

Technical Cooperation (TC) Document

I. Basic Information for TC

▪ Country/Region:	REGIONAL
▪ TC Name:	Long-term care human resources and business ecosystem
▪ TC Number:	RG-T4162
▪ Team Leader/Members:	Stampini, Marco (SCL/SPH) Team Leader; Acevedo Calle, Daniela (LEG/SGO); Aleman, Marco Andres (VPC/FMP); Arguello, Marlene Zoraida (VPC/FMP); Beatrice Fabiani (SCL/SPH); Vanessa Curran (SCL/SPH)
▪ Taxonomy:	Research and Dissemination
▪ Operation Supported by the TC:	.
▪ Date of TC Abstract authorization:	22 Jul 2022.
▪ Beneficiary:	All IDB's borrowing member countries (except Haiti)
▪ Executing Agency and contact name:	Inter-American Development Bank (IDB)
▪ Donors providing funding:	OC SDP Window 2 - Social Development(W2E)
▪ IDB Funding Requested:	US\$175,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	36 months
▪ Required start date:	October 17, 2022
▪ Types of consultants:	Firms
▪ Prepared by Unit:	SCL/SPH-Social Protection & Health
▪ Unit of Disbursement Responsibility:	SCL/SPH-Social Protection & Health
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality; Gender equality

II. Objectives and Justification of the TC

- 2.1 **Justification and background.** Latin America and the Caribbean (LAC) is aging faster than any other region in the world. Aging is associated with an increased prevalence of care dependence, which is defined by: (i) difficulty in completing basic activities of daily living, such as bathing or showering, eating, using the toilet, dressing, moving around a room, or getting in and out of bed; and (ii) need of support from others to complete these activities. In 2015, there were 8 million care dependent persons older than 60 in LAC (with a prevalence of 12% in this age group, and 27% in the population older than 80). Because of demographic trends, this figure is estimated to grow to at least 27 million by 2050.¹
- 2.2 This noteworthy trend is taking place in an unfavorable context, in which the public supply of long-term care services is nearly nonexistent, and the market supply provided by private operators is limited and only accessible for high-income families. Less than 0.5% of the population over 60 lives in assisted-living or nursing homes,

¹ Cafagna, G. et al. (2019). "Envejecer con cuidado: Atención a la dependencia en América Latina y el Caribe". Banco Interamericano de Desarrollo. Available at: <https://publications.iadb.org/es/envejecer-con-cuidado-atencion-la-dependencia-en-america-latina-y-el-caribe>.

compared with 2% in European countries from the Organisation for Economic Co-operation and Development (OECD).

- 2.3 These long-term care needs are most often assumed by family members, usually women, who receive little support and training to perform this role and receive no payment or financial support. Unpaid care has been increasingly recognized as a cause of inequities and physical and mental distress and may lead to impoverishment by negatively affecting labor supply. Alongside the care provided by family members, there is an increasing number of individuals working in long-term care, either formally or informally, who also receive little training to perform this role. Currently, the care worker role is not recognized as a profession in many countries, which hinders adequate professionalization, certification, and labor protection.
- 2.4 Overall, there is little data on the long-term care workforce (paid and unpaid) in LAC. At the same time, there is lack of knowledge on how to create a business ecosystem that favors formal job creation and private sector participation in the long-term care sector. This data and knowledge are needed to support the development of the long-term care workforce and ensure that countries exploit the job creation potential of the sector.
- 2.5 **Objective.** The objective of this Technical Cooperation (TC) is to: (i) characterize the human resources of the long-term care sector in all IDB's borrowing member countries (except Haiti), through online survey data collection; and (ii) define the elements for the creation of a business ecosystem that favors formal job creation and private sector participation in the long-term care sector in the LAC region.
- 2.6 **Relevance.** This TC is a priority for the Social Sector because it will provide information that will be the basis for developing strategies to achieve a well-trained and remunerated long-term care workforce, which is a need highlighted in the Social Protection and Poverty Sector Framework Document (GN-2784-12). Additionally, it contributes to the development of the long-term care sector and the silver economy in collaboration with IDB Lab.
- 2.7 **Sustainability.** The products and results of this TC contribute to several IDB Group's lines of work, which guarantees that they will be sustainable and used for several years. In the Social Sector, the TC "Aging Facility: Regional Long-term Care Policy Network in Latin America and the Caribbean" (RG-T3839) is financing the development of the questionnaire that will be used for continued collection of long-term care workforce data. This questionnaire will be open source and available for continued use. Data will be made available for use by researchers in the LAC region through the [Social Sector's data lake](#). In addition, the products and results of this TC are of fundamental importance for the Aging Facility: Strengthening Capacity for Health, Long-Term Care and Social Services (RG-O1682, ATN/CF-18164-RG), funded by the French Development Agency (*Agence Française de Développement – AFD*). The execution of this facility guarantees that the IDB will continue to pursue knowledge and operational work on the care workforce. Finally, the products and results of this TC contribute to the IDB Lab's silver economy agenda.
- 2.8 **Strategic Alignment.** This TC is aligned with the IDB's Vision 2025 (AB-3266) because it contributes to developing a sector that has the potential to create formal jobs, rebalance the burden of unpaid family care between men and women, and strengthen social protection systems, all while supporting the economic recovery of the LAC region. Similarly, it is aligned with the Second Update to the Institutional Strategy (AB-3190-2) for its contribution to Gender Equality and Diversity by

characterizing a workforce that is predominantly female and contributing to its professionalization². It is also consistent with the Social Protection and Poverty Sector Framework Document (GN-2784-12), which underscores the importance of developing a well-trained and remunerated long-term care workforce. Furthermore, the TC is aligned with OC SDP Window 2 – Social Development (W2E) as established in GN-2819-14 for its focus on inclusive social development including gender and diversity.

- 2.9 **Expected Results.** This TC will produce a data set and a study characterizing the long-term care workforce in all IDB borrowing member countries (except Haiti, because the survey instrument is not available in French, and because the care sector is not a priority in the country policy agenda). As mentioned in paragraph 2.7, the data set will be made available to researchers through the [Social Sector's data lake](#). Additionally, this TC will produce a plan for the construction of a long-term care ecosystem, of general relevance for the countries of the LAC region.

III. Description of activities/components and budget

- 3.1 **Component I: Analysis of long-term care human resources.** This component will support the collection and analysis of data on long-term care workforce in all IDB borrowing member countries (except Haiti). The collection will be done online in all countries of the region (except Haiti) and possibly in person in one country that will be selected based on availability of a representative sample. It will use a survey instrument that is currently being developed and tested by the IDB under TC Aging Facility: Regional Long-term Care Policy Network in Latin America and the Caribbean (ATN/CF-18555-RG). The questionnaire will include modules on paid and unpaid care providers. The data will be analyzed to produce a report that characterizes the long-term care workforce (covering workload, training, salary, etc.). In case personal data and/or confidential information is collected, IDB's procedures and rules on privacy protection will be followed in consultation with VPF/ADS, ITE, BDA/Records and LEG. The products of this component include a data set and a report that describes the characteristics of paid and unpaid caregivers in the region. In terms of results, it is expected that data will be collected on at least 20,000 caregivers. Products and results of this component will be disseminated through the meetings of the Long-Term Care Policy Network in Latin America and the Caribbean (RedCUIDAR+; <https://www.iadb.org/en/panorama/redcuidar>) and the webinars of Panorama of Aging and Long-Term Care (<https://www.iadb.org/en/panorama/about-panorama>).
- 3.2 **Component II: Plan for the creation of a long-term care business ecosystem.** This component will support the definition of a plan for the creation of a business ecosystem that favors formal job creation and private sector participation in the long-term care sector in the LAC region. This plan will define the necessary elements of the business ecosystem (e.g., governance, human resources, business incubators, funding scheme and incentives), and the order in which they need to be supported. The product of this component will be a report that contains a plan for the creation of a long-term care business ecosystem. The result will be the adaptation of this plan to a specific country (to be defined as part of the work), for which it will be ready for

² In Costa Rica, for example, 80% of caregivers of dependent older adults are women. Additionally, in Colombia, women who work outside the home and care for a family member spend 40 hours a week on their jobs, while those who only work and do not care for elderly in the family spend 44 hours a week on their jobs.

implementation. This will be disseminated through the meetings of the Long-Term Care Policy Network in Latin America and the Caribbean (RedCUIDAR+; <https://www.iadb.org/en/panorama/redcuidar>) and/or the webinars of [Panorama of Aging and Long-Term Care \(https://www.iadb.org/en/panorama/about-panorama\)](https://www.iadb.org/en/panorama/about-panorama).

- 3.3 **Budget.** The total cost of this TC is US\$175,000.00, funded by the OC SDP Window 2 - Social Development (W2E) fund, without any counterpart funding.

Indicative Budget

Activity/Component	Description	IDB/OC SDP Window 2 - Social Development (W2E) fund	Total Funding
Component I: Analysis of long-term care human resources.	This component will support the collection and analysis of long-term care workforce in the LAC region.	US\$130,000.00	US\$130,000.00
Component II: Plan for the creation of a long-term care business ecosystem.	This component will support the definition of a plan for the creation of a business ecosystem in the LAC region.	US\$45,000.00	US\$45,000.00
Total		US\$175,000.00	US\$175,000.00

- 3.4 The IDB shall own all intellectual property rights in relation to any material developed with the resources of the TC.

IV. Executing agency and execution structure

- 4.1 This TC will be executed by the IDB's Social Protection and Health Division (SCL/SPH). The team leader assigned to this TC will be responsible for the supervision and execution.
- 4.2 In accordance with the Operational Guidelines for Technical Cooperation Products (OP-619-4) or its current version, the justification for the IDB to execute this TC operations is because the subject matter is new to policymakers in the LAC region and countries have recognized the technical and operational expertise of the IDB, which allows for a more effective implementation of the activities financed by the TC.
- 4.3 **Procurement.** All activities to be executed under this TC have been included in the Procurement Plan Annex and will be contracted in accordance with IDB policies as follows: (a) AM-650 for Individual Consultants; (b) GN-2765-4 and Guidelines OP-1155-4 for Consulting Firms for services of an intellectual nature; and (c) GN-2303-28 for logistics and other related services. A simplified competitive selection will be used for both components. For Component 1, we will build on the proposals received for a competitive process implemented under ATN/CF-18555-RG. For Component 2, the small amount of the consultancy allows to consider this procurement method.

V. Major issues

- 5.1 There is a risk that the data on long-term care workforce collected through the online survey is not representative of the overall population of interest, as: (i) participation will be voluntary; and (ii) some disadvantaged categories of caretakers may have limited access to technology that allows for participating in an online survey. This risk will be monitored to ensure that the socioeconomic characteristics of the respondents match

those of the population of interest, as reported in other sources (e.g., labor force surveys, time-use surveys). In addition, the survey will be promoted in social media and through associations of care workers to maximize participation in all socioeconomic levels of the care workforce.

VI. Exceptions to IDB policy

6.1 None.

VII. Environmental and Social Strategy

7.1 This TC will not finance feasibility or pre-feasibility studies of investment projects with associated environmental and social studies; therefore, it is excluded from the scope of the Bank's Environmental and Social Policy Framework (ESPF).

Required Annexes:

[Results Matrix - RG-T4162](#)

[Terms of Reference - RG-T4162](#)

[Procurement Plan - RG-T4162](#)