

TC Document

I. Basic Information for TC

▪ Country/Region:	REGIONAL
▪ TC Name:	Aging Facility: Regional Long-term Care Policy Network in Latin America and the Caribbean
▪ TC Number:	RG-T3839
▪ Team Leader/Members:	Ibarraran, Pablo (SCL/SPH) Team Leader; Stampini, Marco (SCL/SPH) Alternate Team Leader; Almeida Oleas, Natalia (LEG/SGO); Bermudez Plaza, Neili Carolina (SCL/SPH); Hincapie Salazar, Daniel (ORP/REM); Mendoza Centellas, Mariana Beatriz (ORP/GCM); Oliveri, Maria Laura (SCL/SPH)
▪ Taxonomy:	Research and Dissemination
▪ Operation Supported by the TC:	.
▪ Date of TC Abstract authorization:	.
▪ Beneficiary:	IDB Borrowing Member Countries
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding ¹ :	Cofinancing Special Grants(COF)
▪ IDB Funding Requested:	US\$501,079.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	36 months
▪ Required start date:	March 2021
▪ Types of consultants:	Individual consultants and Consulting 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):	N/A
▪ TC included in CPD (y/n):	N/A
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Environmental sustainability; Gender equality; Institutional capacity and rule of law; Social inclusion and 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. In 2020, 11% of the population in LAC was older than 60, a share similar to the global average (12%). However, the region is aging faster than any other. By 2050, one in four people in LAC will be older than 60 (UN 2017). The regional average hides large heterogeneity. In countries like Belize, Guatemala, and Haiti only 7% of the population is older than 60, and this share will grow to 18% (the value observed today in Costa Rica) in 2050. In contrast, in Barbados, Brazil, Chile, Colombia, Costa Rica, Jamaica, Trinidad and Tobago and

¹ Individual Project under the Aging Facility: Strengthening capacity for health, long term care and social services (RG-O1682).

Uruguay, the projected proportion of older adults will approach 30% by 2050 (a figure that is similar to today's Germany, Finland, and Japan).²

- 2.2 Aging is associated with an increased importance of non-communicable diseases (NCD) as main causes of morbidity and mortality.³ In 1990, NCD accounted for only two of the main five causes of death in LAC. In contrast, in 2017 all five main causes of death were NCD.⁴ Aging is also associated with an increased prevalence of care dependence, which is defined by three elements: (i) difficulty in completing basic activities of daily living (ADL), such as bathing or showering, eating, using the toilet, dressing, moving around a room, or getting in and out of bed; (ii) a prolonged duration; (iii) need of support (or long-term care) from others. 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. The figure could be as high as 35 million if current trends in the prevalence of chronic diseases continue.⁵
- 2.3 This noteworthy trend is taking place in an unfavorable context, in which the public supply of long-term care (LTC) 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, compared with 2% in European countries from the Organization for Economic Cooperation and Development (OECD). In addition, about 25% of older people living with severe care dependence did not receive any Long-Term Care (LTC) in Mexico in 2015, and of those who received support at home less than 3% paid for these services.⁶
- 2.4 Many of the challenges described above have been accentuated in the context of the COVID-19 pandemic. Individuals aged 60 years old or more show the highest mortality rates, due to their weaker immune systems and a higher prevalence of chronic conditions. The pandemic exposed the fragility of the LTC systems and the existence of structural problems in terms of insufficient staffing, skills, and lack of safety protocols.
- 2.5 Clients have acknowledged the Bank's leadership in the aging agenda and have requested it to increase the availability of technical assistance for the development and implementation of public policies related to aging, with a focus on LTC. Also, the Bank's sector knowledge and policy dialogue highlighted the following needs: (i) updated and actionable assessments of the demand and supply of LTC services; (ii) support for the development of regulations for elderly services in general and LTC services in particular (including formal and informal services, as well as for and non-for-profit services); and (iii) increased public administrations' capacity to design,

² Based on data from "United Nations World Population Prospects 2019". Available at: <https://population.un.org/wpp>

³ Non-communicable disease (NCD) refers to a disease that is not transmissible directly from one person to another. NCDs include Parkinson's disease, autoimmune diseases, strokes, most heart diseases, most cancers, diabetes, chronic kidney disease, osteoarthritis, osteoporosis, Alzheimer's disease, cataracts, and others.

⁴ Based on data from "Global Burden of Disease Results Tool" available at: <https://vizhub.healthdata.org/gbd-compare/>.

⁵ 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>

⁶ Cafagna, G. et al. (2019)

implement, monitor and evaluate policies in the areas of health and LTC for the aging population. There is widespread agreement that a key factor in the aging agenda is the gender dimension, as women are the main unpaid caregivers to family members, while at the same time represent the largest share of the demand for long-term care services.

- 2.6 With support from the French Development Agency (*Agence Française de Développement*, AFD), the IDB created the Aging Facility: Strengthening Capacity for Health, Long-Term Care and Social Services (RG-O1682), to respond to clients' requests and identified needs by supporting regional and country specific technical assistance activities. This regional technical cooperation is prepared in the context of the mentioned Aging Facility.
- 2.7 **Objective:** The objective of this technical cooperation (TC) is to support the region in the development of LTC policies and systems, while promoting gender equality, by: (i) developing a community of practice on aging and LTC; and (ii) producing analytical work on LTC policy and programs. The community of practice and the analytical work will focus on: (i) identifying common institutional, legal, financing and operational challenges to provide for elderly care among countries in the region, (ii) supporting the development of policies, programs, and models of interventions to address such needs, and (iii) actively promoting the collection and dissemination of lessons learned. This is aligned with the specific objective of the Aging Facility, namely, to increase public administrations' capacities to formulate, implement, monitor, and evaluate public policies and programs for elders with care dependence.
- 2.8 TC activities will focus on common challenges faced by countries in the region, recognizing that they are at different stages in the demographic transition and have developed specific social protection strategies as well as their own policies to support the elderly. Taking that into account, the Aging Facility of which this TC is part will also finance technical cooperation operations in individual countries to support their specific challenges and the development of tools to develop or strengthen their LTC system.
- 2.9 **Expected Results.** The TC will finance the functioning of a Regional Long-Term Care Policy Network in Latin America and the Caribbean (*Red CUIDAR+*), that will support countries' efforts and improve their institutional and technical capacity around LTC. The TC will also finance analytical work on the design, implementation, financing and evaluation of policies and programs, as well as efforts to collect and disseminate the lessons learned.
- 2.10 **Sustainability.** To ensure sustainability and implementation at the scale of the products and results of the TC, the project team will seek to create synergies with the operational agenda of the Bank in the countries. It is expected that strategies, plans, and instruments generated by this TC will support the design, implementation and/or evaluation of projects related to aging and LTC. Also, a key component of LTC policies that has been emphasized by clients and stakeholders and that will be prioritized in the TC is the need to ensure the financial sustainability of LTC systems. Additionally, the sustainability of the *Red CUIDAR+* will be promoted through the exchange of knowledge among participating countries (for example, regarding the design of policies or the management of services) and by ownership of the Network by participating countries.
- 2.11 **Strategic Alignment.** This TC is consistent with the Second Update to the Institutional Strategy of the IDB Group (AB 3190-2) and is strategically aligned with the development challenge of Social Inclusion and Equality, by supporting policies that will

enhance the autonomy and social inclusion of the elderly. The TC is also aligned with the three cross-cutting themes identified in the Institutional Strategy: (i) with Gender Equality and Diversity, by promoting a shared distribution of the burden of care between men and women within the family, supporting family and paid caregivers who are predominantly female, and addressing the higher age-specific care dependence rates that affect women; (ii) with Climate Change and Environmental Sustainability, by supporting the development of social services for the elderly who are particularly vulnerable to the consequences of extreme weather events and the environmental changes brought upon by climate change⁷; and, (iii) with Institutional Capacity and Rule of Law, by strengthening government's capacity to build, implement and monitor policies for the older population. It is aligned with the Strategy on Social Policy for Equity and Productivity (document GN-2588-4) in the areas of enhancing equity and supporting vulnerable populations. It is also consistent with the Social Protection and Poverty Sector Framework Document (document GN-2784-7), which underscores the importance of supporting vulnerable populations, through responsive social protection policies.

- 2.12 The TC will seek potential climate benefits, both in terms of mitigation and adaptation. Regional studies could focus on ensuring the continuity of LTC in the event of a climate shock through, for example, implementation of contingency plans and of surveillance systems, protection of buildings against floods and cyclones, the maintenance of social services, and actions against high temperatures in institutions or at home.

III. Description of activities/components and budget

- 3.1 **Component 1. Support a community of practice.** This component will support the creation and operation of a community of practice on the three areas described in the objective of the TC (§2.7), through: (i) the Regional Long-term Care Policy Network in Latin America and the Caribbean (RedCuidar+), composed of representatives of the agencies in charge of care policies in each country; (ii) the development of the Panorama of Aging and Long-Term Care platform,⁸ which provides data and technical information for designing and implementing LTC policies and programs, that is open to stakeholders in the region and provides a knowledge -sharing platform with other regions; (iii) regional and subregional webinars, seminars, workshops and trainings, some with the participation of international experts, as well as peer to peer exchanges related to the topic of LTC.
- 3.2 This component will also support the development, implementation and monitoring of a communication and dissemination strategy for the Network, including the edition and translation of documents and interpretation services to facilitate the communication among different audiences in the LAC region and between regional and selected international audiences. This strategy will be focused on the dissemination of the results achieved by the TC among key stakeholders in the countries, including the

⁷ Older people are especially vulnerable to the adverse health consequences that global climate change will bring. They are more sensitive to changes in the environment and exposure to toxins, noxious agents, and infectious agents. This greater sensitivity is a by-product of a lower physiological reserve capacity, slower metabolism, and a more slowly responding immune system. They also have a higher disease burden (morbidity) than younger people. The cumulative effect of this increased disease burden makes specific organ systems less able to tolerate stress. See, for example, Carnes BA, Staats D, Willcox BJ. Impact of climate change on elder health. *J Gerontol A Biol Sci Med Sci*. 2014;69(9):1087–1091. doi:10.1093/gerona/glt159.

⁸ <https://www.iadb.org/en/panorama/panorama-aging>

dissemination of events, lessons learned, and the documents produced under Component 2. The expected results include the functioning of the RedCuidar+ network, an updated and relevant content in the Panorama platform, in-person and virtual events as well as the dissemination of knowledge produced under the Aging Facility.

- 3.3 **Component 2. Support analytical work on policies and programs.** This component will support the development of analytical work on policies and programs in the three areas described in the objective of the TC (¶2.7). This includes: (i) regional studies (covering at least two countries in the region) on human resources for LTC (training and supervision); regulation and monitoring systems to promote quality of services in home-care services, nursing homes and assisted living facilities; and financing options for LTC; (ii) the design and implementation of a survey that assesses the state of older persons care dependence, and/or the coverage, quality and sustainability of the public and private supply of LTC survey in a large number of countries in the region.⁹ Across all products, the gender and the climate change dimensions will be considered when applicable. In terms of gender, the aim will be to support the generation of knowledge and the design of interventions that reduce the gender gap in elderly care. In terms of climate change, the focus will be on ensuring the continuity of LTC services in the event of a climate shock through, for example, the preparation of contingency plans and of surveillance systems. The expected results of this component include regional studies in priority areas within LTC as well as primary data to learn about care dependency among older adults in the region.
- 3.4 **Budget.** The total cost of this TC is US\$501,079 and will be financed with resources from the AFD contribution to the Aging Facility: Strengthening capacity for health, long-term care and social services (RG-O1682) The execution and disbursement period will be 36 months¹⁰.

Indicative Budget (US\$)

Activity/Component	Description	IDB/Aging Facility
Component 1. Support a community of practice	This component will create opportunities for collaboration and exchange on LTC in the LAC region	270,000
Component 2. Support analytical work on policies and programs	This component will finance analytical work on LTC policies and programs	200,000
Contingency/Miscellaneous/Incidentals		31,079
Total		501,079

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

IV. Executing agency and execution structure

- 4.1 The TC will be directed, coordinated, and supervised by the Division of Social Protection and Health (SCL/SPH). The team leader assigned to this TC will be

⁹ A similar survey was applied by the Commonwealth Fund in several countries of Europe and North America in 2017. See link for reference: <https://www.commonwealthfund.org/publications/surveys/2017/nov/2017-commonwealth-fund-international-health-policy-survey-older>.

¹⁰ The TC resources will not supplement the budget of the IDB for routine and customary activities.

responsible for the supervision and execution. As it was established in the Aging Facility (RG-O1682) agreement, technical cooperation operations to be financed by the Facility will be executed by the Bank. In accordance with the Operational Guidelines for Technical Cooperation Products (GN-2629-2) or its current version, the justification for the Bank to execute the technical cooperation operations is because the subject matter of the Facility is new to policymakers in the region and countries have recognized the technical and operational expertise of the Bank, which would allow for a more effective implementation of the activities financed by the TC. Also, in accordance with the Aging Facility, the project team will be responsible for the preparation and submission to the Donor of the project reporting, which will be fulfilled in compliance with the stipulations of the Administration Agreement. In accordance with the CT Monitoring and Reporting System (TCM), the Team Leader will submit annually to the donor the progress achieved by this TC. Each year, the report will be submitted on April 30th containing information up to December 30th of the previous year.

- 4.2 As established in the Aging Facility Administrative Agreement between the Bank and the AFD, before awarding a contract or authorizing a sub-contract to be paid for with resources from the Contribution, the Bank shall provide the Donor with the (a) name of the person, group, company, institution, or entity, and (b) its country of registration or country of citizenship to enable the Donor to verify whether any of these participants are designated in the Sanctions Lists of France. This consultation with the AFD will take place after the application of the Policy for the Selection and Contracting of Consulting Firms for Bank-executed Operational Work (GN-2765-4). A "complementary" and "separate" process will be done by the Team Leader on a case-by-case basis in addition to the screening that the Project Team must perform in each process in application of the policies and instruments that the Bank has implemented for the effect in Convergence.
- 4.3 Under IDB execution, the financial management of the TC will follow the Bank's internal financial procedures and will not include the contracting of external auditing services. There are no previous conditions before disbursement and the project does not foresee any reimbursement of expenses. The monitoring arrangements include the continuous supervision of all contracted consultants and firms, revision of their products and payments as well as the elaboration of annual reports on the TC execution progress and performance.
- 4.4 **Procurement.** All activities to be executed under this TC have been included in the Procurement Plan (see Annex IV) and will be contracted in accordance with Bank 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.

V. Major issues

- 5.1 Risks that could potentially prevent the success of the LTC regional network are mainly associated with the potential for low engagement levels of country counterparts as well as for the possibility that countries give low priority to LTC in the policymaking process. To mitigate the risk, a dissemination and communication strategy will be developed as part of the first component of the TC. The communication strategy will promote the exchange of information through the Panorama portal during or after the events included in Component 1. The strategy will build on the Bank's experience in disseminating other initiatives.

- 5.2 Success is also contingent on a building a strong sense of ownership among the beneficiaries so that the products financed by this TC are used by policymakers to develop LTC policies and programs. During the implementation of the TC, the Bank will engage with counterparts to strengthen the policy tools needed to prioritize the aging agenda, which has been made evident in the context of COVID-19 (See ¶2.4)
- 5.3 The COVID-19 pandemic introduces the risk that the events associated with Component 1 of this TC operations cannot be conducted face-to-face. This can be mitigated by replacing them with virtual activities. Additionally, changes in governments' authorities may affect the priority given to elderly care in the political agenda. However, the COVID-19 pandemic increases the relevance of the proposed technical cooperation operation. The elderly population is one of the most affected groups by the pandemic, so guaranteeing a timely and high-quality care system for them, will be a priority for governments within the region.

VI. Exceptions to Bank policy

- 6.1 Exceptions to Bank policy have not been identified.

VII. Environmental and Social Strategy

- 7.1 Considering that the project will not finance construction works and the procurement of goods but rather exclusively includes consultant and non-consultant services and travel costs, potentially negative social and/or environmental impacts have not been identified. According to the Environmental and Safeguards Compliance Policy (OP-703), Indigenous Peoples (OP-765), and Gender Equality (OP-270), this TC is classified as category "C". See filters [SPF](#) and [SSF](#).

Required Annexes:

[Results Matrix - RG-T3839](#)

[Terms of Reference - RG-T3839](#)

[Procurement Plan - RG-T3839](#)