

ADMINISTRATION AGREEMENT

between

THE INTER-AMERICAN DEVELOPMENT BANK

and

FUNDAÇÃO MARIA CECILIA SOUTO VIDIGAL

regarding

**Project Specific Grant to the Inter-American Development Bank for Project
No. BR-T1397 titled, "Medium-Term Impacts of Access to Daycare on
School Outcomes: Experimental Evidence from Rio de Janeiro"**

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THIS ADMINISTRATION AGREEMENT is entered into between the Inter-American Development Bank (the "Bank") and Fundação Maria Cecilia Souto Vidigal (the "Donor") (hereinafter together referred to as the "Parties").

WHEREAS, the Bank is designing Project No. BR-T1397 titled, "Medium-Term Impacts of Access to Daycare on School Outcomes: Experimental Evidence from Rio de Janeiro" (the "Project"), as described in the preliminary project document attached hereto as Annex A, as may be modified in a revised project document, identified by the same Bank project number (the "Project Document"), to be approved by the Bank pursuant to Section 11 below.

WHEREAS, the Donor has agreed to support the execution of the Project by providing a project specific grant to be administered by the Bank; and

WHEREAS, the Bank is prepared to receive and administer the contribution funds to be made available by the Donor;

NOW, THEREFORE, the Parties hereby agree as follows:

1. The Donor will make available to the Bank a grant contribution in Brazilian reais in the amount of BRL440,000.00 (four hundred and forty thousand Brazilian reais) (the "Contribution"), to be administered by the Bank to co-finance the Project.
2. The Contribution will be solely for the purposes indicated in the Project Document (subject to the approval mentioned in Section 11 below). Any material deviations from the objectives and activities of the Project described in the Project Document will require the Donor's written approval. For avoidance of doubt, to change the objective of the Project to make it no longer about early childhood education in Brazil would be a material deviation.
3. (a) The Donor will transfer the Contribution to the Bank according to the following payment schedule:

<u>Date:</u>	<u>Amount:</u>
Upon signature of this Administration Agreement by the Parties:	BRL220,00.00 (two hundred and twenty thousand Brazilian reais)
No later than June 30, 2018:	BRL220,00.00 (two hundred and twenty thousand Brazilian reais)

(b) The Donor will transfer the Contribution in Brazilian reais in installments, upon the Bank's written request, to the account in Brazil indicated by the Bank in writing (the "Account"). The Account is denominated in Brazilian reais (BRL) and includes resources provided as grant funds by other donors for other Bank projects. The



Contribution will be administered in the Account without distinction from other donors' contributions.

4. The Bank will administer the Contribution in accordance with the provisions of this Administration Agreement and the Bank's applicable policies and procedures, including those applicable for third-party resources administered by the Bank. The Bank will exercise the same care in the discharge of its functions, as described in this Administration Agreement, as it exercises with respect to the administration and management of resources from other donors, and will have no further liability to the Donor in respect thereof.
5. The Contribution will be accounted for separately from the Bank's assets, and will be administered, in the bank account mentioned above in Section 3, together with other contributions received by the Bank. The Bank will not be responsible for foreign exchange risk in the receipt, conversion or administration of Contribution funds. Further, the Bank may at its discretion invest and reinvest the resources of the Contribution pending their disbursement in connection with the Project.
6. To assist in the defrayment of the administrative costs in relation to the Contribution, the Bank will charge and retain:
 - (a) a non-refundable fee equal to five percent (5%) of the total amount of the Contribution at the time the first installment of the Contribution is deposited by the Donor into the Account; and
 - (b) any investment income generated by the Contribution pending its disbursement towards the Project.
7. The Bank's procurement policies and procedures will be applicable to the procurement of goods and services, as well as the contracting of consulting services, carried out with the Contribution, as required by the different components of the Project. Further, the Donor accepts that the resources of the Contribution will be completely untied, meaning that the consultancy services financed with the Contribution may be provided and executed by companies, specialized institutions or individuals from any Bank member country.
8. The Donor will not be responsible for the activities of any person or third party engaged by the Bank as a result of this Administration Agreement, nor will the Donor be liable for any costs incurred by the Bank in terminating the engagement of any such person.
9. The Bank will submit to the Donor annual reports and, promptly following the completion of the Project, a final project report and a non-audited financial expense report of the Contribution. In addition, the Donor may request an "agreed upon procedures" report, issued by an external auditor selected by the Bank, on the use of the Contribution resources. The cost of such auditor's report will be borne by the Donor and will not be deducted from the Contribution. The Donor will reimburse the Bank for the cost of this

report promptly after receiving a written request from the Bank. The Bank will not provide audited financial statements for the Account.

10. As soon as possible upon completion of the Project, the Bank will return to the Donor any remaining uncommitted Contribution funds, unless otherwise agreed to in writing by the Parties.
11. The Donor acknowledges that the Bank's commitment to use the Contribution as contemplated herein will be subject to the Bank's formalization of all internal approvals necessary for the Project and/or the Project Document. Such internal approvals by the Bank include the approval of the Project Document, substantially in the form attached hereto as Annex A. Once the Project Document has been approved, the Bank will furnish a copy of it to the Donor, which will then be deemed incorporated into this Administration Agreement as Annex A. The Donor accepts that the final, approved version of the Project Document may vary from the attached Annex A, in which case the approved version will prevail, and no amendment to this Administration Agreement will be required.
12. Any media or public announcement related to this Administration Agreement or joint activities, or any use of either Party's name, logo, or registered trademarks in promotional materials, shall be subject to the Parties' respective policies and procedures and will require the written pre-approval of the other Party.
13. Neither Party will acquire any right, title or interest in any copyright, patent, trade secret, trademark and any other intellectual property or proprietary rights belonging to the other Party or the other Party's licensors prior to this Administration Agreement entering into force. The terms and conditions with respect to the intellectual property rights of any work products, programs, or other materials jointly created or developed as a result of this Administration Agreement will be negotiated by the Parties on a case-by-case basis pursuant to separate agreements, subject to the respective policies and procedures of the Parties. At no point in time shall the Bank's intellectual property rights be construed as being assigned to the Donor.
14. The offices responsible for coordination of all matters and receiving any notice or request in writing in connection with this Administration Agreement or the Project are as follow:

(a) For the Bank:

- i. All communications pertaining to donor relations and resource mobilization will be directed to:

Inter-American Development Bank
1300 New York Avenue, NW
Washington, DC 20577
UNITED STATES OF AMERICA
Attention: Manager, Office of Outreach and Partnerships (ORP)

Tel.: +1 (202) 623-1583
Fax: +1 (202) 623-2543
E-mail: partnerships@iadb.org

- ii. Day-to-day communications regarding the management of the Contribution and the implementation of this Administration Agreement will be directed to:

Inter-American Development Bank
1300 New York Avenue, NW
Washington, DC 20577
UNITED STATES OF AMERICA
Attention: Chief, Grants and Co-financing Management Unit
Office of Outreach and Partnerships (ORP/GCM)
Tel.: +1 (202) 623-2018
Fax: +1 (202) 623-3489
E-mail: orp-gcm@iadb.org

- (b) For the Donor:


Fundação Maria Cecília Souto Vidigal
Rua Fidêncio Ramos, 195, cj 42 – Vila Olímpia
São Paulo, SP, 04551-010
BRAZIL
Attention: Beatriz Abuchaim, Coordinator
Tel.: +55 11 3330-2889
E-mail: babuchaim@fmcsv.org.br

15. This Administration Agreement will come into force on the date of its last signature by the Parties. The Administration Agreement may be terminated by either party with 90 days' written notice to the other party. Any termination initiated by the Donor will not affect commitments that, at the time of the Bank's receipt of notice, will have already been entered into by the Bank with third parties in accordance with this Administration Agreement. The Bank may draw funds from the Contribution in order to honor such third-party commitments. In the event of termination pursuant to this section of this Administration Agreement, any uncommitted funds not already subject to commitments entered into by the Bank with third parties at the time of the Bank's receipt of notice of termination, except those funds specified in Section 6, shall be returned to the Donor, unless otherwise agreed by the Parties in writing.
16. The Parties may amend any provision of this Administration Agreement in writing.
17. Subject to their respective policies and procedures with respect to the disclosure of information, the Parties may make this Administration Agreement publicly available.

18. Nothing in this Administration Agreement may be construed as creating an agency relationship between the Parties.
19. Nothing in this Administration Agreement may be construed as a waiver of the Bank's privileges and immunities, under international or any applicable law, including any privileges and immunities agreement.
20. The Parties will seek to settle amicably any disputes that may arise from or relate to this Administration Agreement.

IN WITNESS WHEREOF, the Inter-American Development Bank and Fundação Maria Cecilia Souto Vidigal, each acting through its duly authorized representative, have signed this Administration Agreement in the English language as of the dates indicated below.

**INTER-AMERICAN
DEVELOPMENT BANK**

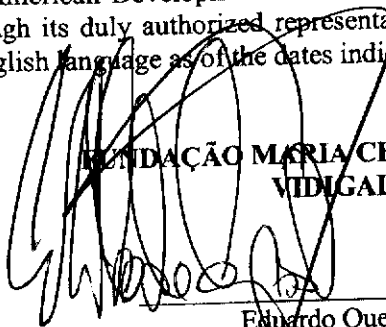
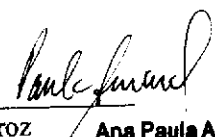


Bernardo Guillamon
Manager

Office of Outreach and Partnership

Date: 02/27/18

**FUNDAÇÃO MARIA CECILIA SOUTO
VIDIGAL**

Eduardo Queiroz
Director-President

Ana Paula Amaral Sardinha
CPF: 006.417.947-89

Date: _____



Larissa Araujo Santos
CPF: 371.509.618-78



Technical Cooperation Document

I. Basic Information for TC

- Country/Region: BRAZIL/ Southern Cone
- TC Name: Medium-Term Impacts of Access to Daycare on School Outcomes: Experimental Evidence from Rio de Janeiro
- TC Number: BR-T1397
- Team Leader/Members: Yyannu Cruz Aguayo (SCL/SCL), Team Leader; Norbert Schady (SCL/SCL), Alternate Team Leader; Mingi Kang (SCL/SCL); Gregory Elacqua (SCL/EDU), Alternate Team Leader; Rafael Contreras (SCL/EDU); Maria Fernanda Garcia Rincon (ORP/PTR); Claudia Ogialoro (ORP/GCM); and Krysia Avila (LEG/SGO)¹.
- Taxonomy: Research & Dissemination
- Date of TC Abstract authorization: N/A
- Beneficiary (countries or entities which are the recipient of the technical assistance): Brazil and the Municipality of Rio de Janeiro
- Executing Agency: Inter-American Development Bank, Social Sector (SCL/SCL)
- Donors providing funding: Fundação Maria Cecilia Souto Vidigal (FMCSV)
- IDB Funding Requested: PSG contribution amount: BRL440,000
Fundação Maria Cecilia Souto Vidigal (FMCSV)²
- Disbursement period: 30 months (disbursement), 24 months (execution)
- Required start date: March 15 2018
- Types of consultants: Individuals
- Prepared by Unit: Social Sector (SCL/SCL)
- Unit of Disbursement Responsibility: Social Sector (SCL/SCL)
- TC Included in Country Strategy: No
- TC included in CPD: No
- Alignment to the Update to the Institutional Strategy 2010-2020: Social inclusion and equality

II. Objectives and Justification of the TC

- 2.1 This project seeks to estimate the medium-term impacts of providing access to daycare to poor children in the municipality of Rio de Janeiro, Brazil. Faced with excess demand for daycare centers (known as *crèches* in Brazil), the government of Rio allocated available slots to children between 0 and 3 years of age by lottery in December 2007. Medium-term outcomes on lottery winners³ and losers will be collected from school records of these children in 2017, when they are 9-12 years of age. The study would be the first Randomized Control Trial (RTC) evaluation of the

¹ Non-IDB team members include: Tiago Bartholo and Marcio Costa (UFRJ), Lycia Lima (FGV-Sao Paulo) and Pedro Carneiro (UCL).

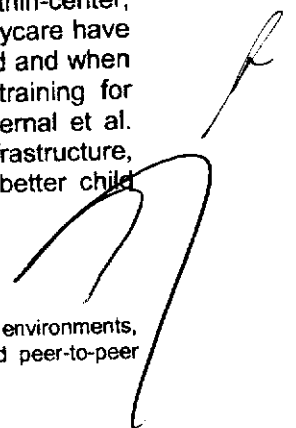
² These funds will be administered by the IDB through a non-reimbursable project-specific grant (PSG), pursuant to document SC-114. Through a separate Administrative Agreement, FMCSV will commit and contribute to the project BRL440,000, which is approximately equivalent to US\$135,000 based on the Central Bank's exchange rate as of December 1, 2017.

³ 20,000 children participated in some lottery and 37 percent won a slot.

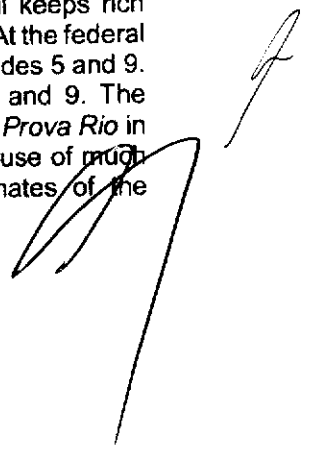
medium-term effects of an at-scale daycare intervention in a developed or developing country.

- 2.2 Credibly estimating the impact of daycare services on child outcomes is critical as the number of children in publicly provided daycare in Latin America has grown exponentially. In Brazil, Chile, and Uruguay, the proportion of children ages 0-3 in daycare doubled between 2000 and 2010, and in Ecuador it increased six-fold. In Colombia, more than half of all children ages 2-3 years are in daycare (Berlinski and Schady 2015; Bernal 2014).
- 2.3 The literature from developed countries suggests that daycare can have sustained benefits when children are poor, and the quality of daycare is high. The strongest evidence comes from small-scale pilots like the Perry Preschool Program (Heckman et al. 2010; Schweinhart et al. 1993; 2005) and the Abecedarian program (Barnett and Masse 2007; Campbell et al. 2002; 2014). There is also evidence of benefits from Head Start, the nationwide program reaching almost one million low-income children in the United States (Currie 2001; Duncan and Magnuson 2013; and Ludwig and Phillips 2007 are reviews). However, daycare can also have negative effects on some children (as in Baker et al. 2008, 2015, and Kottelenberg and Lehrer 2016, in Quebec; and Havnes and Mogstad 2015 on universal child care in Norway). Negative effects are more likely when the children attending daycare are not necessarily poor, so the quality of the alternative, the home environment, is comparatively high.
- 2.4 This evidence is relevant to Latin America and the Caribbean because, as shown in Schady (2017), children from poor backgrounds are on average less likely to be in daycare, and the quality of daycare is generally low. Scores on the ITERS and ECERS assessments, which measure environment quality, are low for samples of daycare centers in Bolivia, Brazil, Chile, Colombia, Ecuador, and Peru (Berlinski and Schady 2015, and the references therein). Process quality⁴ is also low in many programs (Araujo et al. 2015).
- 2.5 Convincing evaluations of the impact of daycare on child outcomes in Latin America are scarce. Behrman et al. (2004) and Bernal and Fernandez (2013) evaluate the impact of daycare by comparing children with differential exposure in Bolivia and Colombia, respectively; they find positive effects of daycare attendance for some groups, but not others. Rosero and Oosterbeek (2011) use a regression discontinuity strategy to evaluate the impact of daycare provided by local governments or NGOs in Ecuador; they conclude that children who attended daycare had substantially worse outcomes than those who did not. None of these evaluations are based on random assignment. Other research includes Araujo et al. (2017), who use a within-center, fixed-effects strategy to show that, in Peru, children ages 2-3 years in daycare have higher levels of development when their caregivers are more experienced and when process quality is higher; Bernal (2015), who shows that in-service training for caregivers can improve the quality of care and child outcomes; and Bernal et al. (2015), who use a randomized control trial to show that improvements in infrastructure, without concurrent improvements in process quality, did not result in better child development and learning.

⁴ Process quality, in contrast with structural quality, focuses on the more dynamic aspects of environments, including human interactions occurring in the classrooms such as teacher-child and peer-to-peer interactions.



- 2.6 In sum, it is critical to evaluate the impacts of daycare in Latin America because the evidence of benefits for children is thin, while at the same time there has been a massive expansion in daycare coverage. The proposed project would be the first-ever experimental study of the medium-term effects of an at-scale (rather than pilot) daycare program. The evidence is relevant for current policy debates because the quality of daycare in Rio is unlikely to have improved in the last decade: if anything, given the large increase in coverage, we would expect quality to be lower. Moreover, the project would measure program effects after 10 years, thus complementing earlier non-experimental results on short-term effects in the region.
- 2.7 Previous analysis of this program suggests that it has important impacts in the lives of children and their families. This analysis was based on a short household survey that was carried out in late 2008, and on much richer surveys that were carried out in 2012 and 2015. Importantly, both the 2012 and 2015 surveys included multiple child assessments to measure cognitive development, language, executive function (EF), and behavior. Children were also weighed and measured to calculate height-for-age and weight-for-age z-scores. The main challenge was attrition, which was 31 percent over the 7-year period.
- 2.8 Analysis of the two surveys indicates that *crèche* attendance reduced child malnutrition: in an instrumental variables (IV) regression, with the number of semesters a child attended a *crèche* by the time she was 4 years of age instrumented with whether she was a lottery winner, every semester of *crèche* attendance resulted in a 0.09 (0.10) standard deviation increase in height (weight). On the other hand, no average effects (positive or negative) were found on cognition, EF, or the incidence of behavioral problems (nevertheless, there are impacts on cognition and EF when we disaggregate by race).
- 2.9 Although the analysis of the 2012 and 2015 survey data is important, it has two limitations. First, as discussed above, attrition is high. Second, sample sizes are relatively small: In both surveys, the sample of children that was drawn (prior to attrition) was less than 20 percent of the full sample of participants in the original 2007 lottery. Small sample sizes mean that the estimates are imprecise. For example, in the intent-to-treat estimates of the effect of *crèche* attendance on language development, the point estimate (in standard deviation units) is 0.037, and the 95 percent confidence interval is (-0.04, 0.12). Therefore, one cannot rule out modest positive effects of *crèche* attendance on language, and the same is true of other child development measures (Attanasio et al. 2015).
- 2.10 This proposal would analyze the medium-term effects of *crèche* attendance by merging the data from the 2007 *crèche* lottery with administrative data on children currently in school. Primary school enrollment is universal, and Brazil keeps rich administrative data on children at the federal, state, and municipal levels. At the federal level, children take the ANA test in third grade and the Prova Brasil in grades 5 and 9. In the state of Rio de Janeiro, children take the SAERJ in grades 5 and 9. The municipality of Rio de Janeiro administers *Alfabetiza Rio* in grade 1, and *Prova Rio* in grades 3 and 7. All these assessments cover math and language. Because of much larger sample sizes and (we expect) lower attrition rates, our estimates of the



medium-term effects of *crèche* attendance on school achievement should be more precise than the estimates of short-term effects from our earlier work.⁵

- 2.11 Once we have the data, the initial analysis is an Intention-to-Treat (ITT) analysis, where we compare the outcomes of children who won *crèche* spots to children who lost the lottery. This allows us to measure the impact of winning the lottery on outcomes, and in this analysis, lottery winners are the treatment group, and lottery losers are the control group. This ITT analysis can be conducted on the entire universe of children who participated in the *crèche* lottery. The second stage of our analysis will estimate instrumental variables models, where *crèche* attendance is instrumented with the lottery result. The instrumental variables estimate will correspond to the average impact of *crèche* attendance for those induced to attend the *crèche* because they won the lottery. Therefore, the treatment and control groups for this analysis are more narrowly defined. They come from the population of children who would change their decision to attend *crèches* as a result of the lottery. The treatment group consists of lottery winners in this population, while the untreated group consists of lottery losers in this population. We do not call the untreated group the control group because, as in any instrumental variables estimator, we do not directly identify who are the individuals belonging to this population. Nevertheless, we can infer the treatment effect estimate in this population from the data. We can conduct the instrumental variable analysis for the subsample of children who participated in our previous surveys, in 2008, 2012 and 2015, since for those children we have parental reported *crèche* attendance. In addition, we will look for old administrative records of *crèche* attendance at the municipal level.^{6 7}
- 2.12 **Strategic Alignment.** This TC is consistent with the Update to the Institutional Strategy (UIS) 2010-2020 (AB-3008) and is aligned with the development challenge of "social inclusion and equality", as quality daycare could be a catalyst to break the inter-generational poverty cycle and help foster social mobility. This TC is also consistent with the Education and Early Childhood Development Sector Framework Document (GN-2708-5) which highlights, in its second dimension, the importance of high quality early childhood services to ensure that all students enter school ready to

⁵ Without administrative records on test scores this part of the research cannot advance. An alternative would be to field another household survey to collect test score data ourselves. That said, we are extremely confident we will have access to, at the very least, administrative school records from the municipality, corresponding to the assessments administered by SME-RJ. We do not know yet how much loss there will be from matching, but from previous matching attempts we will have a large number of children. The challenge will not be so much the number of matches, but perhaps whether the non-matches are a random set of individuals. This is something we will investigate in detail.

⁶ Given random assignment from the lottery, for the intent to treat and the IV analysis we can in principle ignore socioeconomic variables, in the sense that in theory they should not affect our estimates because they are orthogonal to the lottery result. In practice, we know that these variables often improve the precision of the estimates. In addition, it is important to examine the extent to which treatment effects vary across different socioeconomic status. Fortunately, for a sample of the children in the lottery, we have a rich set of household surveys that will help us conduct this analysis.

⁷ An important concern is how to separate the impacts on standard tests of the *crèches* and of preschool. If children more likely to attend *crèches* are also more likely to attend pre-school (which is supposed to be mandatory), or more likely to attend high quality pre-schools, it will be hard to differentiate the impact of the two. At least for the subsample of children for whom we have household surveys we have information on how long they attended *crèches* and preschools for, and we even have the names of these schools. There may be even exist external data that allows us to know something more about the quality of *crèches* and preschool. One potential source of information on quality, at least at the level of the *crèche*, is the generalized administration of the ASQ that occurred in many, if not all, public *crèches* in Rio de Janeiro in 2012.

learn. In addition, the TC activities are consistent with the Bank's strategy with Brazil (GN-2850), in particular with the objective of improving education quality.

III. Description of activities/components and budget

- 3.1 There are two main activities in this project: data collection (Component 1) and data analysis (Component 2).
- 3.2 **Component 1: Data Collection.** In terms of data collection, our main activity will be the organization of school records for the children in our target group, and then merging these records with the administrative files for the 2007 lottery.
- 3.3 The children in our target group were between 0 and 3 years of age in December 2007, when they applied for daycare centers. Our intention is to collect information from current school records at the municipal, state, and federal levels of the children who participated in this lottery. Today these children are between 9 and 12 years of age, and have already taken several school tests administered by the municipality.⁸ With these data we will carry out the first experimental evaluation of the medium-term impacts of a large-scale program of public daycare provision in both developed and developing countries.
- 3.4 Basic education is universalized in Brazil, and there are high quality school records at the municipal, state and national levels. Unfortunately, there is no administrative identifier available to link the individual records of these children in the application form for the 2008 day-care centers with subsequent school administrative information. Our objective is to link the 2007 lottery data with school records using other information available in the application registers for daycare centers, namely: full name of child, date of birth, father's name, mother's name, and address.
- 3.5 Once linked, we will be able to retrieve the school results of children who participated in the 2007 lottery. There are several school results that may already be potentially collected, that is, some of this information will already be available for all children in lotteries because all children are at least 9 years of age as of now, but others (e.g. 9th year of schooling) will only be available in the future.
- 3.6 With this proposal we intend to merge the lottery registry with the results of the tests (at all possible levels municipal, state, federal).
- 3.7 **Component 2. Data Analysis.** This data will then be ready for the second set of activities of this project: data analysis (activity 2). Using the same random variation in daycare attendance discussed above, derived from the 2007 daycare attendance lottery, we will be able to estimate causal impacts of attendance of free day care between the ages of 0 and 3 on school performance between ages 9 and 12.
- 3.8 This non-reimbursable technical cooperation, with an execution period of 24 months and a disbursement period of 30 months, will be for BRL440,000, approximately equivalent to US\$135,000 as of December 1, 2017⁹.

⁸ We will also be able to observe other outcomes, such as student attendance and completion rates.

⁹ The contribution will be received and executed in BRL from an IDB account denominated in BRL. As such, project execution will not be subject to exchange rate risks. The administration fee will be set aside as 5% of BRL440,000; its final amount in USD will depend on the exchange rate.

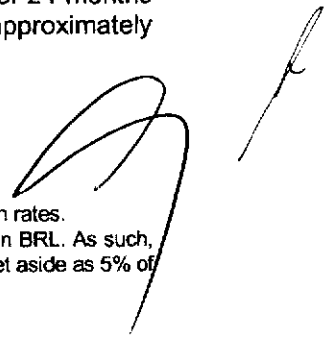


Table 1. Indicative Budget

Activity/Component	PSG Funding	Counterpart Funding	Total Funding
Component 1. Data collection	BRL304,000.00	0	BRL304,000.00
Component 2. Data analysis	BRL114,000.00	0	BRL114,000.00
Management costs	BRL22,000.00	0	BRL22,000.00
TOTAL	BRL440,000.00	0	BRL440,000.00

- 3.9 Resources of this project are to be received from Fundação Maria Cecilia Souto Vidigal (FMCSV) through a Project-specific Grant (PSG). A PSG is administered by the Bank according to the "Report on COFABS, Ad-Hocs and CLFGS and a Proposal to Unify Them as Project Specific Grants (PSGs)" (Document SC-114). As contemplated in these procedures, the commitment by FMCSV will be established through a separate Administration Agreement. Under such agreement, the resources for this project will be administered by the Bank and the Bank will charge a non-refundable administration fee of 5% of the contribution, which is identified in the budget of this project. The 5% administration fee will be charged upon the Bank's receipt of the contribution.
- 3.10 Monitoring will be based on the documentation generated. No formal evaluation will be undertaken, but an end-of project report will be prepared by the team. This report will summarize the execution, the results obtained, as well as the lessons learned for future projects of this nature.

IV. Executing agency and execution structure

- 4.1 This TC will be executed by the Bank in accordance with the Bank Policy GN-2470-2. As per section 4.5 of the referred policy, "The Bank may take the initiative to execute TC in areas of its expertise provided that: (i) the beneficiary country or group of countries concurs; and (ii) the proposed activities are consistent with the Bank's country and/or regional strategy and program" (§2.12). Therefore, the approval of the Government of Brazil through its Agência Brasileira de Cooperação – ABC, is being sought. The Social Sector Department (SCL/SCL) will be responsible for the execution, implementation and monitoring of the TC.
- 4.2 The project team will be responsible for the preparation and submission to the donor of the project reporting, in compliance with the Administration Agreement. The Bank, through SCL/SCL, will contract individual consultants, consulting firms and different consulting services in accordance with current Bank procurement policies and procedures. Specifically, Section AM-650 of the Administrative Manual "Complementary Workforce" will be applied in the case of individual consultants and the Policy for the Selection and Contracting of Consulting Firms for Bank-executed Operational Work (GN-2765-1) and its operational guidelines (OP-1155-4-3) in the case of consulting firms, as well as the Corporate Procurement Policy (GN-2303-20) for other consulting services. The initial procurement plan provides information on the contracts foreseen and their applicable monitoring and contracting methods.

V. Major issues

- 5.1 The main risk of this project is that the match rate between lottery records and school records is low. However, there is detailed information from the lottery records on names, dates of birth, and location of residence, to be able to achieve very high match rates. There is also the risk that we will not be able to access all school records.

Although we have not yet worked on protocols for state and federal level school records, we are very close to securing access to municipal school records from the *Secretaria Municipal de Educação do Rio de Janeiro*. Several of these records have been carefully organized by education researchers at the Universidade Federal do Rio de Janeiro through a protocol established with the *Secretaria Municipal de Educação do Rio de Janeiro*. We have already started collaborating with this research team on the planning of this project.

VI. Exceptions to Bank policy

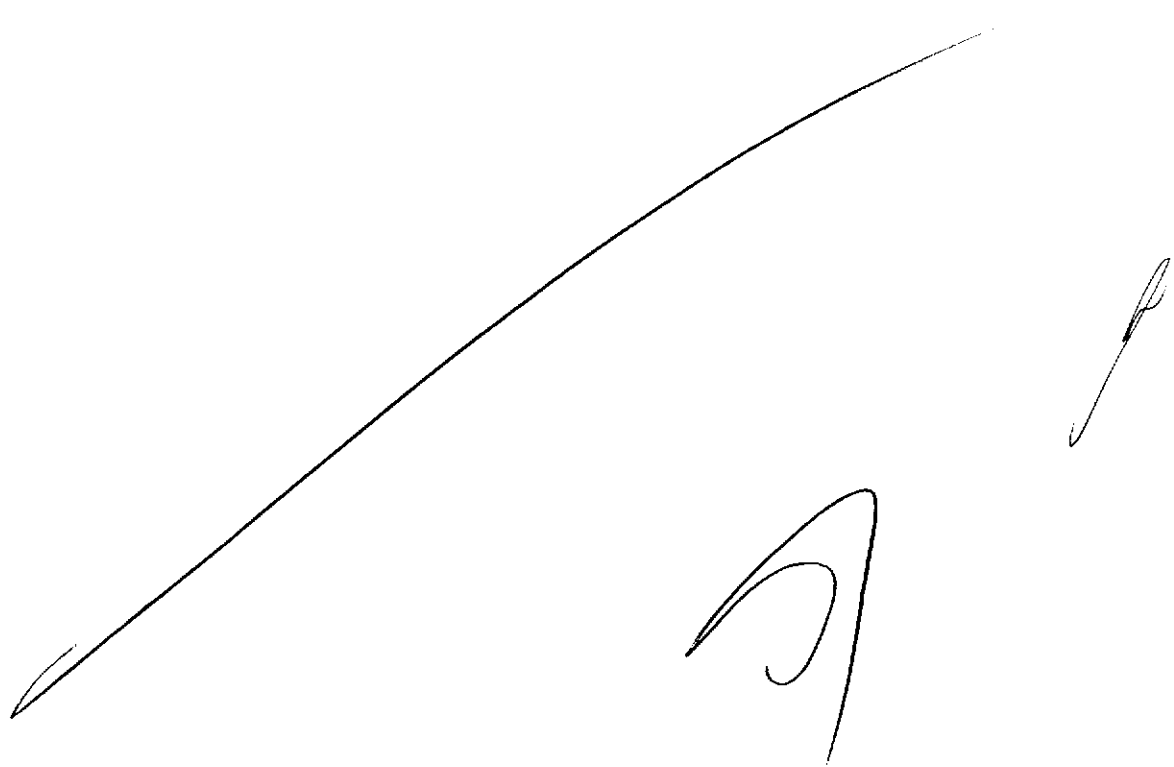
6.1 None.

VII. Environmental and Social Strategy

7.1 The ESG classification for this TC is "C" according to the Environment and Safeguards Compliance Policy (OP-703). There are no potential negative environmental and/or social impacts associated to this TC anticipated (see Safeguard Policy Filter and Safeguard Screening Form).

Required Annexes:

- Annex I: Request from the client
- Annex II: Results Matrix
- Annex III: Terms of Reference for activities/components to be procured
- Annex IV: Procurement Plan

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Results Matrix

Outcomes:

1. Increase the evidence of the impacts of day-to-day in mid-term outcomes

1.1 Working paper with policy recommendations

Flags*	Unit of Measure	Baseline	Baseline Year	Means of verification	2018	EOP
	working paper	0,00	2017	Document in EZShare	P	1,00
					P(a)	1
					A	

GRF Indicator

Outputs: Annual Physical and Financial Progress

1 Data Collection

1.1 New databases created

Output Description	Unit of Measure	Baseline	Baseline Year	Means of verification	2018	EOP	Financial Progress	Flags
Databases with administrative information, clean and ready to merge	Databases (#)	0	2017	Description in EZShare	P	1	93250	93250
					P(a)	1	93250	93250
					A			

2 Data Analysis

2.1 New databases created

Output Description	Unit of Measure	Baseline	Baseline Year	Means of verification	2018	EOP	Financial Progress	Flags
Databases with administrative and inferly information merged.	Databases (#)	0	2017	Description in EZShare	P	1	35000	35000
					P(a)	1	35000	35000
					A			

Other Cost

Fees

2018	Cost
P	\$6.750,00
P(a)	\$6.750,00
A	

Total Cost

2018	Total Cost
P	\$135.000,00
P(a)	\$135.000,00
A	

GRF Indicator

Standard Output Indicator

ANNEX A

Brazil

SCL/SCL

TECHNICAL SUPPORT FOR DATA COLLECTION AND ANALYSIS IN BRAZIL FOR MEDIUM-TERM IMPACTS OF ACCESS TO DAYCARE ON SCHOOL OUTCOMES (BR-T1397)

TERMS OF REFERENCE

I. BACKGROUND

Established in 1959, the Inter-American Development Bank ("IDB" or "Bank") is the main source of financing for economic, social and institutional development in Latin America and the Caribbean. It provides loans, grants, guarantees, policy advice and technical assistance to the public and private sectors of its borrowing countries.

Faced with excess demand for daycare centers (known as crèches in Brazil), the government of Rio allocated available slots to children between 0 and 3 years of age by lottery in December 2007. Medium-term outcomes on lottery winners and losers will be collected from school records of these children in 2017, when they are 9-12 years of age. The study would be the first Randomized Control Trial (RTC) evaluation of the medium-term effects of an at-scale daycare intervention in developed or developing countries.

The literature from developed countries suggests that daycare can have sustained benefits when children are poor and the quality of daycare is high. However, convincing evaluations of the impact of daycare on child outcomes in Latin America are scarce. Therefore, it is critical to evaluate the impacts of daycare in Latin America because the evidence of benefits for children is thin, while at the same time there has been a massive expansion in daycare coverage. The proposed project would be the first-ever experimental study of the medium-term effects of an at-scale (rather than pilot) daycare program.

This consultancy is part of a set of activities that will enhance the Social Sector's (SCL) capacity for analytical work in general, and in particular to generate evidence of the impacts of daycare on midterms outcomes.

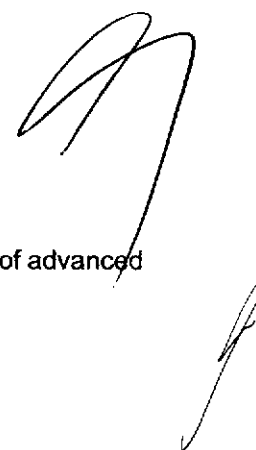
I. CONSULTANCY OBJECTIVE

The objective of this consultancy is to provide technical assistance to SCL through the cleaning, merging and analysis of empirical data as well as general support to produce high quality analytical work, including field work activities.

II. MAIN ACTIVITIES

The selected consultant will:

- Assist in the cleaning and merging of large datasets.
- Assist in the empirical analysis of large datasets, including the application of advanced econometric models using STATA.



- Assist in the preparation of research studies and presentations.
- Assist in data collection activities
- Author and/or co-author technical notes.
- Assist in the preparation of administrative document and reports.

III. QUALIFICATIONS

- *Academic Degree / Level & Years of Professional Work Experience:* Minimum requirement a Bachelor's Degree and a minimum of two years of working experience.
- *Languages:* Portuguese (Mandatory), English and Spanish (Desirable)
- *Areas of Expertise:* Economics, Statistics.
- *Skills:* The contractual should have completed Master's Level coursework in economics and statistics.

IV. CHARACTERISTICS OF THE CONSULTANCY

- *Consultancy category and modality:* Products and External Services Consultant, payments by deliverables
- *Contract duration:* 12 months
- *Place(s) of work:* Brazil.
- *Responsible person:* The work will be coordinated by the principal economic advisor of the social sector (SCL/SCL).

V. DELIVERABLES

- **Deliverable 1:** A clean data set with individual administrative information (tests), of the children in a specific sample. The data set should be accompanied by a list of variables and descriptive of the dataset.
- **Deliverable 2:** A clean data set with individual information of children in the lottery. The dataset should be accompanied by a list of variables and descriptives of the dataset.
- **Deliverable 3:** A merged dataset of the administrative data and the lottery data. The dataset should be accompanied by a document describing the steps taken to arrive to the merged dataset.

VI. PAYMENT AND CONDITIONS

Payment schedule:

1. 20% when signing the contract.
2. 20% after submission and approval of Deliverable 1.
3. 20% after submission and approval of Deliverable 2.
4. 40% after submission and approval of Deliverable 3.

VII. COORDINATION.

The consultant's work will be coordinated by Norbert Schady (SCL)



Payment and Conditions: Compensation will be determined in accordance with Bank's policies and procedures. In addition, candidates must be citizens of an IDB member country.

Consanguinity: Pursuant to applicable Bank policy, candidates with relatives (including the fourth degree of consanguinity and the second degree of affinity, including spouse) working for the Bank as staff members or Complementary Workforce contractuels, will not be eligible to provide services for the Bank.

Diversity: The Bank is committed to diversity and inclusion and to providing equal opportunities to all candidates. We embrace diversity on the basis of gender, age, education, national origin, ethnic origin, race, disability, sexual orientation, religion, and HIV/AIDS status. We encourage women, Afro-descendants and persons of indigenous origins to apply.

A handwritten signature in black ink, consisting of a large, stylized initial 'M' followed by a smaller, more delicate signature.

ANNEX A

Brazil

SCL/SCL

TECHNICAL SUPPORT FOR DATA COLLECTION AND ANALYSIS IN BRAZIL FOR MEDIUM-TERM IMPACTS OF ACCESS TO DAYCARE ON SCHOOL OUTCOMES (BR-T1397)

TERMS OF REFERENCE

II. BACKGROUND

Established in 1959, the Inter-American Development Bank ("IDB" or "Bank") is the main source of financing for economic, social and institutional development in Latin America and the Caribbean. It provides loans, grants, guarantees, policy advice and technical assistance to the public and private sectors of its borrowing countries.

Faced with excess demand for daycare centers (known as crèches in Brazil), the government of Rio allocated available slots to children between 0 and 3 years of age by lottery in December 2007. Medium-term outcomes on lottery winners and losers will be collected from school records of these children in 2017, when they are 9-12 years of age. The study would be the first Randomized Control Trial (RTC) evaluation of the medium-term effects of an at-scale daycare intervention in developed or developing countries.

The literature from developed countries suggests that daycare can have sustained benefits when children are poor and the quality of daycare is high. However, convincing evaluations of the impact of daycare on child outcomes in Latin America are scarce. Therefore, it is critical to evaluate the impacts of daycare in Latin America because the evidence of benefits for children is thin, while at the same time there has been a massive expansion in daycare coverage. The proposed project would be the first-ever experimental study of the medium-term effects of an at-scale (rather than pilot) daycare program.

This consultancy is part of a set of activities that will enhance the Social Sector's (SCL) capacity for analytical work in general, and in particular to generate evidence of the impacts of daycare on midterms outcomes.

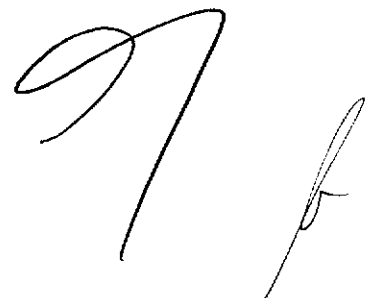
VIII. CONSULTANCY OBJECTIVE

The objective of this consultancy is to provide technical assistance to SCL through the cleaning, merging and analysis of empirical data as well as general support to produce high quality analytical work, including field work activities.

IX. MAIN ACTIVITIES

The selected consultant will:

- Assist in organizing meetings to gain access to administrative data
- Participating in meetings to gain access to the administrative data.
- Assist in organizing administrative data



- Assist in the preparation of administrative document and reports.
- Assist in the cleaning and merging of large administrative data
- Assist in the preparation of research studies and presentations.
- Author and/or co-author technical notes.

X. QUALIFICATIONS

- *Academic Degree / Level & Years of Professional Work Experience:* Minimum requirement a Bachelor's Degree and a minimum of two years of working experience.
- *Languages:* Portuguese (Mandatory), English and Spanish (Desirable)
- *Areas of Expertise:* Economics, Statistics.
- *Skills:* The contractual should have completed Master's Level coursework in economics and statistics.

XI. CHARACTERISTICS OF THE CONSULTANCY

- *Consultancy category and modality:* Products and External Services Consultant, payments by deliverables
- *Contract duration:* 12 months
- *Place(s) of work:* Brazil.
- *Responsible person:* The work will be coordinated by the principal economic advisor of the social sector (SCL/SCL).

XII. DELIVERABLES

- **Deliverable 1:** A description of the meetings held to obtain access to the administrative information (data)
- **Deliverable 2:** dataset with individual administrative information (tests), of the children in a specific sample. The data set should be accompanied by an overall description of the dataset as well as of each of the variables included.
- **Deliverable 3:** A merged dataset of the administrative data and the lottery data (lottery to gain access to a creche). The dataset should be accompanied by a document describing the steps taken to arrive to the merged dataset.

XIII. PAYMENT AND CONDITIONS

Payment schedule:

1. 20% when signing the contract.
2. 20% after submission and approval of Deliverable 1.
3. 20% after submission and approval of Deliverable 2.
4. 40% after submission and approval of Deliverable 3.

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Diversity: The Bank is committed to diversity and inclusion and to providing equal opportunities to all candidates. We embrace diversity on the basis of gender, age, education, national origin, ethnic origin, race, disability, sexual orientation, religion, and HIV/AIDS status. We encourage women, Afro-descendants and persons of indigenous origins to apply.



PROCUREMENT PLAN FOR BANK EXECUTED OPERATIONS												
Country: Brazil		Executing Agency: IB		Title of Project: Medium-Term Impact of Access to Daycare on School Outcomes: Experimental Evidence from Rio de Janeiro						URR: SCL/SCL		
Project number: BR-1397		Period covered by the Plan: 2018-2021 (30 months)		Total Project Amount: BRL 440,000.00								
Component	Requirement Type (A1-9)	Service Type (B1-9)	Description	Estimated contract cost (US\$)	Selection Method (S)	Type of contract	Source of financing and financing		Estimated date of the procurement notice	Estimated contract start date	Estimated contract length	Comments
							OP/MS	CA				
Component 1	A. Consulting services	Individual Consultant	Consulting service for expertise support in finding administrative information (school data)	BRL 304,000.00	SSS	Lump sum	BRL 304,000.00		100%	15-Mar-18		There is only one person that knows the data to do the collection
Component 2	A. Consulting services	Individual Consultant	Consulting service for expertise support in merging datasets and doing analysis	BRL 114,000.00	SSS	Lump sum	BRL 114,000.00		100%	15-Jun-18		There is only one person that knows the structure of the data to do the analysis
Prepared by:		Yvanho Civa Aguiar	Management costs	BRL 22,000.00			BRL 22,000.00		100%			
TOTALS				BRL 440,000.00			\$ -	0%	BRL 440,000.00	100%		

(1) Grouping together of similar procurement is recommended, such as publications, travel, etc. If there are a number of similar individual contracts to be executed at different times, they can be grouped together under a single heading with an explanation in the comments column indicating the average individual amount and the period during which the contract would be executed, for example: an expert promotion project that includes travel to participate in fairs would have an item called "airfare for fairs", an estimated total value of US\$5,000, and an explanation in the Comments column: "This is for approximately four different airfares to participate in fairs in the region in years X and Y".

(2) (i) Individual consultants: CO: Individual Consultant Selection based on Qualifications; SSS: Single Source Selection; Selection process to be done in accordance with AM-550.

(2) (ii) Consulting firms: Per GN-2765-1, Consulting firm selection methods for Bank-executed Operations are: Single Source Selection (SSS); Simplified Competitive Selection (S2S); Fully Competitive (FCS); and Framework Agreement Task Order (FO). All consulting firm selection processes under this policy must use the electronic module in CompuServe.

(2) (iii) Goods: Per GN-2765-1, par. 4.2.2.c: "The procurement of goods and related services, except when such goods and related services are necessary to achieve the objectives of the Bank-executed Operational Work and are included in the consulting services contract and represent less than ten percent (10%) of the consulting services contract value."

