

## TC Document

### I. Basic Information for TC

▪ Country/Region:	GUYANA
▪ TC Name:	Support for the design and execution of the Support to Safety Nets for Vulnerable Populations Affected by Coronavirus in Guyana Project
▪ TC Number:	GY-T1174
▪ Team Leader/Members:	Tejerina, Luis R. (SCL/SCL) Team Leader; Stampini, Marco (SCL/SPH) Alternate Team Leader; Bermudez Plaza, Neili Carolina (SCL/SPH); Dunbar, Gregory A (VPC/FMP); Gaviria, Ivan Alonzo (VPC/FMP); Greco, Maria Sofia (LEG/SGO); Ramjag, Leticia A (CCB/CGY)
▪ Taxonomy:	Operational Support
▪ Operation Supported by the TC:	GY-L1077.
▪ Date of TC Abstract authorization:	12 Nov 2020.
▪ Beneficiary:	Government of Guyana
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	OC Strategic Development Program for Countries(CTY)
▪ IDB Funding Requested:	US\$1,000,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	24 months
▪ Required start date:	January
▪ Types of consultants:	Individuals and firms
▪ Prepared by Unit:	SCL/SPH-Social Protection & Health
▪ Unit of Disbursement Responsibility:	CCB/CGY-Country Office Guyana
▪ TC included in Country Strategy (y/n):	N
▪ TC included in CPD (y/n):	N
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality; Institutional capacity and rule of law

### II. Description of the Associated Loan

- 2.1 On March 11, 2020, the World Health Organization (WHO) declared the COVID-19 outbreak a pandemic. Since then, the number of cases and deaths have risen quickly, reaching 62.8 million confirmed cases and 1,462,951 deaths, as of November 30. In Guyana, the first confirmed case was recorded on March 11, 2020. As of November 30, 2020, there have been 5,376 confirmed cases and 150 deaths (ECDC, 2020). Authorities responded to the pandemic by implementing restrictive measures on movement and promoting social distancing to contain the spread of the virus, including lockdowns.
- 2.2 The COVID-19 crisis negatively affected the living standards of most people in the country. Before the crisis, the poverty rate was estimated at 41.2% (IMF, 2020). This exceeded the Latin American and the Caribbean regional averages of 26.5% and 25.2%, respectively (Beuermann and Schwartz, 2018). In April of 2020, 71.6% of the households reported income loss and the percentage of households with total income under the minimum wage increased from 13.9% in January 2020 to 44.7%. Low-income households have been particularly affected by the pandemic (Garavito, 2020).

Other vulnerable groups include the elderly (the most vulnerable to the health consequences of COVID- 19) and individuals with disabilities (for whom social isolation can imply the loss of care services in addition to income). As an unintended consequence of the confinement measures, women have been suffering increased rates of intimate partner violence (UN, 2020). The COVID-19 pandemic also has negatively impacted the education sector, with potential long-term effects on human capital and inequality.

- 2.3 To address the above referenced challenges, the Government of Guyana (GOG) requested support in the form of a loan financing from the Inter-American Development Bank (IDB). The loan “Support to Safety Nets for Vulnerable Populations affected by Coronavirus in Guyana” (GU-L1077) seeks to contribute to ensuring minimum levels of quality of life for vulnerable persons amid the crisis caused by COVID-19. The specific objectives are to: (i) support minimum income levels for those affected by COVID-19 in the immediate period; and (ii) preserve the human capital of those affected by the COVID-19 crisis. The operation is under the IDB’s Board approval process and supports part of the socioeconomic response of the Government of Guyana to the COVID-19 crisis. Specifically: (i) extraordinary cash transfers of the Public Assistance and Old Age Pension Service, both implemented by the Ministry of Human Services and Social Security (MHSSS); (ii) extraordinary electricity bill credits for vulnerable households; (iii) the services for women victims of violence, implemented by the MHSSS; and (iv) the efforts of the Ministry of Education (MOE) to ensure continuity of education.

### **III. Objectives and Justification of the TC**

- 3.1 The general objective of the Technical Cooperation (TC) is to provide support to the Ministry of Human Services and Social Security for the execution of the Component 1 of loan operation “Support to Safety Nets for Vulnerable Populations affected by Coronavirus in Guyana”(GU-L1077) by improving efficiency, strengthening normative frameworks for digital data management, and expanding its Monitoring and Evaluation capacity.
- 3.2 The fiduciary analysis conducted for the preparation of GU-L1077 reported that the MHSSS has limitations that increase its fiduciary risk level. To strengthen its execution capacity and reduce fiduciary risks, a fully staffed Project Execution Unit (PEU) will be hired through an existing technical cooperation (ATN/JF-16525-GY). However, the Ministry needs to further strengthen its capacity to automate processes and monitor programs execution, including, but not limited to, the execution of the Bank’s loan. Moreover, Caribbean countries, including Guyana lag behind in the creation of a normative framework to guide data management in the digital age, a framework for data governance is key if the country will make the jump towards a more digital management of social programs.
- 3.3 Therefore, this TC will support: (i) the design and optimization of processes for social programs execution; (ii) assistance with the implementation of a new information system to be funded by the loan; (iii) development of normative frameworks for digital data management; (iv) organizational design of a Monitoring and Evaluation (M&E) Unit within the MHSSS; (vi) staff hiring for the creation of the M&E Unit. By improving efficiency, transparency, and management, these activities will support the MHSSS execution capacity and create a feedback system for the strengthening of social protection programs.

- 3.4 **Strategic Alignment.** The TC is consistent with the Second Update to the Institutional Strategy (AB-3190-2) as it is strategically aligned with the development challenge of: (i) Social inclusion and equality through support for maintaining minimum levels of income and welfare for the populations most vulnerable to COVID-19. It is in line with the cross-cutting issues of: (i) Gender Equality and Diversity, because it will support a project that pays for the training and salary of case workers assigned to the Survivors Advocates Program and to providing fundamental income support to persons with disability through the Public Assistance; (ii) Institutional Capacity and the Rule of Law, because it contributes to the monitoring and evaluation capacity of the MHSSS, including the implementation of information systems that will increase transparency in social spending. It is also in concordance with the Strategy on Social Policy for Equity and Productivity (GN-2588-6) in the areas of enhancing equity and supporting vulnerable populations. It is also consistent with the Social Protection and Poverty Sector Framework Document (GN-2784-7), which underscores the importance of supporting vulnerable populations, particularly from external shocks, through responsive social protection policies. Finally, this TC is aligned with the Proposal for the IDB Group's Governance Response to the COVID-19 Pandemic Outbreak (GN-2996) by supporting the efforts to protect vulnerable populations through cash transfers.

#### **IV. Description of activities/components and budget**

- 4.1 **Component 1: Institutional Strengthening of the MHSSS (US\$540,000).** This component will finance technical assistance to strengthen the capacity MHSSS for project execution and for long term program management. It will fund: (i) a consultancy to develop operating manuals for all existing programs to capture the "as is" operations of the Ministry; (ii) a consultancy to develop an enterprise architecture of information systems, processes and data flows in the Ministry and proposal for optimized processes, using the TOGAF model or similar; (iii) a consultancy for the design of a Monitoring and evaluation unit for the MHSSS including organizational structure, manuals and terms of reference for staff; (iv) the development and implementation of a cybersecurity framework including ethical hacking of new systems; (v) the hiring of personnel monitoring and evaluation specialists to implement monitoring and evaluation studies proposed under the design of a M&E unit.
- 4.2 The technical cooperation will also fund a study on data governance and interoperability in the social sector, including mapping of existing administrative systems, laws and legal gaps that guide the collection use and sharing of personal data in the Country and a proposal to fill any gaps identified. The study will include a proposal for an interoperability framework and for closing normative gaps for data governance following best practices in the region.
- 4.3 **Component 2. Information Management System (US\$460,000).** This component will fund (i) the design and evaluation of a Management Information System (MIS) using user centered design methodologies; (ii) the update of the poverty map and development of targeting algorithms and methodologies to identify potential beneficiaries of social programs; (iii) a digital specialist to provide support to the Ministry in the development and execution of the MIS; and (iv) a change management specialist.
- 4.4 The consultancy for the design of the MIS should use the architecture and processes designed under component 1 and implement the five steps of empathizing, defining, ideating, prototyping and testing that are part of the design thinking process to design

an information management system for the Ministry. The system should include citizen facing interphases to inform them about their legal rights and allowing to voice grievances according to the appropriate laws. The consultancy should prepare terms of reference, provide support for hiring and supervision of the developing firm. It should also update the poverty map should using the latest data from the household budget survey and satellite imagery and develop algorithms and strategies to optimize beneficiary identification for social programs. The change management specialist will be responsible of developing the change management plan for the adoption of new processes and tools in the Ministry.

- 4.5 The total cost of this TC will be US\$1,00,000 which will be financed by OC Strategic Development Program for Countries (CTY). The execution and disbursement period will be 24 months.

### Indicative Budget (US\$)

Component	Description	IDB/CTY	Total Funding
Component 1. Institutional Strengthening of the MHSSS	Documentation of existing processes and mapping of applications	30,000	30,000
	Enterprise architecture	150,000	150,000
	M&E Unit	40,000	40,000
	M&E consultants	120,000	120,000
	Cybersecurity framework and ethical hacking	100,000	100,000
	Legal and interoperability framework	100,000	100,000
<b>Component 1. Sub-total</b>		<b>540,000</b>	<b>540,000</b>
Component 2. Information Management System	Update of poverty map and targeting algorithm	100,000	100,000
	Design of MIS	100,000	100,000
	Digital specialist	120,000	120,000
	Change management specialist	100,000	100,000
	Evaluation of MIS	40,000	40,000
<b>Component 2. Sub-total</b>		<b>460,000</b>	<b>460,000</b>
<b>Total</b>		<b>1,000,000</b>	<b>1,000,000</b>

## V. Executing agency and execution structure

- 5.1 The executing agency of this TC is the IDB through SCL/SPH. The Bank's execution of this operation was requested by the Government of Guyana (Annex 1). The request was based on the Bank experience to design and implement activities for strengthening operational and monitoring capabilities of the MSHSSS.
- 5.2 **Procurement.** The Procurement Plan (Annex 4) presents the expected procurement processes under the TC. The Bank will contract individual consultants, consulting firms, and non-consulting services in accordance with the Bank's current procurement policies and procedures: (i) the individual consultants will be hired in accordance with the guidelines set out in the AM-650; (ii) the procurement process for consulting firms for services of an intellectual nature will follow the Bank Policy for the Selection and Contracting of Consulting Firms for Bank-executed Operational Work (GN-2765-

4) and the related Operational Guidelines (OP-1155-4); and (iii) the procurement of logistics services and other services other than consulting will follow the Bank Corporate Procurement Policy (GN-2303-28). Procurement of goods is not expected. Considering that the Bank is executing the project, no resources have been budgeted for auditing.

- 5.3 **Monitoring and Evaluation.** Monitoring the quality and progress of the TC will be carried out directly through IDB institutional systems by the SPH Team Leader with the support of a consultant hired for monitoring and evaluation purposes. The final products will also be reviewed by the Project Team to ensure the quality of products and services funded by this TC. Besides, the project's development objective, outcome and outputs indicators will be monitored by the IDB according to the Results Matrix of the TC.

## **VI. Major issues**

- 6.1 For the TC to achieve the afore-mentioned results, there is a clear need for robust coordination among various administrative and technical departments within the Ministry as well as other key stakeholders, including the Ministry of Finance. The products from the technical cooperation will design many of the investments that will be paid for with loan resources so it is critical to maintain a close coordination with the country to ensure there is ownership of the products of the different consultancies. This will be achieved through well documented meetings in which every step for the execution of the TC will be agreed upon with the Ministry.
- 6.2 Also, the complexity of the technological processes included in this TC could delay the execution of the operation. Close supervision of the SPH Team Leader and Project Team will mitigate this risk.

## **VII. Exceptions to Bank policy**

- 7.1 No exceptions to the Bank policy are expected.

## **VIII. Environmental and Social Strategy**

- 8.1 According to the Environmental and Safeguards Compliance Policy (OP-703), Indigenous Peoples (OP-765), and Gender Equality (OP-270), this TC is classified as category "C". The TC will not finance infrastructure or civil works. The proposed interventions are expected to cause minimal to no negative impacts. See filters [SPF](#) and [SSF](#).

### **Required Annexes:**

[Request from the Client - GY-T1174](#)

[Results Matrix - GY-T1174](#)

[Terms of Reference - GY-T1174](#)

[Procurement Plan - GY-T1174](#)