

SOCIAL MANAGEMENT SUPPORT PROGRAM

(BO-0121)

EXECUTIVE SUMMARY

BORROWER AND GUARANTOR: The Government of Bolivia

EXECUTING AGENCY: The Ministry of Human Development, through the National Secretariat for Public Participation

AMOUNT AND SOURCE:

IDB:	US\$3.0 million (FSO)
Local counterpart funding:	US\$0.5 million
Total:	US\$3.5 million

FINANCIAL TERMS AND CONDITIONS:

Amortization period:	40 years
Disbursement period:	30 months
Interest rate:	1% during the grace period; 2% thereafter
Inspection and supervision:	1% of the loan amount
Credit fee:	0.5% of undisbursed balances

OBJECTIVES: The objectives of the program are to ease the decentralization process, provide support for social management at the various levels of government responsible for delivery of social programs such as education and health care, and improve the efficiency and effectiveness of social spending. To this end, training in areas relating to the design and administration of social programs and policies will be provided for technical personnel from the central administration and the departmental governments (nine prefectures); and an ongoing training system will be established for municipal teams and other active agents of civil society. To complement the training, the program also calls for updating and coordinating management information systems in support of social management.

DESCRIPTION: The program comprises three subprograms:

- a. **Training and advisory assistance for social management** (US\$1.7 million). This subprogram will consist of the following activities: (i) training in the design and management of social policy, to be provided for at least 300 officials from the MDH and the nine departmental prefectures; (ii) development and application of

instruments or tools for diagnostic assessment, planning, formulation, monitoring and evaluation of projects and budgets, stakeholder analysis, and promoting citizen participation at the level of the central government and within departmental prefectures; (iii) problem-solving for obstacles that hinder the management of social policy within the MDH and the nine departments, through training and analysis workshops tailored to the specific needs of each organization; (iv) strengthening and consolidation of training and technical assistance capacity in areas relating to social management by providing training courses for trainers, to be attended by at least 20 teachers or instructors and 30 civil servants who will serve as trainers and form the nucleus of a training system within the social sector; and (v) promotion of modern methods of administration in the social sector, among a wide audience which includes NGOs engaged in managing social programs.

- b. **Development and implementation of a management information system in the social sphere** (US\$1.3 million). The system will be designed to strengthen the MDH management information system and the data subsystems of the national secretariats in order to ensure the availability of timely and effective information for use in the planning, programming, monitoring and evaluation of social programs. It will include the quantification and geographical location of infrastructure in the education, health and basic sanitation sectors, with subsequent expansion to include subsidized housing, secondary roads, agricultural production centers, sports, culture, etc. Digitization will be carried out and procedures established for updating the poverty and malnutrition maps, district health indicators and the georegional map of educational units; work will be done on the standardization, compilation, quality and digitization of sectoral administrative records in health, education, care of children and other areas in the MDH; and a standard will be prepared to facilitate coordination of information from health districts with educational units and other indicators of demand, disaggregated by local community.
- c. **Specific consulting services to finetune designated national planning instruments whose use is compulsory under the new, decentralized**

structure (US\$220,000). These services will meet the need for improved planning instruments for use by the National Planning System (SISPLAN), the National Public Investment System (SNIP) and the Social Management Evaluation and Monitoring System (SEGES), to bring these systems into line with the new, decentralized structure.

**ENVIRONMENTAL
CLASSIFICATION:**

The Environment Committee, at its meeting of April 18, 1995, classified this as a Category II operation. The environmental brief was sent to the PIC on April 24, 1995.

BENEFITS:

Legislation governing public participation and administrative decentralization have brought about a profound restructuring of Bolivia's public institutions and their powers, which must necessarily be accompanied by a program of training and advisory assistance for the new technical teams at the different levels of government, as well as the means to ensure efficient social management. Hence, the main benefit of this operation will be to support the process of decentralization already under way in Bolivia. This, in turn, will help to raise the efficiency and effectiveness of the government's social spending. With the completion of this program, Bolivia will possess a critical mass of trained personnel - particularly at the level of the central government (MDH) and in the nine departments - which will help consolidate the new institutional order responsible for the shaping and management of social programs within a decentralized and more participatory setting. The importance of this contribution stems from Bolivia's present scarcity of personnel with training in this area, the magnitude of needs on the part of the population benefiting from its social programs, and the scope of the structural reforms that have been initiated.

RISKS:

One risk to program implementation is that of staff turnover among personnel from the central and departmental governments who receive training under the program. This risk results from the fact that the private or nongovernmental sector offers more attractive employment alternatives with more appealing incentives. To minimize this risk, the program will require that personnel who are to receive training (mostly middle managers) be drawn from within the civil service system. Under the current system, civil service positions are filled on the basis of competitive examinations with final selection based on merit and professional qualifica-

tions. Salaries are competitive with those in the private sector, the regulations are transparent, and the rules for advancement within the service are clear. This favors employment stability and avoids staff turnover resulting from political pressures.

**THE BANK'S
COUNTRY POLICY:**

The Bank's strategy for Bolivia is to give priority to programs and projects that: (i) promote sustained development through structural reforms, investment incentives and increased productivity; (ii) promote government reforms and decentralization; (iii) improve social conditions through continued support for the strategy of investment and reforms in education, health and housing, especially those aimed at ensuring a basic level of service and benefiting the lowest income groups; and (iv) preserve and reclaim the environment. The program is consistent with this strategy in that it supports efficient delivery of social services, the decentralization process, and government reforms.

**PROCUREMENT
OF GOODS AND
SERVICES:**

The procurement of goods and services under this operation will take place in accordance with the Bank's policies, rules and procedures.

**SPECIAL
CONTRACTUAL
CONDITIONS:**

It is recommended, as a condition precedent to the first disbursement, that evidence be furnished to the Bank that the program executing unit has been set up (paragraph 3.12) and, for each of the three subprograms, the following: (i) for the training and information system subprograms, an updated version of the terms of reference given in Annexes III(1) and III(3), as well as the schedule of activities for each of the subprograms; (ii) for the information system subprogram, proof that the updating of the respective terms of reference has been coordinated with the INE; and (iii) for the specific consulting services subprogram, the respective terms of reference and a detailed work plan. These conditions are to be applied separately to each of the subprograms.

**SOCIAL
CLASSIFICATION:**

Pursuant to the provisions of paragraph 2.13 of the Eighth Replenishment document (AB-1704), this can be classified as a social project inasmuch as its activities are intended to strengthen social sector institutions responsible for the planning and delivery of social services. Since it is designed to support the delivery of such resources in general, without specifying particular beneficiaries, this project cannot be classified as one which targets poverty as stipulated in paragraph 2.15 of document AB-1704.

I. FRAME OF REFERENCE

A. Institutional and policy reforms and their effect on social management

- 1.1 The Government of Bolivia is convinced that the continued pursuance of economic development ought to be accompanied by equally vigorous social reforms to do away with poverty, inequalities in income distribution, the lack of access to basic services by large population segments; and ethnic, gender and age discrimination. These elements, along with the cultural and geographical heterogeneity of Bolivian society, have led the authorities to seek integrated solutions to the problem of development – solutions in which the social sphere is placed on a par with, and indeed considered an important part of, economic development.
- 1.2 Guided by this conviction, the government has been engaged since August 1993 in bringing about a series of changes in the political, economic, social and institutional structure of the State. Among the measures adopted that have had the greatest impact on the social sector, the following are worthy of mention: (i) reforms to the executive branch that seek to take a comprehensive approach to dealing with the different types of problems confronting Bolivian society; (ii) decentralization of public administration; (iii) educational reform as a way of equalizing access to employment opportunities among the Bolivian population. It is the first two of these measures that are most closely related to the present operation.

1. Executive branch reforms

- 1.3 As part of these reforms, a Ministry of Human Resources (MDH) was created in September 1993, merging the former ministries of education, health and urban affairs, and containing new secretariats with responsibility for public participation; culture; sports; ethnic, gender and age-related issues; social services; and general ministry operations.
- 1.4 The creation of the MDH as an agency specifically designed to promote comprehensive policies and activities, and to make social development a more comprehensive, consistent and balanced process, stands as a new experience in Latin America. This is the first time that the entire gamut of social programs – in all of their broad diversity – have been brought together under a single policy-making body and administrative structure.

2. Restructuring of institutions and decentralization

- 1.5 Over the course of the past 15 years, the decentralization of the executive branch has been a continuing topic of political debate in Bolivia, which has traditionally had a highly centralized public

administration. This debate began to bear fruit in 1985 with the democratization of local governments (direct election of mayors), and progressed further with the enactment of the Public Participation Act (LPP) in April 1994 and the Administrative Decentralization Act (LDA) on July 28, 1995. Under these laws, governmental functions are deconcentrated and decentralized to the departments and municipalities, and mechanisms are established to ensure coordination among these local administrations, and between them and the central government. Within this new institutional setting, the central authorities retain the authority to set sector policy and perform regulatory and oversight functions, while the duties and resources summarized in the following paragraphs are devolved to the prefectures and municipal governments.

- 1.6 The LPP creates a new political and institutional structure, replacing the previous 1,400 urban jurisdictions with 311 municipalities and extending the duties of the municipal governments to include the maintenance and expansion of infrastructure in the health, education, sports and cultural sectors, and the provision of supporting infrastructure for agricultural production. The LPP establishes the municipality as the base of democracy, and ensures broad-based public control of local administration through local grassroots organizations (OTBs) and scrutiny committees. 1/ This legislation also attaches particular importance to promoting equal opportunities for men and women at the various levels of representation. Concerning the appropriation of fiscal revenues, the LPP stipulates that 75 percent of national revenues are to be allocated to the central administration, 20 percent to the municipal governments, and 5 percent to public universities. Of the funding received by municipalities, 90 percent must be allotted for investment and 10 percent for operating expenses. The municipalities are also given exclusive jurisdiction over the tax on presumptive income from assets, which covers rural property, urban real estate, and vehicles, motor ships and aircraft. Previously, the tax on urban property and vehicles was shared between the two levels, with one third going to the central government and two thirds to municipalities. Municipal governments did not share directly in revenues from the rural property tax before the LPP.
- 1.7 The recent enactment of the LDA, which entered into force on January 1, 1996, significantly increased the jurisdiction of the nine departmental prefectures 2/ over regional planning and investment in highway construction and maintenance, rural electrification,

1/ There are over 20,000 OTBs at present, including community organizations, farmers' associations, neighborhood councils, etc.

2/ Previously, the departmental prefectures were limited to maintaining public order, assisting in the administration of public revenues and, in some cases, carrying out small-scale highway works and building tourist facilities in the provinces.

irrigation works and support for agricultural production, technical and scientific research and extension services, the environment, promotion of tourism, social welfare, strengthening of municipalities, promotion of public participation, and passing on the requirements of indigenous, rural and neighborhood organizations and the municipal governments. Other responsibilities transferred to the prefectures include administration of human resources in the health and education sectors, and the management of social welfare, sports, cultural affairs, tourism, agricultural and highway agencies that do not fall within the jurisdiction of the municipalities. The LDA orders the dissolution of regional decentralized agencies, including the regional development corporations, and transfers their assets, personnel, physical infrastructure and financial resources to the prefectures. The resources allocated to the prefectures under the LDA include royalties for use of natural resources and 25 percent of the special tax on hydrocarbons and the departmental compensation fund (favoring departments that either do not receive royalties, or obtain less than the national average), with the proviso that they earmark 85 percent of all such transfers for investment projects. Amounts received by way of payment for personal services in the education, health and social welfare sectors are also reserved for the prefectures, which are authorized to raise loans and convey assets.

- 1.8 Thus, the introduction of this series of institutional reforms opens up important opportunities for new actors to participate in the development of the social sectors: the central government, the prefectures, the municipal governments and the organizations of civil society. As this new institutional framework evolves towards decentralized operations, it will face a major challenge for the design and management of social policy.

B. The challenge of social management in a decentralized setting

- 1.9 As a consequence of the institutional changes which the authorities are undertaking to transform the Bolivian State, a process has been launched to strengthen municipal governments and create departmental institutions: departmental teams are being set up to manage public services, and the former departmental directorates (which were limited to executing national policies and programs in the departments) are becoming planning and management bodies with real decision-making powers. To be sure, this process could result in a mere replication of centralized power in the departmental administrations. Yet there is also an opportunity — supported now by legislation and by the government's political commitment — to create a truly participatory and decentralized setting. The departmental bodies, working in cooperation with municipal governments and the OTBs, have the potential to generate the advantages of efficiency and accountability that are typically associated with decentralization. However, this transformation requires that the new actors in the social sector actually take on a role as managers of public policy within their jurisdictions.

- 1.10 Carrying out this mandate will require the departmental secretariats to take vigorous charge of the various stages involved in the formulation and management of social policies: diagnostic studies, identification and analysis of options or alternatives, selection of alternatives, implementation, and monitoring and evaluation. For the most part, these tasks have only recently been assigned to teams of public servants, who as yet lack the professional skills and the instruments necessary to undertake them.
- 1.11 One of the instruments necessary for decision-making is an integrated information management system which, among other things, will enable authorities to set priorities, shape policies and evaluate their impact. Although in many cases information systems already exist within the national secretariats (primarily in health and education), the information is not always up to date or reliable, and is often difficult to correlate. When integrated for decision-making purposes, this information - which is captured from administrative records in each sector - turns out to be incompatible, i.e., the health districts do not correspond to the population breakdown for educational purposes, etc. Added to this is the fact that the government, with the help of the Bank, is developing a national system of social indicators (SISAPS) under the direction of the National Statistics Institute (INE), and that the operation and effectiveness of this system depends in large measure upon the quality of the information in the sectoral administrative records that are the responsibility of the MDH.
- 1.12 On the other hand, there are a number of important surveys on Bolivia's social sector - including, *inter alia*, the poverty map drawn up by the Social Investment Fund (FIS), district health indicators compiled by the Health Services Program, and educational demand statistics gathered under the Educational Reform Program - which have been developed as input in preparing the respective programs, but have not been integrated, correlated or maintained within the MDH's information system. Their usefulness is therefore quite limited.
- 1.13 In view of this, the government has assigned priority to developing a management information system in the social sector that will coordinate and enhance the existing sectoral systems in order to provide timely and reliable information for decision-making, using the same criteria for organizing information at the different levels of government.
- 1.14 In short, the process of building up the public administrations is under way in the departments and efforts are required in basic organizational development, including the creation of administrative, financial, accounting and analytical capacity. Departmental financial systems need to be defined. Pay systems need to be redefined and modernized. Basic management information systems must be set up. Therefore, there is a clear need for support and technical assistance in the administrative and financial processes

inherent in the management of departments and provision of assistance to municipalities. There is a need for a modern management approach to the decision-making process and the administration of public social policies. Clearly, social managers must make a shift from a culture of administration based on the performance of preprogrammed tasks to a management culture oriented towards the production of results. To meet this challenge, the government is carrying out the measures and actions summarized below.

C. Government action and program rationale

- 1.15 The National Secretariat for Public Participation (SNPP), which reports to the MDH, is the government agency responsible for conducting the institutional reorganization mentioned above. This secretariat has been taking a proactive role, and its most important achievements in implementing the LPP include: (i) the transfer in 1994 of 301 projects worth US\$16.6 million from the corporations to the municipal governments; (ii) the opening of current accounts for the 311 municipal governments; (iii) the preparation of 296 operating plans and municipal budgets in 1995; (iv) the transfer of 100 percent of health and educational infrastructure to the municipal governments; and (v) the establishment and strengthening of departmental public participation secretariats with responsibility, *inter alia*, for providing the municipalities with training and advisory assistance.
- 1.16 In connection with implementation of the recently enacted LDA, there is a need for basic institutional development within the reorganized departmental prefectures (training in accounting and financial administration and organization). To this end, a program of institutional strengthening has been formulated and will be financed primarily with resources from the national governance program (loan 976/SF). At the same time, a management approach must be taken to the decision-making process and management of public sector social policies in a decentralized context, as well as providing the necessary conceptual framework, technical tools and suitable methods for implementing this transformation. Meeting this urgent need for technical assistance to support the new technical teams in departmental administrations is a major challenge within the institutional reorganization that has begun, and provides the rationale for the proposed program.

D. The Bank's country policy

- 1.17 The Bank's strategy for Bolivia is to give priority to programs and projects that: (i) promote sustained development through structural reforms, investment incentives and increased productivity; (ii) promote government reforms and decentralization; (iii) improve social conditions through continued support for the strategy of investment and reforms in education, health and housing, especially those aimed at ensuring a basic level of service and benefiting the lowest income groups; and (iv) preserve and reclaim the

environment. The program is consistent with this strategy in that it supports efficient delivery of social services, the decentralization process, and government reforms.

E. Experience of the Bank and other agencies

- 1.18 The Bank has been helping to strengthen the municipal governments and regional agencies since 1990 under the global credit program for urban development and sanitation (PRODURSA), through loans 601/OC and 846/SF in the amount of US\$124 million, both of which include components for assistance and loans to these entities for investment purposes. In 1994, the Bank also granted loan 931/SF in the amount of US\$80 million for educational reform and to provide equipment, institutional support, training, studies and other support to address the critical problems in primary education. Under the fiscal adjustment program, the Bank granted loan 939/SF in the amount of US\$70 million for reforms to the financial system, privatization and improvement of tax collection. As well, the Bank approved loan 950/SF in the amount of US\$60 million for investments under the Social Investment Fund (FIS) in the health, education and sanitation sectors within the different municipalities. Recently, approval was granted for an operation worth US\$82 million to finance activities arising out of the capitalization process, another for US\$70 million (loan 953/SF), plus support for the country's taxpayer registry known as the RUN (loan 954/SF). Through a series of technical cooperation programs, support has been provided for activities involving job training for unemployed young people, privatization, public investments, fiscal management and defining the territorial boundaries of municipalities. The international community's contribution to the institutional changes and decentralization process are outlined in table I-1.

Table I-1	
AGENCY	AREAS OF COOPERATION
IBRD (IDA)	- Capitalization - Educational reform - Reform of the judiciary - Strengthening of municipalities - Institutional support for the SNPP
USAID	- Support for the legislative branch - Reform of the judiciary - Implementation of the LPP
GTZ	- Strengthening of municipalities - Administrative decentralization
Netherlands Cooperation	- Strengthening of the OTBs
DANIDA	- Strengthening of municipalities - Determining boundaries of indigenous areas
COTESU	- Strengthening of municipalities

- 1.19 Of the various lessons learned in the course of monitoring the Bank's loan portfolio in Bolivia, two aspects relate to the present operation and, accordingly, have been taken into account in designing the program, namely the need: (i) for hiring specialized firms to avoid fragmentation among the necessary consulting services, which in the past has led to duplication of effort, a lack of coordination and contradictory results (this will also

offset the weakness of the executing agency caused by managing many different contracts and having numerous individuals responsible for minor tasks); and (ii) to ensure the retention of trained personnel through the continuity afforded by the Civil Service Act. This legislation essentially lays down the following rules: civil service positions are filled on the basis of competitive examinations with final selection based on merit and professional qualifications. Salaries are competitive with those in the private sector, regulations are transparent, and rules for career advancement are clear. This promotes employment stability and avoids staff turnover as a result of political pressures.

II. OBJECTIVE

- 2.1 The overall aim of the program is to ease the decentralization process, provide support for social management at the various levels of government responsible for delivery of social programs such as education and health care, and improve the efficiency and effectiveness of social spending. To this end, training in areas relating to the design and administration of social programs and policies will be provided for technical personnel from the central administration (MDH) and the departmental governments (nine prefectures); and an ongoing training system will be established for municipal teams and other active agents of civil society. To complement the training, the program also calls for updating and coordinating management information systems in support of social management.
- 2.2 Since the aim is to ensure the long-term impact of the program, execution will be based on elements designed to enhance the sustainability of the program's effects. To achieve this, the program will have the following specific objectives and goals:
 - a. To provide training in the design and management of social policy for at least 300 individuals representing a critical mass at key institutions. At the MDH: national secretariats of health; education; ethnic, gender and age-related issues; social services; public participation; and general ministry operations. At the nine departmental prefectures: secretariats of human development and public participation, and the respective departmental directorates of health, education, social management and strengthening of municipalities.
 - b. To support the development and application of diagnostic tools and instruments (mapping, interpretation of benchmarks, etc.) and instruments for planning, formulation of projects and budgets (i.e. logical framework), monitoring and evaluation, stakeholder analysis and promotion of citizen participation - all of which will facilitate the design and implementation of social policies and programs at the level of the central government and within departmental prefectures.
 - c. To find solutions to obstacles that hinder the management of social policy within the MDH and the nine departments, through training and analysis workshops tailored to the specific needs of each organization.
 - d. To contribute to the strengthening and consolidation of training and technical assistance capacity in areas relating to social management by providing training courses for trainers. These will be attended by at least 20 teachers or instructors

and 30 civil servants who will serve as trainers and form the nucleus of a training system within the social sector.

- e. MDH, in cooperation with the INE, will oversee, coordinate and integrate existing information systems in the various sectors, along with the different social data bases, in order to make such information available and keep it up to date using standardized methods which are capable of responding adequately to the different processes involved in decision-making and strategy formulation for human development, thus helping to strengthen the management capacity of the MDH, departmental prefectures, investment funds and municipal governments.

III. DESCRIPTION

A. The program

- 3.1 To achieve the proposed objectives, the program will comprise three subprograms: (i) training and advisory assistance for social management; (ii) development and implementation of a management information system in the social sphere; and (iii) specific consulting services to finetune designated national planning instruments whose use is compulsory under the new, decentralized structure.

1. Training and advisory assistance for social management

- 3.2 This subprogram, at an estimated cost of US\$1.7 million, will consist of five components, each aimed at a specific population: (i) a training component for the MDH team; (ii) a training component for authorities in the nine departmental prefectures; (iii) a training component targeted to the technical teams in the departmental secretariats; (iv) an advisory assistance component for strengthening national training capacity; and (v) a component to promote modern methods of administration in the social sector among a wide audience which includes NGOs engaged in the management of social programs. The contents, scope, duration, frequency, number of events, objectives and specific clientele for each of these components are described in the draft terms of reference in Annex III-1.

- 3.3 For the first three components, three types of activities will be carried out as required, namely:

- a. Meetings to raise awareness concerning social management. These are expected to reach at least 200 individuals and will consist of short courses (one to three days) designed to ensure adequate understanding of the management role of MDH personnel and officials of the prefectures within the decentralized environment. Areas to be covered in depth include designing and managing social policy within a decentralized context, intergovernmental management, and results-oriented management. At these meetings, brief presentations will be given on tools that could be used in carrying out the MDH's new role in social management. These events will be designed to familiarize officials at the highest levels of the ministry and prefectures so that they are aware of the results-oriented approach to management, and the mechanisms that can be used to shape the various initiatives along these lines. The meetings will be addressed to the Minister, the Secretary General, and the National Secretaries and Undersecretaries. To reinforce the commitment to this management approach, the nine prefects and their departmental secretaries of human development and public participation will also be invited. It is hoped that at least

150 individuals will attend. These meetings (one and one half days each) will also take place in the various departments, and the mayors of the largest municipalities in each department will be invited to attend as well. This should add at least 100 persons to the number of participants.

- b. Training courses on designing, managing and evaluating social programs and policies. A modular training program will be devised, beginning with the same topics that were presented at the meetings of senior officials. After introducing those topics, the course will cover in detail the concepts and methodological tools that can serve to enhance design, management and evaluation processes, as a means of ensuring that social policies and programs are made more efficient, effective and equitable. Those attending these courses will include the national directors of the MDH along with their professional teams and, from the prefectures, the technical teams working in the departmental secretariats. At least eight of these seminars will be held to provide training for 150 officials.
- c. Problem-solving workshops. A series of workshops will be held for the purpose of analyzing and solving specific problems. These will be designed for small groups of professionals whose duties present them with similar challenges, and who will have two reasons for attending the workshop: to gain a more thorough knowledge of the concepts and methods that they can use to overcome the problem, and to contribute to the group's effort in coming up with viable solutions and devising strategies for putting them into effect. The problem-solving workshops will have a minimum duration of approximately five days, with sessions lasting four to five hours per day. At the first session of each workshop, participants will describe the problem that they face, its manifestations and implications, and the strategies that they have tried in attempting to solve it. The problem or challenge will be analyzed in depth, from various points of view. At the second session, the facilitator will present the relevant concepts and methodological approaches to be applied in analyzing the problem. In subsequent sessions, participants and facilitator(s) will work together to propose, work out and analyze possible solutions. The aim is to end each workshop with tasks assigned as required for putting the solution selected into practice. A follow-up meeting will be scheduled to review its success and continue refining this solution. The makeup of each group will vary according to the particular problem to be analyzed. Ten or more workshops of this nature are planned and will respond to specific demands of the MDH and the prefectures.

3.4 The advisory assistance component for strengthening national training capacities will consist of two principal activities:

- a. Advisory assistance for the national secretariats of the MDH and the departmental secretariats. These bodies will receive support in applying the tools and methods presented and developed during the above-mentioned training activities. Such assistance will be provided in response to written requests submitted to the coordinator of the subprogram by teams that have taken part in a training event. In each case, the assistance must be clearly defined such that it has a specific objective and a clearly identifiable starting and ending point.
- b. Training of trainers. This activity will link local instructor-advisers participating in training and technical assistance activities with international instructor-consultants. The teaching and advisory responsibilities of local personnel will increase over time as they gain greater experience with the proposed topics and teaching materials. They will participate in the preparation of case studies and in the workshops and production of materials, as well as providing support for teaching activities and eventually assuming responsibility for specific training events.

3.5 The component to promote modern methods of social management will be aimed at a wide audience which includes NGOs engaged in the management of social programs; the civil society organizations that play a key role in social management and public scrutiny of social programs and policies; and the OTBs that participate in diagnostic studies of social conditions in their communities, and in the design, management and evaluations of programs and projects. The purpose of this component is to increase awareness of the modern approach to social management which is being introduced in Bolivia, and to disseminate the tools that the government is applying to guarantee efficient, effective and equitable delivery of social services. Promotion of the efforts to modernize the administration of Bolivia's social sector will be carried out by means of three or four conferences open to the public.

2. Management information system in the social sphere

3.6 This system, at an estimated cost of US\$1.3 million, is intended to strengthen the management information system of the MDH along with the data subsystems of the national secretariats in order to ensure an up-to-date and effective instrument that will provide information for use in the planning, programming, monitoring and evaluation of social programs. This system will be introduced gradually through a succession of modules to be implemented in keeping with the expansion of coverage. 3/

3/ The introduction of this system will improve statistical data on the sector, which will support and supplement the work of the SISAPS, as noted in paragraph 4.6 below.

- 3.7 The first step will be to cover the services responsible for quantification and geographic location of infrastructure in the education, health and basic sanitation sectors, with subsequent expansion to include subsidized housing, secondary roads, agricultural production centers, sports, culture, etc. Digitization will be carried out and procedures established for the updating of poverty and malnutrition maps, district health indicators and the georegional map of educational units; work will be done on the standardization, compilation, quality and digitization of sectoral administrative records in health, education, care of children, etc.; and a standard will be prepared to facilitate coordination of information from health districts with educational units and other indicators of demand, disaggregated by local community.
- 3.8 This subprogram, which is described in greater detail in the draft terms of reference presented in Annex III-3, includes the following actions: (i) conducting a survey and diagnostic study of existing information and information systems, as well as the procedures currently used to access the different data sources; (ii) defining the information requirements and needs of system users, establishing a permanent framework for liaison between the system and its institutional users; (iii) proposing and studying ways of meeting specific requirements of the system in terms of procedures, hardware and software, and any other infrastructure needed for implementation of the system; (iv) designing the system based on the overall objectives and requirements of each user; (v) identifying the equipment and software necessary to run the new system; (vi) inputting and/or building up the data bases; (vii) installing the system; and (viii) training personnel in the use of the information system and its outputs by conducting training activities aimed at its main beneficiary institutions.

3. Specific consulting services to finetune national planning instruments

- 3.9 This subprogram, with an estimated cost of US\$220,000, will meet the need for improved planning instruments required by the National Planning System (SISPLAN), the National Public Investment System (SNIP) and the Social Management Evaluation and Monitoring System (SEGES). To do this will require hiring individual consulting services, according to the terms of reference to be submitted as a condition precedent to the first disbursement. The results of the work of these consultants will be reflected in the activities under the training subprogram.

B. Costs and financing

- 3.10 The total estimated cost of the program is US\$3.42 million equivalent, of which the Bank will finance up to the equivalent of US\$2.92 million on a reimbursable basis from the FSO, while the Bolivian government will cover the remaining US\$500,000 through

transfers from the national treasury (see the breakdown of both sources in the table below):

TABLE II-1
BREAKDOWN OF COSTS
(US\$000)

ITEM OF EXPENDITURE	LOCAL	IDB/FBO	TOTAL	%
1. Administrative costs	130	—	130.0	3.7
2. Training	125	1,575.0	1,700.0	48.6
3. Information system	160	1,140.0	1,300.0	37.1
4. Specific consulting services	85	135.0	220.0	6.3
5. Finance charges		150.0	150.0	4.3
5.1 Interest		105.0	60.0	
5.2 Credit fee		15.0	30.0	
5.3 Inspection and supervision		30.0	60.0	
TOTALS	500	3,000.0	3,500.0	100.0
%	14.3	85.7	100.0	

- 3.11 The disbursements corresponding to the Bank's contribution will be made upon request by the government — acting through the MDH — for payments to consulting firms, and/or for creation of a revolving fund. The contributions from the Bolivian government will be in amounts drawn on the national treasury under the corresponding budget items. This operation is of the reimbursable technical assistance type, with a proposed financing matrix in which 14.3 percent of total cost is covered by local counterpart funding, demonstrating the high priority placed upon it by the Bolivian government. 4/

C. Coordination and execution

1. Executing agency

- 3.12 The execution of the program will be the responsibility of MDH, acting through the National Secretariat for Public Participation, which was created by Law 1551 of April 20, 1994. To coordinate the operation, plans call for setting up a program executing unit (PEU) reporting to a steering committee chaired by the Minister of MDH, with the SNPP Secretary and UDAPSO Director as members. The PEU manager's duties will include management, supervision and coordination with other national secretariats, prefectures, municipalities, and subprogram executing agencies. The PEU will receive logistical and technical support from SNPP technical teams

4/ Reimbursable technical assistance operations do not call for a specific financing matrix, so that up to 100% coverage by the Bank is acceptable.

for the specific training and consulting subprograms, and from UDAPSO for the subprogram consisting of the management information system in the social sphere. Creation of the PEU will be a condition precedent to disbursement.

2. Procurement and contracting of goods and services

- 3.13 To execute the program, the Bolivian government will, in accordance with Bank policy (Annex C to the loan contract), hire the services of specialized institutions that will ensure implementation of the subprograms. The hiring of individual consultants to provide specific consulting services will take place in conformity with the Bank's rules (Annex C to the loan contract), and according to the terms of reference to be presented by the MDH prior to the first disbursement.
- 3.14 To execute the management information system in the social sphere subprogram, a specialized firm will be hired. This firm will carry out its activities in two stages. In the first, it will be responsible for presenting a proposal on system design and requirements; in the second stage, it will carry out the proposal. Upon completion of the first stage, the cost and conditions for implementing the second stage will be negotiated with the firm. If agreement can be reached, work will commence according to the schedule provided. If it is not possible to reach an agreement, the second stage of this subprogram will be put to tender. The firm that drew up the proposal will not be permitted to bid in this new competition. The procurement of equipment under the program will be by international competitive bidding, in accordance with the Bank's procedures (Annex B to the loan contract).

3. Execution period and activity schedule

- 3.15 The execution period will be 24 months, and the disbursement period will be 30 months, calculated from the effective date of the loan contract. It is recommended as a condition precedent to disbursement under each of the three subprograms that the borrower, through the executing agency (MDH), submit to the Bank's satisfaction the following: for the training and information subprograms, that it submit updated versions of the terms of reference attached in Annexes III-1 and III-2, together with the execution schedule; and for the specific consulting services subprogram, that it submit the respective terms of reference and a detailed work plan. The conditions precedent to the first disbursement will be applied separately to each of the subprograms.

4. Environmental classification

- 3.16 The Bank's Environment Committee, at its meeting of April 18, 1995, classified this as a Category II operation. Given the nature of the program, it is not expected to have any direct or indirect

impact on the environment, and therefore does not require the preparation of a specific environmental report.

5. Monitoring and evaluation

3.17 To ensure adequate monitoring of the activities included in the program, the MDH will be responsible for submitting the following reports to the Bank:

- a. Method of measuring program impact. Once the plan of action has been developed for this operation, as well as the course curricula for the training subprogram, to be developed by the specialized firm, a proposed method for measuring the impact of the program is to be presented. This proposal is to stress the applicability and sustainability of the training, as well as the means for verifying the process and certain results (Annex II-1), and will facilitate monitoring of the program and preparation of the respective reports.
- b. Progress reports. Progress reports are to be submitted every six months during the execution period. They are to cite in detail the degree to which planned activities have been carried out, laying particular stress on the details given in Annex II-1 to this document, the conclusions and recommendations concerning corrective measures and adjustments that should be made in order to ensure proper implementation of the program.
- c. Final report. Within three months following completion of the operation, a final report is to be submitted, including an evaluation of the results of the program with reference to its objectives.
- d. Audited annual financial reports. Within the first three months of each calendar year during the execution period, the MDH will submit an annual financial report to the Bank, certified by auditors that meet the requirements of the Bank and indicating how the proceeds of the Bank loan and the local counterpart contribution have been used.

3.18 The Bank's Country Office in Bolivia will be responsible for overall monitoring of the operation based on the data provided by the MDH, which must be in accordance with the guidelines set out in Annex II-1 and the method of measuring the impact of the program to be submitted by the MDH.

3.19 In regard to the progress of the training subprogram, according to the quarterly programming described in chapter IV of Annex III-1, the specialized firm is to submit a technical and financial report to the MDH on the training and advisory activities carried out as of the cut-off date. Within two weeks thereafter, the MDH will inform the Bank concerning any comments or objections it may have concerning this report.

IV. BENEFITS AND RISKS

A. Benefits

- 4.1 The program will ease the decentralization process under way in Bolivia. The LPP and LDA have brought about a restructuring of public institutions and their powers, which must necessarily be accompanied by a program of training and advisory assistance for the new technical teams at the different levels of government, as well as the means for efficient social management. This, in turn, will contribute to the efficiency and effectiveness of social spending.
- 4.2 The melding of the social sectors into a single, integrated unit by bringing the various ministries together under the MDH as the policy-setting body was conceived within the context of a centralized approach. With the recent decentralization of the public system, however, certain restrictions have become evident, such as the lack of social managers, integrated information systems and instruments for multisectoral planning. The present operation will train officials and finetune the instruments required for effective formulation and implementation of social policy at all levels within the decentralized public sector.
- 4.3 The proposed operation represents an opportunity for the MDH to consolidate its institutional capacity for shaping and orienting social programs within a decentralized and participatory context. This will enhance the ministry's capacity to carry out its responsibilities in regard to social programs, and to improve the living conditions of the poorest segment of the population. For the central government, the present operation offers training for its decision-makers to enable them to become genuine social managers, capable of giving firm and clear leadership to the processes of decentralization and public participation, and supplying direction for prefectures and municipalities in managing social policies within their spheres of action. At the department level, the training and instruments that this operation will make available to local personnel will permit the optimization of resources by maximizing their impact, something which is highly significant given the scarcity of resources, the magnitude of the needs among those who benefit from social programs, and the scope of the structural reforms under way.
- 4.4 In line with the institutional changes that have occurred in Bolivia, this operation will generate a new perspective on social development, no longer conceived of as a series of separate sectors but rather as an integrated whole, unified by the common need to eliminate poverty. These changes in the structure of the State will become viable only when Bolivia has the trained personnel

resources and management instruments that will make it possible to design, execute and evaluate social policies according to the local circumstances.

- 4.5 Among the main objectives of the operation is to provide management training and the necessary decision-making instruments to strengthen middle-level managers within the regular civil service at the various decentralized levels. These middle managers will be selected from among personnel who are covered by the Civil Service Act in order to ensure maximum sustainability of the operation.
- 4.6 By ensuring the reliability and quality of the information gathered from the various sectors, UDAPSO will be contributing to the establishment of the INE's National System of Social Indicators (SISAPS), which is being developed with technical cooperation resources recently approved under ATN/SF-5131-BO. This in view of the fact that the INE's socioeconomic data base and that of the SISAPS rely on secondary sources that will be updated and improved as part of the present operation. To ensure that the two systems are fully compatible, the respective terms of reference will be analyzed by the same technical team in Bolivia (INE-UDAPSO) and by the Bank.
- 4.7 In terms of the Bank's social sector loan portfolio, implementation of this program will break the logjam of projects in this area (especially those dealing with educational reform). The bottleneck has grown worse as a result of the institutional restructuring, the assimilation of new powers by the MDH and the prefectures, and the weakness of the respective institutions in managing social programs.

B. Risks

- 4.8 Although the operation seeks to provide maximum assurances of the sustainability of the program in creating long-term institutional capacity, through training programs for middle managers and establishing planning instruments and information systems, staff turnover among personnel from the central and departmental governments who receive training under the program is a potential risk that is difficult to control. This risk results from the fact that the private or nongovernmental sector offers more attractive employment alternatives with more appealing incentives. To minimize this risk, the program will require that personnel who are to receive training be drawn from within the civil service system, as explained in paragraph 1.19.

CONCEPTUAL FRAMEWORK OF THE PROGRAM

DIAGNOSIS	THE PROJECT	ACTIONS AND EXPECTED OUTPUTS	MEANS OF VERIFICATION	ASSUMPTION
development of human d of the information y instruments neces- agement of social programs under the d structure of the MDH.	The project: supports consolidation of the processes of institutional reform and decentralization of social policy management by training decentralized MDH teams in social management issues, updating and coordination of social sector information systems, and implementing social planning instruments.	MDH secretariats able to formulate, execute and monitor multisectoral projects, programs and policies in integrated fashion.	Monitoring of MDH processes. Interviews with secretaries, undersecretaries and advisors to the MDH.	
DA, the departmental of the MDH have been sibility for updating enting social policies s at the local level. d administrative ersist in the use of strategies since they in social management ext in which these ve been decentralized.	Trains officials from the civil service, who will constitute a critical mass within the central administration (MDH) and the prefectures, to design, implement and evaluate social policy at the departmental level.	<u>Actions:</u> (i) awareness raising meetings for the authorities of the central MDH and prefectures; (ii) training for MDH national directors and their work teams, technical teams from the prefectures and technical teams working in the departmental secretariats, in the design, manage- ment and evaluation of social policies; (iii) analysis and solving of manage- ment problems facing local teams; (iv) training of trainers; and (v) dis- semination of information on social management issues among a wide cross-section of public opinion. <u>Outputs:</u> perceptible changes in the approach to social management work and in the tools used in carrying out such work.	(i) Surveys of officials following their participation in training. (ii) Follow-up surveys of training program participants and their institutions. (iii) Interviews with key respondents in the institutions that provided participants for the training programs.	That the MDH secretariat sound policy management ficient organizational capa- ensure that personnel will awareness and training se- That it will put in place a incentives that will encour- personnel to apply what t- learned and make use of information system and p- instruments, obtaining effe- results in their respective action.
bases and information n the various social provide information of quality, are not updated and are not integrated gle social information	Cleans up and refines data bases in the different social sectors; standardizes, harmonizes and places an integrated and regionalized social sector information system at the disposal of users in the decentralized structure of the MDH.	<u>Actions:</u> (i) identification of needs among users of the decentralized MDH; (ii) design of an information system according to characteristics defined on the basis of these needs; and (iii) return of information to users of the integrated social sector information system. <u>Outputs:</u> integrated social sector information system operating at the level of UDAPSO and accessible to the departmental secretariats.	(i) Auditing of UDAPSO systems. (ii) Surveys of users.	That UDAPSO will have s- technical personnel to imp- system proposed by the c- firm. That it will be suffici- strengthened in its profes- capacity to enable it to an- social sector information t- up the system.

AGNOSIS	THE PROJECT	ACTIONS AND EXPECTED OUTPUTS	MEANS OF VERIFICATION	ASSUMPTION
has developed social instruments (SISPLAN, SESGES) which are used at the level of the departmental units. The personnel of decentralized MDH do not use these tools to address the central themes of their planning.	Improves the design and operability of the social planning instruments whose use is compulsory at the central and local administrative levels of the MDH.	<u>Actions:</u> (i) Finetuning of MDH social planning instruments and experimental use of same in training courses; (ii) incorporation of the central themes of the MDH into social planning within the decentralized structure. <u>Outputs:</u> departmental and municipal social development plans formulated using the planning instruments proposed by the MDH.	Documentation on departmental and municipal social development plans. Interviews with technical personnel from departments and municipalities.	That the planning instruments effectively respond to the needs of those responsible for decentralized management of social projects and do not become an end in themselves.

TERMS OF REFERENCE

Execution of the training subprogram

I. REASONS FOR CONTRACTING OUT THE TRAINING SUBPROGRAM

- 1.1 The purpose of the contracting described in these terms of reference is to entrust a specialized firm (the "firm") with conducting the training subprogram within the social management support program. The subprogram is to help consolidate decentralization of social policy management in Bolivia by training teams from the Ministry of Human Development (MDH) and from the departmental governments in the design and management of social policies and programs.
- 1.2 Since the training is designed to have a long-term impact, the subprogram's emphasis will be on the factors that help sustain that impact. Accordingly, the specific objectives are: (a) to train groups who will become an institutional critical mass within the various public institutions that play strategic roles in devising and managing social policy; (b) to provide training at the various levels of government that are instrumental in managing social programs and policies, to support a broader or more comprehensive process of social development; (c) to help develop tools or instruments of analysis and management that can facilitate the design and implementation of social policies and programs and assist in their application to managing social policies and programs at the national level and within departmental prefectures; (d) to use training sessions to introduce, examine and generate solutions to specific problems of social policy management; and (e) to build up capacities for providing training and technical assistance, both within the public administration and in the broader national context.
- 1.3 The firm will impart modern theories and techniques for creating a structured and cohesive vision articulated in a single technical language, strengthening management of human development policies, plans and programs, and adapting technical and administrative procedures and instruments to the regulations governing administrative decentralization and public participation, for the sake of more efficient social management at the national and departmental levels.

II. DESCRIPTION OF THE TRAINING SUBPROGRAM

2.1 This subprogram has five components, each targeted at a specific group: (i) training for MDH staff; (ii) training for authorities from the nine departmental governments; (iii) training targeted at the technical staff of the departmental secretariats; (iv) advisory assistance and strengthening of national training capacities; and (v) dissemination of modern social management, targeting a wide audience that includes nongovernmental organizations involved in managing social programs, organizations in civil society that play key roles in public scrutiny and management of policies and programs, and grassroots organizations that participate in diagnostic studies of the social situation in their communities and in the design, management and evaluation of programs and projects.

A. Training for MDH staff

2.2 Activities of three kinds will be carried out:

1. Meetings to heighten awareness of social management:

2.3 Short meetings (of one to three days) will be held to help adjust the MDH staff's management role to fit the decentralized system. While the meetings will cultivate the participants' understanding of design and management of social policy in a decentralized system, intergovernmental management and results-oriented management, they will also introduce participants to the tools that may be useful to the MDH in its new social management role.

2.4 These events are intended to heighten awareness of the results-oriented approach among the Ministry's senior officials and help them find ways to steer the Ministry's various efforts toward that approach. The events will be addressed to the Minister, the Secretary General, and the national secretaries and under-secretaries. To reinforce the commitment to this new management approach, the nine departmental prefects and their secretaries for human development and public participation will also be invited.

2.5 At least two events of this kind will be held. The first will launch the national training program and instill a sense of commitment among national authorities to induce them to schedule training for their technical staff. The same sense of commitment will be instilled at the departmental level, to encourage departmental governments to plan various training activities in the SDDHs and SDPPs. At the end of the meeting, departmental secretaries will be invited to another half-day session to determine what the priority training areas are for each departmental secretariat, so as to ensure that the planned departmental activities match departmental priorities.

- 2.6 The second national-level meeting will be held midway through execution of the national training program and could provide an opportunity for participants to analyze the progress made toward introducing the modern approach to management in a decentralized scenario, to probe certain issues relating to design and management of social policies, and to gather information as feedback for the training program.
- 2.7 During execution of the subprogram, the MDH and the firm may agree to hold other meetings to discuss issues of particular importance to the dynamics of social policy and decentralization of management of social services in the country. The MDH and the firm will plan and program these events jointly, using the budget available for the subprogram.
2. Training courses in design, management and evaluation of social policies and programs
- 2.8 A modular training course will be designed on the basis of the same subjects taught at the high-level meetings: design and management of social policy in a decentralized scenario; intergovernmental management and results-oriented management. Having introduced those subjects, the courses will elaborate on conceptual and methodological tools that can be used to strengthen the design, management and evaluation processes, to make social policies and programs more constructive, more effective and more equitable.
- 2.9 Initially, the course design will consist of three modules: (a) elements of social policy design that make public social management more efficient and equitable; (b) principles of social management, and (c) monitoring and evaluation of social policies and programs. While the duration of the modules and their programming will be decided in cooperation with the MDH secretariats, the firm recommends that each module last at least one week.
- 2.10 The course (defined as the combination of the three modules) will be conducted at least four times, to enable the MDH national directors and professional staff to participate. The training will, therefore, be designed to contribute tools that are useful in diagnosing the social problem, designing alternatives, examining policy options, managing social policy and monitoring and evaluating programs and policies.
- 2.11 Prior to the above-described first high-level meeting, the firm and the MDH will program the training courses so that each group of MDH professionals moves through the three modules in succession, with a period of 20 to 60 days separating one module from the next. Thus, at any given time during the subprogram, some groups will be in the first module while others will be in the second or third module.

The firm and the MDH will jointly review and adjust the programming every three months.

3. Problem-solving workshops: examining specific challenges and devising alternative solutions:

- 2.12 A series of workshops will be held to analyze and seek solutions to specific problems. They will be addressed to small groups of professionals who have some challenge in common and who are taking part in the workshop for two reasons: (a) to learn more theories and techniques that will help them tackle the problem, and (b) to come up with alternative solutions and strategies for a workable solution.
- 2.13 Workshops of this kind will last a minimum of five days, with sessions of four to five hours each day. During the first session, participants will explain the challenge they are grappling with, its manifestations and implications, and the strategies that have been attempted to correct the problem. An in-depth analysis will be done of the challenge or problem, from various angles. At the second session, the facilitator will introduce the appropriate theoretical and methodological approaches to examine the problem. At the next sessions, participants and facilitator(s) will work together to suggest, work up and examine possible solutions. By the end of each workshop, tasks should have been assigned to put the solution into practice. A followup meeting will be programmed to review the solution and continue with problem-solving.
- 2.14 This type of workshop is expected to give the training a lasting and practical effect and make an immediate and tangible contribution toward stronger social management.
- 2.15 The groups who participate in the workshops will be professionals from the MDH's technical staff. The members of each group will vary depending on the problem the workshop will examine.
- 2.16 At the end of the subprogram's first quarter, the MDH and the firm will perform an initial workshop programming, which will be reviewed and adjusted every quarter thereafter.

B. Training of officials from the nine departmental prefectures

- 2.17 This component will involve just one activity: meetings to heighten awareness of social management. Short meetings (from a day and a half to three days) will be held to support implementation of modern, results-oriented social management in the country's prefectures. As with the national meetings, the training will focus on the design and management of social policy in a decentralized scenario, intergovernmental management, and results-oriented management. At the meetings, participants will be

introduced to tools that the prefectures might use to improve the design and management of departmental social policies and programs.

- 2.18 The purpose of these events will be to create an awareness among departmental officials to induce them to steer all social management toward achieving results: concrete changes in social welfare, in living conditions and opportunities for the future and/or in social behavior. The events will be geared to prefects, deputy prefects, departmental secretaries general, the four departmental secretaries and the directors from the departmental secretariats of human development and public participation. In other words, approximately fifteen people will be invited to attend from each department. The mayors of the largest municipalities in each department could also be invited.
- 2.19 At least four events of this kind will be held: one in Santa Cruz; one in La Paz for the departments of La Paz and Pando; one in Cochabamba for the departments of Cochabamba, Oruro and Beni, and one for the departments of Chuquisaca, Potosí and Tarija. These four events must be carried out within the space of no more than six months (from the time the subprogram begins). Nine months into the subprogram, the MDH and the firm will examine whether other events of this nature are necessary or advisable.
- 2.20 These events will be held before the third component of the program (training in social management for technical staff of the departmental secretariats) gets underway. In this way, the events can be used to obtain a commitment from departmental directors to have their technical staff spend more time in training and to improve the content and profiles of these training courses.

C. Training of the technical staff of the departmental secretaries

- 2.21 This component will involve two activities similar to those planned for the national level:
 1. Training courses on management and evaluation of social policies and programs
- 2.22 The firm will design a modular training course for a more in-depth analysis of some of the issues addressed at the departmental meetings: design and management of social policy in a decentralized context and results-oriented management. The courses will then equip the participants with certain conceptual and methodological tools that are highly relevant to the processes involved in managing and evaluating social policies and programs so that departmental social management can achieve constructive, efficient and equitable results. The following are among the issues to be introduced: strategic planning; the logical framework

for devising programs and projects; budgeting techniques; negotiating techniques and data systems for monitoring and evaluation.

- 2.23 These courses will be geared for sectoral directors of the departmental secretaries of human development and public participation and their technical staff. The training will be designed to provide tools that can be used to diagnose social problems and the systems in place for delivering social services, managing social policies and programs, and monitoring and evaluating policies and programs.
- 2.24 The training courses will be programmed like those planned for the MDH: each group will move through the three modules in succession, with a period of 20 to 60 days between each module and the next. Thus, at a given point in the program, certain groups will be in the first module, while others will be in the second or third module. The departmental courses might be for a single department (particularly in the case of the large departments) and/or for groups of up to three departments per course.
- 2.25 Within the first six months of the subprogram's start, the MDH and the firm will agree upon a tentative programming of the departmental courses, to be reviewed and adjusted every quarter.

2. Problem-solving workshops: analysis of specific challenges and design of alternative solutions
- 2.26 Like the plan for the workshops at the national level in the MDH, a set of workshops will be held in the departments to examine and solve specific problems. These will be for small groups of professionals who share some common challenge and who participate in the workshop to: (a) develop a more in-depth understanding of concepts and techniques that will help them deal with the problem, and (b) design alternative solutions and strategies to put viable solutions in place.
- 2.27 The workshops will be run in the manner suggested for the national level: an initial presentation and analysis of the challenge or problem; training or development in relevant theories or methods; development of solution(s); assignment of tasks for purposes of applying the solutions developed, and followup meeting(s).
- 2.28 The workshops will be designed for technical staff of the departmental secretariats that have some challenge or problem in common relating to managing social policies and programs. Each workshop is expected to come up with a plan for resolving that problem.
- 2.29 The MDH and the firm will agree upon a quarterly programming for workshops.

D. Advisory assistance and strengthening of national training capacities

- 2.30 This component is included in the subprogram with a view to consolidating capacity within public institutions to accelerate modernization of social management in Bolivia and continue to offer training and technical assistance to the various agents involved in social policy. It consists of two main activities.

1. Advisory services to the national and departmental secretariats

- 2.31 The firm will help the national and departmental secretariats apply the tools and methods that are promoted and taught at the training events. This support will be provided in response to written requests filed with the subprogram's coordinator by staff who have participated in a training event. The advisory assistance must have a specific objective and an identifiable beginning and end. The firm's role in the advisory services will be to: (a) identify procedures and tools that might improve social management; (b) recommend concrete measures that could facilitate the use of certain methods or tools; and (c) cooperate in the design, testing and correction of techniques for applying certain methods or tools.
- 2.32 Agreement will be reached with the MDH program coordination unit as to the priorities for apportioning the firm's staff time and resources to meet demands.

2. Training of trainers

- 2.33 Under the subprogram, continuous instructor training will be provided to national instructors-advisors whose role in the training and advisory activities will be one of collaboration with the international instructors-advisors. Their teaching and advisory functions will increase with time, as they gain more experience in the subject areas and with the teaching materials developed by the firm. They will help prepare case studies, workshops and materials, will assist with the teaching activities and will eventually take over responsibility for certain training events.
- 2.34 One or two instructor training courses will also be held for professionals who have participated in the training courses (either at the national or departmental level) and whose job it is to train, advise or provide technical assistance to staff who design, manage and/or evaluate social policies and programs. These individuals will be selected from the MDH, the SDDH and the SDPP. Staff from training centers and universities who are working on programs to train professionals who work (or will one day work) on human and social development in Bolivia could also be included in these activities.

- 2.35 The instructor training courses will delve into key subjects relating to design, management and evaluation; they will also include some sharing of experiences with respect to training in these matters. Training experiences under the MDH's improvement program will be shared systematically and rigorously, in order to come up with some conclusions about the training strategies and content that might serve to sustain better social policy management in the country.
- 2.36 These courses will be given in the last six months of the subprogram.

E. Dissemination of information on modern social management

- 2.37 This component targets a wide audience, one that includes nongovernmental organizations involved in managing social programs; organizations of civil society that play key roles in the public's management and monitoring of policies and programs; and grassroots organizations that have a hand in diagnosing the social situation in their respective communities and in designing, managing and evaluating programs and projects. The purpose is to circulate the modern approach to social management being promoted in the country and to publicize the tools that the government is using to guarantee that social services are delivered more effectively, efficiently and equitably. This may make it easier for the various social agents to participate in the diagnostic analyses of the social needs and/or design, management, and monitoring and evaluation of social programs and projects.
- 2.38 The modernization of social management will be disseminated by means of four lectures open to the public, where the modern approach to social management will be explained and the instruments that the public sector is developing and applying to improve the delivery of social services will be introduced.
- 2.39 The firm and the MDH will work together to decide what the technical features of the lectures will be and develop them. The firm may subcontract the events' organization to a Bolivian group experienced in work of this type.
- 2.40 The events will be scheduled for the last six months of the training subprogram, according to a timetable mutually agreed upon by the MDH and the firm.

III. SUPPORT ACTIVITIES

- 3.1 To make the training and advisory services components as effective and efficient as possible, the firm's staff residing in Bolivia

will take steps to improve training, such as: preparing and updating case studies based on Bolivian experiences; coordinating with UDAPSO on the analyses of the integrated, georeferenced social management data system to include the use of the system in the training programs and advisory initiatives; coordinating with MDH staff in charge of upgrading planning, public investment and social management monitoring and evaluation systems so that the instruments designed for planning, public-investment project preparation and monitoring and evaluation will be properly included in the training that the firm will offer; preparation and publication of texts and materials to support ongoing training activities in the social sector and exchanges with other trainers in the areas of design and management of social policies and programs.

IV. EXECUTION

- 4.1 The firm will detail some of its own staff to this program and will hire suitable persons to carry it out. The firm will post at least four professionals in La Paz for the duration of the program and furnish the other specialists needed to offer the training and advisory services called for in the description of the subprogram. One of the La Paz-based professionals will be the subprogram's resident coordinator and will remain in constant contact with the MDH program coordination unit.
- 4.2 The firm's officer in charge of the subprogram will be its coordinator. The coordinator of the MDH strengthening program and the firm's officer will meet every three months to review the training and advisory activities carried out as of that time and to program activities for the next quarter. The criteria for programming activities will be: the needs expressed by the subprogram's various target populations; the objectives and description of the subprogram's components, and the subprogram budget.

V. TIME FRAME AND COSTS

- 5.1 The subprogram will be carried out within an 18-month time frame and will cost a maximum of US\$1,700,000, as per the attached preliminary budget.

1.	Direct costs	860,770
1.1	Personnel	354,000
	Salaries - Coordinator and international instructors	252,000
	Salaries - National instructors	90,000
	Fees - Conferences	12,000
1.2	Nonpersonnel	506,770
	Communications and equipment	71,700
	Supplies	101,500
	International travel	13,750
	National travel	6,000
	Per diems	49,320
	Rental of premises for events	133,500
	Rental of housing	72,000
	Rental of subprogram headquarters	24,000
	Publicity and printing	20,000
	Auditing	15,000
2.	Indirect costs	753,153
3.	Contingencies (10% of total direct costs)	86,077
	TOTAL COST OF TRAINING SUBPROGRAM	1,700,000

Evaluation indicators

INDICATOR	SOURCE OF INFORMATION	PURPOSE	GOAL **
A. Participation in training events			
% participants who are: - staff of the MDH - staff of the prefectures - staff of the departmental secretariats - municipal civil servants - instructors	Database, participants, the firm	Confirm that the participants match the profile of the target population of the plan of operations and that various groups within that population are adequately represented	30 72 45 20
% of participants who complete all modules in a given course	Databases, participants, the firm	Ensure that the participants in the courses that are divided into two or more modules spaced out over a period of time actually complete all modules	85
% of participants with an "excellent" or "good" performance evaluation in the course	Participants' performance evaluations, the firm	Make certain that the participants are doing well in the courses	85
B. Projects prepared			
% participants who develop a viable project that can be applied during the course	Database, projects, the firm	Measure the papers and applicable projects generated and produced during the firm's courses	75

INDICATOR	SOURCE OF INFORMATION	PURPOSE	GOAL **
C. Reaction to the training events			
Average overall reaction to the course (on a scale of 1 to 10, with 10 being the highest)	Evaluation by participants at the end of the courses	Measure the participants' satisfaction with the course	8
% participants who say they are leaving the course with concrete tools that will enable them to reshape the initiatives on which they are working	Evaluation by participants at the end of the courses	Measure the potential for generating impact	90
% participants who say that the course will strengthen the decision-making process in the social sector	Evaluation by participants at the end of the courses	Measure the potential for generating impact	85
% participants who feel the course accomplished the proposed objectives	Evaluation by the participants at the end of the courses	Measure the participants' satisfaction with the course	80
D. The course's impact			
% participants who, six months after the course's completion, have used tools or skills learned in the course	Followup survey of the participants, six months after the course ends	Ascertain the course's short-term impact	75
% participants who, six months after the course's completion, feel that it has changed the way they work	Followup survey of the participants, six months after the course ends	Ascertain the course's short-term impact	70

INDICATOR	SOURCE OF INFORMATION	PURPOSE	GOAL **
% participants who, six months after the course's completion, can give an example of a change in policy or procedure that was influenced by the course	Followup survey of the participants, six months after the course ends	Ascertain the course's short-term impact	40

** The goals stipulated here are the minimum values expected for each criterion, for the 1995-1998 period. For purposes of this technical cooperation operation, the values of the indicators under headings A through E will be computed for the events that include participants who benefit from the financing of this project.

TERMS OF REFERENCE

Consulting services for design and implementation
of the information system subprogram: updating, harmonizing
and integrating data systems in the social area

I. SUPERVISION RECEIVED

General Secretariat, Ministry of Human Development
Social policy analysis unit
Coordinator of the subprogram for updating, harmonizing and integrating
data systems in the social area

II. OBJECTIVES

- 2.1 The project's main objective is to set up a data system that strengthens the management capacity of the Ministry of Human Development, its national secretariats, the departmental prefectures, the municipal governments and the investment funds. The project will be geared toward developing an interactive data system that generates and processes data, develops social indices, and updates the inventory of infrastructure and equipment of the available public and private social services, so that the data are current, consistent, relevant and of good quality.

III. THE SCOPE OF THE SYSTEM

- 3.1 The system will need to combine geographic data with statistics and data from government records, thereby providing users an analytical tool and reference that will:
- a. Provide basic social data to sharpen the focus of social policies and measures.
 - b. Make up a set of social and demographic indicators with respect to social services, establishing needs and target levels of coverage.
 - c. Do followup and periodic evaluations on the impact of social policies and resource allocation.
 - d. Supply statistical data to analyze the social conditions of the beneficiary population.

- e. Contribute to effective and efficient allocation of resources at the municipal level.
 - f. Coordinate the national government's investments, in the form of both matching funds and current expenditures, administered through the departmental prefectures and executed by the municipal governments.
- 3.2 Users of the system are those institutions subordinate to and associated with the Ministry of Human Development on its various levels:
- 1. National
 - a. Ministry of Human Development
 - b. General Secretariat of the Ministry of Human Development
 - c. Social policy analysis unit
 - d. National Health Secretariat
 - e. National Education Secretariat
 - f. National Secretariat to Promote Public Participation
 - g. National Secretariat of Ethnic, Gender-related and Generational Affairs
 - h. National Culture Secretariat
 - i. National Sports Secretariat
 - j. Development funds
 - 2. Departmental
 - a. Departmental prefectures
 - b. Sub-prefectures
 - c. Departmental secretariats of human development
 - d. Departmental secretariats to promote public participation
 - 3. Municipal

IV. DESCRIPTION OF FUNCTIONS

- 4.1 Compile, diagnose and analyze the data systems of the secretariats of the Ministry of Human Development, as well as the main features of their databases, methods of gathering data and data processing. This activity will be carried out in coordination with the party responsible for the information and training module of the social management support program. The consulting firm will be solely responsible for organizing and hiring the staff who will perform this function, whereas project supervision will be responsible for supplying the means to hold the meetings and talks needed to carry out this part of the project, based on timetables that the

consulting firm must prepare and deliver to project supervision sufficiently in advance.

- 4.2 Based on the diagnostic study and survey of the data systems, determine the users' information needs and the improvements needed both in training and in the use and implementation of existing systems. Prepare a proposal suggesting solutions and alternatives, detailing the advantages and disadvantages of each and specifying such aspects as the time needed to implement the solution, the technology to be used and, finally, the financial resources it will require. The consulting firm will be solely responsible for organizing and hiring the staff who will perform this function, whereas project supervision will be in charge of supplying the means to conduct the meetings and interviews needed to carry out this part of the project according to the timetables that the consulting firm is to prepare and deliver to project supervision sufficiently in advance.
- 4.3 The consulting firm will decide on and design all components of the system for the solution or alternative selected by the Ministry of Human Development. Components of the system are understood to be:
 - a. Users of the system (in accordance with the description given in Chapter II, Scope of the System).
 - b. Tabular database containing socioeconomic information.
 - c. Geographic database containing the geographic data to be correlated with the tabular data.
 - d. Data streams and their characteristics.
 - e. Computer equipment and programs required.
 - f. Training procedures and programs.
- 4.4 The consulting firm will be solely responsible for organizing and hiring the staff who will perform this function.
- 4.5 Based on the design and definition of components for the system, the bidding specifications will be prepared for procurement of the equipment and programs necessary for the system to run. This work will be done in coordination with project supervision, so that all legal regulations for bidding and awarding the equipment contracts are observed. The consulting firm will be solely responsible for organizing and hiring the staff who will perform this function, whereas the project will be responsible for procuring the equipment and programs.
- 4.6 Implementation of the system: implementation of the system will be understood as setting up the databases, implementing standards and procedures for compiling and disseminating data, installing equipment and programs, and training the personnel who will be in charge of managing the data system or systems. The consulting firm will be solely responsible for organizing and hiring the staff who will perform this function.

- 4.7 System startup and training of users: The consulting firm will be solely responsible for organizing and hiring the staff who will perform this function. It will also coordinate the training and startup with those responsible for project data and training.

V. EXPECTED RESULTS

- 5.1 The diagnostic and survey phase will be completed with approval of the diagnostic study of the information, database and human resource systems in the Ministry of Human Development.
- 5.2 The process of identifying the system's needs will be completed with approval of the following documents: (a) the plan for training human resources, by level, and improvements in the uses and implementation of the data systems in the Ministry of Human Development; (b) the data requirements of the system's users; a proposal for transferring data to the departmental prefectures and municipal governments approved.
- 5.3 The conceptual design phase will be considered completed with approval of the document proposing solutions and/or alternative solutions for introducing the new data system. This proposal is to include the advantages and disadvantages of each solution, and detail such aspects as:
- a. Coverage
 - b. Time of project implementation
 - c. Technology to be used
 - d. Training of human resources
 - e. Financial resources
- 5.4 The phase for procurement of computer equipment and programs will be considered completed upon approval of the document containing the bidding specifications for purchase of the computer equipment and programs to be used.
- 5.5 The design phase will be considered completed upon approval of the following documents: (a) an operating manual; (b) the description and features of each system component.
- 5.6 The training phase will be considered completed upon approval of the following documents: (a) human resource training manual for the various user levels; (b) manual of standards and procedures for design and implementation of new information systems within the Ministry of Human Development; (c) manual of standards and procedures for transferring information between institutions affiliated with the Ministry of Human Development, departmental prefectures and municipal governments.

- 5.7 The phase involving development and delivery of the system will be considered complete upon delivery of the system, functioning to project supervision's satisfaction.

VI. TIME FRAME AND COSTS

- 6.1 The life of the contract is 18 months. It will cost a maximum of US\$1,300,000, as shown in the attached preliminary budget.

TENTATIVE BUDGET

COMPONENT	IDB	LOCAL CONTRIBUTION	TOTAL
Consulting firm	600,000		600,000
Equipment	405,000	90,000	495,000
UDAPSO central module	73,000		73,000
National secretariats	96,000		96,000
Departmental prefectures	236,000	40,000	276,000
Departmental subprefectures		50,000	50,000
Software	115,000		115,000
UDAPSO central module	85,000		85,000
National secretariats	30,000		30,000
Others	20,000	70,000	90,000
Digitized mapping		30,000	30,000
Computerized cartograph		20,000	20,000
Contingencies	20,000	20,000	20,000
TOTAL	1,140,000	160,000	1,300,000

PROPOSED RESOLUTION DE- /96

BOLIVIA. LOAN FOR TECHNICAL COOPERATION /SF-BO FOR THE
SUPPORT OF A SOCIAL MANAGEMENT PROGRAM

The Board of Executive Directors

RESOLVES:

1. That the President of the Bank, or such representative as he shall designate, is hereby authorized, in the name and on behalf of the Bank, to enter into such agreements with the Republic of Bolivia and to adopt such other measures as may be necessary for the execution of the proposal referred to in Document____ with respect to a loan for technical cooperation to support a Social Management Program.

2. That up to the equivalent of US\$3,000,000 (three million dollars of the United States of America), is authorized for the purposes of this resolution, chargeable to the resources of the Fund for Special Operations.

3. That the above-mentioned sum is to be provided on a reimbursable basis, in accordance with the relevant conditions set forth in the corresponding Technical Cooperation Loan Agreement.