

## TC Document

### I. Basic Information for TC

▪ Country/Region:	COLOMBIA
▪ TC Name:	Support to strengthen the Social Prosperity Department
▪ TC Number:	CO-T1506
▪ Team Leader/Members:	Ibarraran, Pablo (SCL/SPH) Team Leader; Cardona Rivadeneira, Jaime Eduardo (SCL/SPH) Alternate Team Leader; Bermudez Plaza, Neili Carolina (SCL/SPH); Cardenas Garcia, Claudia Mylenna (VPC/FMP); Crausaz Sarzosa, Ernesto Patricio (VPC/FMP); Hillman, Eugenio F. (VPC/FMP); Hwang, Euisu (SCL/SPH); Martinez Rodriguez, Laura Jeanet (SCL/SPH); Negret Garrido, Cesar Andres (LEG/SGO); Park, Mihwa (SCL/SPH); Rojas Acuna, Monica (CAN/CCO); Tejerina, Luis R. (SCL/SPH)
▪ Taxonomy:	Client Support
▪ Operation Supported by the TC:	.
▪ Date of TC Abstract authorization:	25 Sep 2019.
▪ Beneficiary:	Social Prosperity Department (DPS)
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	Korea Poverty Reduction Fund(KPR)
▪ IDB Funding Requested:	US\$500,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	24 months
▪ Required start date:	March, 2020
▪ Types of consultants:	Firms and individual consultants
▪ Prepared by Unit:	SCL/SPH-Social Protection & Health
▪ Unit of Disbursement Responsibility:	CAN/CCO-Country Office Colombia
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	Yes
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality; Institutional capacity and rule of law

### II. Objectives and Justification of the TC

- 2.1 The objective of this technical cooperation (TC) is to support the strengthening of the Social Prosperity Department (DPS) of Colombia. There are three goals of this TC; (1) to improve the efficiency of the National Strategy for Overcoming Extreme Poverty - UNIDOS; (2) to design digital interventions that allow interoperability between internal and external data sources of the key institutions that are involved in the planning, implementation, monitoring and evaluation of social policy, both at the national and local level; and (3) to improve the alignment and coordination of programs, and the governance and institutional structure within DPS and between DPS and other entities. To meet these goals, this TC will include a collaboration program between DPS and the Social Security Information Service (SSIS) of South Korea.
- 2.2 DPS established a goal of eradicating extreme poverty by 2025. Two official poverty measures were set by the National Department of Statistics – DANE- to assess poverty acknowledging its multiple dimensions; (1) monetary poverty (using monetary

income for household per capita to determine a person's income poverty level); and (2) multidimensional poverty (considering severe deprivations that an individual face simultaneously in various welfare indicators such as education, work, health, housing, and public services, as well as financial aspects of poverty. Multidimensional poverty is understood as a situation in which a household has around five deficiencies among fifteen selected indicators). The National Development Plan (PND) 2018 – 2022 aims to reduce extreme poverty rate of 7.4% in 2018 to 4.4% by 2022, monetary poverty rate from 27% in 2018 to 21% in 2022, and multidimensional poverty rate from 17% in 2017 to 11.9% by 2022 (Bases del Plan Nacional de Desarrollo 2018-2022, 2019). These different approaches to poverty imply that PND recognizes the importance of addressing the multidimensional aspect of poverty and shows the government's goal to overcome poverty from various dimensions.

- 2.3 The Family and Community Accompaniment Strategy (UNIDOS Strategy, in Spanish) is the cornerstone of the set of National Government actions aimed at eradicating extreme poverty in Colombia. UNIDOS is based on the measurement of a set of achievements that establishes minimum conditions that need to be achieved for a household in extreme poverty to overcome its situation, and that allows to measure the family's progress in the process. There are 26 family achievements in five core dimensions; getting identification registered of all family members, health and nutrition, education and training, dwelling conditions, and income and work. Within these five core dimensions, achievements are then categorized as required and desirable. UNIDOS works through a structured series of family visits by social workers. The social workers will match families' demands and needs with available social programs that aim to improve the families' welfare – whether private or public. Also, social workers will monitor the families' progress and conduct follow-up activities. In short, UNIDOS acts as an intervention unit for a household in extreme poverty, and seeks to assist the family by providing timely, relevant, and comprehensive responses to their needs.
- 2.4 UNIDOS does not provide direct services to the families in need. Rather, it identifies the needs, and characteristics of the families so that it can match the families to the ideal social programs that already exist. Information collected by UNIDOS could also inform social policy by identifying unmet needs for particular populations or geographic areas. UNIDOS has recognized the need to use technology and adopt better data analysis tools to provide better matches between families and programs, and that could provide better services. Interoperability between SISBEN IV and UNIDOS is the key in this case, as SISBEN IV collects data and classifies the households in poverty. Having been some improvements, there still is a need to develop robust interoperability between the systems to enable institutions to work more efficiently.
- 2.5 DPS has requested the Bank's technical cooperation support to strengthen UNIDOS design and operational execution, as well as its effectiveness and ability to maintain engagement with families in time. In order to make UNIDOS more efficient, it is necessary to review information collection standards and to distinguish the intensity of supports depending on the family's vulnerability. It will be important to discriminate the duration of support depending on each household's characteristics and needs. It is also required to innovate the management of case management, which allows DPS would have better links to support families to maintain their participation in the social programs to which they are referred by social workers. Moreover, DPS has identified the need to develop data analytics capacities to improve its efficiency and the welfare of its beneficiaries. The new system would not only increase efficiency for the consumers, but also enhance efficiency for the government by avoiding leakage and

under-provision of social programs, and by improving resources available to policy making for strategic planning in the social sector.

- 2.6 SSIS has been designed to support integrated social welfare management. Established in 2008, SSIS is designed to resolve troubles and inconveniences experienced by people when requesting welfare benefits that are managed by different government agencies and institutions. It shares an integrated welfare database, data on qualifications and receipt history of welfare recipients among government agencies. As a result, SSIS makes a one-stop-service possible while supporting an accurate and efficient work process. Before adopting SSIS, the Korean government faced challenges to operate an efficient welfare system among local government, customers, and central government. Both local and central government faced the inefficient implementation of welfare services, while customers received provider-centered services. Through the adoption of the new system, providing customer-centered and integrated welfare services became possible while increasing efficiency in the governments. The SSIS operates eight information systems; finding and supporting welfare target, strengthening welfare financial management, supporting healthcare services, operating an electronic voucher for social and child care services, operating health and welfare portal, providing policy research and statistics, case management counseling and education, and protecting information security and privacy.
- 2.7 The SSIS provides a valuable example in terms of the designing and operating of information systems, which DPS needs especially. Although Colombia has several databases and administrative records within the social sector, data is often underused. Encouraging a virtuous circle of data use, this TC seeks to strengthen the use of data through the creation of an institutional structure that transforms data into actionable intelligence. Teams of data scientists will be working on developing successful data analysis models to enhance the efficiency of the public sector. SSIS will provide a key example to DPS as the SSIS created portals as tools and built efficient and interoperable systems that contribute to the Korean social policy goals and the welfare of Korean citizens. Overall, SSIS will be able to share their knowledge with DPS to create a better system and more efficient usage of their information in Colombia.
- 2.8 **Strategic alignment.** The TC is consistent with the Second Update to the Institutional Strategy (UIS) 2010-2020 (AB-3190-2), which is strategically aligned with the development challenges of: (i) Social Inclusion and Equality, particularly the provision of inclusive health, education, and social protection services to the most vulnerable families, through all activities that contribute to the quality improvement of social intermediation and social inclusion services, and (ii) Institutional capacity and rule of law, by promoting adjustments and articulation between all DPS programs. The TC is also aligned with the Corporate Results Framework (CRF) 2020-2023 (GN-2727-8) through the following country development outcome indicator: “Agencies with strengthened digital technology and managerial capacity”. In addition, the operation is aligned with the IDB Group Country Strategy with Colombia 2019-2022 (GN-2972), through the strategic objectives of reduce poverty and eliminate extreme poverty through improve targeting of social programs and improve the ability to monitor, support, and manage of social programs by ensuring interoperability in the information systems of these programs. Finally, the TC is aligned with the Korea Poverty Reduction Fund (GN-2373-3) through the area of strengthening national capacity to monitor, evaluate, and design programs based on empirical evidence, including the generation of the appropriate data in a sustainable and comprehensive manner.

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

- 3.1 Component 1. Improving the efficiency of social programs: Operational improvements of UNIDOS Strategy and articulation and targeting of social programs.** This component will focus on two goals; (1) improving the operation of UNIDOS, and (2) improving the articulation and targeting of social programs. For (1), the component will target on improving operations that reach both all the families that participate in UNIDOS as well as the subset of beneficiaries that require further support. For improving the service for all the families, the component finances for the improvements in beneficiary family's selection, using SISBEN IV and geographic targeting, duration and intensity of the engagement with families, and follow-up cycles management. Also, it aims to improve the linkage to the public and private supply of services for families that could benefit the family in their path to improving their living conditions. Lastly, the component will focus on follow-ups for accessing the socialization, and monitoring services and strategies without the use of co-managers. To provide better services for those families that require further and/or alternative household supports, the component seeks to strengthen UNIDOS's respective technical feasibility analysis, which includes human resources and technological requirements for implementation. For (2), the component will support a review of analytical exercise for the definition of targeting algorithms for all DPS programs. The component will support the alignment of social programs executed by other agencies to poverty measurement and targeting strategy. UNIDOS would establish a transition process to and from other programs, such as conditional cash transfer programs (Más Familias en Acción), job training programs (Jóvenes en Acción), and other projects to support economic engagement as well housing improvement plans. To develop this part of the component, consultants will analyze different analysis techniques to determine the household's selection for each program. Also, DPS will study the possibility of collecting additional information to enable better and more specific household targeting based on its potential income-generating vocation. Individual consultants will be hired to evaluate and strengthen the strategies in coordination with DPS and other institutions involved in the decision-making process. Also, they will analyze recipient targeting algorithms and determine the necessary coordination arrangements with DPS and other entities involved.
- 3.2 Component 2. Information systems development and data analysis.** DPS has a dual role as the regulating entity of poverty alleviation policies and as an executor of key programs. DPS is interested in developing tools to improve their information system for social services, which will allow them to identify vulnerable families and match them with the most relevant social services. To enhance DPS's functions, this component will support a diagnosis, an action plan, and their implementation to strengthen DPS programs' information systems (ex: UNIDOS, Familias en Acción, and Jóvenes en Acción). The systems will function as part of the case management tools and further enable DPS to track and follow up with the families. This component will make a strong emphasis on the interoperability capacity between DPS programs' systems and interoperability of these with external sources, such as SISBEN IV and programs of other entities involved DPS operations. The component will support the design of a data analytics team within DPS to improve existing and functioning systems making use of the information that DPS hosts and will have access to improve the efficiency of its work.
- 3.3 Component 3. Knowledge sharing and dissemination programs with Korea.** The component focuses on knowledge sharing and dissemination programs between

South Korea and Colombia, as the experience of the South Korean SSIS is highly relevant to the needs of DPS. Through SSIS, DPS wants to revise and improve its targeting and case management tools, improvements in providing policy research and statistics, and executing better financial welfare management from the perspective of the government. The component finances the consulting services required to analyze opportunities to adapt and adopt elements of the SSIS to Colombia. It will also support to build a strategic vision for a social protection information system in Colombia, as the Korean experience will provide valuable inputs. It will also cover the travel expenses for exchange and collaboration on the implementation of the social sector information systems between Colombia and South Korea.

- 3.4 **Other costs.** Additionally, the IDB-executed project will also finance the management and coordination costs of all mentioned activities. Even though the TC resources will finance the operation management and coordination, these resources will not supplement the budget of SCL/SPH for routine and customary activities.
- 3.5 The total cost of this TC is US\$500,000 and will be financed by the Korea Poverty Reduction Fund (KPR). The execution and disbursement period will be 24 months.

#### Indicative Budget (US\$)

Component	Description	IDB/KPR
<b>Improving the efficiency of social programs: Operational improvements of UNIDOS Strategy and articulation and targeting of social programs</b>	Support the design and testing of requirements and new functionalities of the Supply Module that improves the social supply management cycle	\$50.000
	Strengthen the design and development of a technological solution for targeting process	\$50.000
	Support the design and updating of targeting models used in DPS programs.	\$40.000
<b>Information systems development and data analysis</b>	Data use strategy	\$65.000
	Support the definition and implementation of a data governance strategy for DPS	\$23.000
	Design and implementation of an interoperable platform model in DPS	\$114.000
<b>Knowledge sharing and dissemination programs with Korea</b>	Logistic costs of Workshop and on-site training in South Korea	\$30.000
	Travel expenses between Colombia and South Korea for 8 participants	\$60.000
	Consultant services for the analysis and recommendations on	\$28.000
<b>Other costs</b>	Administration	\$40.000
<b>Total</b>		<b>\$500.000</b>

#### IV. Executing agency and execution structure

- 4.1 As requested by the government, IDB will execute this TC for the technical and strategic support that the Social Protection and Health Division (SCL / SPH) team can offer to DPS. In accordance with paragraph d) of Annex 10 of GN-2629-1, the Bank

execution is justified by the operational weaknesses of DPS due to compliance with internal requirements and Bank's technical expertise, knowledge of international experiences, and ability to manage international consultancies and to support knowledge sharing with Korea. The project is also included in the Country Programming Document (CPD) of 2020.

- 4.2 **Procurement.** All activities to be executed under this TC have been included in the Procurement Plan and will be contracted in accordance with Bank policies as follows: (a) AM-650 for individual consultants; (b) GN-2765-1 and Guidelines OP-1155-4 for Consulting Firms for services of an intellectual nature, and; (c) GN-2303-20 for logistics and other related services. The UDR will be in Colombia Country Office.
- 4.3 The procurement plan includes the single source selection of -the South Korean SSIS for the organization of one-site training workshop for the Colombian delegation that will visit South Korea and is interested in the design and operation of an information system that integrates social welfare management. It also includes technical assistance in the form of an analysis and policy recommendation to adopt elements of the SSIS to Colombia. SSIS represents the only integrated welfare database among government agencies in South Korea, and as such has an exceptional value for the required services.
- 4.4 Under IDB execution, the financial management of the TC follows the Bank's internal financial procedures and will not include the contracting of external auditing services. There are no conditions established prior to disbursement and the project does not foresee any reimbursement of expenses.
- 4.5 The TC execution, supervision and annual reporting will be under the responsibility of the SCL/SPH sector specialist Pablo Ibarra ( [pibarraran@iadb.org](mailto:pibarraran@iadb.org) ) and Jaime Cardona ( [jaimecar@iadb.org](mailto:jaimecar@iadb.org) ). SCL/SPH will cover additional supervision costs, if any, for local supervision travel or supervision meetings with annually assigned transactional budget resources. The Country Office will provide supervision resources in the form of time dedicated by the operational analyst and fiduciary staff assigned to this project.
- 4.6 The monitoring arrangements include the continuous supervision of all contracted consultants and firms, revision of their products and payments, bi-monthly supervision meetings with the beneficiary as well as the elaboration of annual reports on the TC execution progress and performance.

## **V. Major issues**

- 5.1 Three medium-level risks were identified. Firstly, delays in the provision of technical and operational information of UNIDOS Strategy, which may generate difficulties in the formulation of alternative support strategies and their respective technical analysis and validation. Secondly, limited participation of entities and different actors, which may affect the inputs delivery required to achieve the TC objectives. Thirdly, non-compliance or quality deficiencies in the consulting products and services foreseen for TC execution could be another risk, which may result in non-achievement of the proposed goals.
- 5.2 To mitigate these risks, the TC expects to establish an inter-institutional coordination committee to define the required inputs and a delivery schedule. The TC is going to prepare a map of actors that directly impact the achievement of TC objectives. Furthermore, the TC is also going to implement a strategy that achieves the actor's involvement and ensures active participation. Finally, the TC is going to

define a follow-up scheme for contracts execution, establishing milestones, and control points.

**VI. Exceptions to Bank policy**

- 6.1 No exceptions are foreseen in this project.

**VII. Environmental and Social Strategy**

- 7.1 This TC is no expected to have any negative social or environmental impacts. According to the Safeguards and Environmental Policy (OP-703), Indigenous Peoples (OP-765), and Gender Equality (OP-270), the ESG classification for this TC is "C". See [SPF](#) and [SSF](#) filters.

**Required Annexes:**

[Request from the Client\\_70225.pdf](#)

[Results Matrix\\_24452.pdf](#)

[Terms of Reference\\_97237.pdf](#)

[Procurement Plan\\_15502.pdf](#)