

PROGRAM TO ASSIST CHILDREN AND ADOLESCENTS AT RISK

(AR-0198)

EXECUTIVE SUMMARY

BORROWER AND  
GUARANTOR: The Argentine Republic

EXECUTING AGENCY: Secretaría de Desarrollo Social (SDS) [Social Development Department], Office of the President, through the Unidad de Financiamiento Internacional (UFI) [International Financing Unit]

AMOUNT AND SOURCE: IDB:  
Ordinary capital (OC)  
    in local currency US\$10.0 million  
FSO in local currency US\$10.0 million  
FSO nonreimbursable in  
    local currency US\$10.0 million  
Local contribution: US\$13.3 million  
Total: US\$43.3 million

FINANCIAL  
TERMS AND  
CONDITIONS: Amortization period: 25 years  
Grace period: 5 years  
Disbursement period: 4.5 years  
Interest rate: FSO: 3%  
OC: 4%  
Inspection and supervision: 1%

OBJECTIVES: The program's objective is to contribute to the creation and development of an interinstitutional network of services involving the public sector and civil society organizations (CSOs) to carry out preventive actions and provide assistance to improve the social integration and adaptability of children and adolescents at risk. For the purposes of this program, children and teenagers at social risk are defined as youngsters who have few prospects for developing normally and integrating functionally into society on account of highly vulnerable family and social situations linked to extreme poverty. These factors include family instability, dropping out of school, domestic violence, beginning to work at too early an age, teenage pregnancy, and neighborhoods with high levels of violence, crime, and drug addiction which, in turn, can lead to premature death and perpetuate the cycle of poverty.

**DESCRIPTION:**

The project will achieve its objective through two components: (i) **financing for projects to assist children and adolescents at social risk** in 19 provinces/jurisdictions; and (ii) **institutional strengthening** for the SDS and participating provincial agencies to boost their capacity to carry out the program and provide for its future continuity.

1. Component to finance projects for children and adolescents at social risk (US\$27 million)

This component will finance approximately 90 comprehensive, participatory projects that are demand-driven and chiefly executed by CSOs, involving services for youngsters up to the age of 18 at high social risk in urban areas in the 19 participating provinces/jurisdictions.

The beneficiaries of this component will be assisted through: (i) ongoing activities involving continuous, intensive, and personalized services for an extended period to allay the risks and foster young people's social integration, such as extra tutoring, day care, comprehensive care in shelters and/or foster families, day centers, job training, rehabilitation/self-help workshops, etc. (to benefit about 40,000 children and youth); (ii) occasional short-term activities which are less intensive and personalized, whose purpose is to provide the information and know-how children and youth need for their own protection and care, such as workshops and events to promote health, rights, sports, recreation and culture, and psychological and/or legal assistance for the purposes of problem detection, counseling and referral (benefiting about 50,000 children); and (iii) communications and dissemination activities to send messages and information to youngsters on how to protect themselves, improve their health, and where to turn for help in risk situations (to benefit approximately 230,000 children).

2. Institutional strengthening component  
(US\$12.04 million)

This component will boost: (i) the institutional capacity of the central program executing unit (PEU) to ensure smooth implementation and monitoring; and (ii) the technical and management skills of provincial and/or municipal governments in 22 provinces, strengthening the youth service areas that will

coordinate the program and monitor projects on the provincial level. This component is crucial if the program is to be sustainable, inasmuch as it will leave the provinces with installed capacity for dealing effectively with the problems of at-risk children and teens, and also encourage provincial and municipal budget spending on this type of actions.

**THE BANK'S  
COUNTRY AND  
SECTOR STRATEGY:**

The proposed program pursues the Bank's strategy in Argentina since it will promote activities to improve the quality of projects to assist children and teenagers at high social risk, focusing on the very poor and enhancing their quality of life. It will also promote decentralization and coordinate activities within provincial government structures and in certain municipalities.

**ENVIRONMENTAL AND  
SOCIAL REVIEW:**

The program will have no adverse impacts on the environment (see paragraph 4.18).

**BENEFITS:**

The types of activities to be financed will have a positive impact which will not be limited to the beneficiaries, but will extend to their families and communities. The direct benefits for children and teens will include improved nutrition, psychomotor and intellectual development, school performance, and a reduction in delinquency, drug use, domestic violence, and child abuse. Projects to assist preschool children will also have an impact on women's labor productivity by creating jobs for women and permitting mothers to join the workforce. The institution-building component will provide the provinces with greater capacity to design strategies and policies and to plan and implement activities to directly benefit youngsters at social risk.

The program will also promote the development of participatory mechanisms involving civil society, the different levels of government, beneficiaries, and members of the community, to enable them to take steps to address the problems of children and teenagers at social risk more effectively.

**RISKS:**

The technical risks are limited, since implementation of the program to assist minors in especially difficult circumstances (ProAme) has identified many of them and designed mechanisms for their reduction or elimination. An evaluation performed in December 1997 indicates that 88% of civil society organizations target their activities adequately in terms of the socioeconomic situation of the beneficiaries. One weakness found in the evaluation involves age group targeting; this could affect the

preventive nature of the program if assistance is not provided for a larger percentage of preschool children. The risk will be attenuated by applying targets for each age group.

With respect to implementation of the projects, the ProAme evaluation has noted institutional weaknesses in the CSOs that work in this field, particularly in the administrative and accounting areas. To mitigate this risk, the program includes technical assistance and preinvestment resources for them, which can be assigned to projects that comply with the eligibility criteria.

There is a further risk that after the program financing has ended, the CSOs will not have the funds to continue with the projects to provide services for young people. To prevent this risk, the program includes mechanisms to support project sustainability such as: (i) technical advice to help the organizations improve their public- and private-sector fundraising strategies; and (ii) establishment in the financial plans of the projects of a percentage of recurrent costs to be covered by the CSOs as a counterpart contribution, which will rise to 50% by the end of the funded program. These mechanisms will help to ensure that the organizations take special care in scaling their projects on the design level.

**SPECIAL  
CONTRACTUAL  
CONDITIONS:**

Conditions precedent to the first disbursement

- a. Evidence that the PEU has the necessary technical staff to implement the program (see paragraph 3.5).
- b. Placing into effect of the operating regulations (see paragraph 3.13).

**POVERTY TARGETING  
AND SOCIAL  
CLASSIFICATION:**

This program has automatically been classified as a poverty-targeted investment, since it provides support for children and teens from low-income sectors that have scant access to traditional social programs, and are living in situations of acute social risk (see paragraph 2.21).

**EXCEPTIONS TO  
BANK POLICY:**

None.

**PROCUREMENT:**

Local competitive bidding is recommended for works costing more than US\$5 million, goods and equipment over US\$350,000, and consulting contracts over US\$200,000 equivalent (see paragraphs 3.51 and 3.52).

To ensure that Bank procedures are being applied, it is recommended that ex post reviews be performed of random samples for procurements costing less than US\$500,000 for works, US\$50,000 for equipment and goods, US\$50,000 for consulting firms, and US\$25,000 for individual consultants. If the reviews find that the conditions are not complied with, the Bank will not recognize the costs against the financing, and the sample will be increased. Prior nonobjection could even be required. The procurements and service contracts of the CSOs will be governed by the rules applicable to the private sector, which do not require approval of terms of reference, final reports, or selection procedures (see paragraph 3.53).