bilingual Curriculum Section (1)	Q. 7,675	Q. 7,675	Q. 7,675	Q. 7,675	Q. 7,675	Q. 7,675	Q. 46,050
Chief, Preprimary & Primary Rural Section (1)	Q. 5,238	Q. 5,238	Q. 5,238	Q. 5,238	Q. 5,238	Q. 5,238	Q. 31,428
Secretary (1)	Q. 3,320	Q. 3,320	Q. 3,320	Q. 3,320	Q. 3,320	Q. 3,320	Q. 19,920
Regional Supervisors (17)	Q. 89,046	Q. 89,046	Q. 89,046	Q. 89,046	Q. 89,046	Q. 89,046	Q. 534,276
Bilingual Promoters (800)	Q.2,084,000	Q.2,084,000	Q.2,084,000	Q.2,084,000	Q.2,084,000	Q.2,084,000	Q.12,504,000
Drivers (5)	Q. 14,650	Q. 14,650	Q. 14,650	Q. 14,650	Q. 14,650	Q. 14,650	Q. 87,900
Janitor (1)	Q. 2,345	Q. 2,345	Q. 2,345	Q. 2,345	Q. 2,345	Q. 2,345	Q. 14,070
Chief, Administrative Section	Q. 7,675	Q. 7,675	Q. 7,675	Q. 7,675	Q. 7,675	Q. 7,675	Q. 46,050
Clerk III (1)					Q 3,710	Q. 3,710	Q. 7,420
Cost Analyst (1)					Q. 4,620	Q. 4,620	Q. 9,240
Public Relations (1)					Q. 6,500	Q. 6,500	Q. 13,000
Secretaries (3)					Q. 9,960	Q. 9,960	Q. 19,920
Bookkeepers (2)					Q. 7,420	Q. 7,420	Q. 14,840
5.1.2 Teaching							
Regional Supervisors (33)					Q. 172,854	Q. 172,854	Q. 345,708
Bilingual Teachers (150 per year)	Q. 498,000	Q. 996,000	Q.1,494,000	Q.1,992,000	Q.2,490,000	Q.2,988,000	Q.10,458,000
		(150)	(300)	(450)	(600)	(750)	(900)
Additional salary increases based on years (Escalafon)						Q. 72,000	Q. 72,000
Sub-Total	Q.2,720,924	Q.3,218,924	Q.3,716,924	Q.4,214,924	Q.4,917,988	Q.5,487,988	Q.24,277,672
5.2 Office Rent	Q. 20,400	Q. 20,400	Q. 20,400	Q. 20,400	Q. 20,400	Q. 20,400	Q. 122,400
5.6 Vehicles							
5.6.3 Gasoline	Q. 10,200	Q. 10,200	Q. 10,200	Q. 10,200	Q. 10,200	Q. 10,200	Q. 61,200
Sub-Total	Q.2,751,524	Q.3,249,524	Q.3,747,524	Q.4,245,524	Q.4,948,588	Q.5,518,588	Q.24,461,272
Inflat. & Contingencies	Q. 4,469	Q. 4,841	Q. 5,586	Q. 6,331	Q. 7,448	Q. 8,565	Q. 37,240
TOTAL Component	Q.2,755,993	Q.3,254,365	Q.3,753,110	Q.4,251,855	Q.4,956,036	Q.5,527,153	Q.24,498,512

SOURCE OF FUNDS: AID - GRANT

Component and Items	1	2	3	4	5	6	Total
6. Technical Assistance							
6.1 Equipment							
6 secretarial desks at 175		Q. 1,050					Q. 1,050
6 desk chairs at 50		Q. 300					Q. 300
6.2 Office supplies	Q. 600	Q. 600	Q. 600	Q. 600	Q. 600	Q. 600	Q. 3,600
6.3 International Consultants							
Bilingual expert	$ 100,000	$ 100,000	$ 100,000				$ 300,000
Anthropologist/Linguist	$ 100,000	$ 100,000	$ 100,000				$ 300,000
Evaluation expert	$ 100,000	$ 25,000					$ 125,000
Sub-Total	300,600	226,950	200,600	Q. 600	Q. 600	Q. 600	729,950
	(Q. 600) ($300,000)	(Q 1,950) ($225,000)	(Q 600) ($200,000)				(Q. 4,950) ($ 725,000)

SOURCE OF FUNDS: AID - GRANT

Component and Items	1	2	3	4	5	6	Total
6. Technical Assistance							
6.4 National Consultants							
Training Consultant	Q. 24,000	Q. 24,000	Q. 24,000				Q. 72,000
Supervision Consultant	Q. 24,000	Q. 24,000			Q. 24,000		Q. 72,000
Public Admin. Consultant	Q. 24,000	Q. 24,000	Q. 24,000	Q. 24,000	Q. 24,000	Q. 24,000	Q.144,000
Materials Coordinator Con.	Q. 14,000	Q. 14,000	Q. 14,000	Q. 14,000	Q. 14,000	Q. 14,000	Q. 84,000
Short-term Spect. (1-3 months)							
Social Studies	Q. 3,000	Q. 3,000	Q. 3,000	Q. 3,000	Q. 3,000	Q. 3,000	Q. 18,000
Science	Q. 3,000	Q. 3,000	Q. 3,000	Q. 3,000	Q. 3,000	Q. 3,000	Q. 18,000
Spanish	Q. 3,000	Q. 3,000	Q. 3,000	Q. 3,000	Q. 3,000	Q. 3,000	Q. 18,000
Math	Q. 3,000	Q. 3,000	Q. 3,000	Q. 3,000	Q. 3,000	Q. 3,000	Q. 18,000
Native Language (reading and writing)	Q. 3,000	Q. 3,000	Q. 3,000	Q. 3,000	Q. 3,000	Q. 3,000	Q. 18,000
Agriculture	Q. 1,000	Q. 1,000	Q. 1,000	Q. 1,000	Q. 1,000	Q. 1,000	Q. 6,000
Domestic arts	Q. 1,000	Q. 1,000	Q. 1,000	Q. 1,000	Q. 1,000	Q. 1,000	Q. 6,000
Music and fine arts	Q. 1,000	Q. 1,000	Q. 1,000	Q. 1,000	Q. 1,000	Q. 1,000	Q. 6,000
Recreation	Q. 1,000	Q. 1,000	Q. 1,000	Q. 1,000	Q. 1,000	Q. 1,000	Q. 6,000
Industrial arts	Q. 1,000	Q. 1,000	Q. 1,000	Q. 1,000	Q. 1,000	Q. 1,000	Q. 6,000
Subtotal	Q.106,000	Q.106,000	Q. 82,000	Q. 58,000	Q. 82,000	Q. 58,000	Q.492,000

SOURCE OF FUNDS: AID - GRANT

Component and Items	1	2	3	4	5	6	Total
6. Technical Assistance							
6.5 Per Diems							
5 persons x 2 days x 12 monthxQ.15 x 3 yrs. ('85-'87)	Q. 5,400	Q. 5,400	Q. 5,400				Q. 16,200
1 person 2 days x 12 months x Q.15 x3 yrs ('88-'90)				Q. 1,800	Q. 1,800	Q. 1,800	Q. 5,400
6.6 External evaluation			Q. 50,000			Q. 50,000	Q. 100,000
6.7 Audit			Q. 15,000	Q. 17,000		Q. 18,000	Q. 50,000
TOTAL	412,000	338,350	353,000	Q. 77,400	Q. 84,400	Q.128,400	1,393,550
	(Q112,000) ($300,000)	(Q113,350) ($225,000)	(Q153,000) ($200,000)				(Q668,550) ($725,000)

PLEASE REFER TO "SUMMARY - GRANT", COMPONENT 6, ON PAGE No. 87

SUMMARY - LOAN

COMPONENT AND ITEM	1	2	3	4	5	6	TOTAL
Sub-Total - $	$ 165,000						$ 165,000
Inflation & Contingencies	$ 29,000						$ 29,000
TOTAL - U.S. $	$ 194,000						$ 194,000
Sub-Total - Q	Q 353,497	Q 408,412	Q 385,707	Q 385,707	Q 180,643	Q 180,643	Q1,894,609
Inflation & Contingencies	Q 62,392	Q 68,960	Q 65,676	Q 65,676	Q 32,838	Q 32,838	Q 328,380
TOTAL - Q	Q 415,889	Q 477,372	Q 451,383	Q 451,383	Q 213,481	Q 213,481	Q2,222,989
TOTAL COMPONENT	609,889	477,372	451,383	451,383	213,481	213,481	2,416,989

SUMMARY - GRANT

COMPONENT AND ITEM	1	2	3	4	5	6	TOTAL
Sub-Total - $	$ 300,000	$ 225,000	$ 200,000				$ 725,000
Inflation & Contingencies	$ 46,653	$ 35,123	$ 31,724				$ 113,300
TOTAL - U.S. $	$ 346,453	$ 260,123	$ 231,724				$ 838,300
Sub-Total - Q	Q 112,000	Q 113,350	Q 153,000	Q 77,400	Q 84,400	Q 128,400	Q 668,550
Inflation & Contingencies	Q 17,331	Q 17,540	Q 23,674	Q 11,977	Q 13,060	Q 19,868	Q 103,450
TOTAL - Q	Q 129,331	Q 130,890	Q 176,674	Q 89,377	Q 97,460	Q 148,268	Q 772,000
TOTAL COMPONENT	475,784	391,013	408,398	89,377	97,460	148,268	1,610,300

LOCAL CURRENCY AND FOREIGN EXCHANGE TABLES
(000)

YEAR	COMPONENT	USAID LOAN FX	USAID LOAN LC	USAID LOAN TOTAL	USAID GRANT FX	USAID GRANT LC	USAID GRANT TOTAL	GOU LC	TOTAL
1	1. Investigation and Evaluation		60	60		144	144		204
	2. Curriculum Development		166	166				38	204
	3. Training	9	85	94					94
	4. Equipment and Educational Mater.		1,005	1,005					1,005
	5. Administration and Supervision	194	416	610		37	37	2,756	3,403
	6. Technical Assistance	--			346	129	475		475
	TOTAL YEAR 1	203	1,812	2,015	346	310	656	2,794	5,465
2	1. Investigation and Evaluation		59	59		56	56		115
	2. Curriculum Development		131	131				38	169
	3. Training		454	454	346	196	542		996
	4. Equipment and Educational Mater.		1,090	1,090					1,090
	5. Administration and Supervision		477	477		37	37	3,255	3,769
	6. Technical Assistance				260	131	391		391
	TOTAL YEAR 2	--	2,211	2,211	606	420	1,026	3,293	6,530
3	1. Investigation and Evaluation		48	48		45	45		93
	2. Curriculum Development		131	131				38	169
	3. Training		454	454	346	196	542		996
	4. Equipment and Educational Mater.		418	418					418
	5. Administration and Supervision		451	451				3,753	4,204
	6. Technical Assistance				232	177	409		409
	TOTAL YEAR 3	--	1,502	1,502	578	418	996	3,791	6,289
4	1. Investigation and Evaluation		48	48		45	45		93
	2. Curriculum Development		131	131				38	169
	3. Training		454	454		138	138		592
	4. Equipment and Educational Mater.		201	201					201
	5. Administration and Supervision		451	451				4,252	4,703
	6. Technical Assistance					89	89		89
	TOTAL YEAR 4	--	1,285	1,285	--	272	272	4,290	5,847
5	1. Investigation and Evaluation		19	19		45	45	24	88
	2. Curriculum Development		34	34				122	156
	3. Training		454	454		7	7		461
	4. Equipment and Educational Mater.		145	145					145
	5. Administration and Supervision		213	213				4,956	5,169
	6. Technical Assistance					98	98		98
	TOTAL YEAR 5	--	865	865	--	150	150	5,102	6,117
6	1. Investigation and Evaluation		19	19		45	45	24	88
	2. Curriculum Development		34	34				122	156
	3. Training		453	453		7	7		460
	4. Equipment and Educational Mater.		103	103					103
	5. Administration and Supervision		213	213				5,527	5,740
	6. Technical Assistance				--	148	148		148
	TOTAL YEAR 6	--	822	822	--	200	200	5,673	6,695
TOTAL	1. Investigation and Evaluation		253	253		380	380	48	681
	2. Curriculum Development		627	627				396	1,023
	3. Training	9	2,354	2,363	692	544	1,236		3,599
	4. Equipment and Educational Mater.		3,042	3,042					3,042
	5. Administration and Supervision	194	2,221	2,415		74	74	24,499	26,988
	6. Technical Assistance				838	772	1,610		1,610
	TOTAL ALL YEARS	203	8,497	8,700	1,530	1,770	3,300	24,943	36,943

A N N E X E S

1/3 UNCLASSIFIED STATE 057169/01

ACTION AID INFO AMB DCM ROCAP ECON CHRON/10

VZCZCGT0760
PP RUEHGT
DE RUEHC #7169/01 0590058
ZNR UUUUU ZZH
P 272116Z FEB 84
FM SECSTATE WASHDC
TO AMEMBASSY GUATEMALA PRIORITY 7257
BT
UNCLAS STATE 057169

28-FEB-84
TOR: 13:11
CN: 65274
CHRG: AID
DIST: AID

AIDAC

ACTION: PDSO
PROGRAM
INFO: EDUCATION
DIRECTOR
ADM

E.O. 12356: N/A
TAGS:
SUBJECT: RURAL PRIMARY EDUCATION IMPROVEMENT PID (520-0282)

1. SUBJECT PID WAS REVIEWED AND APPROVED BY THE DAEC ON OCTOBER 27, 1983. DAEC MEMBERS CONCLUDED THAT PID WAS COMPREHENSIVE AND WELL WRITTEN. THE MISSION IS CONGRATULATED FOR AN EXCELLENT JOB.

AFTER DISCUSSING AND RESOLVING SEVERAL ISSUES DURING THE REVIEW, THE FOLLOWING GUIDANCE IS PROVIDED FOR PP PREPARATION.

2. GOG POLICY.

THE PID INDICATED THAT THE GOG IS CONSIDERING A NATIONAL BILINGUAL EDUCATION (NBE) POLICY; THAT POLICY IS NOT YET ON THE BOOKS. THE LACK OF A FORMALIZED POLICY COULD INHIBIT THE IMPLEMENTATION OF THE PROJECT. DURING PP DEVELOPMENT, THE MISSION SHOULD TAKE THE STEPS NECESSARY TO ASSURE THAT THE GOG FORMULATES AND FORMALIZES THE NBE POLICIES NECESSARY FOR EFFECTIVE INSTITUTIONALIZATION OF BILINGUAL EDUCATION SYSTEM IN THE

MOE. THESE POLICIES SHOULD FACILITATE IMPLEMENTATION OF ALL PROJECT ACTIVITIES, AND CREATE POLICY ENVIRONMENT CONDUCIVE TO THE CONTINUING EXPANSION OF BILINGUAL EDUCATION SERVICES BEYOND THE SIX-YEAR LIFEOF PROJECT. THE BUREAU BELIEVES THAT A NBE POLICY IN PLACE PRIOR TO THE PP PRESENTATION WOULD STRENGTHEN THE MISSION'S CASE. IN NEGOTIATING THE ESTABLISHMENT OF CONCRETE NBE POLICIES, THE MISSION SHOULD TAKE CARE TO INCORPORATE THE RESULTS OF THE EVALUATION OF THE BILINGUAL EDUCATION PROJECT (520-0258) IN ITS STRATEGY.

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3. GOG COMMITMENT.

--A) ALTHOUGH WORLD BANK SOURCES STATE THAT APPROXIMATELY 1,000 BILINGUAL TEACHERS ARE AVAILABLE IN-COUNTRY, THE PROJECT WILL REQUIRE A SUBSTANTIAL INFLUX OF BILINGUAL TEACHERS TO ENABLE STAFFING OF THE PROJECT SCHOOLS. GIVEN THE LIMITED NUMBER OF TRAINED TEACHERS OF ANY KIND PRODUCED EACH YEAR, THE MISSION WILL NEED TO SECURE GOG

COMMITMENT TO PROVIDE BILINGUAL PROMOTERS AND TEACHERS FOR THE PROJECT SCHOOLS. THE MISSION SHOULD EXPLORE HAVING THE COMMITMENT INCLUDED IN THE GOG LETTER OF APPLICATION AND WRITTEN IN THE PROJECT AGREEMENT ITSELF.

-----B) THE PID FORESEES AN EXPANSION OF THE NUMBER OF BILINGUAL PROMOTERS/TEACHERS, AS WELL AS AN INCREASE IN THE NUMBER OF TRAINERS AND MOE PERSONNEL. THE PID ALSO STATES THAT THE BILINGUAL PROGRAM WILL EVENTUALLY EXPAND TO ENCOMPASS THE MAJORITY OF INDIGENOUS PRIMARY SCHOOLS THROUGHOUT THE COUNTRY AFTER THIS PROJECT ENDS. THIS WILL PLACE A NEW BURDEN ON THE LIMITED RESOURCES AVAILABLE TO GUATEMALA'S EDUCATION SECTOR. GIVEN THE ABOVE, THE PP SHOULD INCLUDE AN ANALYSIS OF RECURRENT COSTS WHICH ADDRESSES THE GOG CAPABILITY TO ABSORB PERSONNEL COSTS DURING AND AFTER THE PROJECT ENDS. ALSO, THE PP SHOULD ANALYZE GOG CAPABILITY FOR EXPANDING THE BILINGUAL EDUCATION PROGRAM TO ADDITIONAL SCHOOLS AFTER THE PACD, ASSUMING THE INITIAL PROJECT PROVES SUCCESSFUL.

4. INSTITUTIONALIZATION.

INSTALLATION OF THE NATIONAL BILINGUAL EDUCATION OFFICE IN THE MOE REMAINS A KEY ASPECT TO ORGANIZING AND SUSTAINING BILINGUAL ACTIVITIES DURING AND AFTER THE PROJECT. THEREFORE, THE MISSION SHOULD LAY OUT THE INSTITUTIONAL STRUCTURE OF THE NBE OFFICE AND ITS

RELATIONSHIPS TO EXISTING MOE UNITS IN AN EXPANDED ADMINISTRATIVE FEASIBILITY ANALYSIS. THE MISSION SHOULD CONSIDER HAVING THE OFFICE IN PLACE PRIOR TO PP AUTHORIZATION OR AS A CP TO DISBURSEMENT. THE PP SHOULD ALSO DESCRIBE HOW THE MISSION INTENDS TO MONITOR DEVELOPMENTS IN THE OFFICE AND TAKE ANY FOLLOW-UP ACTION WHICH MIGHT BE NEEDED TO ENSURE ITS CONTINUED EXISTENCE.

5. IMPACT ON EDUCATION SYSTEM.

---A) SUCCESSFUL IMPLEMENTATION OF THE PROJECT SHOULD LEAD TO LOWER STUDENT DROP OUT RATES AND REDUCED GRADE REPETITION. THIS IMPLIES THAT THE SCHOOL SYSTEM WILL RETAIN MORE STUDENTS, AND MOST PROBABLY, THAT THESE STUDENTS WILL CONTINUE THEIR STUDIES AT HIGHER PRIMARY GRADE LEVELS. THEREFORE, THE PP SHOULD ANALYZE THE MOE'S CAPACITY TO ACCOMMODATE INCREASED STUDENT POPULATIONS AT THE HIGHER LEVELS.

--B) IN ANALYZING THE EDUCATION SYSTEM AND ITS INTERACTION WITH STUDENT POPULATIONS, THE PP SHOULD PROVIDE A BREAKOUT OF THE STUDENTS IN RURAL AREAS BY INDIAN/LADINO GROUPINGS TO BE ABLE TO SHOW THE EFFECTS OF

THE PROJECT ON INDIANS. TO THE EXTENT FEASIBLE, THE PP SHOULD ANALYZE THE IMPACT OF PRIMARY EDUCATION ON THE PATTERNS OF SEASONAL MIGRANT-FARM LABORERS.

--C) THE PLACEMENT OF THE NEWLY TRAINED BILINGUAL TEACHERS AND PROMOTERS WILL CLEARLY AFFECT THE TEACHER ASSIGNMENT SYSTEM IN THE MOE, BUT IT IS NOT CLEAR HOW AND WHAT CHANGES WILL TAKE PLACE. THEREFORE, THE MISSION SHOULD ASK THE MOE TO DEFINE A STRATEGY FOR REASSIGNING SPANISH-SPEAKING TEACHERS FROM PROJECT SCHOOLS AND DRAW UP A PLAN FOR ASSIGNING REPLACEMENT BILINGUAL TEACHERS AND PROMOTERS IN THOSE SCHOOLS.

--D) INITIAL RESULTS FROM EVALUATIONS UNDER THE BILINGUAL EDUCATION PROJECT (0258) POINT TO THE SUCCESSFUL PERFORMANCE OF BILINGUAL PROMOTERS IN PRE-PRIMARY THROUGH THE SECOND GRADE. IF THE PROMOTERS' TEACHING QUALITY IS ACTUALLY ON THE LEVEL OF BILINGUAL TEACHERS, THE IMPLICATIONS FOR COST SAVINGS ARE CLEAR. THE MISSION SHOULD EXAMINE THE ECONOMIC AND EDUCATIONAL IMPLICATIONS OF USING BILINGUAL PROMOTERS AND OTHER POSSIBLE LEVELS OF PARA-PROFESSIONAL TEACHERS. FURTHERMORE, THE DAEC RECOMMENDS THAT THE MISSION INVOLVE THE MOE IN THIS ANALYSIS AND IN DETAILED POLICY DIALOGUE LEADING TO

INCREASED STATUTORY FLEXIBILITY WITH REGARD TO THE TRAINING AND CERTIFICATION OF PARA-PROFESSIONAL TEACHERS.

--E) PROJECT SUCCESS WILL ULTIMATELY DEPEND ON THE STUDENT'S PERFORMANCE IN SCHOOL. THE MISSION, TO THE EXTENT POSSIBLE, SHOULD IDENTIFY SPECIFIC INDICATORS OF IMPROVEMENT IN EDUCATIONAL QUALITY AND RELEVANCE, AND ESTABLISH TARGETS AGAINST WHICH TO EVALUATE ACCOMPLISHMENT OF PROJECT OBJECTIVES.

6. TRAINING STRATEGY.

--A) IN ORDER TO TEACH INDIAN STUDENTS, THERE MUST BE AN ADEQUATE NUMBER OF EDUCATED, INDIGENOUS TEACHING CANDIDATES WHO SPEAK SPANISH AVAILABLE FOR THE PROJECT IN APPROPRIATE GEOGRAPHIC LOCATIONS. THE MISSION WILL NEED TO CONDUCT BASELINE STUDIES TO IDENTIFY PROJECT SCHOOLS AND PROVIDE ASSURANCES THAT A SUFFICIENT POOL OF QUALIFIED PROMOTERS AND TEACHERS EXISTS TO IMPLEMENT THE PROJECT. ALSO, MOE IDENTIFICATION AND RECRUITMENT PROCEDURES FOR TEACHER CANDIDATES SHOULD BE DISCUSSED.

--B) THE PROJECT WILL RELY HEAVILY ON THE GOG NORMAL SCHOOLS (FOR EXAMPLE, SANTA LUCIA) TO TRAIN BILINGUAL TEACHERS. GIVEN THE PLANNED NUMBERS TO BE TRAINED, THE MISSION SHOULD DETERMINE THE CAPACITY OF GOG NORMAL SCHOOLS TO PRODUCE AN ON-GOING SUPPLY OF BILINGUAL EDUCATION TEACHERS. THE PP SHOULD ADDRESS THENEED FOR A PROGRAM TO EXPAND THE CAPACITY (INCLUDING STAFF DEVELOPMENT) OF THESE SCHOOLS.

--C) THE PID INDICATED THAT TWO UNIVERSITIES HAD EXPRESSED INTEREST AND SUBMITTED FINANCIAL PROPOSALS TO INITIATE A B.A. UNIVERSITY LEVEL PROGRAM IN BILINGUAL

EDUCATION. THE PP WILL NEED TO ELABORATE ON THE DESIGN OF THIS PROGRAM TO TRAIN HIGH LEVEL EDUCATION PERSONNEL AND DISCUSS HOW THIS PROGRAM WILL BE INSTITUTIONALIZED WITHIN SAID UNIVERSITIES.

7. RELATIONSHIP WITH OTHER DONORS.

THE MISSION PLANS TO WORK IN CLOSE COLLABORATIONWITH THE WORLD BANK (TEXTBOOK PRINTING) AND THE IDB (SCHOOL CONSTRUCTION) IN THE PROPOSED PROJECT. THE PP SHOULD NOTE THE HISTORY OF AND PROSPECTS FOR COLLABORATIVE

EFFORTS AMONG A.I.D., THE WORLD BANK AND IDB IN THE EDUCATION SECTOR. FURTHERMORE, THE MISSION SHOULD DEVELOP ALTERNATIVE STRATEGIES FOR TEXTBOOK PRINTING IF UNANTICIPATED DELAYS OCCUR UNDER THE WORLD BANK LOAN.

8. ECONOMIC ANALYSIS.

PER CONVERSATIONS BETWEEN LAC/DR ANDMISSION STAFF, THE MISSION WILL USE THE METHODOLOGY IN THE BOLIVIA BILINGUAL EDUCATION PP (HANDCARRIED BY FAIRCHILD) AS THE MODEL FOR THE ECONOMIC ANALYSIS. IF THE MISSIONDETERMINES THE NEED TO ALTER THE APPROACH, IT SHOULD CONSULT WITH THE LAC/DR ECONOMIST.

9. EVALUATIONS.

--A) THE PP WILL INCLUDE A CALENDAR FOR EXTERNAL EVALUATIONS OF PROJECT IMPLEMENTATION ACTIVITIES. THE FIRST EXTERNAL EVALUATION SHOULD BE SCHEDULED ONE YEAR TO EIGHTEEN MONTHS AFTER PROJECT OBLIGATION.

--B) THERE IS CONSIDERABLE UNCERTAINTY AS TO THE RELATIVE IMPACT OF THE DIFFERENT VARIABLES WHICH AFFECT STUDENT LEARNING WITHIN THE REALM OF BILINGUAL EDUCATION. THEREFORE, THE MISSION SHOULD UNDERTAKE LONGITUDINAL STUDIES TO EXAMINE AND DIFFERENTIATE THE INDEPENDENT

IMPACTOF THE TRANSITIONAL BILINGUAL PROGRAM, RELATIVE TO TEACHER TRAINING, CURRICULUM, PROVISION OF STUDENT TEXTBOOKS AND THE HAWTHORNE EFFECT ON STUDENT LEARNING ACHIEVEMENT AND IMPROVED EFFICIENCY. THIS SHOULD BE CAREFULLY COVERED IN EACH PROJECT EVALUATION.

10. PRIVATE SECTOR INVOLVEMENT.

THE MISSION PLANS TO HAVE PRIVATE SECTOR INVOLVEMENT IN TEXTBOOK PRINTING AND LOCALTEXTBOOK DISTRIBUTION. HOWEVER, OTHER COMPONENTS TO THE PROJECT MAY BE CONDUCIVE TO PRIVATE SECTOR PARTICIPATION.THE PP SHOULD CREATIVELY ANALYZE ALTERNATIVES FOR INVOLVING THE PRIVATE SECTOR IN PROJECT IMPLEMENTATION.CONSIDERATION SHOULD BE GIVEN FOR USING PRIVATE CONTRACTORS AND INSTITUTIONS FOR TECHNICAL ASSISTANCE, TRAINING, TEXTBOOK STORAGE AND RESEARCH/EVALUATION. CONSIDERATION SHOULD ALSO BE GIVEN TO SUCH APPROACHES AS CONTRACTING WITH THE PRIVATE SECTOR TO DEVELOP AND ADMINISTER PERFORMANCE TESTS, TO ESTABLISH AND ADMINISTER SHORT TERM COURSES IN TEACHING TECHNIQUES.

11. WOMEN IN DEVELOPMENT.

INITIAL FINDINGS UNDER THE BILINGUAL EDUCATION GRANT PROJECT INDICATE POSITIVE IMPACTS OF BILINGUAL EDUCATION ON INDIGENOUS GIRLS RELATING TO PROMOTION AND RETENTION RATES. THIS MAY HAVE LONG-TERM SOCIAL AND ECONOMIC EFFECTS ON WOMEN AND THE INDIGENOUS FAMILY IN GENERAL. THEREFORE, THE SOCIAL SOUNDNESS ANALYSIS SHOULD ADDRESS THE LONG RANGE IMPLICATIONS OF IMPROVED EDUCATIONAL STATUS FOR INDIAN WOMEN. PROJECT EVALUATIONS SHOULD EXAMINE THE IMPACT OF BILINGUAL EDUCATION ON FEMALE PROMOTION AND RETENTION RATES.

12. IN VIEW OF DEVELOPMENTS SINCE TIME OF PID REVIEW, WE HAVE DETERMINED THAT PP SHOULD BE REVIEWED, AND PROJECT AUTHORIZED IN AID/W. IN INITIATING INTENSIVE REVIEW, MISSION SHOULD BE PARTICULARLY CAREFUL TO AVOID GIVING THE IMPRESSION THAT WE ARE COMMITTED TO APPROVING THE PROJECT AS FINALLY DEVELOPED.

13. WE APOLOGIZE FOR THE DELAY IN RECEIPT OF THIS GUIDANCE CABLE AND WE APPRECIATE THE MISSION'S PATIENCE IN THE MATTER. SHULTZ

ANNEX II
LOGICAL FRAMEWORK

	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
GOAL			
To improve the social and economic status of the Guatemalan Indian population	1. Increased educational attainment in Indian areas		MOE statistics -Economic & political conditions will be conducive to increased participation in social and economic services in rural Guatemala by Indians
	2. Improved rural quality of life (health, fertility, nutrition)	1. GOG socio-economic indicators 2. Project evaluation studies	-Fluency in Spanish and fourth grade level literacy are useful for increasing social and economic opportunity
	3. Increased from income	GOG agricultural area simple indicators	-Agricultural productivity improves as farmers acquire basic education.
PURPOSE:	EOPS		
To improve the efficiency and relevance of Guatemala's basic rural education system	1. Improved promotion by at least 15%; and decreased drop-out by at least 15%	1. MOE Records	-Continuing GOG policy commitment for expanding public services to indigenous population.
	2. A national rural bilingual education program functioning	- MOE Records	-Adequate MOE financial resources to absorb expanded teaching staff.
	3. Bilingual curriculum materials developed tested, revised, printed and in use for the fourth grade in the areas of social studies, natural science, mathematics agriculture, Spanish-as-a-second language and reading and writing in the mother tongue.	- Independent Evaluation Contractor Reports	-Relevant curriculum will encourage eligible age group to complete at least four years of primary school.

LOGICAL FRAMEWORK (Cont'd)

EOPS	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
4. Bilingual curriculum materials for pre-primary through the third grade revised and in use in 2,400 classrooms.	- Existence of curriculum materials	- MOE Records - Independent Evaluation - Contractor Reports	
5. Ministry of Education personnel (School Directors, Supervisors, Bilingual Teachers, Bilingual Promoters) trained to implement a national bilingual education program and at work in a permanent institutional division in the MOE.	- Number of participants	- MOE Records - Independent Evaluation/ Training places, tests - Contractor Reports - Payrolls	
6. A local university B.A. program in operation preparing bilingual education specialists.		- MOE Records - Contractor Reports	-Local university will commit resources to establish bilingual education specialization with staff development support by U.S. university.
OUTPUTS:			
1. Permanent Bilingual Education Division established and functioning in MOE.	1 Division	1. MOE budget and staffing lists	

LOGICAL FRAMEWORK (Cont'd)

EOPS	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
a. Supervision/ administration unit	1 Unit		
b. Evaluation/Research unit	1 Unit		-MOE will create appropriate number of positions for bilingual teachers and reassign current bilingual to target schools
c. Curriculum development	1 Unit		
2. Permanent training programs established and functioning.		2. Project records	-Bridge financing available for development of third grade bilingual materials
a. University level	1 Program		
b. Normal school level	1 Program		-MOE has functioning bilingual curriculum development team
d. MOE in-service training unit	1 Unit		
3. Staff trained		3. Project records, MOE statistics	-GOG utilizes pre-primary materials printed under Loan 029.
a. Bilingual teachers	1,600		
b. Bilingual promoters	800		
c. Teacher trainers	20		-The IBRD Loan will collaborate rate with the bilingual education program in warehousing and distribution of texts and guides
d. Supervisors	50		
e. School directors	400		
4.1 Bilingual education curriculum developed		4. MOE reports project evaluation	The IBRD will print first and second grade bilingual materials.
5. Materials	5. Project records		
a. Texts and guides developed	36		
b. Texts and guides revised	119		
c. Text produced and distributed	1,300,000		

LOGICAL FRAMEWORK (Cont'd)

EOPS	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
6. Primary school students Individuals in program	240,000	6. MOE enrollment statistics	
AID INPUTS			
1. Technical Assistance	1. Contract for Technical Assistance	1. Review of AID/GOG financial documentation and records	AID goods and services will be provided on a timely basis
	a) Bilingual Education Specialist (36 pm)		
	b) Mayan Language Linguist/Anthropologist (36 pm)	Contractor Reports	
	c) Research Evaluation Specialist (15 pm)		
	d) Training Specialist (36 pm)		
	e) Supervision Specialist (24 pm)		
	f) Administrative Specialist (72 pm)		
	g) Short-Term Subject Area Specialist (60 pm)		
2. Personnel	2. Contract for Personal Services	2. Review of AID/GOG financial and records	Personnel are contracted on a timely basis
	a) 4 Evaluation Supervisors (192 pm)		

LOGICAL FRAMEWORK (Cont'd)

EOPS	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
	b) 4 Mayan writers (192 pm)		
	c) 2 Curriculum Experts (96 pm)		
	d) 4 Linguists (192 pm)		
	e) 4 Secretaries (192 pm)		
	f) 33 Regional Supervisors (1584 pm)		
	g) 6 Administrative Support Personnel (384 pm)		
3. Training	3. Training Activities	3. Review of AID/GOG project documentation (PIL's PIO/Ps)	3. MOE makes personnel available for training on a timely basis
	a) 2,400 teachers		
	b) 500 promoters		
	c) 75 mid-level university education		
	d) 25 B.A. level university scholarships in Bilingual Education		
	e) 10 M.A. scholarships		

EOPS	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
4. Commodities	4. Items to Be Procured	4. Review of AID/ GOG documentation and records	4. Vehicles and Equipment are provided on a timely basis
	a) 5 Vehicles		
	b) 50 Motorcycles		
	c) Audio-Visual Equipment		
	d) Office Equipment		
	e) 35,000 school desks		
	f) 800 Bookcases		
	g) 800 Flipcharts		
	h) 1,300,00 Texts and Teachers' Guides		
GOG INPUTS 1. Personnel	1. GOG-funded Personnel	1. GOG project documentation	1. GOG contracts personnel on a timely basis
	a) 4 Evaluation Supervisors (96 pm)		
	b) 4 Mayan writers (96 pm)		
	c) 2 Curriculum Experts (144 pm)		
	d) 4 Linguists (96 pm)		

LOGICAL FRAMEWORK (Cont'd)

EOPS	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
	e) 4 Secretaries (96 pm)		
	f) 2 Illustrators (144 pm)		
	g) 50 Supervisors (2016 pm)		
	h) 900 teachers (64,800 pm)		
	i) Project Administrator (72 pm)		
	j) Chief of Bilingual Curriculum Development (72 pm)		
	k) 800 Bilingual Promoters (57,600 pm)		
	l) Chief of Preprimary Section (72 pm)		
	m) Chief of Administrative Section (72 pm)		
	n) 6 Administrative Support Personnel (144 pm)		

5C(1) - COUNTRY CHECKLIST

Listed below are statutory criteria applicable generally to FAA funds, and criteria applicable to individual fund sources: Development Assistance and Economic Support Fund.

A. GENERAL CRITERIA FOR COUNTRY ELIGIBILITY

1. FAA Sec. 481; FY 1985 Continuing Resolution Sec. 528. Has it been determined or certified to the Congress by the President that the government of the recipient country has failed to take adequate measures or steps to prevent narcotic and psychotropic drugs or other controlled substances (as listed in the schedules in section 202 of the Comprehensive Drug Abuse and Prevention Control Act of 1971) which are cultivated, produced or processed illicitly, in whole or in part, in such country or transported through such country, from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents or from entering the United States unlawfully?

   Guatemala does take adequate steps to prevent narcotics traffic.

2. FAA Sec. 620(c). If assistance is to a government, is the government liable as debtor or unconditional guarantor on any debt to a U.S. citizen for goods or services furnished or ordered where (a) such citizen has exhausted available legal remedies and (b) the debt is not denied or contested by such government?

   No.

3.	FAA Sec. 620(e)(1). If assistance is to a government, has it (including government agencies or subdivisions) taken any action which has the effect of nationalizing, expropriating, or otherwise seizing ownership or control of property of U.S. citizens or entities beneficially owned by them without taking steps to discharge its obligations toward such citizens or entities?	No.
4.	FAA Sec. 620(a), 620(f), 620(D); FY 1985 Continuing Resolution Sec. 512 and 513. Is recipient country a Communist country? Will assistance be provided to Angola, Cambodia, Cuba, Laos, Syria, Vietnam, Libya, or South Yemen? Will assistance be provided to Afghanistan or Mozambique without a waiver?	No.
5.	FAA Sec. 620(j). Has the country permitted, or failed to take adequate measures to prevent, the damage or destruction by mob action of U.S. property?	No.
6.	FAA Sec. 620(l). Has the country failed to enter into an agreement with OPIC?	N/A
7.	FAA Sec. 620(o); Fishermen's Protective Act of 1967, as amended, Sec. 5. (a) Has the country seized, or imposed any penalty or sanction against, any U.S. fishing activities in international waters? (b) If so, has any deduction required by the Fishermen's Protective Act been made?	N/A

8. FAA Sec. 620(q); FY 1985 Continuing Resolution Sec. 518. (a) Has the government of the recipient country been in default for more than six months on interest or principal of any AID loan to the country? (b) Has the country been in default for more than one year on interest or principal on any U.S. loan under a program for which the appropriation bill (or continuing resolution) appropriates funds?	No.
9. FAA SEC. 620(s). If contemplated assistance is development loan or from Economic Support Fund, has the Administrator taken into account the amount of foreign exchange or other resources which the country has spent on military equipment? (Reference may be made to the annual "Taking Into Consideration" memo: "Yes, taken into account by the Administrator at time of approval of Agency OYB." This approval by the Administrator of the Operational Year Budget can be the basis for an affirmative answer during the fiscal year unless significant changes in circumstances occur.)	The Administrator is expected to approve the FY 1985 Operational Year Budget soon; in doing so will take into account the relevant questions regarding military expenditures as presented in the "Taking into Consideration" memorandum. The "Taking into Consideration" memorandum has been prepared and it includes no information that would cause the Administrator to question the assistance contemplated.
10. FAA Sec. 620(t). Has the country severed diplomatic relations with the United States? If so, have they been resumed and have new bilateral assistance agreements been negotiated and entered into since such resumption?	No.

11.	FAA Sec. 620(u) What is the payment status of the country's U.N. obligations? If the country is in arrears were such arrearages taken into account by the AID Administrator in determining the current AID Operational Year Budget? (Reference may be made to the Taking into Consideration memo.)	Country is not delinquent.
12.	FAA Sec. 620A; FY 1985 Continuing Resolution Sec. 521. Has the country aided or abetted, by granting sanctuary from prosecution to, any individual group which has committed an act of international terrorism? Has the country aided or abetted, by granting sanctuary from prosecution to, any individual or group which has committed a war crime?	No.
13.	FAA Sec. 666. Does the country object, on the basis of race, religion, national origin or sex, to the presence of any officer or employee of the U.S. who is present in such country to carry out economic development programs under the FAA?	No.
14.	FAA Sec. 669, 670. Has the country, after August 3, 1977, delivered or received nuclear enrichment or reprocessing equipment, materials, or technology, without specified arrangements or safeguards? Has it transferred a nuclear explosive device to a non-nuclear weapon state, or if such a state, either received or detonated a nuclear explosive device? (FAA Sec. 620E permits a special waiver of Sec. 669 for Pakistan.)	No.

15. IDDCA of 1981 Sec. 720. Was the country represented at the Meeting of Ministers of Foreign Affairs and Heads of Delegations of the Non-Aligned Countries to the 36th General Assembly of the U.N. of Sept. 25 and 28, 1981, and failed to disassociate itself from the communique issued? If so, has the President taken it into account? (Reference may be made to the Taking into Consideration memo.)	Guatemala was not represented at the meeting.
16. FY 1985 Continuing Resolution. If assistance is from the population functional account, does the country (or organization) include as part of its population planning programs involuntary abortion?	No.
17. FY 1985 Continuing Resolution Sec. 530. Has the recipient country been determined by the President to have engaged in a consistent pattern of opposition to the foreign policy of the United States?	No.

FUNDING SOURCE CRITERIA FOR COUNTRY ELIGIBILITY

1. Development Assistance Country Criteria FAA Sec. 116. Has the Department of State determined that this government has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, can it be demonstrated that contemplated assistance will directly benefit the needy?	No determination has been made of gross violations of human rights.

2. Economic Support fund Country Criteria

FAA Sec. 502B. Has it been determined that the country has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, has the country made such significant improvements in its human rights record that furnishing such assistance is in the national interest?	No determination has been made of gross violations of human rights.

ANNEX

5 C (2) - PROJECT CHECKLIST

Listed below are statutory criteria applicable to projects. This section is divided into two parts. Part A includes criteria applicable to all projects. Part B applies to projects funded from specific sources only: B.1 applies to all projects funded with Development Assistance Funds, B.2 applies to projects funded with Development Assistance loans, and B.3 applies to projects funded from ESF.

CROSS REFERENCES: IS COUNTRY CHECKLIST UP TO DATE? HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PROJECT?	The Country Checklist has been updated and is included. The standard Checklist has been reviewed for this project.

A. GENERAL CRITERIA FOR PROJECT

1. FY 1982 Appropriation Act Sec. 523; FAA Sec. 634 A; Sec. 653 (b).

(a) Describe how authorizing and appropriations committees of Senate and House have been or will be notified concerning the project;	This project was presented in the Mission's FY-85 Annual Budget Submission and in its FY-85 Congressional Presentation under the title of Education Improvement. In addition a Congressional Notification is being prepared for presentation to Congress.
(b) Is assistance within (operational Year Budget) country or international organization allocation reported to Congress (or not more than $1 million over that amount)?	Yes.

2.	FAA Sec. 611 (a) (1). Prior to obligation in excess of $100,000, will there be: (a) engineering, financial or other plans necessary to carry out the assistance and (b) A reasonably firm estimate of the cost to the U.S. of the assistance?	Yes.
3.	FAA Sec. 611 (a) (2). If further legislative action is required within recipient country, what is basis for reasonable expectation that such action will be completed in time to permit orderly accomplishment of purpose of the assistance?	Such legislation will be required prior to the signing of the Bilateral Loan Agreement.
4.	FAA Sec. 611 (b), FY 1982 Appropriation Act Sec. 501. If for water or water-related land resource construction, has project met the standards and criteria as set forth in the Principles and Standards for Planning Water and Related Land Resources, dated October 25, 1973? (See AID Handbook 3 for new guidelines.)	Not applicable.
5.	FAA Sec. 611 (e). If project is capital assistance (e.g., construction), and all U.S. assistance for it will exceed $1 million, has Mission Director certified	Not applicable.

	and Regional Assistant Administrator taken into consideration the country's capability effectively to maintain and utilize the project?	
6.	FAA Sec. 209. Is project susceptible to execution as part of regional or multilateral projects? If so, why is project not so executed? Information and conclusion whether assistance will encourage regional development programs.	No.
7.	FAA Sec. 601 (a). Information and conclusions whether project will encourage efforts of the country to: (a) Increase the flow of international trade; (b) Foster private initiative and competition; and (c) Encourage development and use of cooperatives, and credit unions; and savings and loan associations; (d) Discourage monopolistic practices; (e) Improve technical efficiency of industry, agriculture and commerce; and (f) Strengthen free labor unions.	The Project will not encourage these efforts. However, indirectly, the beneficiaries of this project will be in a better position socio-economically to encourage these efforts in the future.

8.	FAA Sec. 601 (b). Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the service of U.S. private enterprise).	The project is not directed towards fulfilling these objectives.
9.	FAA Sec. 612 (b), 636 (h), Fy 1982 Appropriation Act Sec. 507. Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.	The Government of Guatemala has consistently supported all A.I.D. financed developmental projects with counterpart necessary to achieve project objectives.
10.	FAA Sec. 612 (d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release?	No.
11.	FAA Sec. 601 (e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?	Yes.
12.	FY 1982 Appropriation Act Sec. 521. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world	Not applicable.

	markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?	
13.	FAA 118 (c) and (d). Does the project comply with the environmental procedures set forth in AID Regulation 16? Does the project or program take into consideration the problem of the destruction of tropical forests?	Yes. Project activities will be undertaken in the Highlands only.
14.	FAA 121 (d). If a Sahel project, has a determination been made that the host government has an adequate system for accounting for and controlling receipt and expenditure of project funds (dollars or local currency generated therefrom)?	Not applicable.

FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria

a.	FAA Sec. 102 (b), 111, 113, 281 (a). Extent to which activity will (1) effectively involve the poor in development, by extending access to economy at local level, increasing labor-intensive production	(1) This project is aimed at assisting the poorest segment of the Guatemalan population, the Indians, obtain skills in speaking and competing in a Spanish environment thereby increasing the chances at developing a higher standard of living. (2) This project neither promotes nor hinders the development of cooperatives. (3) By providing the

	and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (2) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (3) support the self-help efforts of developing countries; (4) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (5) utilize and encourage regional cooperation by developing countries?	Indians with Spanish skills, they are being helped to help themselves in the future. (4) The bilingual program will significantly promote the participation of Indian women in the national economy. (5) This Project does not focus on regional cooperation since the bilingual issue is essentially a Guatemalan problem.
b.	<u>FAA Sec. 103, 103 A, 104, 105, 106.</u> Does the project fit the criteria for the type of funds (functional account) being used?	Yes.

c.	FAA Sec. 107. Is emphasis on use of appropriate technology (relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)?	Yes.
d.	FAA Sec. 110 (a). Will the recipient country provide at least 25% of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed" country)?	Yes.
e.	FAA Sec. 110 (b). Will grant capital assistance be disbursed for project over more than 3 years? If so, has justification satisfactory to Congress been made, and efforts for other financing, or is the recipient country "relatively least developed"? (M.O. 1232.1 defined a capital project as "the construction, expansion, equipping	Grant funds will not finance capital assistance.

	or alternation of a physical falcility or facilities financed by AID dollar assistance of not less than $100,000, including related advisory, managerial and training services, and not undertaken as part of a project of a predominantly technical assistance character".	
f.	FAA Sec. 122 (b). Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth?	Yes.
g.	FAA Sec. 281 (b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the contry's intellectual resources to encourage institutional development, and supports civil education and training in skills required for effective participation in government processes essential to self-government.	This program is focused directly on the particular needs of the monolingual Guatemalan Indians in order to develop their potential involvement in the self governmental process.

2.	Development Assistance Project Criteria (Loans Only)	
a.	FAA Sec. 122 (b). Information and conclusion of capacity of the country to repay the loan, at a reasonable rate of interest.	Guatemala has demonstrated its capacity to repay on a timely basis all A.I.D. loans.
b.	FAA Sec. 620 (d). If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20% of the enterprise's annual production during the life of the loan?	Not applicable.
c.	ISDCA of 1981, Sec. 724 (c) and (d). If for Nicaragua, does the loan agreement require that the funds be used to the maximum extent possible for the private sector? Does the project provide for monitoring under FAA Sec. 624 (g)?	Not applicable.
3.	Economic Support Fund Project Criteria	
a.	FAA Sec. 531 (a). Will this assistance promote economic or political stability? To the extent	Not applicable.

	possible, does it reflect the policy directions of FAA Section 102?	
b.	FAA Sec. 531 (c). Will assistance under this chapter be used for military, or paramilitary activities?	not applicable.
c.	FAA Sec. 534. Will ESF funds be used to finance the construction of the operation or maintenance of, or the supplying of fuel for, a nuclear facility? If so, has the President certified that such use of funds is indispensable to nonproliferation objectives?	Not applicable.
d.	FAA Sec. 609. If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made?	Not applicable.

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3807C

MINISTERIO DE EDUCACION

Guatemala, C. A.

PALACIO NACIONAL

Of. No. Sin Reg.
Ref. ETdeP/algdeu.

Al contestar, sírvase mencionar el número y referencia de esta nota.

Guatemala,
30 de noviembre de 1984.

Señor
Charles E. Costello
Director Misión AID/Guatemala
Ciudad.

Estimado señor Director:

Por este medio me permito referirme al Programa Nac. de Educación Bilingue, cuyo documento de proyecto ha sido formulado por técnicos del Ministerio de Educación, de la Secretaría General del Consejo Nacional de Planificación Económica y de la Misión AID.

Como es de su apreciable conocimiento, el Gobierno de Guatemala esta sumamente interesado en llevar a cabo dicho proyecto debido al impacto educativo que tendrá en aproximadamente 260,000 niños indígenas de habla mayanse localizados principalmente en la zona del altiplano Occidental del país.

En consecuencia, solicito a usted proceder a los arreglos pertinentes a efecto de que dicho Proyecto cuente con los recursos de Préstamo y Donación cuyos montos se reflejan en el documento de proyecto.

Sin otro particular, me suscribo del señor Director con las muestras de mi distinguida consideración y estima.

MINISTERIO DE EDUCACION GUATEMALA, C. A.

LICDA. EUGENIA TURCIOS DE PULZER
MINISTRO DE EDUCACION

ANNEX V

Gray Amendment

It should be noted that the Mission made appropriate consultations with AID/W concerning the implementation of the Gray Amendment. AID/W determined that the specialized nature of the technical assistance requirements could not be met by a minority university or minority contractor. Major procurement actions under the project (printing of textbooks and construction of school furniture) are expected to take place in-country.