

PROGRAM FOR CIVIL SOCIETY AND ACCESS TO JUSTICE

(BO-0177)

EXECUTIVE SUMMARY

BORROWER AND: Republic of Bolivia
GUARANTOR:

EXECUTING AGENCY: Ministry of Justice and Human Rights

AMOUNT AND SOURCE: IDB: US\$2.7 million (FSO)
Local contribution: US\$0.3 million
Total: US\$3.0 million

FINANCIAL TERMS AND CONDITIONS: Amortization period: 40 years
Disbursement period: 4 years
Grace period: 10 years
Interest rate: 1% for the first
10 years and 2% for the
30 years thereafter
Inspection and supervision: 1%
Credit fee: 0.5%

OBJECTIVES: The objective of the program is to help the most vulnerable segments of the population gain access to justice and awareness of their rights by strengthening the mechanisms for the participation of civil society in the sector.

DESCRIPTION: To attain the stated objective, the program has two components:

- a. Projects with civil society: This component, to which most of the program's resources (75%) will be allocated, will channel resources to projects by civil society organizations whose objectives are to: (i) strengthen and expand the services they provide to their beneficiaries in the area of access to justice; and (ii) train and educate the most vulnerable sectors of the population in their rights.
- b. Technical assistance: This component, which accounts for 5% of the program's resources, will be used to: (i) conduct training and dissemination activities designed to strengthen project design and management skills and to promote the use of the program's resources among potential program beneficiaries; (ii) conduct

periodic evaluations to assess the accomplishment of the program's objectives and its impact; and (iii) design an information, statistics, and control system for management of the program and its projects.

**ENVIRONMENT AND
SOCIAL IMPACT
REVIEW:**

During the review process, no comments or recommendations were made with respect to the environmental or social impact of the proposed project.

BENEFITS:

The program will have a significant social impact since it is designed to improve access to justice and provide civic training for the most vulnerable segments of society (women, children, youth, and indigenous groups).

The program will contribute to establishing a mechanism for the participation of civil society and to improve the relationship between civil society and the State, by allowing civil society organizations to execute their projects in cooperation with the public sector in this area.

RISKS:

The most significant risk for program execution concerns the impartiality, transparency, and credibility that must exist in the project ranking process. This risk will be mitigated by the establishment of a review panel and the Operating Regulations of the program.

Additionally, a potential lack of awareness of the program's existence on the part of potential beneficiaries and the organizations that represent them may affect the demand for program resources. This risk will be mitigated by the activities for program dissemination planned and project preidentification already carried out.

Another risk concerns the execution capacity of the participating social organizations. To minimize this risk, the program calls for technical assistance to strengthen their project design and management capacity.

Lastly, there is a risk relating to the financial sustainability of the projects supported and of the organizations that apply. To minimize this risk, the Operating Regulations will help ensure project continuity and financial sustainability, demonstrate the financial soundness of the institutions and avoid the establishment of organizations solely to gain access to the program. Thus, for example, a

participating institution must have other sources of financing, must have been in operation for more than three years, and must make a minimum contribution of 10% to the project.

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

The main objective of the Bank's strategy for Bolivia is to reduce poverty, following three lines of action: (i) economic growth and creation of opportunities; (ii) development of human capital and access to basic services; and (iii) governability and consolidation of institutional reforms.

The program is consistent with this strategy, particularly with regard to the development of human capital and facilitating access to basic services for the poorest segments of the population, as well as consolidating reforms to support modernization of the State and the strengthening of civil society.

The program is also consistent with the Bank's overall strategy and with the efforts of the various agencies for international cooperation involved in this sector.

**SPECIAL
CONTRACTUAL
CONDITIONS:**

Prior to the first disbursement of the loan, the executing agency must submit evidence to the Bank's satisfaction that: (i) it has entered into a subsidiary agreement with the Ministry of Finance, establishing the terms and conditions for the transfer of the loan proceeds (paragraph 3.2); (ii) it has set up the Technical Executing Unit (TEU), the staff of which has been selected, and has devised the mechanisms for managing the program resources (paragraph 3.5); (iii) it has selected and established the review panel in accordance with the terms agreed upon with the Bank (paragraph 3.9); and (iv) the Operating Regulations of the program have entered into force, in accordance with the terms agreed upon with the Bank (paragraph 3.10).

Up to US\$30,000 equivalent in costs incurred by the OAS for the selection and evaluation of the members of the review panel and the TEU and for procurement of the equipment necessary for TEU operation will be recognized as part of the local counterpart contribution (paragraphs 3.3 and 3.18).

**POVERTY TARGETING
AND SOCIAL SECTOR
CLASSIFICATION:**

This operation qualifies as a poverty-targeted and social equity-targeted project, as described in the key objectives for the Bank's activities set forth in the Report on the Eighth General Increase in Resources. It is estimated that the program will directly benefit 20,398 individuals from the poorest

segments of society, representing 85.4% of all the individuals who will receive direct assistance through the program (paragraphs 4.3 to 4.5).

**EXCEPTIONS TO
BANK POLICY:**

The program does not call for any exceptions to Bank policy.

**PROCUREMENT OF
GOODS AND
CONSULTING
SERVICES:**

The Bank's current policy will be followed for the procurement of goods and consulting services to be financed with the program resources. Since the maximum amount per project that the program will finance is the equivalent of US\$40,000, international competitive bidding procedures will not be required for the procurement of either goods or consulting services. Projects financed under the program will be reviewed ex post by the Bank's Country Office in Bolivia to verify compliance with the Bank's procurement procedures, based on an analysis of a representative sample of the projects (paragraphs 3.16 and 3.25).

I. BACKGROUND

A. General framework

- 1.1 Social development indicators in Bolivia are among the lowest in the region. According to the country's poverty map, 72.5% of the population is living in poverty, meaning that the income they earn does not enable them to meet their basic needs for housing, healthcare, and education; 33% of the population lives in extreme poverty, meaning that they cannot meet their minimum nutritional requirements. In rural areas, the situation is critical, with 90% of the population living in poverty and 70% in extreme poverty.
- 1.2 The most vulnerable groups among the population are women, young people, children, and indigenous communities (the latter account for approximately 60% of the population). The illiteracy rate for rural women is nearly 50%. Thirty percent of children in rural areas do not attend school, and only 36% of those who begin first grade complete their education.
- 1.3 In this context of poverty and limited education levels, rights and justice are particularly important for ensuring social peace, among other things. Each of these social groups requires legal aid, guidance, and defense, and assistance for conflict resolution. With regard to children and youth, the most common problems are a lack of parents, abuse and abandonment, as well as juvenile delinquency. For women, problems include domestic violence, abandonment, abuse, lack of support, child custody disputes, and workplace discrimination. With regard to indigenous peoples, key topics are property rights and respect for indigenous customs and practices.
- 1.4 There is a consensus, reflected in recent legislation, that a significant number of these matters could be resolved outside the public sector system through separate alternative mechanisms for support, guidance, and out-of-court conflict resolution. Access to the justice system for these social groups is limited not only because of a lack of financial means, but also because of their limited awareness of their basic rights and the mechanisms that exist to ensure respect for those rights.
- 1.5 Most of the cases submitted to the system are neglected. Regarding violence against women and children, for example, in 1998 more than 80,000 reports were filed, of which only 12% were resolved, either through out-of-court settlements or through legal action, and 33% are still pending. The remaining 55%, approximately 44,000 cases, remain unheard.
- 1.6 It must be emphasized that the figures cited in the previous paragraph refer to cases that have been reported, and consequently exclude those that remain unreported, where a large part of the

problem is hidden. This implies that there is not only a lack of awareness of the system on the part of the very poor, but a lack of confidence as well, since they perceive a lack of adequate mechanisms and means to access the system.

- 1.7 To resolve this problem, the process of judicial reform that is under way in Bolivia includes legitimizing and promoting the participation of civil society in this sector. An increasing number of civil society organizations in Bolivia provide, among other services, legal aid or representation, alternative dispute resolution, awareness-raising, and training.
- 1.8 To design the operation, 38 of these organizations were examined as a representative sample. Thirty-seven percent of them offer services exclusively in the areas of legal aid and alternative dispute resolution, and 18% in training, dissemination, and awareness-raising. The remaining 45% offer services in all the areas cited. Thirteen percent of these organizations serve women only; 11% children; and 32% indigenous peoples. The remaining 44% offer services without distinction to more than one of these groups. The following table presents details of the sample analyzed:

| SAMPLE OF CIVIL SOCIETY ORGANIZATIONS PARTICIPATING IN THE JUSTICE SECTOR (Number of organizations by service provided and beneficiaries served) | | | | |
|---|---------------------|-----|-----|-------|
| Beneficiaries served | TYPE OF SERVICE: 1/ | | | |
| | ADR and TDA | ADR | TDA | TOTAL |
| Women | 4 | | 1 | 5 |
| Children | 1 | 3 | | 4 |
| Indigenous Groups | 5 | 6 | 1 | 12 |
| Women and Children | 3 | 5 | | 8 |
| Women and Indigenous Groups | 3 | | 1 | 4 |
| Women, Children, and Indigenous Groups | 1 | | 4 | 5 |
| TOTAL | 17 | 14 | 7 | 38 |

Type of services includes: legal aid, legal representation, and alternative dispute resolution (ADR); training, dissemination, and awareness-raising (TDA)

- 1.9 However, the contribution of these organizations to the sector is in its initial stages, and is limited by a lack of experience and resources. During the preparatory phase of the operation, a significant demand that is not met by these organizations was detected, identifying a sample of 32 projects that combine a series of assistance activities to resolve cases through legal defense, community mediation, multidisciplinary support for victims of violence, training and citizen information.

B. Regulatory and institutional framework of the justice sector

- 1.10 The structural reforms of recent years seek to consolidate a decentralized, regulatory, and participatory State that will generate the conditions for sustainable development. This reform process implies strengthening democratic institutions, promulgating a new regulatory framework, and establishing closer ties between the State and civil society.
- 1.11 With regard to the justice system, the reforms cited above involve a profound institutional transformation aimed at resolving the problems and limitations of the system, as well as overcoming barriers to citizen access to the system and attacking the various levels of corruption. This process has created space for responsible action on the part of civil society organizations in the sector and for the recognition of new mechanisms for conflict resolution in grassroots communities.
- 1.12 The Ministry of Justice and Human Rights (which had ceased to exist over 100 years ago) was reestablished in 1993 to serve as the governing body, setting standards for operation of this sector. Among other activities, the ministry prepares draft legislation for improving the justice system, organizes the public defense system for which it is responsible, and opens offices in high-conflict areas to promote respect for human rights on the part of public and private authorities.
- 1.13 The Constitutional Court was established to exercise control over constitutionality, for the purposes of preventing the abuse of public power and ensuring the full respect for individual rights and guarantees. The Judiciary Council was established as an administrative and disciplinary body for the Judiciary. The National Ombudsman was established to see to it that the rights and guarantees of individuals are in effect and respected in the administrative activity of the entire public sector, and to defend human rights.
- 1.14 Operational independence was granted to the Office of the Public Prosecutor as the body responsible for representing society and the State in prosecuting criminal offenses. A new regulatory framework was adopted, creating space for civil society organizations to participate in such areas as conciliation and services for the family, women, children, domestic violence, and the traditional, community, and indigenous justice systems.
- 1.15 The legal framework through which these changes were instituted consists of the Constitution of Bolivia, the draft Code of Criminal Procedure, the Citizen Participation Act, the Law against Domestic Violence, the Law on Arbitration and Conciliation, and the Law on the Administrative Decentralization of the Executive, among other laws.

- 1.16 Offices outside of the court system have been created for conflict resolution, such as the offices for the defense of children and adolescents, the family protection squads of the police, and the offices of the public prosecutor for family matters. Additionally, as mentioned above, many nongovernmental organizations have begun to provide legal aid and guidance, and to apply the new procedures for conciliation and mediation referred to above. Likewise, Article 171 of the Constitution provides that the natural authorities in indigenous communities and in rural communities may follow their own traditional procedures as an alternative method for dispute resolution, in keeping with their customs, provided that these are not contrary to the Constitution and national legislation.

C. Bank strategy and participation by other agencies for international cooperation

- 1.17 The central objective of the Bank's strategy for Bolivia is poverty reduction, and is comprised of three lines of action: (i) economic growth and the creation of opportunities; (ii) development of human capital and access to basic services; and (iii) governability and consolidation of institutional reforms.
- 1.18 The program is consistent with this strategy, particularly with regard to the development of human capital and facilitating access to basic services for the poorest segments of the population, as well as modernization of the State and the strengthening of civil society. The program is also consistent with the Bank's overall strategy and with the efforts of the various agencies for international cooperation involved in the sector.
- 1.19 As a result of the mandate of the Eighth General Increase in the Resources of the Bank, since 1994 special emphasis has been placed on the preparation and execution of projects in the social sectors, focusing on the fight against poverty, as well as in the area of modernization of the State and the strengthening of civil society. Currently, of the 29 ongoing projects in Bolivia, 10 involve the social sectors, totaling US\$490 million, and seven are for public sector reform, totaling US\$107 million. However, the Bank has no experience with projects that promote the participation of civil society in the justice sector.
- 1.20 External support for the justice sector is provided mainly by the United States Agency for International Development (USAID) and the World Bank. Also involved in this sector are the European Union, the United Nations Development Programme (UNDP), and the governments of Canada, Denmark, Germany, Spain, Sweden, and Switzerland. The Embassy of the Netherlands, with the participation of the Latin-American Human Rights Association (ALDHU), has financed some diagnostic studies, particularly with regard to criminal procedure.

- 1.21 Most of the efforts undertaken with the external support mentioned above focus essentially on the legislative and institutional development of the new constitutional framework, and on activities for strengthening the institutions involved.
- 1.22 USAID has allocated US\$2.1 million for the justice sector for the period from 1998 to 2002, including technical assistance for preparation of the legal documents establishing the Constitutional Court and the National Judiciary Council, and for initial implementation of the new Code of Criminal Procedure and the respective training plans. The World Bank is executing a US\$12.75 million project (2705-BO), and is currently evaluating the possibility of preparing a second phase of it. The project supports the administrative and organizational system of the Judiciary, implementation of the Judiciary Council, management of civil matters, and strengthening of the Ministry of Justice and Human Rights.
- 1.23 The Bolivian government and the Bank have reviewed the various projects that the justice sector is promoting in the country, and their respective plans for financing, particularly with USAID and the World Bank, in order to ensure complementarity among the various initiatives. It was agreed that the support of the IDB would focus on those complementary aspects for which fewer resources have been committed, in the area of access to justice by the poorest segments of the populations in Bolivia and strengthening channels for the participation of civil society in the sector.

II. THE PROGRAM

A. Objective

- 2.1 The objective of the program is to help the most vulnerable segments of society gain access to justice and improve their awareness of their rights by strengthening mechanisms for the participation of civil society in the sector.

B. Description

- 2.2 In order to attain this objective, the program has two components:

1. Civil society projects (US\$2.26 million)

- 2.3 This component, to which most of the program's resources (75.3%) are allocated, will channel resources to projects by civil society organizations whose objectives are to: (i) strengthen and expand the services they provide to their beneficiaries in the area of access to justice; and (ii) train and educate the most vulnerable segment of the population with respect to their rights.

- 2.4 The civil society projects will be designed to:

- a. Offer legal aid and legal defense to the beneficiaries; strengthen the agencies where alternative methods are being used for conflict resolution, assigning priority to developing local and community mediation; develop and provide multidisciplinary services for victims of violence; strengthen indigenous methods of dispute resolution; and support, through civil society organizations, the regional activities of the National Ombudsman that meet the program objectives.
- b. Support activities for training in citizens' rights; dissemination of those rights through campaigns against domestic violence and child abuse, and support for parent identification campaigns; training of law students and students of social work, low-income school children, and incarcerated individuals in their rights and obligations; and raising awareness among government officials and judicial system operators of the importance of access to efficient, effective justice, respect for the customs and practices of rural and indigenous communities, and for human rights.

- 2.5 The projects will be classified as follows:

- a. **Legal aid and representation:** these projects will be designed basically to provide professional, multidisciplinary services in cases involving children who are victims of abandonment, abuse, or unknown parents; juvenile delinquents; women who are

victims of abandonment or violence; youths with behavioral problems or who have committed minor offenses; incarcerated individuals; indigenous communities that are negotiating or defending their property rights; and support, through civil society organizations, for the regional activities of the National Ombudsman.

- b. **Alternative dispute resolution methods:** these projects will be designed, mainly through multidisciplinary professional services to establish or strengthen centers for community mediation to serve program beneficiaries, and to support the conflict resolution methods of rural and indigenous communities that are recognized by law.
 - c. **Training:** mainly through courses and workshops, these projects are designed to carry out training and education activities targeting students of law, social work, psychology, and communications, schoolchildren in public schools in poor areas, and incarcerated individuals, in their rights and obligations.
 - d. **Dissemination and awareness-raising:** these projects consist of workshops and dissemination activities on the importance of access to efficient and effective justice and respect for the customs and practices of rural and indigenous communities and for human rights. The projects will target: (i) the program beneficiaries, through campaigns against domestic violence and child abuse, and support for parent identification campaigns; and (ii) government workers in areas relating to the program and judicial system operators.
- 2.6 For project submittal, approval, and implementation, Operating Regulations will be devised, establishing the criteria for the eligibility of organizations, project eligibility and prioritization, and the parameters for evaluating project performance, monitoring and sustainability. The Bank will conduct an ex post review of project selection and approval procedures by random sampling.
2. Technical assistance (US\$150,000)
- 2.7 The resources allocated to this component, representing 5% of the program resources, will be used to:
- a. carry out training and dissemination activities, specially designed to strengthen project design and management skills and to promote the use of the program's resources among the potential program beneficiaries;
 - b. conduct periodic evaluations of the attainment of program objectives and program impact (paragraph 3.25); and

- c. design the information, statistics, and control system for program and project management.

C. Sizing and scope of the program

- 2.8 Based on the analysis of the sample of 32 civil society organization projects in the area of access to justice, the program will have the capacity to support a total of 83 projects, 73 of which will directly target the beneficiaries - women, children, youth, and indigenous peoples - at an average cost of US\$30,000 per project. Approximately 15 of the projects are ready to be processed for consideration under the program.
- 2.9 An estimated 65 projects will support the resolution of cases that have been reported but have not yet been heard by the system. These projects make it possible to serve approximately 11,375 cases (175 per project), benefiting 18,958 individuals, in accordance with the following table:

| Projects | Amount (in US\$ thousands) | No. of projects | No. of cases | Beneficiaries |
|-------------------|-------------------------------|--------------------|--------------|---------------|
| Women | 420 | 14 | 2,450 | 4,083 |
| Children | 930 | 31 | 5,425 | 8,904 |
| Youth | 210 | 7 | 1,225 | 2,042 |
| Indigenous groups | 390 | 13 | 2,275 | 3,929 |
| Total | 1,950 | 65 | 11,375 | 18,958 |

- 2.10 The program will finance approximately eight training projects for the target group, directly benefiting 1,440 low-income individuals.
- 2.11 Additionally, some 10 projects will be financed at an estimated cost of US\$7,000 each, for training activities for students and professionals, and to raise awareness among judicial system operators, training 3,500 individuals.

D. Cost and financing

- 2.12 The total cost of the program is estimated at the equivalent of US\$3 million, which will be financed with a loan in the amount of US\$2.7 million (FSO) and a local counterpart contribution of US\$300,000. The cost is broken down by source of financing and investment category in the following table:

| CONSOLIDATED BUDGET BY COMPONENT (In US\$ in thousands) | | | | |
|--|------------|--------------|--------------|----------|
| BUDGET CATEGORY | IDB | LOCAL | TOTAL | % |
| <u>Program management and administration</u> | 391 | 88 | 479 | 16.0 |
| 1. Consulting services (*) | | | | |
| 2. Equipment | 352 | 33 | 385 | |
| 3. General support and services | 39 | 11 | 50 | |
| | 0 | 44 | 44 | |
| Civil society projects | 2,048 | 212 | 2,260 | 75.3 |
| <u>Technical assistance</u> | 150 | 0 | 150 | 5.0 |
| (Consulting services) | | | | |
| 1. Dissemination and training | 80 | 0 | 80 | |
| 2. Information system design | 10 | 0 | 10 | |
| 3. Evaluations | 60 | 0 | 60 | |
| SUBTOTAL | 2,589 | 300 | 2,889 | 96.3 |
| <u>Other costs</u> | 111 | 0 | 111 | 3.7 |
| 1. Interest and fees | 42 | 0 | 42 | |
| 2. Inspection and supervision | 27 | 0 | 27 | |
| 3. External auditing | 20 | 0 | 20 | |
| 4. Contingencies | 22 | 0 | 22 | |
| TOTAL | 2,700 | 300 | 3,000 | 100.0 |
| % | 90.0 | 10.0 | 100.0 | |

(*) Includes US\$30,000 in local contributions to hire the OAS.

- 2.13 In addition, the civil society organizations participating in the program must contribute a minimum of 10% of the cost of each project, as one of the requirements for project sustainability.

III. THE BORROWER AND PROGRAM EXECUTION

A. Institutional framework

1. Borrower

- 3.1 The borrower will be the Republic of Bolivia, represented in the loan contract by the Ministry of Finance.

2. Executing agency

- 3.2 The executing agency of the program will be the Ministry of Justice and Human Rights, which will have a Technical Executing Unit (TEU) that reports to the Office of the Minister, and a review panel as the project approval unit. The borrower will sign a subsidiary agreement with the executing agency, establishing the terms and conditions for transferring the resources of the Bank loan and local counterpart contribution. The agreement must be signed as a condition precedent to the first disbursement.
- 3.3 Specialized services by the Organization of American States (OAS) will be hired prior to program startup, and charged against the local counterpart contribution, to guarantee the transparency and objectivity of the selection and appointment process for the members of the review panel and the TEU staff, and of the procedures for procurement of the furnishings and equipment needed for operation of the TEU.

3. Technical Executing Unit (TEU)

- 3.4 The TEU, headed by a general coordinator, will be established and will be responsible for the analysis, monitoring, and evaluation of the projects submitted by civil society organizations, and for program accounting and financial administration.
- 3.5 The TEU will be divided into the following groups, each of which will be the responsibility of a specialized coordinator:
- a. Technical project analysis and monitoring: responsible for designing and executing a program dissemination plan; providing assistance to civil society organizations; processing project applications and documentation to be submitted to the review panel; monitoring and evaluating projects; identifying any additional consulting services required to support its operation, preparing the respective terms of reference, and hiring and supervising the services; and
 - b. Administration and finance: responsible, among other things, for the financial administration and accounting of the program

resources, administrative procedures, accounting records, and the administrative management of contracts.

- 3.6 The TEU will be staffed by highly qualified personnel, the terms of reference for whom will be included in the Operating Regulations of the program. The TEU must be selected, its staff selected, and mechanisms for managing the program resources instituted as a condition precedent to the first disbursement of the loan.

4. Review panel

- 3.7 In order to ensure impartiality in the approval and ranking of projects submitted by eligible civil society organizations, a review panel will be set up as an independent, representative decision-making body. Panel members will be selected based on sector credibility, knowledge of the program issues, diversity in panel membership, and proximity to vulnerable groups.
- 3.8 In this regard, it was agreed with the government that the panel would be made up of members from each of the following institutions: (a) the Ministry of Justice and Human Rights, which will chair the panel; (b) the National Union of Institutions for Social Action Work (UNITAS); (c) the Association of Institutions of Advancement and Education (AIPE); (d) the Bishops Conference of Bolivia; and (e) the Bolivian Association of Journalists. It should be noted that UNITAS and AIPE represent most of the social organizations involved in the area addressed by the program.
- 3.9 The members of the review panel must fit a specific technical profile, which will be included in the Operating Regulations of the program, and will be selected based on short lists that each of the above-mentioned institutions will submit through the specialized agency. The review panel members must be selected as a condition precedent to the first disbursement of the loan.

B. Operating Regulations

- 3.10 The program will have Operating Regulations that establish the eligibility criteria for the participating organizations and the projects, the parameters for project prioritization and sustainability, and the evaluation mechanisms for project monitoring and performance. Prior to the first disbursement of the financing, the executing agency must submit evidence that the Operating Regulations have entered into force, in the terms agreed upon with the Bank. The key elements of the Regulations are described below.

1. Eligibility of participating organizations

- 3.11 The entities eligible to submit projects are community associations, nongovernmental organizations, religious organizations, regional grassroots organizations, universities, and

professional associations. The organizations must meet the following requirements: (i) they must be legal entities under Bolivian law; (ii) they must have no less than three years of experience; (iii) they must demonstrate sufficient capacity on the part of their executive teams; and (iv) they must demonstrate that the financial position of the institution ensures its continued presence in the sector. Priority will be given to those institutions that have greater professional experience in the area covered by the proposal and that offer, where necessary, better mechanisms for project sustainability.

2. Stages in project processing

- 3.12 The process of project processing and execution will have four stages: (i) dissemination of the program and identification of projects, which will include the use of the mass media and workshops; (ii) receipt of proposals, during which stage the eligibility of the project and of the applicant institution will be verified; (iii) analysis and ranking, during which projects assigned the highest priority will be approved; and (iv) execution, evaluation, and follow-up.

3. Project eligibility

- 3.13 To prioritize projects, the following criteria will be taken into account: (i) type of beneficiary served, seeking broad-based coverage in access to justice among the target population (see table in paragraph 2.9); (ii) the poverty level of the beneficiaries, with priority given to the poorest; (iii) the ratio of the number of beneficiaries to the cost of the project, granting priority to those that benefit a greater number of individuals at a lower cost; (iv) project location, with preference given to projects that are executed in the poorest areas that are the most distant from the capital; and (v) sustainability, with preference given to those institutions that guarantee greater continuity for those projects that may require it upon completion. The maximum amount for each project will be the equivalent of US\$40,000.

4. Project processing

- 3.14 The TEU will carry out the following activities during project processing: (i) analyse and determine the eligibility of the institution submitting a proposal, and offering assistance where necessary; (ii) review projects to determine whether they meet the eligibility criteria established in the Regulations; (iii) visit the area where the project will be executed and hold meetings with the executive team; (iv) identify, in special instances, the need to hire consulting services; and (v) forward applications that meet the eligibility criteria to the review panel for final consideration.

- 3.15 At least one week prior to the meeting of the review panel, the general coordinator of the TEU will send the technical files of each project proposal that will be evaluated to the panel members, along with a summary of the project and a technical report, including information on the visit to the area. The panel will meet periodically, upon notice from its chair, as required depending on project demand. The panel will have the authority to approve or reject the projects submitted, according to the established criteria for eligibility and prioritization. Projects approved by the panel will be forwarded to the TEU for processing and execution.
- 3.16 Once an application has been approved, the TEU will enter into an agreement with the respective organization, governing project execution and the rights and obligations of each party. The Bank's procedures will be followed for the procurement of goods and consulting services for each project. The applicant organization will provide a bank guarantee or an enforceable written guaranty equivalent to 100% of the amount of each disbursement made to it, which may be executed in case of nonperformance.
- 3.17 The TEU will supervise the technical execution and the accounting and financial administration of the projects, and will evaluate their impact. The Bank's Country Office in Bolivia will conduct an ex post review, through random sampling, of compliance with the project selection and approval procedures established in the Operating Regulations.

C. Recognition of previous expenditures

- 3.18 Up to the equivalent of US\$30,000 in expenses incurred after February 3, 1998 for program execution to hire the OAS as a specialized agency, will be recognized by the Bank as part of the local counterpart contribution.

D. Execution and disbursement periods

- 3.19 The execution period of the program is estimated at 3.5 years, and the disbursement period, 4 years. The program will be administered as a technical-cooperation loan, in accordance with the following disbursement schedule:

| DISBURSEMENT SCHEDULE (in US\$ in thousands) ^{1/} | | | | |
|---|---------|------------------|-------|------------|
| Year | IDB/FSO | Government | Total | Percentage |
| 1 | 544 | 75 ^{2/} | 619 | 20.6 |
| 2 | 761 | 75 | 836 | 27.9 |
| 3 | 826 | 75 | 901 | 30.0 |
| 4 | 589 | 75 | 664 | 21.5 |
| Total | 2,700 | 300 | 3,000 | 100.0 |

^{1/} The details of this table can be found in the technical files of the program.

^{2/} This figure includes recognition of expenditures to hire the OAS.

- 3.20 The program resources will be disbursed through the Central Bank, which will deposit the funds in a special account that will be opened in a commercial bank in the name of the TEU. If the deposits generate interest, the interest must be invested in the program as part of the local counterpart contribution, and must be used for the purposes of the program.

E. Revolving fund

- 3.21 For execution of this program, which comprises approximately 80 geographically scattered projects in amounts ranging from US\$7,000 to US\$40,000 each, with average execution periods estimated at six months, a revolving fund will be established in the amount of 20% of the financing. This percentage will help ensure the necessary flexibility for proper program implementation, allowing enough time between replenishments of the fund to maintain a pace of project execution consonant with the program goals and objectives and to compile the required information and prepare requests for replenishment. A smaller percentage would mean repeated replenishments, hindering administrative management of the operation and limiting the capacity for project approval and execution within the established time frames.

F. Periodic evaluations

- 3.22 The program calls for hiring international consulting services to conduct semiannual evaluations of attainment of the program objectives and progress in program execution, including technical as well as financial and accounting information. These evaluations will include analysis by sampling of a number of the projects being financed in whole or part by the Bank.

G. External auditing

- 3.23 Throughout the program execution period, until the final report is processed, the borrower will present audited financial statements of the program within 120 days after the end of each fiscal year. The financial statements will be audited by independent public accounting firms acceptable to the Bank. In addition, the external

auditors will selectively audit, in accordance with their procedures, a representative sample of the projects financed (in whole or in part) with program resources.

H. Program supervision

- 3.24 The program will be supervised by the Bank's Country Office in Bolivia. Semiannual program reviews will be conducted jointly with the TEU, starting with the first six-month period of execution, based on the semiannual evaluations of the accomplishment of objectives and the financial audit reports. During the reviews, (i) progress in program execution will be evaluated, and (ii) the work plan for the following semiannual period will be analyzed and agreed upon. If any adjustments in the program are deemed necessary (such as a possible increase in the maximum amount of the projects or a review of the guarantee system), the borrower and the executing agency must take the measures agreed upon with the Bank to that end.

I. Procurement of goods and consulting services

- 3.25 The Bank's current procedures will be followed for the procurement of goods and consulting services to be financed with program resources. Since the maximum amount of the projects to be financed by the program is the equivalent of US\$40,000, international competitive bidding will not be required for the procurement of either goods or consulting services. Projects financed under the program will be reviewed ex post by the Bank's Country Office in Bolivia to verify compliance with the procurement procedures, based on an analysis of a representative sample of the projects. The Bank reserves the right not to recognize expenses incurred in violation of its procurement procedures.

J. Program impact evaluation

- 3.26 A program impact evaluation will be conducted to draw the lessons learned from program execution, and to analyze the viability of preparing a second stage. The methodology to be used for this evaluation will be defined in year one of the program, in order to ensure that relevant information is collected during program execution. Consulting services will be hired to conduct the evaluation in the final year of program execution, and using resources from the loan.

IV. IMPACT, VIABILITY, AND RISKS OF THE PROGRAM

A. Social impact

1. General framework

- 4.1 The program will have significant social impact since it is designed to improve access to justice and provide civic training for the most vulnerable segments of society, with civil society organizations participating directly in its execution.
- 4.2 The program will support projects for legal aid and defense, assistance for crime victims, and prevention of domestic violence. Support will also be provided for the creation of alternative dispute resolution methods and for projects for civil rights training and dissemination and raising awareness among government officials and justice system operators.

2. Impact on low-income groups

- 4.3 Given the eligibility criteria for the projects to be financed under the program, it can be concluded that this operation will target the lowest income brackets in Bolivia. According to the figures presented above, the program will directly benefit approximately 20,398 low-income individuals, through services, conflict resolution, and training activities. This figure represents 85.4% of all the direct program beneficiaries.
- 4.4 It should be noted that the program will also indirectly benefit a greater number of low-income individuals than the above number, through its expected impact on the judicial system, for example, through the training and awareness-raising activities.
- 4.5 Since more than 50% of the potential program beneficiaries are poor, this operation qualifies as a poverty-targeted investment (PTI) and as a social equality and poverty reduction investment.

3. Impact on gender issues

- 4.6 Of the projects to be financed under the program for assistance in and resolution of cases still pending in the system, 21.5% of the cases will directly involve women (approximately 4,083 beneficiaries). The cases will include domestic violence, abandonment, abuse, lack of support, child custody, and workplace discrimination.

4. Impact on children and youth

- 4.7 Of the projects to be financed under the program for assistance in and resolution of cases still pending in the system, 47.7% of the

cases will directly involve children (approximately 8,904 boys and girls ages 0 to 16) and 10.8% of the projects will directly involve young people (approximately 2,042 beneficiaries from 16 to 21 years of age). These projects will include matters relating to parent identification, child abuse and abandonment, and juvenile delinquency.

5. Impact on indigenous issues

- 4.8 Of the projects to be financed under the program for assistance in and resolution of cases still pending in the system, 20% will directly involve cases affecting indigenous groups and rural communities (approximately 3,929 beneficiaries). These cases will include matters pertaining to property rights and respect for local customs and practices.

B. Institutional and technical viability

- 4.9 The demand for projects that meet the established eligibility criteria, fulfillment of the institutional capacity requirements, and the execution mechanism established for the program will ensure its institutional and technical viability.
- 4.10 Bolivia has a large number of civil society organizations with the capacity to manage projects in the area of the program that do not usually have the resources needed to finance them. In addition, the program will help strengthen the organizations that can participate in the program and that have some institutional weaknesses in project design and management.
- 4.11 The program will help establish a mechanism for the participation of civil society and for improving relations between civil society and the State, enabling social organizations to execute their projects in cooperation with the sector in providing justice, legal defense, and civic training services. The program will help the executing agency establish a network of civil society organizations that will work with it in performing its work for public defense and the promotion of respect for human rights.
- 4.12 The program will launch activities to help the most underprivileged segments of society, given the high rates of poverty discussed above, gain greater access to justice through the formal legal system and through alternative methods of conflict resolution. Civic training and education projects will also be conducted to, as a preventive mechanism and as a means of increasing public awareness of human rights.

C. Financial viability

- 4.13 The high priority assigned to the program and the commitment given by the government and by the Ministry of Justice and Human Rights

in particular indicate that the necessary counterpart funds will be available.

- 4.14 It should be noted that financial sustainability will be one of the requirements set forth in the Operating Regulations of the program for the eligibility of projects submitted by civil society organizations. The organizations must contribute at least 10% of the cost of the project.

D. Risks

- 4.15 The most significant risk for program execution concerns the impartiality, transparency, and credibility that must exist in the project ranking process. This risk is mitigated by the execution mechanism established, which includes the use of an independent specialized agency for selection of the TEU staff and review panel members; establishment of the review panel, which will have a diverse membership and follow objective project approval procedures; and the Operating Regulations, which will set forth the eligibility criteria for the organizations applying for funding and for the projects themselves.
- 4.16 Another risk is that the possible lack of awareness of the program's existence on the part of potential beneficiaries and the organizations that represent them may affect the demand for use of the program resources. This risk is being mitigated by the dissemination efforts included in the program design and by project preidentification during program preparation.
- 4.17 Another risk concerns the execution capacity of the participating social organizations. To minimize this risk, the program design includes providing technical assistance to strengthen project design and management skills on the part of eligible civil society organizations.
- 4.18 Lastly, there is a risk relating to the financial sustainability of the projects supported and of the organizations applying for funding. To minimize this risk, the Operating Regulations will help ensure the continuity of the projects, guarantee their financial sustainability, demonstrate institutional solvency, and avoid the establishment of organizations solely for the purpose of gaining access to the program. For example, a participating institution must have other sources of financing, must have been in operation for more than three years, and must make a minimum contribution of 10% to the project.

PROGRAM FOR CIVIL SOCIETY AND ACCESS TO JUSTICE (BO-0177)
LOGICAL FRAMEWORK

| OBJECTIVES | INDICATORS | MEANS OF VERIFICATION | ASSUMPTION | | | | | | | | | | | | |
|--|--|--|---|-------------|-------|----------------|-------|-------------|-------|---------------------------------|--------------|----------------------|--------|--|---|
| Establish a sustainable mechanism for the civil society and improving relations between civil society and the State to justice and conflict resolution mechanisms. | <ul style="list-style-type: none">- Functioning institutional system that enables social organizations to execute projects in cooperation with the public sector in providing services for justice, legal defense, and civic training.- Institutional and budgetary support of the State. | <ul style="list-style-type: none">- Reports from civil society organizations.- Government budget.- Ex post evaluation reports. | <ul style="list-style-type: none">- Will and political commitment of the State.- Successful execution of projects and adequate mechanisms for project sustainability.- Civil society organizations have the capacity and initiative for project design and implementation.- Political will to enforce regulations in the sector supported by the public. | | | | | | | | | | | | |
| Access by the most vulnerable population to the justice system and an awareness of their rights, by strengthening the mechanisms for the participation of civil society in the sector. | <ul style="list-style-type: none">- 83 civil society projects executed and disbursed in four years, with the participation of approximately 40 organizations.- 65 projects for resolution of cases: <table><tr><td>Beneficiaries</td><td>No. of cases</td></tr><tr><td>4,083 women</td><td>2,450</td></tr><tr><td>8,094 children</td><td>5,425</td></tr><tr><td>2,024 youth</td><td>1,225</td></tr><tr><td><u>3,929 indigenous persons</u></td><td><u>2,275</u></td></tr><tr><td>18,958 beneficiaries</td><td>11,375</td></tr></table> <ul style="list-style-type: none">- 8 training projects directly benefitting 1,440 beneficiaries- 10 training projects indirectly benefiting 3,500 students and professionals | Beneficiaries | No. of cases | 4,083 women | 2,450 | 8,094 children | 5,425 | 2,024 youth | 1,225 | <u>3,929 indigenous persons</u> | <u>2,275</u> | 18,958 beneficiaries | 11,375 | <ul style="list-style-type: none">- Technical progress reports on program execution and reports on results of the evaluation and follow-up issued by the TEU.- Technical reports of the administration missions of the Bank's project team. | <ul style="list-style-type: none">- Diversity, objectivity, and technical capabilities of the review panel.- Technical quality of the staff.- Perception of impartiality in determining eligibility of organizations and projects.- Civil society organizations have the capability and initiative for project design and implementation.- Political will to enforce regulations in the sector supported by the public. |
| Beneficiaries | No. of cases | | | | | | | | | | | | | | |
| 4,083 women | 2,450 | | | | | | | | | | | | | | |
| 8,094 children | 5,425 | | | | | | | | | | | | | | |
| 2,024 youth | 1,225 | | | | | | | | | | | | | | |
| <u>3,929 indigenous persons</u> | <u>2,275</u> | | | | | | | | | | | | | | |
| 18,958 beneficiaries | 11,375 | | | | | | | | | | | | | | |

| OBJECTIVES | INDICATORS | MEANS OF VERIFICATION | ASSUMPTIONS | | | | | | | | | | | | | | | | | | | | |
|--|---|---|--|---------------|------------|---------------------|-------------|---------------|--------------------|--------------|----|--------------|--------------|----|--------------|---------------------|-----------|----------------------|--------------|-----------|----------------------|--|---|
| civil society projects; and of the capacity for project management on the part of civil organizations. | <ul style="list-style-type: none">- 83 projects disbursed and executed.- Consulting services for technical assistance contracted and executed in the amount of US\$80,000 (US\$50,000 for the first tranche, US\$20,000 for the second, and US\$10,000 for the third). | <ul style="list-style-type: none">- Technical progress reports on execution of the program, and reports on the results of evaluation and follow-up issued by the TEU.- Technical reports of the administration missions of the Bank's project team.- Accounting records of the TEU. | <ul style="list-style-type: none">- Technical capability of civil society organizations involved and adequate mechanisms for independence and autonomy in execution of the program.- Implementation of the Operating Regulations.- Interest and support of eligible civil society organizations.- Political will and support of national authorities. | | | | | | | | | | | | | | | | | | | | |
| of the institutional framework of the program (TEU; review Regulations; and goods, materials, and equipment; and training for staff that may be eligible; review and processing of eligible applications; monitoring, and evaluation of program impact and sustainability of a second stage of | <p>Institutional framework set up within a month of program start-up and operation during the entire period of execution (includes activities (i), (iii), (iv) and (v):</p> <table><tr><td>TEU:</td><td>US\$352,000</td></tr><tr><td>Review panel:</td><td>US\$ 3,000</td></tr><tr><td>Operating expenses:</td><td>US\$ 94,000</td></tr><tr><td>Total:</td><td>US\$449,000</td></tr></table> <ul style="list-style-type: none">- Recognition of expenses to hire OAS in the amount of US\$30,000.- Information system designed and installed: US\$10,000.- criteria established in the program's Operating Regulations: <table><tr><td>1st tranche:</td><td>14</td><td>US\$ 374,000</td></tr><tr><td>2nd tranche:</td><td>31</td><td>US\$ 838,000</td></tr><tr><td><u>3rd tranche:</u></td><td><u>38</u></td><td><u>US\$1,048,000</u></td></tr><tr><td><u>Total</u></td><td><u>73</u></td><td><u>US\$2,260,000</u></td></tr></table> <ul style="list-style-type: none">- Consulting services for semiannual evaluation and impact evaluation, and auditing: US\$80,000. Consulting services for the definition of methodology and evaluation parameters will be hired with the first disbursement. | TEU: | US\$352,000 | Review panel: | US\$ 3,000 | Operating expenses: | US\$ 94,000 | Total: | US\$449,000 | 1st tranche: | 14 | US\$ 374,000 | 2nd tranche: | 31 | US\$ 838,000 | <u>3rd tranche:</u> | <u>38</u> | <u>US\$1,048,000</u> | <u>Total</u> | <u>73</u> | <u>US\$2,260,000</u> | <ul style="list-style-type: none">- Accounting records of the TEU.- Specialized agency reports.- Audit and evaluation reports. | <ul style="list-style-type: none">- Support of the national authorities, especially institutional scheme and budget allocation of counterpart contributions.- Compliance with the procedures established and agreed upon with the national authorities.- Sufficient demand on the part of civil society.- Commitment of resources for evaluation will make it possible to carry out disbursements. |
| TEU: | US\$352,000 | | | | | | | | | | | | | | | | | | | | | | |
| Review panel: | US\$ 3,000 | | | | | | | | | | | | | | | | | | | | | | |
| Operating expenses: | US\$ 94,000 | | | | | | | | | | | | | | | | | | | | | | |
| Total: | US\$449,000 | | | | | | | | | | | | | | | | | | | | | | |
| 1st tranche: | 14 | US\$ 374,000 | | | | | | | | | | | | | | | | | | | | | |
| 2nd tranche: | 31 | US\$ 838,000 | | | | | | | | | | | | | | | | | | | | | |
| <u>3rd tranche:</u> | <u>38</u> | <u>US\$1,048,000</u> | | | | | | | | | | | | | | | | | | | | | |
| <u>Total</u> | <u>73</u> | <u>US\$2,260,000</u> | | | | | | | | | | | | | | | | | | | | | |

PROPOSED RESOLUTION

BOLIVIA. LOAN /SF-BO TO THE REPUBLICA DE BOLIVIA
PROGRAM FOR CIVIL SOCIETY AND ACCESS TO JUSTICE

The Board of Executive Directors

Resolves:

That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such contract or contracts as may be necessary with the República de Bolivia, as Borrower, for the purpose of granting it a financing to cooperate in the execution of a Program for Civil Society and Access to Justice. Such financing shall be for the amount of up to US\$2.700.000, or its equivalent in other currencies, except that of Bolivia, which are part of the Fund for Special Operations resources of the Bank, and will be subject to the “Special Contractual Conditions” and the “Terms and Financial Conditions” of the Executive Summary of the Loan Proposal.