Project Abstract for Publication

Mind Lab: Increasing access to innovative educational methodologies for the BoP in Brazil (BR-L1432)

The objective of the project is to increase access to innovative educational methodologies in Brazilian public and private schools, by supporting the expansion of Mind Lab do Brasil Comercio de Livros Ltda. ("Mind Lab Brasil" or "Company"). Mind Lab Brasil is a Brazilian company, which commercializes educational material as well as teacher training programs to promote the development of students' cognitive, social and emotional skills. In order to support Mind Lab Brasil's growth strategy, OMJ proposes to provide a senior unsecured loan of up to BRL\$18 million (approx. US\$4.8 million)¹, to finance part of the company's increasing long-term working capital needs.

The Mind Lab Group was founded in 1994 in Israel where an Israeli company developed a curriculum using strategy games to improve students' cognitive and socio-emotional skills. In 2007, Valmir Pereira, an experienced Brazilian entrepreneur, developed a sales strategy to expand Mind Lab sales in Brazil, and Mind Lab Brasil is now the primary company operating the Mind Lab methodology. Today, the Company operates in over 870 schools, reaching more than 350,000 students, 65% of which attend public schools. Its proprietary methodology uses the learnings from years of pedagogical research in order to support the development of "21st Century Skills" in students, as well as to train teachers to be more effective learning facilitators. The Company promotes these skills through its game-based approach to problem solving, teamwork, effective communication, negotiations, decision making, among others skills. An integral part of its methodology is the teacher training program, which consist of an initial 24-hour in-person training by one of Mind Lab's training experts, in addition to continuous pedagogical support and coaching. Through this methodology Mind Lab Brasil has trained and licensed more than 20,000 teachers in Brazil.

Mind Lab's "Game Lab" is typically used by students for 50 minutes each week, where strategy games and teacher mediation are applied to build cognitive skills and social and emotional learning (SEL). The learning process begins with children engaging in game-playing in small groups with the teacher as a mediator. First, the mediator explains the game strategies and underlying concepts. Second, the mediator and the children summarize the game-playing session with the help of "thinking models", e.g. identifying the key problems, recognizing the need for cooperation, etc. Third, the mediator and the children examine the game patterns and have a discussion on how these patterns relate to real-life situations. In addition to these 50 minutes sessions, the Mind Lab methodology also helps teachers to improve their general teaching and facilitating skills, making them more effective and successful, which has shown to improve student performance in regular curriculum classes as well. Since 2009, the results of Mind Lab Brasil have been monitored on an annual basis by the Evaluation and Educational Development Institute (INADE) in Brazil, showing significant improvements in the students' proficiency levels in Mathematics, Portuguese and Natural Science.

Through the support of the IDB, Mind Lab Brasil expects to reach approximately 160,000 additional students within the next 6 years, around 60% of which are estimated to be from the Base of the Pyramid (BoP). This project is consistent with OMJ's goals because: (i) it is expected to promote access to innovative educational methodologies for the BoP in Brazilian public schools and thus increase the likelihood of students completing higher education and accessing better paid employment; (ii) it will strengthen the professional skills of public and private school teachers (iii) it will showcase an innovative, high-impact business model that has the potential to be replicated across Latin America and the Caribbean, where access to quality education for the BoP is also a critical development need.

-

¹ At exchange rate of USD/BRL 3.74 from October 9th, 2015.