

**PLAN OF OPERATIONS  
GUYANA  
OCTOBER 31, 2006**

**I. EXECUTIVE SUMMARY**

<b>Project name:</b>	Support for Social Protection		
<b>Project number:</b>	GY-T1022		
<b>Team members:</b>	Jennelle Thompson, Project Team Leader (RE3/SO3); José Cuesta (RE3/SO3); Geronimo Frigerio (LEG); Julio Norori (COF/CGY); and Ethel Muhlstein (RE3/SO3)		
<b>Date of request:</b>	Portfolio & Program Update Mission Aide Memoir of August 3, 2006 and signed by GoG September 22, 2006.		
<b>Beneficiary:</b>	Guyana		
<b>Executing agency:</b>	IDB		
<b>Target Beneficiaries:</b>	Government Ministries involved in Guyana’s Social Protection system (Ministries of Education, Health, Labor and Social Security).		
<b>Financing:</b>	IDB (FSO):	US\$150,000	
	Local:	<u>15,000</u>	
	Total:	US\$165,000	
<b>Objectives:</b>	The goal of this program is to carry out the necessary studies that will provide inputs for the design and dimensioning of a program to support the Social Protection System in Guyana.		
<b>Execution timetable:</b>	Execution Period:	12 months	
	Disbursement Period:	15 months	
<b>Technical &amp; basic responsibility:</b>	Technical responsibility: RE3/SO3 Basic responsibility: RE3/SO3		
<b>Special contractual conditions:</b>	None		
<b>Exceptions to Bank policies and procedures:</b>	There are no proposed exceptions to Bank policies or procedures.		
<b>Environmental and social review:</b>	There are no foreseeable environmental or negative social impacts occurring from the implementation of this TC.		

**Coordination with  
other official  
development  
finance institutions:**

There has been substantial coordination and collaboration with the World Bank in the dialogue regarding Social Protection in Guyana. It is expected that these efforts will continue during the execution of this TC.

## **II. BACKGROUND AND JUSTIFICATION**

### **A. Main issues**

- 2.1 Social protection programs are public interventions to assist the most vulnerable groups of society with the objective of ensuring a minimum level of welfare for individuals, households, and communities. The most common social protection tools to address the social risks of vulnerable groups are social insurance and social assistance.
  - a. Social insurance consists of mechanisms that pool social risks across population groups, such as pension, unemployment, or health insurance programs.
  - b. Social assistance programs are designed to help the poor and vulnerable individuals and households cope with temporary or chronic poverty by providing income support and access to basic services. Social assistance programs aim to address the specific needs of groups at risk, and include a variety of programs such as cash and in-kind transfers, subsidies, workfare, training and adult literacy programs for displaced workers, unemployed persons and other vulnerable groups, income generation programs, social funds and care and protection programs.
- 2.2 Social protection is also concerned with the design and execution of government policies to address key labor issues as they relate to the social protection of workers. Social protection programs are implemented by various ministries. It should be noted that social protection does not include poverty prevention strategies but rather strategies to ameliorate the conditions of individuals who are experiencing poverty.
- 2.3 Guyana's main social protection programs are shown in Table 1.

<b>Table 1</b>	
<b>Type of Program</b>	<b>Main Programs</b>
<b>Transfers</b>	Old Age Pension Public Assistance Water Assistance
<b>Education Based</b>	School Feeding Programs Examination Fee Subsidy
<b>Health Based</b>	Fee Waivers for Medical Care Overseas Medical Care Nutrition and Food Coupon Program Prevention Mother To Child Transmission Programs
<b>Labor Market Programs</b>	Non-formal Skills Training Job Search Service Adult Literacy Programs
<b>Community Based Programs</b>	SIMAP Basic Needs Trust Fund Other Government Programs
<b>Social Insurance</b>	National Insurance Scheme Severance Schemes
<b>Care and Protection</b>	Care and Protection Services Homes and Shelters

2.4 Guyana's Poverty Reduction Strategy Paper (PRSP) speaks to the need to expand and strengthen social safety nets. In this regard, the Government of Guyana, with support from the World Bank, the Inter-American Development Bank, UNICEF and other international development partners, completed a number of social protection studies. Based on the results of these studies, a Social Protection Action Plan was prepared and approved by Cabinet in 2006. The plan identifies priority activities required to strengthen the social safety net and represents a mechanism to further Guyana's Poverty Reduction Strategy. The Action Plan includes a coordinated set of activities that, in combination, will address the following constraints:

- Transfers are not sufficiently linked to human capital development among the poor.
- There are significant gaps in coverage of vulnerable young children.
- Coverage and benefit levels of key programs are insufficient. Integrated programs are needed for poor, displaced and unemployed workers as well as for youth-at-risk.
- More efficient and transparent mechanisms for targeting beneficiaries are required.
- The legislative framework for social protection needs to be updated and harmonized.
- Systems for monitoring social protection programs and their impacts are required.
- Capacity building in key social protection delivery agencies is needed.

2.5 The Action Plan identifies activities that should be undertaken immediately as well as those for which more information will be required. The Action Plan was developed through a collaborative process that involved discussions with the ministries responsible for implementation of social protection programs. An Inter-Ministerial Committee (IC) was established to oversee the content and implementation of the Action Plan and provided inputs into the Action Plan. In

addition, because social protection crosses ministries and agencies, on-going sector-wide planning and coordination that includes all ministries and statutory agencies that implement social protection programs will be required.

- 2.6 The Action Plan lays the groundwork for the development of an integrated Social Protection Strategy for Guyana. A more integrated social protection strategy would help to reduce poverty and would also support achievement of the Millenium Development Goals. As a result of the information generated from studies and activities initiated as part of the Action Plan, the Government would be better positioned to articulate a longer-term strategy that would: Promote investments in human capital, especially among the poor.
- Facilitate consumption smoothing among vulnerable households in the face of economic shocks and transition.
  - Address unemployment and under-employment.
  - Promote income security among the elderly.
  - Reduce the vulnerability of individuals and their dependents who may have specialized needs including victims of abuse, abandonment or neglect, persons with disabilities, persons with HIV/AIDS.
  - Adequately address needs of the Amerindian population.
  - Build on informal and community based risk management activities that households and communities are already employing.
  - Undertake regular monitoring and evaluation of program outcomes.
- 2.7 The Government of Guyana intends to transform and strengthen the Social Protection System in the country. The Government agreed that a Social Protection Program should seek to strengthen the social safety net and facilitate implementation of Guyana's Poverty Reduction Strategy by supporting both program specific initiatives and cross-cutting actions. In terms of the cross cutting actions, these include: (a) development of efficient targeting mechanisms that can be used to identify beneficiaries for programs implemented by different ministries (for example, the development of a beneficiary identification system to target households and poverty maps to target communities); (b) strengthening the capacity to monitor social protection programs through use of management information systems and household survey data; and (c) capacity building of key social sector ministries to facilitate planning and administration of social protection programs.
- 2.8 In term of the program specific initiatives, there is much interest in exploring the possibility of developing a conditional cash transfer program (CCT) designed to promote the accumulation of human capital in poor families. Such a program could potentially include education and health grants, building upon the activities already supported by the Government in these areas.

**B. Program rationale and consistency with Bank Strategies**

- 2.9 This Technical Cooperation is consistent with the Bank's country strategy in Guyana. One of the key pillars of the strategy is to strengthen social sector policies and programs. This technical cooperation was included explicitly in the operational program updated in the last Programming Mission (August 2006).

**C. Value added of this Program**

- 2.10 Given the multi-dimensional and multi-sectoral nature social protection programs, institutional and organizational factors often result in service delivery failures and project implementation problems. In this regard, the TC will finance a comprehensive assessment of the institutional and operational framework for social protection in Guyana, building on the results of the initial diagnostic work supported by the World Bank. The consultancies financed by this TC will provide the basis and guidance for preparation of a program, which will aim at transforming the delivery of social protection services, in order to improve coverage, efficiency and effectiveness.

**III. PROGRAM DESCRIPTION**

**A. Program goal**

- 3.1 The goal of this TC is to facilitate the preparation of a program to support social protection in Guyana. Specifically the TC will finance key studies and as well as workshops required to ensure stakeholder consultations and input for the design and dimensioning of a program to support social protection. Consultants will carry out comprehensive diagnostic studies in the various "sub-components" and develop suitable recommendations, component designs, and implementation plans.
- 3.2 The technical cooperation will be funded using grant resources from the Fund for Special Operations. Activities will be financed in the following strategic areas: (i) institutional framework for social protection; and (ii) operational aspects.

**B. Components**

**1. Component 1. Institutional framework for social protection  
(US\$96,320)**

- 3.3 This component finances consultancies that will examine the actual institutional and programmatic framework for social protection policies and programs in Guyana and based on the results, will make recommendations for improving the efficiency and effectiveness of the system. In particular, consultancies will be financed in the following areas: (i) institutional analysis; (ii) financial analysis; and (iii) beneficiary identification system.

- 3.4 Institutional Analysis. This will assess the institutional and organizational capacities of the Ministry of Education, Ministry of Health and Ministry of Labor, Human Services and Social Security to implement, monitor and evaluate social protection programs that promote investment in human capital. In particular, the analysis will assess current practices and availability of all relevant human and physical resources required for implementing a health, nutrition and education based conditional cash transfer program (CCT) and will diagnose areas of need so as to guide capacity building efforts and avoid duplication with other programs. Based on the overall findings, the feasibility analysis will present various alternatives for moving forward, outlining the strengths and weaknesses of each alternative. The end product will be a plan for the optimal institutional and organizational arrangement to strengthen social protection in Guyana and if appropriate, a plan for implementation of a CCT.
- 3.5 Financial Analysis. Another key element related to the development and implementation of a conditional cash transfer program has to do with sustainability, and in particular, the financing of the transfers. Hence, this consultancy will analyze current social protection expenditures under the present fiscal constraints and will make recommendations regarding the possible alternatives for moving forward with a new program and/or rationalization existing ones so as to minimize fiscal impact and be most cost effective. Ideally, any new program should be fiscally neutral.
- 3.6 Beneficiary Identification System. The objective is to develop a Beneficiary Identification System (BIS) that would be used for the selection of beneficiaries for key social assistance programs financed by the Government of Guyana. The BIS should ensure transparency and consistency and minimum leakage to the non-poor. The proposed BIS should be designed as a management tool that can be used by multiple programs with distinct eligibility criteria.

## **2. Component 2 – Operational Aspects (US\$40,300)**

- 3.7 This component will finance consultancies that are critical for designing a program that effectively addresses the needs of targeted beneficiaries and for establishing agile execution mechanisms.
- 3.8 Design, Dimensioning and Execution Mechanisms. Consultants will be hired to provide key support with project design, in particular with the conceptualization and dimensioning of the program, as well as with the preparation of the execution scheme. In addition, a workshop to develop the logical framework for the project will be financed. Goal, objectives, components and activities will be discussed in detail and agreed upon.

## IV. COST AND FINANCING

### A. Summary cost table

4.1 The program's summary cost table is presented below.

#### GUYANA SOCIAL PROTECTION PROGRAM BUDGET

ACTIVITY	IDB FSO	GGY	TOTAL
<b>1 Institutional Framework for Social Protection</b>	<b>96,320</b>	<b>-</b>	96,320
a Institutional Assessment	41,280		41,280
b Financial Analysis	27,520		27,520
c Beneficiary Identification System	27,520		27,520
<b>2 Operational aspects</b>	<b>40,300</b>	<b>-</b>	40,300
a Program dimensioning and execution scheme	40,300		40,300
<b>3 Other</b>	<b>13,380</b>	<b>15,000</b>	28,380
a Audit	5,000		5,000
b Contingencies	8,380		8,380
c. Document and logistical support		15,000	15,000
	<b>150,000</b>	<b>15,000</b>	<b>165,000</b>

### B. Description and composition of financing

4.2 The total cost of the program is US\$165,000. The Bank would finance up to US\$150,000 of the costs of the project on a non-reimbursable basis from the net income of the Fund for Special Operations (FSO). The local counterpart of US\$15,000 represents in kind contributions related to the identification and securing of all relevant documents and information as well as logistical support for the consultancies.

### C. Sustainability

4.3 The activities listed and described as part of the TC are needed for successful preparation of a program to strengthen social protection. TC funds will not be used to finance any recurrent costs and thereby do not pose any risk related to the sustainability of the TC. On the contrary, the consultancies related to institutional analysis of the ministries involved in defining policies and executing social protection programs will help to identify strengths and weakness in these institutions and will make recommendations with a view to improving their overall efficiency and effectiveness.

## **V. EXECUTING AGENCY AND MECHANISM**

### **A. Executing agency**

- 5.1 Due to the fact that the executing agency for the proposed Social Protection Program has yet to be defined, the Government of Guyana has requested that the Bank execute this TC on its behalf<sup>1</sup> to facilitate a smooth implementation and execution. The IDB will therefore be the executing agency for this TC. RE3/SO3 will have basic and technical responsibility.

### **B. Program implementation readiness**

- 5.2 The terms of reference for all of the consultancies to be financed have been prepared and agreed with the Government. Hence, execution could begin as soon as the TC is approved and signed.

### **C. Progress and final reports**

- 5.3 RE3/SO3 will be responsible for monitoring the technical quality and timely reporting of the consultant's products. Draft consultant reports will be forwarded by RE3/SO3 to the Government of Guyana, specifically to the Policy Coordination and Program Management Unit of the Office of the President, for review and comments. If no comments from the Government are received by the Bank within a period of 14 calendar days, the reports will be considered to have the no objection of the Government.

### **D. Execution period and disbursement schedule**

- 5.4 The execution period for this TC will be 12 months, with a disbursement period of 15 months.

### **E. Procurement**

- 5.5 See Annex 5 for the procurement plan.

### **F. Auditing, financial management and reporting procedures**

- 5.6 Standard Bank procedures for auditing, financial management of the resources and reporting will be followed.

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<sup>1</sup> As per Portfolio & Program Update Mission Aide Memoir of August 3, 2006, signed by GoG September 22, 2006.



## **VI. PROGRAM BENEFITS AND RISKS**

### **A. Program benefits and developmental impact**

- 6.1 This TC aims to provide key inputs for the development of a program to transform and strengthen the social protection system in Guyana. Specifically, it is expected that the program would promote investments in human capital, especially among the poor; facilitate consumption smoothing among vulnerable households in the face of economic shocks and transition; reduce the vulnerability of individuals and their dependents who may have specialized needs; build on informal and community based risk management activities that many households and communities are already employing; and undertake regular monitoring and evaluation of program outcomes.

### **B. Target Beneficiaries**

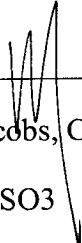
- 6.2 Key Government Ministries involved in Guyana's Social Protection system (Ministries of Education; Health; Labor, Human Services and Social Security) will be the targeted beneficiary institutions of this TC.

### **C. Risks**

- 6.3 The risks related to the execution of the consultancies to be financed by this TC are considered low. While the specific details are yet to be determined, there is broad agreement among key governmental agencies as well as bilateral and multilateral donors that more efficient and transparent mechanisms for targeting beneficiaries are required; the legislative framework for social protection needs to be updated and harmonized; systems for monitoring social protection programs and their impacts are required; and capacity building in key social protection delivery agencies is needed.

## VII. RECOMMENDATION

- 7.1 The Social Programs Division 3 recommends that the Manager of the Regional Operations Department 3 authorize the use of resources from the net income of the Fund for Special Operations to finance the project proposed in this Plan of Operations.


  
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Michael Jacobs, Chief  
RE3/SO3

26 Oct '06.

Date

## VIII. CERTIFICATION

- 8.1 The Country Division 6 certifies that US\$150,000 from the net income of the Fund for Special Operations is available for the financing of the project proposed in this Plan of Operations.

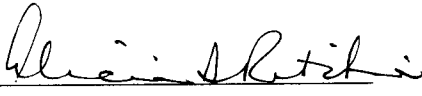
  
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msB Dora Currea, Chief  
RE3/OD6

26 Oct 06

Date

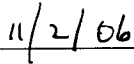
## IX. APPROVAL

- 9.1 According to document CC-5290, approved by the Coordination Committee on August 2, 1995 and the corresponding simplification memorandum (Simplification of Procedures and Delegation of Authority to Approve Non-Reimbursable Technical Cooperation) of September 12, 1995, this Technical Cooperation is presented for the approval of the Manager of the Regional Operations Department 3.

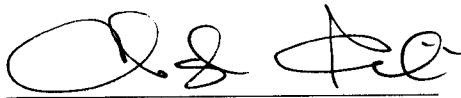


Alicia Ritchie, Manager

RE3

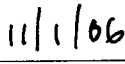


Date



Christian Gómez Fabling, Deputy Manager

RE3



Date

**GUYANA**  
**Preparation of the Social Protection Program (GY-T1022)**

**TERMS OF REFERENCE**  
**INSTITUTIONAL ASSESSMENT**

**I. BACKGROUND**

- 1.1 Guyana's Poverty Reduction Strategy Paper (PRSP) speaks to the need to expand and strengthen social safety nets. The Social Protection Action Plan, approved by Cabinet in 2006, identifies priority activities required to strengthen the social safety net and represents a mechanism to further Guyana's Poverty Reduction Strategy.
- 1.2 The Government of Guyana, with support from the World Bank, the Inter-American Development Bank, UNICEF and other international development partners, has completed a number of social protection studies. In combination, these studies indicate that Guyana faces a social protection reform agenda that crosses ministries and agencies. The Action Plan includes a coordinated set of activities that, in combination, will address the following constraints:
- Transfers are not sufficiently linked to human capital development among the poor.
  - There are significant gaps in coverage of vulnerable young children. Coverage and benefit levels of key programs is a concern. Integrated programs for poor, displaced and unemployed workers and for youth-at-risk, are needed.
  - Income security among the elderly remains a concern.
  - More efficient and transparent mechanisms for targeting beneficiaries are required.
  - The legislative framework for social protection needs to be updated and harmonized.
  - Systems for monitoring social protection programs and their impacts are required.
  - Capacity building in key social protection delivery agencies is needed.
- 1.3 The Action Plan identifies activities that should be undertaken immediately as well as those for which more information will be required. The Action Plan was developed through a collaborative process that involved discussions with the ministries responsible for implementation of social protection programs. An Inter-Ministerial Committee (IC) was established to oversee the content and implementation of the Action Plan and provided inputs into the Action Plan. In addition, because social protection crosses ministries and agencies on-going sector-wide planning and coordination that includes all ministries and statutory agencies that implement social protection programs will be required.

- 1.4 The Action Plan lays the groundwork for the development of an integrated Social Protection Strategy for Guyana. A more integrated social protection strategy would help to reduce poverty and would also support achievement of the MDGs. As a result of the information generated from studies and activities initiated as part of the Action Plan, the Government would be better positioned to articulate a longer-term strategy that would:
- Promote investments in human capital, especially among the poor.
  - Facilitate consumption smoothing among vulnerable households in the face of economic shocks and transition.
  - Address unemployment and under-employment.
  - Promote income security among the elderly.
  - Reduce the vulnerability of individuals and their dependents who may have specialized needs, including, Amerindians, victims of abuse, abandonment or neglect, persons with disabilities and HIV/AIDS affected persons.
  - Build on informal and community based risk management activities that households and communities are already employing.
  - Undertake regular monitoring and evaluation of program outcomes.
- 1.5 One of the proposals included in the Action Plan, and for which the Government of Guyana has reaffirmed its interest, is the possibility of developing a conditional cash transfer program designed to promote the accumulation of human capital in poor families. Such a program could potentially include education and health grants, building upon the activities already supported by the Government in these areas. Hence, and consistent with the major lines of action in the Social Protection Action Plan, it is necessary to carry out an institutional feasibility analysis that would assess the institutional capacity of the main social sector line ministries (MOE, MOH, MOLHSS) with respect to their ability to participate in the implementation of a conditional cash transfer program as well as supply side constraints in the education and health sectors.

## **II. CONSULTANCY OBJECTIVE**

- 2.1 The main objectives of this consultancy are to: (i) assess the institutional and organizational capacities of the Ministry of Education, Ministry of Health and Ministry of Labor, Human Services and Social Security to implement, monitor and evaluate social protection programs that promote investment in human capital. In particular, the analysis will assess current practices and availability of all relevant human and physical resources required for implementing a conditional cash transfer program (CCT) that could include health, nutrition and/or education interventions; and (ii) based on the results of the overall findings, present various alternatives for moving forward outlining the strengths and weaknesses of each alternative. The consultancy will assess current practices and availability of all relevant human and physical resources required for implementing a CCT and will diagnose areas of need so as to guide capacity building efforts. The end product

will be a plan for the optimal institutional and organizational arrangement to strengthen social protection in Guyana and if appropriate, a plan for implementation of a CCT.

- 2.2 Due to the intertwined nature of this consultancy with that of financial analysis, the work involved in the two consultancies should be closely coordinated.

### III. ACTIVITIES

- 3.1 Review the mandates and programs of the Ministry of Education, Ministry of Health and Ministry of Labor, Human Services and Social Security.
- 3.2 Review previous studies and assessments as relevant, including inter alia the World Bank financed Needs Assessment of the Ministry of Labor, Human Services and Social Security; IDB financed institutional analysis of MOE in 2002.
- 3.3 To fulfill the objectives stated in section II, the consultant will:

**A. Outline various alternatives for developing a CCT in Guyana taking into account the ongoing activities related to the Basic Nutrition Program in execution. The alternatives should consider at a minimum:**

1. Phases required to develop a CCT (design, piloting, launch, identification of beneficiaries, transfer, administration of program, supervision, evaluation).
2. Sector specific vs. integrated program, including (i) an education transfer program (eg. Bolsa Escola); (ii) a health/nutrition based program (eg. building upon the Basic Nutrition Program that Ministry of Health is executing); and (iii) an integrated education / health / nutrition program (eg. Oportunidades, Red de Protección Social).
3. Capacity and coverage of public health and education services.
4. Program coverage, with alternative projections of number of beneficiaries.
5. Geographical scope.
6. Targeting (however, the actual development of the targeting system will be the focus of a separate consultancy).
7. Length of benefits.
8. Management Information System needs.
9. Start up time.
10. Other relevant factors (eg. costs, to be coordinated with the financial analysis consultancy).

**B. Undertake an Institutional Assessment** of the Ministry of Education, Ministry of Health and Ministry of Labor, Human Services and Social Security, to determine how that institutional capacity would affect their ability to participate in the implementation of a CCT.

The **Institutional Assessment** will:

1. Describe and assess the **structure of the each ministry**, including roles and responsibilities, coordinating systems, authority systems and accountability systems' at the central, regional and local levels.
2. Assess the strengths and weaknesses of the following **core resources**:
  - Human resources (managerial, administrative, service delivery, technical/support staff) with respect to human resource planning, recruiting, deployment, performance management, monitoring and evaluation, and training.
  - Infrastructure (facilities, equipment, maintenance systems, utilities; information technology).
  - Finance (Planning, managing and monitoring, cash flow and budget, ensuring an accountable and auditable financial system).
3. Assess the strengths and weaknesses of **program management**:
  - Planning (identifying needs, setting objectives, costing alternatives and developing evaluation systems).
  - Implementing (adherence to schedules, coordination of activities).
  - Monitoring (systems for evaluating progress, communicating feedback to stakeholders).
4. Assess the strengths and weaknesses of **process management** in the respective ministries:
  - Planning (identifying needs, looking at alternatives, setting objectives and priorities, costing activities and developing evaluation systems).
  - Problem-solving and decision-making (defining problems, gathering data, creating alternatives, deciding on solutions, monitoring decisions).
  - Communications (exchanging information, achieving shared understanding among organizational members).
  - Monitoring and evaluation (generating data, tracking progress, making judgments about performance, utilizing information, changing and improving organization, program, etc).

5. Assess the strengths and weaknesses of **inter-institutional linkages**:

- Networks (type, nature, number; utility, recruitment of appropriate members, coordination, participatory governance, management structure, technology, donor support, participation of national research systems, cost-benefit, sustainability).
- Partnerships (type, nature, number; utilization, cost-benefit, needs met, sustainability).
- External communications (type, nature, number; utilization, frequency, cost-benefit, needs met).

C. Based on the results of A and B above, **provide recommendations regarding the type of CCT** that could reasonably be successfully executed by the Ministries/Government of Guyana.

D. **Produce a Plan for Implementation of the CCT** that identifies the optimal institutional and organizational arrangements to implement the proposed CCT, speaks strengths and weaknesses in each of the above areas, and takes into account the requirements for implementing the proposed CCT. Any policy and/or institutional reform measure that may be required should also be identified.

3.2 **Methodology and Data Sources.** The methodology (including collection instruments and a chronogram) will be presented to and discussed with the relevant ministries and the Bank team. Both quantitative and qualitative data will be utilized. Sources will be both internal and external to the ministries, including inter alia Ministry reports and operating statistics, government documents, social statistics and other related reports. The consultants will:

- Conduct open interviews with administrators of all key departments, in-field social workers, support staff, clients/stakeholders/institutional representatives; and Government officials.
- Obtain available key documents including handbooks, mission statements, annual reports, budgets and financial reports, program descriptions, work and staffing plans, work reports, policy documents, etc.).
- Observe relevant facilities including buildings/grounds; client areas, office areas and ITC facilities.
- Undertake participatory observation.
- Meet with beneficiaries, as required.

#### IV. QUALIFICATIONS

4.1 Type of consultancy: Individual or Firm.

4.2 Duration: Work is expected to take three consultant work months.

4.3 Place of work: Guyana and place of residence.



- 4.4 Qualifications: At least 10 years relevant experience. Demonstrated understanding and experience with conditional cash transfer programs and in the conduct of institutional assessments of large government or private sector organizations. Experience in Guyana and or the Caribbean desirable.

## **V. OPERATIONAL SPECIFICATIONS**

- 5.1 The consultant will be responsible for provision of office space, ITC, and secretarial support. The PCPMU will facilitate the identification and assembly of relevant documents and will also provide logistical support.

## **VI. DELIVERABLES**

- 6.1 A work plan should be presented one week after signing the contract. The work plan will include a methodological proposal for the Institutional Assessment to be delivered by electronic media.
- 6.2 Submission of a draft Institutional Assessment acceptable to the IADB.
- 6.3 Submissions of a final Institutional Assessment acceptable to the IADB.

## **VII. SUPERVISION AND COORDINATION**

- 7.1 The consultant will report to and be supervised by the Social Programs Division, Region III of the IADB. In country activities will be coordinated with both the local IADB country office and the Policy Coordinating and Project Management Unit in the Office of the President.

**GUYANA**  
**Preparation of the Social Protection Program (GY-T1022)**

**TERMS OF REFERENCE**  
**FINANCIAL ANALYSIS**

**I. BACKGROUND**

- 1.1 Guyana's Poverty Reduction Strategy Paper (PRSP) speaks to the need to expand and strengthen social safety nets. The Social Protection Action Plan, approved by Cabinet in 2006, identifies priority activities required to strengthen the social safety net and represents a mechanism to further Guyana's Poverty Reduction Strategy.
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- Promote investments in human capital, especially among the poor.
- Facilitate consumption smoothing among vulnerable households in the face of economic shocks and transition.
- Address unemployment and under-employment.
- Promote income security among the elderly.
- Reduce the vulnerability of individuals and their dependents who may have specialized needs, including Amerindians, victims of abuse, abandonment or neglect.
- Persons with disabilities and HIV/AIDS affected persons.
- Build on informal and community based risk management activities that households and communities are already employing.
- Undertake regular monitoring and evaluation of program outcomes.

1.5 The Government of Guyana intends to transform and strengthen the Social Protection System in the country. The Government agreed that a Social Protection program should seek to strengthen the social safety net and facilitate implementation of Guyana's Poverty Reduction Strategy by supporting both program specific initiatives and cross cutting actions. In term of the program specific initiatives, there is much interest in exploring the possibility of developing a conditional cash transfer program (CCT) designed to promote the accumulation of human capital in poor families. Such a program could potentially include education and health grants, building upon the activities already supported by the Government in these areas. One of the key elements in moving forward with the preparation of such a program is to carry out a financial analysis of the impact of such a Program on the overall fiscal situation in Guyana, both in the short and medium term, and to present recommendations regarding possible financing sources and overall sustainability.

## **II. CONSULTANCY OBJECTIVE**

2.1 The objective of this consultancy is to (i) assess the financial implications of a CCT Program on the fiscal situation in Guyana, both in the short and medium term; (ii) identify possible sources of financing for such a Program; and (iii) determine the dimension of a CCT that would be financially sustainable under alternative scenarios. To the degree possible, the program should be fiscally neutral.

- 2.2 Due to the intertwined nature of this consultancy with that of institutional assessment, the work involved in the two consultancies should be closely coordinated.

### III. ACTIVITIES

- 3.1 **Review:** Coordinate/Review the social sector public expenditure review consultancy report (GY-T1008) and other studies, analyses or material available in the area of social protection in Guyana.
- 3.2 **Administrative Cost:** Taking into account the different phases required to develop and implement a CCT in Guyana (design, piloting, launch, identification of beneficiaries, transfer, administration of program, supervision, evaluation) estimate the amount, frequency and length of costs involved in each phase based on alternative projections of number of beneficiaries, geographical scope, targeting mechanisms, length of benefits and any other relevant factor. Use as inputs, the work and recommendations coming out of the institutional assessment consultancy. Discuss the relevance of each factor in the estimated total cost.
- 3.3 Disaggregate estimates of total costs of the CCT attributed to the identity of beneficiaries (for instance, pregnant women vs. adolescent), location (urban and rural), type of public service (education, nutrition, health).
- 3.4 **Desired Cost:** Quantify a *desired* magnitude of the unitary CCT based on relevant factors such as living conditions, demographics, incidence and gap of poverty, cost of provision, potential scale economies or any other factor considered relevant for such a calculation. Aggregate estimated unitary costs into a total program bill and discuss sensitivity of such costs.
- 3.5 **Feasible Cost:** Estimate and project current and future fiscal space available likely to prevail in Guyana in the next five to ten years based on macroeconomic prospects, debt scenarios (including debt relief), fiscal deficit management, revenue capacity, and the size of current and future social spending in existing programs (including possible savings from overhauled programs by the CCT). Determine the financing gap to be covered by external financing, public domestic borrowing and/or private contributions.
- 3.6 **Cost Comparison:** Analyze the pros and cons regarding the administrative, desired and *feasible* costs of a CCT scheme. Discuss binding constraints and alternative strategies to close cost gaps.
- 3.7 **Strategy for Sustainability:** Propose alternatives that facilitate a declining external financing and an increasing domestic financing, both public and private. Determine the economic and political feasibility of such alternative scenarios.

#### **IV. QUALIFICATIONS**

- 4.1 Type of consultancy: Individual or Firm.
- 4.2 Duration: Work is expected to take two consultant work months.
- 4.3 Place of work: Guyana and place of residence.
- 4.4 Qualifications: At least 10 years relevant experience. Demonstrated understanding and experience with conditional cash transfer programs and in the conduct of institutional assessments of large government or private sector organizations. Experience in Guyana and or the Caribbean desirable.

#### **V. OPERATIONAL SPECIFICATIONS**

- 5.1 The consultant will be responsible for provision of office space, ITC, and secretarial support. The PCPMU will facilitate the identification and assembly of relevant documents and will also provide logistical support.

#### **VI. DELIVERABLES**

- 6.1 A work plan should be presented one week after signing the contract. The work plan will include a methodological proposal and the prospective information sources to be used in the analysis. The work plan will be delivered by electronic media.
- 6.2 Submission of a draft report and a final report acceptable to the IADB. The final report will contain at least two sections. One section will detail the magnitudes of administrative, feasible and desired CCT and alternative scenarios on the quantity of beneficiaries, unitary transfer, specialization of benefits, sequence, length of benefits or any other factor that may contribute towards the sustainability of the scheme. A second section will discuss the current and projected fiscal space for the public financing of the scheme, the resulting financing gap and alternative financing sources to close the gap.
- 6.3 The consultant will also prepare inputs to be included in the policy matrix of the Program.

#### **VII. SUPERVISION AND COORDINATION**

- 7.1 The consultant will report to and be supervised by the Social Programs Division, Region III of the IADB. In country activities will be coordinated with both the local IADB country office and the Policy Coordinating and Project Management Unit in the Office of the President.

**GUYANA**  
**Preparation of the Social Protection Program (GY-T1022)**

**TERMS OF REFERENCE**  
**DEVELOPMENT OF A BENEFICIARY IDENTIFICATION SYSTEM**

**I. BACKGROUND**

- 1.1 Guyana's Poverty Reduction Strategy Paper (PRSP) speaks to the need to expand and strengthen social safety nets. The Social Protection Action Plan, approved by Cabinet in 2006, identifies priority activities required to strengthen the social safety net and represents a mechanism to further Guyana's Poverty Reduction Strategy.
- 1.2 The Government of Guyana, with support from the World Bank, the Inter-American Development Bank, UNICEF and other international development partners, has completed a number of social protection studies. In combination, these studies indicate that Guyana faces a social protection reform agenda that crosses ministries and agencies. The Action Plan includes a coordinated set of activities that, in combination, will address the following constraints:
- Transfers are not sufficiently linked to human capital development among the poor.
  - There are significant gaps in coverage of vulnerable young children. Coverage and benefit levels of key programs is a concern. Integrated programs for poor, displaced and unemployed workers and for youth-at-risk, are needed.
  - Income security among the elderly remains a concern.
  - More efficient and transparent mechanisms for targeting beneficiaries are required.
  - The legislative framework for social protection needs to be updated and harmonized.
  - Systems for monitoring social protection programs and their impacts are required.
  - Capacity building in key social protection delivery agencies is needed.
- 1.3 The Action Plan identifies activities that should be undertaken immediately as well as those for which more information will be required. The Action Plan was developed through a collaborative process that involved discussions with the ministries responsible for implementation of social protection programs. An Inter-Ministerial Committee (IC) was established to oversee the content and implementation of the Action Plan and provided inputs into the Action Plan. In addition, because social protection crosses ministries and agencies on-going sector-wide planning and coordination that includes all ministries and statutory agencies that implement social protection programs will be required.

- 1.4 The Action Plan lays the groundwork for the development of an integrated Social Protection Strategy for Guyana. A more integrated social protection strategy would help to reduce poverty and would also support achievement of the MDGs. As a result of the information generated from studies and activities initiated as part of the Action Plan, the Government would be better positioned to articulate a longer-term strategy that would:
- Promote investments in human capital, especially among the poor.
  - Facilitate consumption smoothing among vulnerable households in the face of economic shocks and transition.
  - Address unemployment and under-employment.
  - Promote income security among the elderly.
  - Reduce the vulnerability of individuals and their dependents who may have specialized needs, including, Amerindians, victims of abuse, abandonment or neglect, persons with disabilities and HIV/AIDS affected persons.
  - Build on informal and community based risk management activities that households and communities are already employing.
  - Undertake regular monitoring and evaluation of program outcomes.
- 1.5 One of the proposals included in the Action Plan, and for which the Government of Guyana has reaffirmed its interest, is the development and implementation of a beneficiary identification system.

## **II. CONSULTANCY OBJECTIVE**

- 2.1 The main objective of this consultancy is to develop a Beneficiary Identification System (BIS) that would be used for the selection of beneficiaries for key social assistance programs financed by the Government of Guyana. The BIS should ensure transparency and consistency and minimum leakage to the non-poor. The proposed BIS should be designed as a management tool that can be used by multiple programs with distinct eligibility criteria.

## **III. ACTIVITIES**

- 3.1 Specifically, the consultant will carry out the following activities:
1. Based on the availability of data, discuss options with MOLHSSS for the type of means testing mechanism to be developed. Examine the feasibility of proxy means testing in Guyana as a method to target beneficiaries at the household level, including applicability in the hinterlands. Also examine to what degree it is necessary to complement this method of targeting with geographic, self and/or community-based targeting.

2. Discuss with MOLHSSS the type of poverty being targeted; i.e., chronic versus transient poverty, and make recommendations regarding the updating and recertification process.
3. Compare the advantages and disadvantages of a survey approach versus an application approach to registration of beneficiaries and make recommendations in this regard.
4. Examine mechanisms that will allow the regular undertaking of audits, cross checks and quality control in order to improve the performance of the system and reduce possibilities for manipulation.
5. Based on the above findings in 2.2 (1 – 4), present a plan to MOLHSSS for the development and implementation of the Beneficiary Identification System, that clearly indicates:
  - a. Timeframe and costs of implementation and maintenance of the BIS, including requirements for staffing, computer hardware and software.
  - b. Data collection needs.
  - c. Detailed information on the scoring formula, including recommendations regarding cut off scores for various programs.
  - d. Clearly defined roles and responsibilities of the various ministries and agencies involved at the national and local levels.
6. Identify any policy and institutional reform measures that may be required.
7. Provide assistance on the design of the piloting of the BIS; and
8. Analyze information from the BIS pilot and make recommendations for changes in the scoring formula and/or operation of the BIS.

#### **IV. QUALIFICATIONS**

- 4.1 Type of consultancy: Individual or firm.
- 4.2 Duration: Work is expected to take two consultant work months.
- 4.3 Place of work: Guyana and consultant's country of origin.
- 4.4 Qualifications: Candidates will have:
  - i. A doctorate degree in Economics, Statistics, or other Social Science, Business Administration, Public Administration, or a related discipline.
  - ii. At least five years of experience in the design and implementation of beneficiary identification systems or other related quantitative analysis.
  - iii. Working experience in the Caribbean desirable.



## **V. EXPECTED RESULTS**

- 5.1 The expected result from the consultancy is a detailed plan for the implementation of a Beneficiary Identification System in the Guyana.

## **VI. DELIVERABLES**

- 6.1 A work plan should be presented one week after signing the contract specifying a schedule consistent with the duration and activities above mentioned.
- 6.2 A draft final report that presents the results of the activities carried out as part of the consultancy and a detailed proposal for the Beneficiary Identification System.
- 6.3 A final report, which includes associated policy and institutional reform measures and which takes into account the comments and observations of the IADB.

## **VII. SUPERVISION AND COORDINATION**

- 7.1 The consultant will report to and be supervised by the Social Programs Division, Region III of the IADB. In country activities will be coordinated with both the local IADB country office and the Policy Coordinating and Project Management Unit in the Office of the President.

**GUYANA**  
**Preparation of the Social Protection Program (GY-T1022)**

**TERMS OF REFERENCE**  
**DESIGN, DIMENSIONING AND EXECUTION**

**I. BACKGROUND**

- 1.1 Guyana's Poverty Reduction Strategy Paper (PRSP) speaks to the need to expand and strengthen social safety nets. The Social Protection Action Plan, approved by Cabinet in 2006, identifies priority activities required to strengthen the social safety net and represents a mechanism to further Guyana's Poverty Reduction Strategy.
- 1.2 The Government of Guyana, with support from the World Bank, the Inter-American Development Bank, UNICEF and other international development partners, has completed a number of social protection studies. In combination, these studies indicate that Guyana faces a social protection reform agenda that crosses ministries and agencies. The Action Plan includes a coordinated set of activities that, in combination, will address the following constraints:
- Transfers are not sufficiently linked to human capital development among the poor.
  - There are significant gaps in coverage of vulnerable young children. Coverage and benefit levels of key programs is a concern. Integrated programs for poor, displaced and unemployed workers and for youth-at-risk, are needed.
  - Income security among the elderly remains a concern.
  - More efficient and transparent mechanisms for targeting beneficiaries are required.
  - The legislative framework for social protection needs to be updated and harmonized.
  - Systems for monitoring social protection programs and their impacts are required.
  - Capacity building in key social protection delivery agencies is needed.
- 1.3 The Action Plan identifies activities that should be undertaken immediately as well as those for which more information will be required. The Action Plan was developed through a collaborative process that involved discussions with the ministries responsible for implementation of social protection programs. An Inter-Ministerial Committee (IC) was established to oversee the content and implementation of the Action Plan and provided inputs into the Action Plan. In addition, because social protection crosses ministries and agencies on-going sector-wide planning and coordination that includes all ministries and statutory agencies that implement social protection programs will be required.

- 1.4 The Action Plan lays the groundwork for the development of an integrated Social Protection Strategy for Guyana. A more integrated social protection strategy would help to reduce poverty and would also support achievement of the MDGs. As a result of the information generated from studies and activities initiated as part of the Action Plan, the Government would be better positioned to articulate a longer-term strategy that would:

- Promote investments in human capital, especially among the poor.
- Facilitate consumption smoothing among vulnerable households in the face of economic shocks and transition.
- Address unemployment and under-employment.
- Promote income security among the elderly.
- Reduce the vulnerability of individuals and their dependents who may have specialized needs, including, Amerindians, victims of abuse, abandonment or neglect, persons with disabilities and HIV/AIDS affected persons.
- Build on informal and community based risk management activities that households and communities are already employing.
- Undertake regular monitoring and evaluation of program outcomes.

## **II. CONSULTANCY OBJECTIVE**

- 2.1 The main objective of this consultancy is to: (i) provide technical advise in the preparation of program components; (ii) prepare the program's budget, (iii) provide inputs for the design of the execution scheme; and (iv) collaborate in the development of the First-Year Operational & procurement Plan.

## **III. ACTIVITIES**

- 3.1 Specifically, the consultant will carry out the following activities:
- Analyze the progress, relevance, and quality of the technical reports prepared by the consultants working on the institutional analysis, beneficiary assessment, beneficiary identification system, and financial analysis, and advise the team accordingly. Identify potential obstacles and solutions for efficient project preparation.
  - Ensure that the various technical components are integrated into a coherent overall project design.
  - Collaborate with the Government of Guyana (Ministries of Education, Health, Labor, Human Services and Social Security) and the IADB, in the integration of the various studies/reports into a comprehensive program, including a first-year operational plan.
  - Collaborate with project team in the identification of issues and actions required for the "transition" period between end of project preparation and start-up of loan approval.

- Provide recommendations and alternatives to facilitate execution of the Program, particularly with respect to inter-ministerial coordination mechanisms.
- Prepare logframe for investment portion of Program.
- Prepare policy matrix for sector portion of Program.
- Construct and present a detailed operational budget for the new operation (capital and recurrent) for the Program. The operational budget should include the program's financial summary, detailed component costs, and basic assumptions. All costs should be estimated on a quarterly basis for year 1, and on an annual basis thereafter.
- Identify and estimate other recurrent costs external to the loan, which are required to sustain program activities during loan execution.

#### **IV. QUALIFICATIONS**

- 4.1 Type of consultancy: Individual or firm.
- 4.2 Duration: Work is expected to take three consultant work months.
- 4.3 Place of work: Guyana and consultant's country of origin.
- 4.4 Qualifications: Candidates will have:
- i. A masters or doctorate degree in Economics, Statistics, or other Social Science, Business Administration, Public Administration, or a related discipline.
  - ii. At least five years of relevant experience.
  - iii. Working experience in the Caribbean desirable.

#### **V. DELIVERABLES**

- 5.1 A work plan should be presented one week after signing the contract specifying a schedule consistent with the duration and activities above mentioned.
- 5.2 A draft final report that presents the results of the activities carried out as part of the consultancy.
- 5.3 A final report, which takes into account the comments and observations of the IADB.

#### **VI. SUPERVISION AND COORDINATION**

- 6.1 The consultant will report to and be supervised by the Social Programs Division, Region III of the IADB. In country activities will be coordinated with both the local IADB country office and the Policy Coordinating and Project Management Unit in the Office of the President.

PROCUREMENT PLAN  
SUPPORT FOR SOCIAL PROTECTION  
(GY-T1022)

Project main acquisitions		Resource	Quantity	Method of Selection	Financing		Precalific.	Tentative Date
					BID	GGY		
<b>Consulting services</b>								
A.	Institutional Assessment (US\$41,280)	Individual consultant or firm	1	CQS *	100.0%	0.0%	No	1st semester 2007
B.	Financial Analysis (US\$27,520)	Individual consultant or firm	1	CQS	100.0%	0.0%	No	1st semester 2007
C.	Beneficiary Identification System (US\$27,520)	Individual consultant or firm	1	CQS	100.0%	0.0%	No	1st semester 2007
D.	Design and Dimensioning (US\$40,300)	Individual consultant or firm	1	CQS	100.0%	0.0%	No	1st semester 2007

\* CQS -- Selection based on the consultant's qualifications