

COSTA RICA

CONDITIONAL TRANSFERS FOR SECONDARY EDUCATION

AVANCEMOS PROGRAMME

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In crisis situations like the present, many people might feel driven to join the job market in order to obtain an income. This reaction is understandable; however, it could lead to worse circumstances in the medium or long term. The foregoing is the particular case of young people who drop out of formal schooling to look for employment. For the most part, young people who have not completed their schooling will have a hard time finding even a precarious job. As they are hardly likely to return to school, starting to work at an early age will only jeopardize their working life and harden the vicious circle of poverty. The purpose of the *Avancemos* Programme is to encourage young people from poor homes to stay in formal schooling until they have completed the secondary cycle. Although the Programme was designed and started before the crisis, it not only adequately responds to present needs, but also provides a long-term strategy to improve workforce quality.

1. Introduction

Rates of schooling are generally very low in Latin American countries. This is a structural situation resulting from poverty, low-quality education, and the belief that more education does not necessarily improve employability, among other reasons. In all poverty studies, lack of education is considered a key factor in the transmission of poverty from generation to generation. Therefore, having youth stay in the formal education system must be a long-term strategy, while system quality and relevance are simultaneously improved.

This structural situation could become worse in periods of crisis like the present. Some young people from poor homes might feel compelled to look for work and drop their studies as a way to earn an income. Early entry into the labour market, almost certain to be precarious, will leave a negative mark on a young person's labour history. It is therefore crucial to double efforts in times of crisis to avoid this outcome.

In the present case, long-term structural needs concur with short-term initiatives for dealing with the effects of the financial crisis. Attacking the rate of school drop-out among youth from poor homes is a strategic and cyclical objective. So it was understood by Costa Rica, where the *Avancemos* Programme is operating since 2007 and coverage will be extended in the course of the current year.

2. Programme description

Aims

Avancemos is one of the priority programmes under the National Development Plan for 2006-2010. Its objective is to retain and reinsert adolescents and youth in formal secondary education. Additional objectives include

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reducing poverty, promoting universal secondary education, and contributing to prevent child labour. It is based on a conditional cash transfer for families who are poor, vulnerable, and socially excluded.

Beneficiary population

Beneficiaries are students in secondary public education throughout the country: Costa Ricans and documented foreigners, adolescents aged 13 to 17, young people up to 21 years, and older youth in special situations. The National Development Plan had set a goal of 130,000 beneficiaries, which was reached in 2008. By 2009, in the framework of the *Escudo Plan*, aiming to cope with the international crisis, the programme was expanded to 150,000 beneficiaries.

In 2008, 53% of beneficiaries were women, 47% were men. As for age groups, 30% were under 15 years of age, 50% were 15 to 17 years old. The 18-to-20 year-old beneficiaries were 15%, while those over 21 were 5%.

Table 1
Avancemos Programme composition by age group and sex
as of May 5, 2008
(absolute figures and percentages)

Age Group	Population				Total	
	Female	Percentages	Male	Percentages	Absolute	Percentages
Under 15 years old	16,465	30.2	14,785	30.9	31,250	30.5
15 to 17 years old	26,564	48.8	23,712	49.5	50,276	49.1
18 to 20 years old	8,355	15.3	7,604	15.9	15,959	15.6
Over 21 years	3,113	5.7	1,768	3.7	4,881	4.8
Total	54,497	100	47,869	100	102,366	100

Source: Vice-Ministry for Social Development/Technical Secretariat of the *Avancemos* Programme based on IMAS and FONABE data as of May 5, 2008

Benefit

Aiming to increase the likelihood of young people staying in school, a rising scale of benefits was established, as shown in Table 2.

Table 2
Benefits by level of schooling

Level	Monthly cash transfer (in Colons)	Monthly cash transfer (in US\$)	Vs unskilled generic MW (192,385 Colons) (percentage)
7 th year	15,000	26	7.8
8 th year	20,000	35	10.4
9 th year	25,000	43	13.0
10 th year	35,000	61	18.2
11 th year	45,000	78	23.4
12 th year	50,000	87	26.0

Source: García Quesada (2008)

Note: US dollar exchange based on the rate for June 2009. The minimum wage (MW) is the current amount for the first half of 2009

Table 3
Avancemos Programme composition by school grade and sex
as of May 5, 2008
 (absolute figures and percentages)

Age Group	Population				Total	
	Female	Percentages	Male	Percentages	Absolute	Percentages
7 th year	7,074	13.0	7,296	15.3	14,370	14.0
8 th year	13,919	25.5	13,540	28.3	27,459	26.8
9 th year	12,944	23.8	10,784	22.5	23,728	23.2
10 th year	10,369	19.0	8,373	17.5	18,742	18.3
11 th year	8,527	15.6	6,576	13.7	15,103	14.8
12 th year	1,664	3.1	1,300	2.7	2,964	2.9
Total	54,497	100.0	47,869	100.0	102,366	100.0

Source: Vice Ministry for Social Development/Technical Secretariat of the *Avancemos* Programme, based on IMAS and FONABE data as of May 5, 2008

If we examine the composition of programme beneficiaries by the school year attended, 64% of beneficiaries are concentrated in the first three years of the secondary cycle (seventh to ninth years). Retaining these students in class during the following years will be a key indicator of programme success. If retention goals are reached, there will be a significant increase in programme cost, owing to the rising incentive structure per school year completed.

Requirements

In addition to qualifying from the standpoint of poverty and meeting the established age limits, the adolescent or young person must be enrolled in a public secondary school and sign a document committing him or her to attend school and pass the school year, in addition to undergoing a comprehensive health check-up during the year.

Institutional framework

The programme is in the purview of the Vice-Ministry for Social Development and has a Technical Secretariat for follow-up purposes. The programme also has a policy branch and a technical panel composed of the Ministry of Public Education, Ministry of Labour and Social Security, Costa Rican Social Security Fund, Ministry for Social Housing and Development, IMAS (Joint Institute for Social Assistance), and the INA (National Learning Institute).

The programme completed an initial pilot phase followed by an execution phase conducted by two institutions. As of 2009, however, it was decided to operate under a single executing unit: IMAS. This greatly simplified execution, together with reviewing the conditionality of education.

School attendance is checked by forwarding to each school a list of beneficiaries enrolled there. Each school must complete the list, stating whether students are regularly attending classes. The list is then returned to IMAS direct. Medical check-ups are performed at the Integral Basic Healthcare Unit for the area, which gives the student a voucher following the check-up, for submission to the appropriate regional IMAS office.

3. Outcomes/Assessment

Although the *Avancemos* Programme has been in operation for a short time only, some highly positive trend changes have been implemented. Notably, enrolment in secondary education rose from 2006 to 2009, resulting in an increase in gross coverage rate: 78.4% in 2006 to 82.7% in 2009. The increase in enrolment was greater in public schools, which are the programme field of action (3.9%), than in private schools (1.1%). Coverage was more extensive in rural areas (6.7%) than in urban areas (2.1%) (Garnier, 2009).

Introduction of the *Avancemos* Programme in 2007 was simultaneous with a significant reduction of school absenteeism in poor sectors. Whereas in 2006, 26.3% of young people of secondary-school age failed to attend school, by 2007 the percentage had dropped to 20.9%.

Although no reliable assessment is available to determine whether these trends are in fact exclusively due to the programme, the foregoing indicators refer to specific aspects that the programme aims to deal with, therefore it is reasonable to state that it has had a positive influence.

4. Conclusions

The *Avancemos* Programme was designed as a long-term strategy to deal with one of the structural problems of education in Costa Rica, i.e. the secondary school drop-out rate. The programme seeks to boost the effective achievement of universal secondary education by granting conditional cash transfers to young people of poor and vulnerable families. The purpose of this strategy is to improve the level of education of all young people, thereby improving the quality of the workforce and avoiding premature and precarious entry into the labour market.

This long-term strategy meshes with the aim to provide protection in view of the crisis, by preventing young people belonging to the most underprivileged homes from joining an adverse job market too soon. While containing youthful labour supply, it improves youth training by completing their secondary education, which in turn results in a more highly trained workforce. This strategy is thus appropriate in times of crisis, when young people living in poverty conditions feel impelled to drop out of school. It is also good, however, at times of economic growth, for it tackles a structural deficit.

References

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