An educated labor force able to compete in increasingly global and technological markets is crucial for poverty reduction and economic growth. A report prepared by the World Bank on El Salvador’s education sector reveals many related education policy implications, including the need for: (i) increasing access to education (especially at the secondary level where low enrollment and completion rates persist); (ii) ensuring that disadvantaged students can enroll and excel in school; (iii) improving the quality of education at all levels; and (iv) strengthening public-private links in education to guarantee that students have the appropriate skills to succeed in the work place.

Since 1998, El Salvador has considerably increased secondary enrollment rates (grades 7-12) (see page on education outcomes). Currently, El Salvador is considered the Central American nation with the highest primary education coverage and completion growth rates. Despite recent improvements, primary dropout rates are still high (60 percent in 2004) and the quality of education is poor.

The El Salvador Government is implementing a Long-term Educational Development Plan (2005-2021) called “Plan 2021.” This plan focuses on strategies to improve the quality, access, and relevance of secondary and primary education through three main components: (i) flexible delivery modalities for secondary and primary education (for working and / or rural youth); (ii) programs to improve the competitiveness of secondary students; and (iii) educational networks (between secondary schools, vocational schools, and universities) linked to a program that strengthens vocational education both at secondary and college levels while promoting the country’s industrial development.

In order to speed up Plan 2021’s completion, El Salvador raised external funds from three Multilateral Development Banks: the Inter-American Development Bank (Program for Equity in Basic Education), the Central American Bank for Economic Integration (the CONECTATE Program), and the World Bank (Excellence and Innovation in Secondary Education –EXITO– Project).

What is EXITO?

EXITO is a project financed by the World Bank and the Government of El Salvador that seeks to improve secondary enrollment and completion rates among disadvantaged groups; increase the share of students with intermediate and advanced scores on national exams; and improve the opportunities and quality of basic education graduates.

The project consists of three inter-related components. The first focuses on improving the quality and relevance of secondary education; the second component aims at improving education coverage and equity; and the third component seeks to improve effectiveness by strengthening secondary education management, targeting and assessment.

Component I. Quality, relevance, and competitiveness of secondary education. (US$42.7 million.)

This component seeks to improve the learning environment in poor, marginalized schools and guarantees high integration levels between vocational secondary education and higher education by developing basic competencies and guidance among low achievers in five core subjects (Spanish, mathematics, science, social science, and English).

Subcomponents:

- Reinforcement in core subjects
- Relevance of vocational and technological education
- Technology for learning
- Schools’ social environment for learning

Component II. Broad-based coverage (US$36.7 million).
This component aids in the creation of flexible delivery models, such as distance, semi-distance, and accelerated education modalities for youth who did not complete, or are at risk of not completing, secondary education. It also seeks to address direct costs and opportunities of completing secondary education by offering scholarships to students from the poorest 40% of the population. In addition, the project will expand and rehabilitate public infrastructure as needed.

Subcomponents

- Flexible delivery models
- Demand-side strategies
- Improving infrastructure


This component will reinforce all the project’s interventions by developing solid supervision, assessment, certification, and accreditation systems, and by improving school management and decentralization.

Subcomponents

- Strengthening assessment, certification, and accreditation systems
- School management and quality supervision

Project Implementation

In order to carry out each of the aforementioned components, a solid inter-institutional coordination and dialogue has been established that ensures the fulfillment of project objectives. Additionally, a series of actions are underway to improve project implementation that target three key principles associated with project components:

- **Strengthening the institutional capacities of the Ministry of Education (MOE) for project implementation.** The MOE has prepared two major implementation studies with World Bank support: an “Institutional Analysis” and an “Institutional Capacity Assessment.” The latter study reveals that the MOE has the strategic, operational, administrative, and planning capacities to undergo the proposed project.

- **Promoting strategic alliances to improve institutional capacity.** This principle includes three types of alliances with different specialized education organizations or institutions: a) partnerships with high-quality service providers and strategic sectoral reform allies (Universidad Centroamericana José Simeón Cañas -UCA-, Bussiness Foundation for Economic and Social Development - FEPADE-, and Centroamerican Technological Institute -ITCA-); b) partnerships to promote the participation of communities and service providers for sub-project implementation (largely non-governmental organizations); and c) partnerships for joint infrastructure implementation with specialized organizations (Social Investment Fund and Local Development -PISDL-, Salvadoran Foundation of Development and Low-Income Housing -FUNDASAL-, and HABITAT.)

- **Results-based management with emphasis on monitoring and assessment.** This principle refers to the implementation of specific guidelines, procedures, instruments and resources to guarantee quality targeting, accreditation, monitoring and assessment, as well as the participation of key education stakeholders.

Total project funds are allocated to each component and activity on a funding agency basis, as shown in the figures below:

<table>
<thead>
<tr>
<th>PROJECT COST BY COMPONENT/ACTIVITY</th>
<th>World Bank</th>
<th>GOES</th>
<th>Total US$ (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Component I. Quality, relevance, and competitiveness of secondary education</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reinforcement in core subjects</td>
<td>12.4</td>
<td>1.5</td>
<td>13.9</td>
</tr>
<tr>
<td>Relevance of technical and technological education</td>
<td>14.8</td>
<td>0.6</td>
<td>15.4</td>
</tr>
<tr>
<td>Technology for learning</td>
<td>7.9</td>
<td>0.6</td>
<td>8.5</td>
</tr>
<tr>
<td>Schools’ social environment for learning</td>
<td>4.9</td>
<td>-</td>
<td>4.9</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>40</td>
<td>2.7</td>
<td>42.7</td>
</tr>
<tr>
<td><strong>Component II. Broad-based coverage</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>flexible delivery models</td>
<td>13.6</td>
<td>6.5</td>
<td>20.1</td>
</tr>
<tr>
<td>demand-side strategies</td>
<td>2.8</td>
<td>2.7</td>
<td>5.5</td>
</tr>
<tr>
<td>improving infrastructure</td>
<td>11.0</td>
<td>-</td>
<td>11.0</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>27.4</td>
<td>9.3</td>
<td>36.7</td>
</tr>
<tr>
<td><strong>Component III. Management and assessment for effectiveness</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Finally, follow-up activities are carried out via annual and biannual reports using a statistical database from the ongoing monitoring and assessment of key subcomponents. This information includes, among others, the early enrollment census, grade nine test scores and Test of Learnings and Aptitudes for Students of Average Education -PAES-. The responsibility for gathering the information will vary by subcomponent. Standardized assessments, however, will be mostly led by the Ministry of Education and the UCA (Universidad Centroamericana José Simeón Cañas).

**Expected Project Benefits**

The World Bank loan seeks to speed up the fulfillment of secondary education development goals. This new project aims at closing the access and equity gap and delivering secondary education for all Salvadorans. It will also aid in improving the country’s productivity, international competitiveness, and social development. These goals will be monitored using the following indicators:

- Increase secondary (grades 7-12) completion rates from 34% to 40% among disadvantaged youth 17-25 years old.
- Increase net enrollment rates from 49% to 67% and in grades 7-9 from 28% to 45% in grades 10-11.
- Increase the share of secondary students with intermediate or advanced scores on standardized exams (Spanish and mathematics).
- Increase the share of vocational education graduates who continue into tertiary education (referred to as technical or university-level studies) from 25% to 30%.

**FAQ**

What would happen if World Bank financing is cancelled?

El Salvador would reduce its external funds for secondary education and only resort to its budget funds. However:

- Additional foreign funds would help El Salvador attain its secondary education goals sooner than expected.
- The expedited fulfillment of secondary education goals would contribute to greater poverty reduction.
- Projects receiving external funds focus on monitoring and assessment systems for secondary education programs, which in turn
improves the monitoring and impact assessment capacities of public investments.

How does the project support the attainment of the Millennium Development Goals?
The Millennium Development Goals (MDGs), originally created for low-income countries, target Universal Primary Education. El Salvador, however, is classified as a medium-income country and therefore requires Universal Secondary Education, an MDG+. It is estimated that World Bank support would help El Salvador to come closer to the MDG+ in five years, by:

- Increasing the share of 13-17 year olds attending secondary school.
- Increasing the share of 17-25 year olds with secondary education.
- Close the gap in access to secondary education between poorer and wealthier families.
- Increase the share of vocational education graduates who continue into tertiary education.

Why is secondary education so critical to El Salvador’s development?
It has been proven that secondary education plays a key role in countries that have made huge steps forward in their economic, political, and social development. The underlying reasons for this are:

- Secondary education results in a country with a qualified labor force which can absorb modern production technology, provide higher value products, and increase wages.
- People with secondary education contribute to their households’ continuing social and economic development, creating a virtuous cycle of social well-being.
- Populations with the highest average levels of secondary education contribute more to strengthening political systems and democracies, as they are informed, critical constituents who demand better public management.

Is the investment in “consulting services” really needed for the EXITO Project?
For all its projects, the World Bank groups all types of professional services under “consulting services,” including technical studies for project implementation, hiring non-government organizations (NGOs), and training target communities, among others. It is a generic classification for the professional services needed to implement the project successfully.

Under the EXITO Project, the greatest investment in the “consulting services” category is the purchase of slots / scholarships for students and teachers through NGOs. Technical assistance, accreditation, evaluation, monitoring, and supervision programs, as well as program management and student training and youth initiatives are also included under this category.

Contact us for more information

Prepared by: Karla Villanueva
Last updated on March 12, 2007