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PROJECT COMPLETION REPORT

COUNTRY : Honduras
PROJECT : Secondary Education
522-L-017
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PERIOD OF REPORT: 1967 - 1976

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I. PURPOSE

The purpose of the Loan was to improve the capacity of the GOH to provide a more relevant secondary level education, in terms of student desires and national requirements, to more students in selected population centers of the country. This was to be accomplished by completing the following tasks: (a) constructing required physical facilities and providing equipment and learning materials---desks, textbooks, etc.; (b) modernizing the curriculum of both the secondary school system and the Superior Teacher Training School; and (c) improving certain aspects of administration within the Ministry of Education, e.g. the Office of School Construction and Maintenance.

II. BACKGROUND

Until 1965 the Government of Honduras (GOH) had traditionally felt that secondary education was not the responsibility of the State. A large majority of secondary schools were either completely private or received only partial financial support from the GOH. The system as a whole offered a total of four program areas---pre-university, secretarial, teacher training, and commercial---that a student could choose from. However, the individual schools often offered only the pre-university area to its students. Each area was rigidly structured so that there was no flexibility or options available. If he wanted to change from one program area to another he had to start over from the beginning.

The curriculum of each program was overcrowded and cluttered with unrelated elements of instruction at all levels, lacked cohesion from level to level, and included very little in the way of offerings planned to prepare a young Honduran for participation in the country's economy. In addition, the only secondary teacher training institution in the country (Escuela Superior del Profesorado, FSP) lacked an adequate physical plant and curriculum to prepare teachers in sufficient quantity and quality to meet the requirements of the secondary education system.

As a result of a CIAP review and close examination of the country's first five-year National Development Plan in 1965, A.I.D. and the GOH realized that secondary education was becoming a bottleneck as an increase in the student-age population enlarged the flow of students into high school. After a two-year period of discussion and planning, A.I.D.

and the GOH signed Loan Agreement 522-L-017 to provide funding for reform of the country's secondary education system. Under the Agreement A.I.D. was to provide up to \$7,000,000 and the GOH the equivalent of \$3,500,000 in local currency.

III. HISTORY OF THE PROJECT

The Loan Agreement for this project was signed on September 19, 1967. It called for the construction of four new secondary schools, new buildings for 11 existing semi-official schools to be transferred to the status of official secondary schools; the construction of new school buildings for five official schools; construction of the Escuela Superior; the purchase of classroom furniture, laboratory and other essential equipment, textbooks, and library books and materials; and technical assistance in reorganizing and improving the administration and curriculum of the Escuela Superior, and the secondary school system. Technical assistance was to be provided by a loan financed U.S. university team of educators.

A. Technical Assistance

The technical assistance contract was awarded to a Consortium of Florida State Universities which came to be known as the "Florida Consortium". The "Consortium got off to a good start, focusing on the training aspects of the project. They sent approximately 60 MOE employees on long term training outside of the country, and gave a larger number short term training inside of the country through in-service training courses for secondary teachers and administrators and the faculty at the ESP. They further initiated a restructuring of the secondary organizational structure. Early on, the Consortium ran into problems trying to acquire the necessary documentation to carry out their work because the General Director of Secondary Education was uncooperative. This was brought to the attention of the Minister who then gave them "Carte Blanche" to do as they pleased. This caused serious political problems thereafter. A special committee was set up with the help of the Minister to facilitate approval of the curriculum revisions and work plans done by the Consortium. Gradually, the teachers' unions and student groups started protesting the presence of Americans working in the Honduran educational system, and articles critical of the Consortium began appearing in the local press. Commentaries were made over the

radio and the public started taking a negative attitude toward the Consortium. Since the Minister did nothing to counter this bad publicity, the sentiment grew until there were street protests and active threats against the members of the Consortium. During this period a new Minister was named and the Secondary Education Director was appointed Vice Minister. The Florida Consortium contract was finally terminated by the MOE and, following negotiations wherein serious consideration was given to cancelling the loan, the Loan Agreement was amended and T.A. funds were used to finance the educational reform which was to be carried out by the National Commission for Educational Reform. The Educational Reform Commission continued its work but expanded its task to the reform of all levels of education. A twelve-man commission representing the various teaching unions and the Ministry of Education worked in the reform. This was a cooperative precedent in the history of Honduran education. Study programs were written and study plans were integrated so that the system was more fluid both vertically and horizontally. A reemphasis on vocational study at the secondary level was made, allowing for pre-vocational training at the junior high school level. The reform was implemented one year at a time starting with seventh grade. This implementation continues at present and the Reform Commission continues its work as a permanent commission within the Office of Integral Planning. A.I.D. evaluated the commission's work on three occasions and in each case their methodology was found to be sound.

B. Construction and Design

Fifty-one U.S., Central and South American firms presented prequalification documents to be eligible to make offers for design and supervision under the project, and in January 1969 a consortium called Allied Architects and Engineers/Bendaña y Costabal was contracted to design the secondary schools and supervise the construction of the buildings. They started their designs in Honduras and finalized them in St. Louis. The schools turned out to be overdesigned and basically oriented toward a U.S. urban setting with heavy emphasis on concrete and steel and very costly construction. It should be noted, however, that the Minister of Education at that time was aware of the design and approved it. The problem was that he had no cost estimates except for those that existed in pre-project planning. Cost estimates were not available for these designs until

December 1971 in spite of the fact that the new Minister, named after the elections, constantly pressured the firm to present them. Because the contract with AEA/BC was "Cost Plus", the cost of the modular design for 19 schools was \$1,100,000, approximately 10 percent of the total loan funds and 35 percent of the construction funds available. Given the high cost of these services and the unrealistic nature of the design within the Honduran context, the Ministry of Education cancelled this contract in May 1972.

The first school (Franklin Delano Roosevelt, Puerto Cortés) contract was bid in March 1972. It was bid as an unmodified original AEA/BC design. The cost was approximately \$420,000. At approximately the same time, the executing unit of the loan did a quick review of funds available and found that only about nine schools could be constructed if this design were used for all future schools. However, political pressure by students did not allow any delay in the construction to allow for complete redesign and the schools in Olancho, Comayagua and the Instituto Central in Tegucigalpa were all constructed using a modified AEA/BC design which cut the costs by redesigning the cement and steel structure in the floors and ceilings of the buildings. At this point the Ministry of Education redesigned the balance of the schools to a one-floor plant with basic core services such as offices, library, health unit, commercial and domestic science labs, physical and natural science labs and industrial arts workshop, and academic classrooms dependent upon school population. The cost of the original AEA/BC plans for 19 schools was \$1.1 million. The cost of the redesign for 12 schools plus the modifications of three was \$30,000. The redesign was done by the architects and engineers of the Ministry of Education. As a comparison, the Kennedy school, with approximately the same floor space as the Puerto Cortés school (3,400 M²) only cost \$237,206 and was built two to three years later. After completing the redesign, it was noted that the increases in costs would affect the number of schools that could be constructed with the amount of money available. Arrangements were made to remove the Escuela Superior and its practice teaching school from the A.I.D. Loan and include it in a World Bank Loan. The normal schools were dropped from the project and passed to an IDB Loan. The final total number of schools constructed under the Project was sixteen. Systematically, construction went forward and the last school was finished in December 1974. The ESP was constructed with World Bank financing and construction is beginning on the normal schools, also with World Bank assistance.

C. Books, Equipment and Materials

Materials and books were also ordered and each school was supplied with minimum materials, as funds were scarce because of increases in their costs. Basic equipment for auto, carpentry, radio, metal, welding and farm shops were purchased. Basic equipment for physics, chemistry, biology and home economics laboratories was also purchased. Books were purchased from editorial publishing houses in Mexico, Guatemala, Honduras, Venezuela, Colombia and Argentina. The books were financed with counterpart funds. Book deliveries continued after the termination of the A.I.D. Loan.

IV. SIGNIFICANT DELAYS

As originally planned, the project was to be done in two phases. A follow-on loan was to be arranged after it was determined how much money was finally needed under the project. Unfortunately, since the project took so long to execute, the idea of a second phase of the project was dropped and the project was carried out with the original funds available.

As originally bid, the lists of materials were very extensive but as proposals were evaluated it became clear that the funds available would not cover all materials needed. The Ministry of Education finally had to negotiate with the lowest bidder and divide the awards between two suppliers to get the maximum of materials for the money.

There were significant delays in completing two of the 16 schools. In La Ceiba, after the Hurricane, the construction company left the site and did not return until forced to do so three months later. In Santa Barbara, the same firm went bankrupt and there was a delay until the responsibility was passed to the insurance company which guaranteed the work of the firm. The insurance company then hired the same construction company to finish the construction.

The completion of the school at Trujillo was delayed due to the need for correcting some shoddy construction and the complete installation of public services. This delay, however, did not take more than two months. Trujillo was the last school constructed.

V. FINANCIAL DATA

A. Host Country Contribution

As originally planned:

Construction	\$2,140,000
Equipment	900,000
Technical Assistance	460,000
TOTAL	<u>\$3,500,000</u>

As finally disbursed:

Construction	\$2,537,944
Equipment	823,070
Technical Assistance	557,490
TOTAL	<u>\$3,918,504</u>

B. Loan Funds

As originally planned:

Construction	\$4,151,400
Engineering and Contingencies	1,108,510
Books, Equipment and Furniture	600,000
Technical Assistance	1,128,000
Unassigned	12,090
TOTAL	<u>\$7,000,000</u>

As finally disbursed:

Construction	\$3,047,721
Engineering and Contingencies	1,579,855

Books, Equipment and Furniture	\$ 664,255
Technical Assistance	1,708,169
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TOTAL	\$7,000,000

VI. ACHIEVEMENT PURPOSES OF THE PROJECT

While the period of execution of the project was prolonged, the basic purpose of the project has been achieved. Secondary education now offers a broader spectrum of study areas with opportunities at the junior high level to study in the pre-vocational areas. The capacity of the schools constructed is about 11,000 students and most schools have double and triple sessions to cover student demand for study. Given the various new schools constructed under this loan as well as the expansion of the capacity of the schools which already existed, there is definitely a larger number of students being served. The relevance, flexibility and quality of the secondary education system has improved under the modifications implemented by the Reform Commission.

The project design underwent several changes to make it more relevant.

All covenants of the agreement were fulfilled with the exception of the conversion of the semi-official schools to official schools within the period of the loan. As it stands, more than 66 percent of the students of these schools have free public education. The balance of the students will be granted this right according to a schedule presented by the Ministry of Education and accepted by A.I.D.

VII. LOAN FOLLOW-UP

Except for assuring that the balance of schools become public, no follow-up is recommended under this Loan.