

TC Document

I. Basic Information for TC

▪ Country/Region:	BRASIL
▪ TC Name:	Early Institutionalization In Brazil
▪ TC Number:	BR-T1423
▪ Team Leader/Members:	Araujo, Maria Caridad (SCL/SPH) Team Leader; Rocha, Marcia Gomes (SCL/SPH) Alternate Team Leader; Celeste Marzo, Cristina (LEG/SGO); Garcia Rincon, Maria Fernanda (ORP/REM); Ogialoro, Claudia (ORP/GCM); Silveira, Sheyla (SCL/SPH)
▪ Taxonomy:	Research and Dissemination
▪ Operation Supported by the TC:	N/A
▪ Date of TC Abstract authorization:	24 Apr 2019.
▪ Beneficiary:	<i>Tribunal de Justiça do Estado de São Paulo</i> through its <i>Vara da Infância e da Juventude</i>
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	ECD Innovation Fund and PSG-Fundação Maria Cecília Souto Vidigal
▪ IDB Co-funding Requested:	US\$585,258.00
▪ Counterpart	0
▪ Disbursement period (which includes Execution period):	36 months
▪ Required start date:	October 1, 2019
▪ Types of consultants:	Firms and individuals
▪ Prepared by Unit:	SCL/SPH-Social Protection & Health
▪ Unit of Disbursement Responsibility:	CSC/CBR-Country Office Brazil
▪ TC included in Country Strategy:	No
▪ TC included in CPD:	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality; Productivity and innovation

II. Objectives and Justification

- 2.1 **Justification.** An estimated 250,000 children in the Latin America and the Caribbean (LAC) region live in so-called 'orphanages', with countless more in unregistered institutions. In Brazil, the population of 40,000 institutionalized children is rising rapidly. In 2014, 528 children under 36 months of age lived in institutions in São Paulo –10% of all institutionalized children of that age in Brazil and recent data indicates that the numbers are growing each year, with more than 700 children under 24 months of age in state care.
- 2.2 The Bucharest Early Intervention Project began in 2000 as a collaboration between researchers at Tulane University, University of Maryland, and Boston Children's Hospital. This groundbreaking experimental study examined the effects of early institutionalization on brain and behavior development, while also examining the impact of high-quality foster care as an alternative intervention for children who could have been placed in institutions. This study followed children from infancy through age twelve and assessed a wide range of developmental domains (physical growth, cognitive and social-emotional development, and others). The results from this research point towards the long-term negative effects on several developmental domains that result from the experience of institutionalization at an early age. They

also found that a high-quality foster care intervention was effective in promoting development and that the earlier a child was placed in foster care, especially if before age two, the better possibilities for recovery (Humphreys et al. 2015; Marshall et al. 2008; Smyke et al. 2012 and Zeanah et al. 2003). Evidence from this study led to major reforms across Europe.

- 2.3 Despite decades of research documenting the severe harm orphanages cause to children's development, policy makers in LAC continue to fund institutionalized care. They question whether international evidence is applicable to their contexts and believe institutions are beneficial to children's development. Many believe that the alternative of family-based care is too costly and impractical to implement.
- 2.4 **Objective.** The objective of this project is to provide definitive scientific evidence on the best form of care for children in state care in São Paulo, Brazil. With that objective in mind, the Early Institutionalization Intervention Impact Project (EI-3) will: (i) Establish an innovative Enhanced Foster Care (EFC) service, and (ii) Test whether EFC achieves better outcomes for children than Enhanced Institutional Care (EIC) through a randomized control trial and cost benefit study. In both the EFC and the EIC, caregivers (that is foster parents in the EFC arm and staff from institutions in the EIC one) will be trained in Video-feedback Intervention to Promote Positive Parenting (VIPP), an evidence-based intervention shown to help children's development by promoting more sensitive and attuned caregiving practices (Bakermans-Kranenburg et al., 1998; Juffer et al., 2017; and Negrao et al. 2014). (For details on the research design of the randomized control trial, see Methodological Annex).
- 2.5 EI-3 will work with the São Paulo State Family Court to identify children taken into state care under age 24 months. Children eligible for the study will be randomized and receive either EIC or EFC. EI-3 will work with local partners to implement the two-pronged intervention in which both Foster Parents and Institutional Caregivers will receive the same intervention: the VIPP. This will be the first time that VIPP is being used in foster and institutional care in Brazil. VIPP trainers will meet with caregivers over 9-10 weeks to discuss recordings of children and their caregivers with a focus on "creating a positive atmosphere" by reinforcing positive interactions. The Clinical Supervisor will meet with each VIPP Trainer weekly. With supervision and increased experience, VIPP Trainers will improve intervention delivery and sustainability. 200 children in state care will receive either EFC services or EIC over the course of two years. Baseline and follow-up assessments will be carried out at 24 and 36-months. All 200 participants will complete a minimum of one follow-up assessment. 65-70 foster families and 50-60 institutional caregivers will receive VIPP training in 5 one and a half hour sessions over 9-10 weeks. The research will allow to answer whether children younger than 24 months of age in state care in São Paulo who are randomly assigned to EFC have significantly better child development outcomes at 24 and 36-months of age than those randomly assigned to EIC. Outcomes will include measures of cognition, language and communication, socio-emotional and motor development. EI-3 will also measure the quality of living conditions and caregiving practices.
- 2.6 The results from this research will be informative to policymakers across the LAC region. The researchers leading this project will be Professors Charles A. Nelson, Ph.D. (Boston Children's Hospital and Harvard University), Nathan A. Fox, Ph.D. (University of Maryland), and Charles H. Zeanah, M.D. (Tulane University) who have collaborated on the Bucharest Early Intervention Project (BEIP), the model for EI-3, for the past 18 years. They have built strong working relationships with Edson Amaro,

Ph.D. (Instituto Pensi and University of São Paulo), who will be the local co-Investigator. Day-to-day project coordination and funder liaison will be provided by Julie Staples-Watson.

- 2.7 **Strategic Alignment.** The program is consistent with the Update to the Institutional Strategy (UIS) 2010-2020 (AB-3008) and is strategically aligned with the development challenge of: (i) social inclusion and equality through the promotion of early childhood development; and (ii) productivity and innovation; by developing quality human capital early on in life and therefore throughout the lifetime. It is aligned to the Corporate Results Framework of the IDB Group 2016-2019 (GN-2727-6) in that it relates to early childhood development services targeted an extremely vulnerable group. It is also consistent with the 2019 Sector Framework Document (SFD, GN-2966) on Early Childhood Development (ECD) that identifies, as part of one of three lines of action, the need to innovate in terms of approaches towards child protection services and, more specifically, foster care modalities. The TC contributes to the Brazil Country Strategy 2019-2022, currently under approval (GN-2973) in that it ensures an adequate development in the early years for a vulnerable population of children, as a necessary condition to achieve education and health outcomes later on in life. It is also aligned to the strategic objective of building a more effective government and the area of reducing inequality through more efficient public policies. The evidence generated by this TC will allow to open new areas of dialogue and technical work for the Bank. This project is also aligned to the results framework of the ECD Innovation Fund, in that it will generate evidence to improve governments capacity to bring to scale innovative approaches to enhance quality of early childhood services, in this particular case, services directed towards children under the care of the state.

III. Description of activities/components and budget

- 3.1 The IDB Technical Cooperation (TC) and the PSG finance key components of the implementation, supervision and evaluation of this project. Data collection activities will be financed with grant resources that have been raised by the research team from Lumos Foundation, *Instituto Pensi*, Lemann Foundation, and other organizations (for a total among of US\$1,043,254). They are not included in the attached budget, that focuses only on IDB-supported activities.
- 3.2 The implementation activities supported by the project are organized into two components.
- 3.3 **Component 1. Project design, supervision and research.** This component includes activities related to project design, supervision and the research associated to its evaluation. Activities are led by US-based institutions (Harvard University, Tulane University and University of Maryland), to which the team of researchers and implementors who developed and conducted the original intervention in Romania and described in ¶2.2 are affiliated. This is the team that will be adapting the model and testing in the Brazilian context, bringing the unique knowledge and experience from their earlier work into the LAC context. This TC will finance the contracts for these institutions. The Brazilian partner institutions for implementation are the Instituto PENSI and the *Faciendo Historia* Foundation. All of these institutions will participate in the technical and policy dialogue related to this project. In addition, the Bank's team is engaged in dialogue with the Ministry of Citizenship (MC), which is the institution in charge at the federal level of defining policies and interventions towards children under the care of the state. The current intervention is of great relevance and interest for the MC team. This dialogue can allow to replicate the lessons learned from this project at

a larger scale. Activities under this component include: (i) the design of the project and the design and supervision of its research component, including clinical supervision to oversee the training of Brazilian staff in the VIPP model to ensure the model is delivered with fidelity and quality through frequent virtual mentoring; and (ii) project supervision and coordination between the US and the Brazilian teams.

- 3.4 **Component 2. Project implementation.** This component includes implementation activities related to the Brazil-based team. Specifically, they support: (i) project management in Brazil supervising the project implementation directly and all logistical aspects related to it; and (ii) the costs associated to the delivery of the VIPP intervention (project staff training in VIPP model, project staff time, and project staff travel costs related to the delivery of the intervention).
- 3.5 The total cost of this TC is US\$585,258, of which US\$153,258 will be financed from the ECD Innovation Fund and the remaining US\$432,000 through a Project Specific Grant (PSG) from the *Fundação Maria Cecília Souto Vidigal* (FMCSV). The execution and disbursement period will be 36 months.

Indicative Budget (US\$)

Activity/Component	Description	ECD Innovation Fund	PSG from FMCSV	Total Funding
Component 1: Project design, supervision and research		153,258		153,258
Research and clinical supervision	Project and research design, overall supervision of implementation and research components, training and mentoring of local staff in VIPP model	153,258		153,258
Project supervision and coordination	Management and supervision of implementation of intervention, coordination across Brazil and US teams	-		
Component 2: Project implementation		-	410,400	410,400
Management of Project Implementation	Management of project implementation including scheduling, staff supervision and monitoring.	-	80,516	80,516
Project delivery	VIPP trainers (4) that meet 5 times over 10 weeks with each child/caregiver pair to deliver intervention in place of residence	-	329,884	329,884
IDB Fee	IDB Fee for PSG	-	21,600	21,600
TOTAL		153,258	432,000	585,258

- 3.6 Fundação Maria Cecília Souto Vidigal (FMCSV) expects to commit approximately US\$432,000 to this project. Resources are to be received from the donor through a Project Specific Grant (PSG). A PSG is administered by the Bank according to the "Report on COFABS, Ad-Hocs and CLFGS and a Proposal to Unify Them as Project Specific Grants (PSGs)" (Document SC-114). As contemplated in these procedures,

the commitment by Fundação Maria Cecilia Souto Vidigal will be established through a separate Administration Agreement. Under such agreement, the resources for this project will be administered by the Bank and the Bank will charge a non-refundable administration fee of 5% of the contribution.

- 3.7 The Administration Agreement will express FMCSV's commitment in Brazilian Reales, using the IDB US\$/BRL exchange rate of the day of the finalization of the agreement, before the signature. FMCSV will pay the contribution in an Bank's account denominated in BRL. Final resources in US\$ will be dependent on the exchange rate of the date when agreement is finalized, and of the date when the resources are received by the Bank from FMCSV in BRL and converted into US Dollars. If a significant adverse movement in exchange rates reduces the amount of US dollars contemplated in this budget from FMCSV and such amount cannot be covered by the contingency line item, the activities contemplated in the project will be decreased appropriately and the budget will be adjusted accordingly by the project team.
- 3.8 The project cannot be approved and executed if either of the two funding sources is not confirmed.
- 3.9 The TC will be supervised by the Social Protection and Health Division (SCL/SPH) in coordination with the Municipal Juvenile Court of São Paulo. and the UDR will be in Brazil (CBR/SPH).

IV. Executing agency and execution structure

- 4.1 As per a request of the *Vara da Infância e da Juventude* from the *Tribunal de Justiça do Estado de São Paulo*, the Bank will execute the TC (see Annex I with Letter of Request). In most cases for children under age 24 months, children are referred to the *Conselhos Tutelares* by hospitals where children are abandoned, or if it is clear to the health professionals that there is a substance abuse issue. The *Conselhos Tutelares* must inform the *Vara da Infância e da Juventude*, and the case will be allocated to the Judge in the nearest *Vara* (district) to the child's location. The child's case will be reviewed by the psychologists and social workers on the Judge's staff and will go before the Judge family court judge for determination if the child will be removed from the custody of the parent within 48 hours of referral to the court. The judge also determines what type of placement the child will be placed in -institution, extended family or foster care (in general this is an institution as there are almost no foster homes in São Paulo, and more preparation is required for many extended families). If a child is placed in an institution, the actual location is selected through CREAS (Specialized Reference Center of Social Assistance), which is part of the Secretary of Social Assistance, and in general the placement is selected within the same district as the judge that has reviewed the case. Judges and their team of psychologists have good working relationships with the institutions, who have their own team of a psychologist and social worker. The Judge reviews the case in 6 months (or less if needed), while the Psychologist and Social workers that work in the institutions evaluate if reunification or adoption is the better option for the child, reporting to the Judge's team of psychologists and social workers. In most cases, children stay in an out-of-home placement for about 8 or 9 months before the child is reunified or adopted.
- 4.2 In agreement with the Bank's Policy on Technical Cooperation's (GN-2470-2, paragraph 4.5), this TC will be executed by the Bank given the country's agreement on this execution structure and the fact that the Project is aligned with the country strategy and with the Bank's Sector Framework Document on ECD. This execution structure is also justified because this is a pilot project, co-funded by the Bank. More

agile contracting processes through Bank execution will benefit timely coordination of resource allocation across different funding sources. The UDR will be based in the Bank's Brazil Country Office (CBR)

- 4.3 **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-2765-1 and Guidelines OP-1155-4 for Consulting Firms for services of an intellectual nature and; (c) GN-2303-20 for logistics and other related services.
- 4.4 Monitoring activities will be carried out periodically during project execution by Bank specialist from SCL/SPH. The Municipal Juvenile Court of São Paulo Will facilitate Access to necessary information and will accompany the Access to information and follow-up of the progress, analysis and results of this work.
- 4.5 Each of the consultancies contacted will have a final report. The project team will be responsible for the preparation and submission to the donor of the project reporting.
- 4.6 If at the end of project execution, the project closed with a positive uncommitted and unspent balance, the project team will be responsible for informing ORP/GCM to transfer the unspent balance as agreed to by the donor and the Bank pursuant the terms of the PSG Administration Agreement.

V. Major issues

- 5.1 The project can face three potential risks, described below, together with proposed actions to mitigate them:
 - a. **Resistance to using randomization inhibits ability to carry out study:** To mitigate this risk, the team has worked previously with the Family Court Judges and the Secretary of Social Assistance to make sure they approved randomization techniques. Additionally, the study has received a first round of Ethics Committee Approval from *Comité de Ética e Pesquisa* at *Instituto PENSI* and was then submitted to the Brazilian Ministry of Health's CONEP (<http://conselho.saude.gov.br/comissao/conep/atribuicoes.html>). Proactive communications between practitioners and managers will continue to build a common understanding of the benefits of the approach.
 - b. **Limited exposure (of the child) to intervention or institutionalization due to quick adoption or reunification may reduce ability to detect significant intervention effects:** To mitigate this risk, the team will continue recruitment efforts until the target number of participants (100) in each arm have completed 9 months in either placement. Power analysis indicates a sample size of 71 is adequate to detect an effect on security of attachment. Data on dosage of exposure could be used in sensitivity analyses. Additionally, short stays should be balanced across the two arms.
 - c. **Lack of established foster care system reduces the likelihood of successfully implementing the EFC arm:** The team plans to work with a local NGO's pilot foster care program with established ties in the community. It will also work with leaders that have developed successful foster care programs in other Brazilian cities. EI-3 will open up recruitment to nearby cities if additional families are needed. Active communications, drawing on partner networks and channels will also contribute to mitigate this risk.

VI. Exceptions to Bank policy

6.1 No exceptions are foreseen in this project.

VII. Environmental and Social Strategy

7.1 This TC has an ESG classification of “C” according to the Safeguards and Environmental Policy (OP-703), Indigenous Peoples (OP-765), and Gender Equality (OP-270). This CT is not expected to have any negative social or environmental impacts. See [environmental filters](#).

Annexes:

[Request from the Client_31121.pdf](#)

[Results Matrix_31704.pdf](#)

[Terms of Reference_82563.pdf](#)

[Procurement Plan_99388.pdf](#)