

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

**DOMINICAN REPUBLIC**

**SUPPORT FOR THE SOCIAL PROTECTION PROGRAM  
SECOND PHASE**

**(DR-L1044)**

**LOAN PROPOSAL**

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ELECTRONIC LINKS	
<b>REQUIRED</b>	
1.	Annual work plan (work plan for the first disbursement and the first 18 months of implementation) <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35312960">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35312960</a>
2.	Monitoring and evaluation arrangements <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35312965">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35312965</a>
3.	Complete procurement plan <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35313998">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35313998</a>
<b>OPTIONAL</b>	
1.	Evidence of compliance with the triggers for the second phase <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35312071">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35312071</a>
2.	The health situation in the Dominican Republic <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35282818">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35282818</a>
3.	Compendium of the health system and first level of care in the Dominican Republic <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35282798">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35282798</a>
4.	Literature Review on Human Resources in Health (in English) <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35282805">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35282805</a>
5.	Evaluation studies of the quality of care in the Dominican Republic <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35282810">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35282810</a>
6.	General Health Act <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35282818">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35282818</a>
7.	Social Security System Act <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35282823">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35282823</a>
8.	Law on recently graduated medical interns <a href="http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35285228">http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35285228</a>

9. The Use and Effect of Distance Education in Healthcare: What Do We Know? (in English)

<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35303229>

10. Cost-benefit analysis. Telemedicina Anáhuac

<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35303292>

11. Extension of the social supply network of the Solidaridad program

<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35324082>

12. Cost comparison between options for training health personnel

<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35343918>

13. Safeguard Screening Form for classification of projects (SSF)

<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=35366121>

## ABBREVIATIONS

ADESS	Administradora de Subsidios Sociales [Social Subsidies Administration Unit]
BCRD	Central Bank of the Dominican Republic
CAP	Primary Care Center
CTIS	Comité Técnico Intersectorial [Intersector Technical Committee]
DAF	Dirección Administrativa Financiera [Financial Management Department]
DTE	Dirección Técnica Ejecutiva [Executive Technical Department]
EBS	Encuesta de Beneficiarios de Solidaridad [Solidaridad Beneficiaries Survey]
GCPS	Gabinete de Coordinación de Políticas Sociales [Social Policy Coordination Council]
G&P	Guidelines and protocols
IT	Information technology
LIBOR	London Interbank Offered Rate
MED	Ministry of Education
MINH	Ministry of Finance
MSP	Ministry of Public Health
RAS	Red de Abasto Social [Social supply network]
RD\$	Dominican pesos
SENASA	Seguro Nacional de Salud [National Health Insurance]
SIUBEN	Sistema Único de Beneficiarios [master beneficiaries system]
SGSS	Sistema de Gestión de los Servicios de Salud [Health Services Management System]
SRS	Regional health services

## PROJECT SUMMARY

### DOMINICAN REPUBLIC SUPPORT FOR THE SOCIAL PROTECTION PROGRAM SECOND PHASE (DR-L1044)

Financial Terms and Conditions				
Borrower: Dominican Republic Executing agency: Gabinete de Coordinación de Políticas Sociales [Social Policy Coordination Council] (GCPS)			Amortization period:	25 years
			Grace period:	24 months
			Disbursement period:	24 months
<b>Source</b>	<b>Amount (US\$ millions)</b>	<b>%</b>	Interest rate:	LIBOR
IDB (Ordinary Capital)	100 million	100	Inspection and supervision fee:	*
Local	0	0	Credit fee:	*
Other	0	0	Currency:	U.S. dollars from the Single Currency Facility
Total	100 million	100		
Project at a glance				
<p><b>Project objective:</b> To enhance the capacity of the younger members of poor Dominican families to escape poverty in adulthood through their own means, by increasing their human capital stock (health, nutrition and education). The operation has three specific objectives: (i) to endow the Solidaridad conditional cash transfer program with an efficient process for verifying conditionalities, led by the Ministry of Public Health and the Ministry of Education, with lower transaction costs for those ministries; (ii) to increase the quality of first-level health services delivered to Solidaridad beneficiaries; and (iii) to generate operational and analytic lessons for ongoing improvement of Solidaridad.</p> <p><b>Special conditions precedent to the first disbursement:</b> (i) that the proposed 2011 Budget Bill calls for financing all care services as a “protected program,” including the establishment of the Health Services Management Agency (see footnote 15); and (ii) that the Service Supply Map has been finalized and includes an inventory of infrastructure, equipment, and human resources in Primary Care Centers (see footnote 17).</p> <p><b>Special contractual conditions for execution:</b> (i) any adjustments to the Solidaridad operating manual must be cleared by the Bank (paragraph 1.27); (ii) a concurrent audit must be contracted for the processes of verifying co-responsibilities, along with a financial audit (paragraph 3.3); (iii) the families in the pilot sample must have been informed of the education transfers scheme to which they will be subject during the 2010-2011 school year (paragraph 3.4); and (iv) within six months after the loan contract takes effect, the Bill (previously agreed on with the Bank) to Create the Health Services Management Agency must have been presented to Congress (see footnote 17). The financing could be part of the automatic redirection list for the Contingent Loan for Natural Disaster Emergencies (DR-X1003) (paragraph 1.32).</p> <p><b>Exceptions to Bank policies:</b> None.</p>				
<p><b>Project consistent with country strategy:</b> Yes [ X ]      No [ ]</p> <p><b>Project qualifies as:</b> SEQ [ X ]      PTI [ X ]      Sector [ X ]      Geographic [ X ]      Headcount [ X ]</p>				

\* The credit fee and inspection and supervision fee will be established periodically by the Board of Executive Directors as part of its review of the Bank's lending charges, in accordance with the applicable provisions of the Bank's policy on lending rate methodology for Ordinary Capital loans. In no case will the credit fee exceed 0.75% or the inspection and supervision fee exceed, in a given six-month period, the amount that would result from applying 1% to the loan amount divided by the number of six-month periods included in the original disbursement period.

## **I. DESCRIPTION AND RESULTS MONITORING**

### **A. The development challenge facing the Solidaridad program**

- 1.1 The agenda for reforming social assistance programs in the Dominican Republic includes a process of rationalizing expenditure and developing policy instruments to promote transparency and effectiveness in interventions. The Solidaridad Conditional Cash Transfers Program (hereinafter "Solidaridad"), created in 2005, represents a shift of focus in social assistance programs. On the one hand, it facilitates direct delivery of public funds to poor households that are identified in an objective and transparent way.<sup>1</sup> On the other hand, it uses these funds to leverage greater use of health and education services by beneficiaries, encouraging them to invest more heavily in these dimensions of human capital and thereby, in time, increase their chances of lifting themselves out of poverty. To this end, it makes the transfers contingent on beneficiary families sending their children to school (minimum school attendance rule) and following a preventive health and nutrition protocol.
- 1.2 Solidaridad's effectiveness depends both on its capacity to translate the delivery of conditional transfers into greater demand for social services and on the productivity of those services. In this respect, Solidaridad represents a significant opportunity for increasing demand for health and education services among the low-income population. The indicators on use of these services are substantially lower for the poorest groups than for the general population, and access does not seem to be a factor in this situation. For example, the rates of prenatal care and institutional childbirth exceed 90%<sup>2</sup> both for the general population and for the Mater Beneficiaries System (SIUBEN) first level. However, while the rate of timely prenatal care (beginning in the first trimester of gestation) nationwide is 93.3%, for mothers in the SIUBEN first level it is only 68.2%. On the other hand, gross enrollment rates in the eight grades of basic education—an indicator of the education system's capacity—is close to 100% nationally and for the first SIUBEN level. Yet while 90% of 15-year-olds are still in school, only 64% of youngsters of this age in the first SIUBEN level are enrolled in school.<sup>3</sup>
- 1.3 Solidaridad could also have an impact on the productivity of health and education services if it succeeds in modifying certain types of behavior that are due in part to lack of information and knowledge on the part of the target population. For

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<sup>1</sup> Through the Master Beneficiaries System (SIUBEN). Using household surveys, SIUBEN assigns a quality of life index score to each eligible household. It currently has data on 1.5 million households (nearly 60% of the country's total), of which 625,000 are classified as poor. Solidaridad is now providing benefits to 550,000 households.

<sup>2</sup> The figures used in this document are estimates by the project team, based on the 2007 National Health Survey.

<sup>3</sup> At the same time, this population will have completed only six years of schooling, while the national average is 7.7 (which itself is low in comparison with the ideal for this age group).

example, the low child health indicators, in particular for the poorest households,<sup>4</sup> are highly correlated to fertility risk factors (early and late pregnancies, short intervals between pregnancies). Around 22% of girls ages 15 to 19 have been pregnant at least once, and this figure rises to 43% for the first SIUBEN level. When it comes to nutrition, just 8% of children are exclusively breast-fed until they are six months old, and foods to complement breast-feeding are introduced too early in 90% of cases. There is a close causal relationship between this behavior and high overweight rates in children under 6 (8.5%). As to education, administrative data show that a significant number of children drop out of school at the end of grade 4, which was typically the last grade of basic education for the current generation of parents, although there is apparently no significant increase in direct or opportunity costs (the value of the time that could be devoted to working) of attending school between grades four and five.

## **B. The quality of primary health care services**

- 1.4 Although there are demand factors that may explain why the neediest population groups—those whom Solidaridad is most likely to benefit directly—make less use of social services, and do so less productively, the low quality of these services may also discourage their use and must certainly limit their impact. With respect to education quality, the UNESCO Regional Bureau of Education for Latin America and the Caribbean (OREALC-2008) notes that the average Dominican student performs academically at a low level, and that the difference in performance between the extremes of the income distribution scale is among the smallest in the region, suggesting some generalized challenges for improving education quality.<sup>5</sup> Some studies point to the poor quality of health service delivery as a critical element in explaining why the country's maternal and infant mortality rates are among the highest in the region (Perez and Gomez, 2009).
- 1.5 While service quality could be compromised by the low level of education and health spending in the Dominican Republic—one of the lowest in the region—there are also systemic failures behind those results. As this is a central theme of this document, the remainder of this section will describe in greater detail three key factors associated with the low quality of healthcare services that Solidaridad is promoting (at the first level of care): shortcomings in the provision of basic inputs, the poor performance of human resources, and inadequate management of primary health services.<sup>6</sup>

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<sup>4</sup> Infant mortality rates in the Dominican Republic are among the highest in the region (32 per thousand live births). Even so, the infant mortality rate for the first SIUBEN level is 37.5% higher than the national average.

<sup>5</sup> Consistent with this assessment, the Bank is focusing its education efforts on increasing actual classroom time and improving the quality of basic and intermediate education, through operation DR-X1004 to support the 10-year Education Plan.

<sup>6</sup> For a more detailed discussion of the problems associated with the poor quality of health services, see optional electronic links 2, 3 and 5.



- 1.6 **Basic inputs.** Health centers are required by law to be licensed by the Ministry of Public Health (MSP) before they provide care. For first-level care this means that health centers must demonstrate the ability to provide the services included in the Basic Health Plan, involving minimum conditions relating to infrastructure, personnel and equipment. However, it has not been possible to implement this standard, for if it were enforced most of the country's health centers would no longer be providing service. At present, of the 1,276 public first-level health centers only 737 have applied for a license, and of these only 96 have received one. All the health centers that applied for but were not granted a license suffer from equipment shortages, 71% have no attending physician (but are served instead by a medical intern or a nurse) and 41% do not meet infrastructure standards. It is estimated that only 10.4% of Solidaridad beneficiaries are attending licensed health centers.
- 1.7 **Human resources.** Perez and Gomez (2008) took the observance by medical personnel of clinical practice guidelines and protocols (G&P) as the standard for measuring the quality of care to pregnant mothers and healthy children under 1, in four of the nine health regions of the Dominican Republic. Only 8% of physicians met this standard fully in the case of pregnant mothers, and none in the case of children under 1. One of the reasons for low observance of standards was lack of familiarity with the G&P for primary healthcare: in the Perez and Gomez study, 72% of physicians were familiar with 60% or less of their content. In turn, this phenomenon is associated with the high mobility of first-level physicians: around 50% are medical interns, serving in the health center for only one year.
- 1.8 Nevertheless, the lack of observance of the G&P by primary health care physicians may also be associated with failings in the system of incentives under which they operate. There is no system for supervising the performance of first-level health care personnel. Moreover, medical personnel are assigned to the Regional Health Services (SRS)—autonomous agencies responsible for providing services at the three levels of care—directly by the MSP, thus constraining the management flexibility of the SRS.
- 1.9 **Quality management.** Containing costs in the Dominican health system and providing equitable, high-quality services depends on having the majority of medical consultations take place at the first level of care. Ideally, the 80% of medical consultations that are relatively uncomplicated should be handled by Primary Care Centers (CAPs). This ideal situation would have at least three advantages over the present situation, where there is an excessive degree of referral to the second level: (i) the costs of a low-complexity consultation are significantly lower at the first level; (ii) because they are more accessible to low-income groups, having the CAPs handle more medical situations would mean more equitable access to services; and (iii) with the possibility of implementing a family and community health approach better geared to prevention, the cost of care for some conditions could be reduced and the overall level of public health could be improved over the medium term.

- 1.10 However, the process by which the financing institutions—MSP and the National Health Insurance (SENASA)—allocate funds to the SRS creates incentives to overuse second-level services. The lack of an information system for recording cases handled at the first level and imputing their cost means that budgetary funds are allocated on a historical basis (MSP), although this is sometimes done according to a per capita rule (SENASA). It is also difficult to design and monitor results-based management agreements with the SRS, and this lessens the incentives to provide quality service, in turn reducing people's inclination to use the first level as the gateway to the health system. As well, billing for service at the second and third levels (additional to the per capita payment) creates incentives for the SRS to expand referrals to the second level. Internalizing this situation, the financing institutions have their own incentives to reduce per capita payments, and therefore the resources allocated to the first level. All of this diminishes the capacity of the first level to provide treatment and favors a curative approach that drives up the costs of the system.

**C. Solidaridad consolidation process and Bank support**

- 1.11 In early 2009, Solidaridad reforms were begun to strengthen the program's human capital promotion capacity. The specific objectives of this process are to: (i) strengthen its operational coordination with the education and health sectors, to avoid duplication of functions and to include measures to strengthen supply and promote demand for those services; (ii) adapt its framework of transfers, co-responsibilities, and training for beneficiaries to align them with sector priorities, programs, and standards, and also to more effectively promote the behavioral changes needed to address the causes of the sector problem; (iii) deconcentrate and automate its operating cycle and strengthen its community organizational structure, to reduce costs, systematize verification of the set of co-responsibilities, and improve service to beneficiaries; and (iv) systematize monitoring and evaluation to strengthen performance and accountability.
- 1.12 The Bank has been supporting this reform process from the very beginning. In August 2009 the Board of Executive Directors approved the first of three loans called for in the Multiphase Program of Support for the Social Protection Program (loan 2176/OC-DR, DR-L1039) in the amount of US\$70 million, of which 93.76% has been disbursed thus far. The general objective of the multiphase program is to protect and enhance the investments that poor families make in education, health and nutrition. Specifically, the series has two purposes. First, to strengthen the design and the operating cycle of Solidaridad, so as to make it more effective and efficient in producing incentives for its beneficiaries to invest in human capital. Second, to provide incentives and develop operating tools that will promote coordination between the government ministries and agencies involved in human capital promotion, so as to make their spending more effective, particularly that targeted at low-income families.

## **1. Objectives and results of the first phase**

- 1.13 The first phase of the loan program, executed by the GCPS, had three specific objectives. The first was to begin transitioning Solidaridad towards a program that places greater emphasis on promoting its beneficiaries' human capital. To this end, the operation sought to make health and education conditionalities more relevant and to foster technical and operational coordination between Solidaridad, the MSP and the Ministry of Education (MED). The new framework of Solidaridad conditionalities is aligned with the sector priorities and guidelines and protocols for promoting maternal-infant health and that of other members of the nuclear family. As well, a process has been initiated for systematic verification of compliance with health and education conditionalities before transfers are paid.
- 1.14 The second objective of the first phase was to strengthen the management capacity of Solidaridad and other institutions involved in its operations, so as to provide better care to its beneficiaries and monitor the processes in its operating cycle more effectively. To this end, information technology projects are being developed to: (i) systematize and allow ready analysis of the information shared by SIUBEN, Solidaridad and the Social Subsidies Administration Unit (ADESS), responsible for making transfer payments to the beneficiaries of Solidaridad (and other cash transfer programs); and (ii) provide clear and timely information to Solidaridad beneficiaries with respect to their rights and obligations and the processing of their claims. All of these projects are scheduled for completion by mid-2011.
- 1.15 The third objective of the first phase was to contribute to ongoing improvement of Solidaridad, by compiling and analyzing information that would demonstrate its effectiveness and the pertinence of the proposed innovations. With cofinancing from the technical cooperation program on the food price crisis and the social protection program (ATN/OC-12191-DR), the 2010 Solidaridad Beneficiaries Survey (EBS) is currently being conducted, and this will provide basic information for assessing the impact of the changes to Solidaridad's design and operations. It would also complement an evaluation of the Social Supply Network (RAS)<sup>7</sup> by the Bank: funding from the first phase is being used for a quasi-experimental evaluation to determine whether to proceed further with increasing the licensing of payment locations, which was undertaken at the Bank's recommendation.

## **2. Triggers for the second phase**

- 1.16 The milestones agreed on with the country for triggering approval of the second phase have been achieved to the Bank's satisfaction. Their intent was to generate additional incentives for intersector coordination and to draw some operational lessons for reforming the design of Solidaridad. Those milestones are described below.<sup>8</sup>

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<sup>7</sup> The network of grocery stores through which ADESS transfers funds to Solidaridad beneficiaries.

<sup>8</sup> The optional electronic links include documentation submitted by GCPS for verifying fulfillment of these milestones.

- 1.17 **Trigger 1.** "An external evaluation to determine compliance with the operating manual." The main purpose of this milestone was to encourage a timely start for systematic verification of co-responsibilities in education and health.<sup>9</sup> The GCPS presented to the Bank the Evaluation Report of the Solidaridad Operating Manual, prepared by an external consultant, and an update on the process of enrollment for health and education services, which is the first co-responsibility for beneficiaries to be eligible for the bimonthly payments for September and October 2010. That report shows an enrollment rate of 91.5% for education services and 90.1% for health services on the part of households registered in the Solidaridad information system.<sup>10</sup> With respect to delivery of micronutrients, there are sufficient doses of powdered food supplements available to cover 100% of the eligible population ages 6 to 36 months.
- 1.18 **Trigger 2.** "Evaluation of the Social Supply Network (RAS) finalized and incorporation of recommendations in the design of the second phase of the operation to expand the use of transfers by the beneficiaries, to the Bank's satisfaction". The fact that the transfers are redeemable only through purchases at RAS-licensed grocery stores leads to two concerns: (i) welfare losses for beneficiaries because of inflexibility in the use of their transfers; and (ii) higher prices because of the local monopoly power granted by the license. The analysis of the RAS focused on assessing its impact on the prices paid by beneficiaries.<sup>11</sup>
- 1.19 The monopolistic concentration generated by the RAS was evaluated,<sup>12</sup> and the results suggest that the progressive expansion of the RAS has in fact increased competition among stores. Consistent with that conclusion, ADESS has undertaken an expansion of the RAS, which will bring the average number of beneficiaries per store down from 200 to 150 by mid-2011. A quasi-experimental evaluation of this expansion process has been designed, complementing the formative evaluation already conducted, in order to make a sounder attribution of the impacts of the RAS and determine whether the expansion process should be pursued even further.

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<sup>9</sup> The loan contract for the first phase specifies that "Such compliance will be evaluated on the basis of the following parameters: on the last payment date prior to presentation of the second operation to the Board of Executive Directors of the Bank, the following will be verified: (i) co-responsibility in education for at least 90% of beneficiary households and in health for 70%; and (ii) micronutrients are delivered to at least 50% of the eligible population (pregnant and postpartum women, children ages 6 to 60 months)."

<sup>10</sup> Households that have not complied with this co-responsibility are still eligible to receive the bimonthly payment, but they are given a warning that a second instance of noncompliance will lead to suspension of payments, and a third will exclude them from the program.

<sup>11</sup> Given that the funds transferred by Solidaridad are fungible, that the transfer represents a relatively small proportion of beneficiary families' average income (between 7% and 13%), and that Dominican families do a high percentage (46% in 2009) of their shopping in these grocery stores, there is not expected to be any significant welfare loss from tying the transfer to use within the RAS.

<sup>12</sup> Using the Herfindahl-Hirschman index, which measures the size of firms in relation to the industry as an indicator of the intensity of competition among them.

- 1.20 **Trigger 3.** "An external operational evaluation of implementation of the crosscutting processes manual." The purpose of this milestone is to analyze progress in strengthening operational coordination among the three institutions responsible for the operating cycle of the conditional cash transfer program (SIUBEN, Solidaridad and ADESS), in order to make their shared processes more efficient. The GCPS presented to the Bank the evaluation of the crosscutting processes manual, produced by an external consultant. That report highlights progress in coordinating the work of updating the Solidaridad registry of beneficiaries, verifying co-responsibilities, and generating the payee list. Still pending are the tasks of strengthening the procedures for responding to new beneficiaries and delivering payments to them. This will be partially resolved through some of the IT projects that are still under way as part of the first phase of the operation.
- 1.21 **Trigger 4.** "Evaluation of information technology systems". The objective of this milestone is to determine the feasibility of using the IT systems of Solidaridad, the MSP and the MED to establish a system for electronic verification of co-responsibilities. The GCPS has sent the Bank the final report on the evaluation of information technology systems, produced by an external consultant. That report identified significant weaknesses in the systems of the three institutions, and recommended a transition plan for verifying co-responsibilities, one that, in the case of the health sector in particular, would use physical means for verifying co-responsibilities during the period from August 2010 to July 2011. This second phase of the program will finance investments in information technology (IT) systems so that co-responsibilities can be verified completely from those systems as of August 2011.
- 1.22 **Trigger 5.** "With the Bank's prior clearance, approval by the Intersector Technical Committee (CTIS) of an alternative system of educational transfers, and of the community training component, to be evaluated initially on a pilot basis during the first phase of the program at the start of the 2010-2011 school year." The GCPS has sent to the Bank the minutes of the CTIS meeting at which two alternative schemes for the educational transfer were approved.<sup>13</sup> It also submitted an ex ante evaluation of the fiscal and distributive impacts of implementing each of the alternative schemes. The impact of those alternative schemes will be assessed using an experimental approach during the 2010-2011 school year, and the work of

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<sup>13</sup> Regardless of the grade in which the students are enrolled, the current scheme delivers RD\$300 to households with one or two children attending school between grades one and 10; RD\$450 to those with three children attending, and RD\$600 to those with four children or more. The proposed pilot schemes would allocate RD\$300 per household, regardless of the number of children enrolled, and an individual transfer for each child enrolled in grade five and beyond, to a maximum per-family total of RD\$900. The first pilot scheme would deliver RD\$50 per pupil in grades five and six; RD\$100 per pupil in grades seven and eight; and RD\$150 per pupil in grades nine and 10. The second pilot scheme would deliver RD\$100 per pupil in grades five and six; RD\$150 per pupil in grades seven and eight; and RD\$200 per pupil in grades nine and 10. It is estimated that the first scheme would not increase costs, while costs in the second case would be 18% higher.

collecting the basic data has already begun (through EBS 2010). As well, the GCPS has submitted the new Household Training Strategy which will come into force in the course of this year and will be evaluated with World Bank financing.

- 1.23 **Trigger 6.** "Implementation of the procedure to ensure that the funds appropriated in the 2010 income and expenditure budget to cover shortfalls in education, health, and nutrition are not altered and are disbursed in accordance with the execution timetable." The Ministry of Finance (MINH) and the GCPS presented to the Bank a report on application of budgetary safeguards established by law for the MSP, MED and GCPS to ensure coverage of shortfalls in basic inputs for health, education and nutrition, respectively. The MINH reports that the budgetary appropriations in question have not been reduced and have been given priority in the programming of commitments. It also advises that all funds from these appropriations earmarked for the GCPS have been executed, that all the funds available to date for the MED have been committed, and that, while the MINH has encountered delays in committing its resources, it will still be able to execute its entire budgetary allotment for the year.

**D. Objectives and components of the second phase**

- 1.24 The goal for the second phase is to enhance the capacity of the younger members of poor Dominican families to escape poverty in adulthood through their own means, by increasing their human capital stock (health, nutrition and education). The operation has three specific objectives: (i) to endow Solidaridad with an efficient process for verifying conditionalities, led by MSP and MED, with lower transaction costs for those ministries; (ii) to increase the quality of first-level health services delivered to Solidaridad beneficiaries; and (iii) to generate operational and analytic lessons for ongoing improvement of Solidaridad.
- 1.25 This second phase represents a notable shift of strategy in relation to the first: it will involve the Bank directly in improving the quality of the health services that Solidaridad is promoting. The first phase pursued this objective indirectly, by identifying the budget safeguards described in paragraph 1.23. More direct involvement by the Bank in the health sector is now considered necessary as a way to influence the qualitative aspects of strengthening service delivery.
- 1.26 This operation is in line with the Bank's country strategy with the Dominican Republic 2010-2013, one objective of which is to make the Dominican social protection network more effective and efficient. It will contribute directly to achieving the goals of reducing the prevalence of child malnutrition, increasing the population with full immunization coverage, and boosting the percentage of children completing at least six grades of basic education.<sup>14</sup> These objectives will be achieved through the following components.

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<sup>14</sup> Annex II presents the expected impacts for these indicators, which are consistent with those established in the country strategy.

- 1.27 **Component 1. Conditional cash transfers (US\$69 million).** The objective of this component is to encourage demand among Solidaridad beneficiary households for public health, nutrition, and education services. The component will partially finance health, nutrition and education transfers to families that have complied with the conditionalities set out in the Solidaridad operating manual. As a special condition of execution, any adjustments to that manual must be cleared by the Bank. During 2010, Solidaridad is expected to maintain coverage for 525,000 households. Under this scenario, financing for this component would represent 51% of the annualized budget for Solidaridad transfers (US\$135 million).
- 1.28 **Component 2. Information systems (US\$11.6 million).** This component has two purposes. First, it will seek more efficient and accurate management of information within the entities involved in the Solidaridad operating cycle, with an emphasis on the health sector. Second, it will facilitate generation and analysis of health sector information in order to improve the quality of services offered. Specifically, the component will finance development of: (i) the Health Services Management System (SGSS) as the keystone to sector management (particularly at the first level), based on the information generated electronically in primary care facilities, which will be computerized with funding from this component; (ii) the Electronic Verification System of Solidaridad Conditionalities, based on the education and health sector information systems (including the SGSS). This component will also cover the operating costs of the systems for up to 12 months; and (iii) the Social Protection Information System, which will build upon the IT projects from the first phase but will now focus on strengthening the technical and operational capacity of the IT team and on security of the information in the Solidaridad, SIUBEN and ADESS systems.
- 1.29 **Component 3. Quality of health services (US\$14.2 million).** The objective here is to improve the quality of first-level health services offered to Solidaridad beneficiaries. The component will finance development of the following outputs: (i) a plan for the organizational and operational development of a management agency, decentralized from the MSP, that will oversee the quality and equity of the services offered by health service providers, including its operating expenses for the first 12 months;<sup>15</sup> (ii) a modular distance-training system for first-level health personnel, via the web, to familiarize them with the guidelines and protocols

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<sup>15</sup> This management agency is mentioned in the Social Security System Act (see optional links). **A special condition precedent to the first disbursement will be that the proposed 2011 Budget Bill calls for financing all care services as a “protected program,” including the establishment of the Health Services Management Agency.** A special condition for execution will be that within six months after the loan contract takes effect, the Bill (previously agreed on with the Bank) to Create the Health Services Management Agency must have been presented to Congress.

established for care at this level;<sup>16</sup> (iii) distance training for at least 50% of first-level physicians and nurses; and (iv) complete equipping of 230 CAPs that serve Solidaridad beneficiaries<sup>17, 18</sup>.

- 1.30 **Component 4. Evaluation (US\$1.2 million).** The objective is to generate information that will facilitate ongoing improvement of Solidaridad. The component will finance the following outputs: (i) the first EBS monitoring exercise (August 2011), to evaluate the short-term impact of changes in the program's operating cycle<sup>19</sup>; (ii) a clinical vignettes study to evaluate the distance training strategy for generating knowledge on the first-level G&P and their use by health professionals; (iii) an evaluation of compliance with technical standards for the information systems financed under this second phase; and (iv) a qualitative evaluation that would investigate the findings from the analysis of information produced by the EBS.

#### **E. Triggers for the third phase**

- 1.31 The executing agency will submit evidence of compliance with the following milestones: (i) the SGSS verification module for health co-responsibilities will be operational, and will have been used to make at least one round of payments to beneficiaries; (ii) the training process will be under way for at least 230 CAPs, of which 126 will have been trained, as confirmed by certification from the competent health authority; (iii) the distance training module will be finalized, as verified on-site by an external consultant; (iv) the qualitative assessment of Solidaridad will

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<sup>16</sup> For the design of this subcomponent, the project team examined evidence on the effectiveness of distance training for health personnel versus alternative training approaches. Numerous studies have shown that distance education programs for health personnel, regardless of the technology used, are at least as effective as other, conventional training programs, and they are less costly (Knebel 2001). The team's own analysis showed a cost ratio between four and eight times higher using a conventional (classroom) training methodology instead of distance training (see the optional electronic links for this cost analysis). Based on that analysis, and on empirical evidence from other countries, the distance training option is considered the most cost-effective.

<sup>17</sup> The equipment will be allocated to the CAPs on the basis of the following criteria: (i) CAPs that do not require investments in infrastructure or human resources in order to be licensed; (ii) within that universe, priority will be given to CAPs with the greatest number of registered Solidaridad beneficiaries; and (iii) if the Bank and the executing agency together should decide that it would be best to provide equipment to all SRS, and if this requires setting quotas by region, they will be established according to the proportion of Solidaridad beneficiaries in each region. Criteria (ii) and (iii) can be revised with the Bank's clearance, once the inventory of CAP infrastructure, equipment, and human resources is completed. **A special condition precedent to the first disbursement will be that the Service Supply Map has been finalized and includes an inventory of CAP infrastructure, equipment, and human resources.**

<sup>18</sup> This operation will be executed in close coordination with the World Bank's health and social protection loans. Through policy-based loans in support of implementation of the budgetary safeguards described in paragraph 1.24, the World Bank and the International Monetary Fund are helping to improve health infrastructure and human resource availability with a view to the licensing of around 1,000 more CAPs in the country. Equipping those CAPs could be financed through a third phase of this program.

<sup>19</sup> Analysis of this information will be financed under operation ATN/OC-12191-DR.



have been finalized, as confirmed by delivery of the final report to the Bank; and (v) funding will be included in the 2011 government income and expenditure budget to cover shortfalls in education, health and nutrition in accordance with the multiyear plan approved during the first phase of the program, and disbursement of those funds will be proceeding in accordance with the execution schedule. Based on program progress, the milestones for a potential third phase have been adjusted from those put forth in phase one.

## F. Costs

1.32 Table 1 summarizes the breakdown of program financing.

**Table 1. Summary of costs**

Component	IDB financing (Ordinary Capital) in US\$ thousands
1. Conditional cash transfers	US\$69,000
2. Information systems	US\$11,600
3. Health service quality	US\$14,200
4. Evaluation	US\$1,200
5. Audit and administration	US\$1,000
6. Contingencies	US\$3,000
<b>TOTAL</b>	<b>US\$100,000</b>

The financing could be part of the automatic redirection list for the Contingent Loan for Natural Disaster Emergencies (DR-X1003).

## G. Key indicators in the results matrix

1.33 With the EBS 2011 in hand, it will be possible to attribute changes in the key maternal-child health indicators to the adjustments made to Solidaridad during the first and second phases of the program in terms of improving the relevance of its health conditionalities and their systematic verification. It will also be possible to evaluate the impact that the pilot changes in the education transfer system are having on school attendance and retention, and to take a decision on the education transfers system that will be implemented during the 2011-2012 school year. Other key results to be measured during the second phase relate to improvements in the quality of health services delivered to Solidaridad beneficiaries: (i) beneficiaries registered in licensed CAPs; (ii) health professionals serving Solidaridad beneficiaries and following the G&P for maternal-child care; and (iii) number of SRS performance contracts that include quality indicators for services provided, and that can be monitored.

# II. FINANCING STRUCTURE AND RISKS

## A. Borrower and executing agency

2.1 The borrower is the Dominican Republic. The Social Policy Coordination Council (GCPS), which executed the first phase of the program, will be the executing agency for this second phase. The GCPS was created by Presidential

Decree 1082-04 and given executive and coordination powers. It has the mandate and the capacity to implement the program, since Decree 570-05 gives it the functions of leadership, management, and execution of programs in the government's social protection system.

**B. Amount of financing and disbursement plan**

- 2.2 The Bank will provide financing of US\$100 million from its Ordinary Capital. The bulk of financing for this operation will be disbursed through advances. Contracts awarded through international competitive bidding may be paid directly.
- 2.3 This operation is expected to be approved by the Bank's Board of Executive Directors in mid-October, and to achieve eligibility and to disburse US\$35 million at the end of 2010, US\$40 million in 2011 and US\$25 million in 2012. So as not to postpone the start of strategic activities and to continue Bank support for the payment of transfers, the Bank can reimburse up to US\$20 million in expenditures made prior to the date of approval of this operation by the Bank's Board of Executive Directors but after 17 April 2010, provided requirements substantially similar to those established in the loan contract have been met. These procedures are consistent with the provisions of the policy governing retroactive expenditures (OP-504).

**C. Environmental and social safeguard risks**

- 2.4 In accordance with the Environment and Safeguards Compliance Policy (OP-703), the ESR classified the program as a category "C" operation. The optional electronic links contain an analysis of the potential factors for exclusion from Solidaridad, having to do with the lack of identity documents, and a discussion of how the program has been mitigating them.

**D. Fiduciary risks**

- 2.5 Based on the positive experience that GCPS has had in executing other loans from international agencies, and on the analysis of its fiduciary capacity (conducted by the Bank during preparation of the first phase of the operation and during the fiduciary administration visits), the fiduciary risks of this operation are considered low.

**E. Other risks**

- 2.6 **Verification of conditionalities.** The incipient process of systematic verification of conditionalities could initially generate warnings or suspension of payments through no fault of the beneficiary but rather through the verification system's lack of consolidation. This could in turn affect the financial justification for advances

from the Bank. A transition mechanism has accordingly been agreed for verifying co-responsibilities through the end of 2010.<sup>20</sup>

- 2.7 **Management agency.** There is a possibility that interested groups may object to creation of an agency to manage them. Although the law provides for the creation of that function, it does not stipulate a specific institutional arrangement. The management agency enjoys backing from the highest levels of government, and the proposal to create it as a deconcentrated agency of the MSP is in itself a strategy for mitigating this risk.

### **III. IMPLEMENTATION AND ACTION PLAN**

#### **A. Summary of implementation arrangements**

- 3.1 The program will be implemented by the Executive Technical Department (DTE) and the Financial Management Department (DAF) of the GCPS. The DAF will be responsible for procurement, contracting, and payments at the DTE's request, except for transfer payments, which are the responsibility of the Social Subsidies Administration Unit (ADESS).
- 3.2 The procurement of goods and services and the selection and contracting of consulting services will be done in accordance with Bank policies. Consistent with those policies, an agreement of up to US\$1 million will be signed with the Central Bank of the Dominican Republic (BCRD), for it to provide nonconsulting services to conduct the first follow-up survey to the EBS 2010. Direct contracting in this manner is justified as a continuation of the services that the BCRD is performing for compiling the EBS 2010, under ATN/OC-12191-DR.
- 3.3 The borrower will file the program's annual consolidated financial statements with the Bank, within 120 days of the end of the fiscal year in question. Audits will be performed by a firm of independent auditors acceptable to the Bank, and the corresponding costs will be financed out of program funds. It has been agreed that for the second phase a concurrent audit will be contracted for the processes of verifying co-responsibilities, along with a financial audit, and this will be included as a special execution clause.

#### **B. Summary of arrangements for monitoring results**

- 3.4 Electronic link 3 details the arrangements for monitoring and evaluating the outputs and outcomes of the operation. In particular, the EBS will be used as a means for

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<sup>20</sup> Under this mechanism: (i) the Bank will recognize transfers paid between October and December 2010 against presentation of the reconciled list of payees and certification from the Solidaridad Director that payees have been fulfilling their education and health registration co-responsibilities as of September; (ii) justification for the first advance for the transfer component will require the Solidaridad Director to certify that payees have fulfilled the school attendance and health protocol conditions as established in the Solidaridad Operating Manual or that they have received a warning that a second instance of noncompliance will lead to suspension of payments; and (iii) the verification process will be audited concurrently in order to detect and correct any shortcomings.

evaluating the health and nutrition indicators, comparing the situation before and after the innovations introduced in the program. There will also be an experimental evaluation of the impact of the pilot schemes for education transfers. As a special condition for execution, the families in the pilot sample must have been informed of the education transfers scheme to which they will be subject during the school year 2010-2011. Lastly, vignette studies will be conducted, with a quasi-experimental design to evaluate the results of the component to increase the supply of health care.

**Development Effectiveness Matrix  
Summary**

Indicator	Score	Maximum Score
<b>I. Strategic Relevance</b>	<b>High</b>	
<b>1. IDB Strategic Development Objectives</b>	<b>6.5</b>	<b>10</b>
Country Diversification	2.0	2
Corporate Initiatives	2.5	2.5
Harmonization and Alignment	0.0	3.5
Beneficiary Target Population	2.0	2
<b>2. Country Strategy Development Objectives</b>	<b>9.6</b>	<b>10</b>
Country Strategy Sector Diagnosis	6.0	6
Country Strategy sector objective & indicator	3.6	4
<b>II. Development Outcomes - Evaluability</b>	<b>Highly Satisfactory</b>	
<b>3. Evidence-based Assessment &amp; Solution</b>	<b>9.8</b>	<b>10</b>
<b>4. Evaluation &amp; Monitoring Plan</b>	<b>10.0</b>	<b>10</b>
<b>5. Cost-Benefit or Cost-Effectiveness</b>	<b>7.0</b>	<b>10</b>
<b>6. Risks &amp; Mitigation Monitoring Matrix</b>	<b>7.5</b>	<b>10</b>
<b>III. IDB's Role - Additionality</b>		
<b>7. Additionality</b>	<b>3.0</b>	<b>10</b>
Technical Assistance provided prior the project	0.0	3
Improvements in management of financial, procurement, monitoring or statistics internal controls	0.0	4
Improvements in environmental, health and labor performance	3.0	3

**I. Strategic Relevance:** This is an investment project in Dominican Republic, a country type C/D in the Caribbean. The operation of the program SOLIDARIDAD will be strengthen to provide conditional transfers for education and nutrition of children in extreme poverty. It has an important component of institutional strengthening which is focused in the response of health services as well as the training of the medical staff. The program is align with the strategies of the Bank in the country, specifically in the reduction of poverty.

**II. Evaluability:** This is the second phase of a project that had a solid diagnosis on the challenges of social protection in the country and in particular of Solidaridad as a policy tool. This document presents an update on the achievements and points the challenges that the program faces, providing an adequate diagnosis. The main activities and products have a strong relationship to the problems discussed and the stated objectives. Most of the indicators are adequate to measure the expected results of the operation. Risks are adequately assessed and mitigation measures are considered. Impact evaluations using experimental and quasi-experimental methods are considered, and alternative schemes will be tested to maximize the impact of educational transfers.

**III. Additionality:** Given the low level of coverage of the health services that are diagnosed in the project, program will support the improvement of the assistance scheme directed to poor and non-poor households. The experimental evaluation will help clear the doubts on the best way to train the medical staff in the assistance of the most vulnerable population.

**DOMINICAN REPUBLIC**  
**SUPPORT FOR THE SOCIAL PROTECTION PROGRAM**  
**SECOND PHASE**  
**(DR-L1044)**

**RESULTS FRAMEWORK - MATRIX OF INDICATORS**

<b>PROJECT OBJECTIVE</b>	To enhance the capacity of the younger members of poor Dominican families to escape poverty in adulthood through their own means, by increasing their human capital stock (health, nutrition and education).		
<b>EXPECTED IMPACT</b>	In adulthood, the children of Solidaridad beneficiaries have a lower probability of being chronically poor.		
<b>OUTCOME INDICATORS</b>	<b>Baseline 2007<sup>1</sup></b>	<b>End-of-program target<sup>2</sup></b>	<b>Source/Comments</b>
<b>(1) Nutrition:</b> 1. Prevalence of chronic malnutrition among children ages 0 to 2 in SIUBEN-1 households.	1. 11.6%	1. 10.44%	1, 2 and 3. Reflexive evaluation using the National Demographic and Health Survey (ENDESA) 2007 and 2012. Program attribution using Solidaridad Beneficiaries Surveys (EBS) 2010, 2011 and 2012, with a discontinuous regression technique using SIUBEN.
<b>(2) Health:</b> 2. Average height of children ages 36 to 60 months in SIUBEN-1 households.	2. 98.8 cm	2. 99.8 cm	
3. Percentage of children under 2 in SIUBEN- 1 households with complete immunization.	3. 46.8%	3. 60%	

<sup>1</sup> Estimates made by the project team based on ENDESA 2007.

<sup>2</sup> As described in the Monitoring and Evaluation link, target achievement could be measurable through a before and after evaluation for the SIUBEN-1 population, based on the 2007 and 2012 ENDESAs. The link describes an impact evaluation process that in the future will make it possible: (i) to establish the impact of the lending program in comparison with the impacts that would have been made if Solidaridad had not modified its intervention and operational design (an ex post evaluation of Solidaridad will be made using the discontinuous regression technique to identify impact, and impacts will be established on the upper margin of the distribution of potential beneficiaries based on the implementation of pilot programs); (ii) to establish the specific attribution of the short-term program through the implementation of pilot evaluations based on an experimental design; and (iii) lastly, when the entire eligible population is covered, to conduct an “ingenuous” (before and after) evaluation, to which this version of the Results Framework refers. Accordingly, this Results Framework will necessarily change during the program evaluation process. Based on these evaluations, it will also be possible to establish ex post the cost-benefit ratio of the Solidaridad program and the credit program.

<b>(3) Education:</b>						
4. Percentage of children ages 14 to 16 in SIUBEN-1 who complete at least six grades of basic education.	4. 38.9%		4. 48.5%			4. Reflexive evaluation using ENDESA 2007 and 2012. Program attribution using EBS 2010 and 2011 with an experimental design, and monitoring indicators in 2012.
COMPONENT I: CONDITIONAL CASH TRANSFERS						
	Base 2009	Phase 1 2009-2010	Phase 2 2010-2011	Phase 3 2011-2012	Cumulative target	Source/Comments
Output indicators						
1. Increase in the number of SIUBEN-1 and -2 households receiving health and nutrition transfer	453,000	72,000	25,000	75,000	625,000	Solidaridad Information System (SIS)
2. Number of SIUBEN-1 and -2 households receiving education transfer	230,000	0	90,000	45,000	365,000	SIS
Intermediate outcome indicators						
1. Percentage of households with at least one child under 6 that are receiving the health and nutrition transfer, that are complying with their growth promotion scheme or have received warning of suspension for a first instance of noncompliance.	0%	75%	95%	95%	95%	SIS, ADESS
2. Percentage of households with a woman recorded as pregnant that are receiving the health and nutrition transfer, that are complying with their prenatal checkup protocol or have received warning of suspension for a first instance of noncompliance.	0%	75%	95%	95%	95%	SIS, ADESS
3. Percentage of households with children under 2 that are receiving the health and nutrition transfer, that are complying with their vaccination schedule or have received warning of suspension for a first instance of noncompliance.	0%	75%	95%	95%	95%	SIS, ADESS
4. Percentage of education transfer beneficiaries who have a bimonthly record of at least 80% class attendance or have received warning of suspension for a first instance of noncompliance.	0%	95%	95%	95%	95%	SIS, ADESS.
COMPONENT II: INFORMATION SYSTEMS						
Output indicators	Base 2009	Year 1 2009-2010	Year 2 2010-2011	Year 3 2011-2012	Cumulative target	Responsible entities/Comments
1. The National Health Information System (SNIS) is operational	There is no system for monitoring		SNIS operational		SNIS operational	Semiannual program reports

	performance of the SRS					
2. The electronic system for Solidaridad conditionality verification is operational	Verification is done manually and is not systematic	Manual verification systems are operational	System operational		System operational	Semiannual program reports
3. The Social Protection Information System (SIPS) is operational	ADESS, SIUBEN and Solidaridad systems are not interconnected	ADESS, SIUBEN and Solidaridad are strengthened	SIPS operational		SIPS operational	Semiannual program reports
<b>Intermediate outcome indicators</b>						
1. Administrative information is used to generate analytic data useful for decision-making	The flow of social protection information is slow, insecure and fragmented.	The flow of information between social protection entities is smooth, secure and comprehensive.			The flow of information between social protection entities is smooth, secure and comprehensive.	Systems evaluation to be financed with program resources.
2. Information is available for determining the amount of first-level health training	Primary care unit (UNAP) budgets are based on historical patterns		SRS performance contracts are operating, with realistic per capita budgets		SRS performance contracts are operating, with realistic per capita budgets	Evaluation to be conducted by an external consultant, with Bank financing.
<b>COMPONENT III: HEALTH SERVICE QUALITY</b>						
<b>Output indicators</b>	<b>Base 2009</b>	<b>Year 1 2009-2010</b>	<b>Year 2 2010-2011</b>	<b>Year 3 2011-2012</b>	<b>Cumulative target</b>	<b>Responsible entities/Comments</b>
1. The organizational and operational development plan of the health management agency has been finalized	There is no management agency		Plan finalized		Plan finalized	Semiannual program reports
2. The modular distance training system for health	The system		System		System	Semiannual program reports



personnel has been finalized	does not exist		finalized		finalized	
3. Increase in the percentage of first-level health personnel trained in the knowledge and use of maternal-child care guidelines and protocols (G&P)	0%	0%	50%	50%	100%	Semiannual program reports
4. Increase in the number of UNAPs with the minimum equipment required to be licensed	95		230	200	525	Semiannual program reports
<b>Intermediate outcome indicators</b>						
1. Increase in the percentage of Solidaridad beneficiaries served at licensed UNAPs.	10%		20%	20%	50%	Semiannual program reports. The target for the third phase depends on the increase in UNAPs with adequate infrastructure and health personnel, as part of the World Bank program.
2. Increase in the percentage of first-level health personnel who know at least 80% of the content of the maternal-child care G&P.	8% in maternal care, 0% in child care		22%	20%	50%	Evaluation using vignettes
3. Number of performance contracts with the SRS for which quality indicators are being monitored	0		9	9	9	Semiannual program reports.
<b>COMPONENT III: EVALUATION</b>						
<b>Output indicators</b>	<b>Base 2007</b>	<b>Year 1 2009-2010</b>	<b>Year 2 2010-2011</b>	<b>Year 3 2011-2012</b>	<b>Cumulative target</b>	<b>Data source/Comments</b>
1. Solidaridad Beneficiaries Survey 2011 finalized.	Not applicable		EBS finalized		EBS finalized	Semiannual program reports
2. Vignette study to evaluate distance training	Not applicable		Study finalized		Study finalized	Semiannual program reports
3. The information systems' compliance with technical standards has been evaluated	Not applicable		Finalized		Finalized	Semiannual program reports
4. The qualitative evaluation of Solidaridad has been finalized.	Not applicable		Finalized		Finalized	Semiannual program reports
<b>Intermediate outcome indicators</b>						
1. Recommendations have been produced for strengthening the design and operating cycle of Solidaridad	Not applicable		Recommendations from the evaluations		Recommendations from the evaluations	Evaluation reports.

**Dominican Republic**  
**Support for the Social Protection Program - Second Phase**  
**(DR-L1044)**

Period: July 2010-June 2012

PROCUREMENT PLAN [2010/2012]											
REFERENCE NO.	DESCRIPTION OF CONTRACT	ESTIMATED COST (US\$)	PROCURE- MENT METHOD	REVIEW (Ex ante or Ex post)	FINANCING SOURCE AND PERCENTAGE		PREQUALIFICA- TION YES / NO	Estimated dates		STATUS (Pending, in process, awarded, cancelled)	COMMENTS
					% IDB	% LOCAL / OTHER		Specific Procurement Notice	Duration of Contract		
COMPONENT: TRAINING/HUMAN RESOURCES											
1. GOODS											
	Telephone equipment for communication between tutors and health professionals	20,000.00		Ex ante							
	Subtotal	0.00									
2. WORKS											
	Subtotal										
3. NON-CONSULTING SERVICES											
	Telephone service for communication between tutors and health professionals	20,000.00		Ex ante				Q2 2011	18 months		
	2 training sessions for tutors on the E-learning tool (costs of materials, logistics, per diems and transportation)	20,000.00		Ex ante	100%	0%	No	Q1 2011	18 months		
C3.S1	Stipends for 4 classroom training sessions for 2,700 health professionals (per diem and transportation)	156,600.00		Ex ante	100%	0%	No	Q1 2011	18 months	Pending	
	Stipends for tutors and trainers to provide classroom training to health professionals	10,000.00		Ex ante	100%	0%	No	Q1 2012	19 months		
	Tutor-trainers (or tutor-supervisors)	270,000.00		Ex ante	100%	0%	No	Q1 2011	18 months		
	Tutors	900,000.00		Ex ante	100%	0%	No	Q1 2011	12 months		
C3.S2	Travel for study	20,000.00	SSS	Ex ante	100%	0%	No	Q4 2010		Pending	
C3.S4	Dissemination of experiences	30,000.00	PC	Ex ante	100%	0%	No	Q2 2011		Pending	
C3.S6	On-site training in use of the information system and virtual technology (computing)	500,000.00	ICB	Ex ante	100%	0%	No	Q1 2011	18 months	Pending	
C4.S8	Diagramming of materials	10,000.00	PC	Ex ante	100%	0%	No	Q1 2011	2 months	Pending	
C4.S9	Reproduction and delivery of training materials	32,000.00	PC	Ex ante	100%	0%	No	Q1 2011	1 month	Pending	
	Subtotal	1,928,600.00									
4. CONSULTING SERVICES											
C3.C17	Analysis of profile and performance incentives for first-level health personnel	40,000.00	IICQ	Ex ante	100%	0%	No	Q4 2006	2 months	Pending	
C3.C18	Analysis of training incentives for health professionals	25,000.00	IICQ	Ex ante	100%	0%	No	Q4 2007	2 months	Pending	
C3.C19	Analysis of internship and impacts on possible changes in the Interns Law	25,000.00	NICQ	Ex ante	100%	0%	No	Q4 2008	2 months	Pending	
	Definition of models	100,000.00		Ex ante				Q4 2009	2 months		
C3.C20	Development of curriculum, modules and processes and pedagogical supervision for training	20,000.00	QCBS	Ex ante	100%	0%	No	Q4 2010	2 months	Pending	
	Production of content	20,000.00	QCBS	Ex ante	100%	0%	No	Q4 2011	2 months	Pending	
C3.C21	Adaptation of content and modules for the web page	20,000.00	QCBS	Ex ante	100%	0%	No	Q4 2013	2 months	Pending	
C3.C22	Development of processes and maintenance for implementing the training scheme	10,000.00	QCBS	Ex ante	100%	0%	No	Q4 2014	2 months	Pending	
C3.C23	Development of standards and skills certification for the training course (firm)	10,000.00	QCBS	Ex ante	100%	0%	No	Q4 2015	1 month	Pending	
C3.C24	Development of training platform and web application	50,000.00	QCBS	Ex ante	100%	0%	No	Q4 2016	3 months	Pending	
C4.C25	Design and conduct a vignette study to evaluate knowledge and practices acquired during training, including an initial field test of the tool (firm)	100,000.00	QCBS	Ex ante	100%	0%	No	Q1 2011	20 months	Pending	

**PROCUREMENT PLAN [2010/2012]**

PROCUREMENT PLAN [2010/2012]											
REFERENCE NO.	DESCRIPTION OF CONTRACT	ESTIMATED COST (US\$)	PROCUREMENT METHOD	REVIEW (Ex ante or Ex post)	FINANCING SOURCE AND PERCENTAGE		PREQUALIFICATION YES / NO	Estimated dates		STATUS (Pending, in process, awarded, cancelled)	COMMENTS
					% IDB	% LOCAL / OTHER		Specific Procurement Notice	Duration of Contract		
C5.C35	Distance training (recurrent services)	40,000.00	IICQ	Ex ante	100%	0%	No	Q4 2010	4 months	Pending	
	Subtotal	460,000.00									
COMPONENT: MANAGEMENT AGENCY											
1. GOODS											
	Subtotal										
2. WORKS											
	Subtotal										
3. NON-CONSULTING SERVICES											
C2.C2	Health management information system: Design, development, testing and training for the web-based system, including the following modules: 1. Medical record, protocols sheet and verification of co-responsibilities to be used in all UNAPs with fingerprint recognition; 2. medications management; 3. human resource management; 4. equipamient and infrastructure management; 5. E-learning platform; 6. Systematize information produced at the UNAP level and raise it to the area, regional and center level. Estimate training needs and service gaps; 7. management of performance contracts with all Health Regions and with SENASA and MISPAS, including financial management; and 8. Health - Solidaridad interconnectivity.	1,379,000.00	QCBS	Ex ante	100%	0%	No	Q4 2010	24 months	Pending	
	Subtotal	1,379,000.00									
4. CONSULTING SERVICES											
C2.C3	Health management information system: Develop bidding documents (individual consultant)	10,000.00	IICQ	Ex ante	100%	0%	No	Q3 2010	1 month	Pending	
C3.C1	Organizational design of the Management agency General Coordinator. Local Consultant	45,000.00	NICQ	Ex ante	100%	0%	No	Q1 2011	6 months	Pending	
C3.C2	Administrative law. Local Consultant	5,000.00	NICQ	Ex ante	100%	0%	No	Q1 2011	1 month	Pending	
C3.C3	Institutional design. Local Consultant	150,000.00	NICQ	Ex ante	100%	0%	No	Q1 2011	6 months	Pending	
C3.C4	Human resources management. Local Consultant	60,000.00	NICQ	Ex ante	100%	0%	No	Q1 2011	6 months	Pending	
C3.C5	Training. Local Consultant	30,000.00	NICQ	Ex ante	100%	0%	No	Q1 2011	6 months	Pending	
C3.C6	Financial management. Local Consultant	30,000.00	NICQ	Ex ante	100%	0%	No	Q1 2011	6 months	Pending	
C3.C7	Information management. Local Consultant	40,000.00	NICQ	Ex ante	100%	0%	No	Q1 2011	6 months	Pending	
C3.C8	Health services delivery management. Local Consultant	90,000.00	NICQ	Ex ante	100%	0%	No	Q1 2011	6 months	Pending	
C3.C9	Quality management. Local Consultant	60,000.00	NICQ	Ex ante	100%	0%	No	Q1 2011	7 months	Pending	
C3.C10	Health infrastructure management. Local Consultant	60,000.00	NICQ	Ex ante	100%	0%	No	Q1 2011	7 months	Pending	
C3.C11	Communication management. Local Consultant	15,000.00	NICQ	Ex ante	100%	0%	No	Q1 2011	3 months	Pending	
C3.C12	Institutional development. International consultant	10,000.00	IICQ	Ex ante	100%	0%	No	Q1 2011	1 month	Pending	
C3.C13	Information management. International Consultant	10,000.00	IICQ	Ex ante	100%	0%	No	Q1 2011	1 month	Pending	
C3.C14	Quality management. International Consultant	10,000.00	IICQ	Ex ante	100%	0%	No	Q1 2011	1 month	Pending	
C3.C15	Health infrastructure management. International Consultant	10,000.00	IICQ	Ex ante	100%	0%	No	Q1 2011	1 month	Pending	
C5.C34	Institutional expert to develop the management agency	80,000.00	IICQ	Ex ante	100%	0%	No	Q4 2010	12 months	Pending	
	Subtotal	715,000.00									
COMPONENT: INFORMATION SYSTEM FOR THE MGMT AGENCY											
1. GOODS											
C2.B1	1,600 laptops to be loaded with the health modules, with capacity to provide virtual training	1,280,000.00	ICB	Ex ante	100%	0%	No	Q3 2010	5 months	Pending	
C2.B2	1,600 power converters	480,000.00	ICB	Ex ante	100%	0%	No	Q3 2010	5 months	Pending	
C2.B3	Broadband interconnectivity (equipment, installation and service)	1,344,000.00	NCB	Ex ante	100%	0%	No	Q4 2010	24 months	Pending	
	Equipment for the Management Agency's Data Processing Center	30,000.00	PC	Ex ante	100%	0%	No	Q4 2010	1 month	Pending	
	Operating system for the Management Agency's Data Processing Center	8,000.00	PC	Ex ante	100%	0%	No	Q4 2010	1 month	Pending	
	Database for the Management Agency's Data Processing Center	20,000.00	PC	Ex ante	100%	0%	No	Q4 2010	1 month	Pending	
	Help Desk equipment for the Management Agency's Data Processing Center	8,000.00	PC	Ex ante	100%	0%	No	Q4 2010	2 months	Pending	
	Communications equipement for the Management Agency's Data Processing Center	8,000.00	PC	Ex ante	100%	0%	No	Q4 2010	1 month	Pending	
	LAN Central equipment for the Management Agency's Data Processing Center	10,000.00	PC	Ex ante	100%	0%	No	Q4 2010	2 months	Pending	
	Subtotal	3,188,000.00									
2. WORKS											
	Subtotal										
3. NON-CONSULTING SERVICES											
	Installation of the Management Agency's Data Processing Center		PC	Ex ante	100%	0%	No	Q4 2010	1 month	Pending	
	Installation of the Management Agency	30,000.00	PC	Ex ante	100%	0%	No	Q4 2010	5 month	Pending	
	Operational startup of the Management Agency	144,000.00		Ex ante	100%	0%	No	Q4 2010	18 months	Pending	
	Assistance with authorizations	60,000.00		Ex ante	100%	0%	No	Q4 2010	12 months	Pending	
	Subtotal	284,000.00									

**Dominican Republic**  
**Support for the Social Protection Program - Second Phase**  
**(DR-L1044)**

Period: July 2010-June 2012

PROCUREMENT PLAN [2010/2012]											
REFERENCE NO.	DESCRIPTION OF CONTRACT	ESTIMATED COST (US\$)	PROCUREMENT METHOD	REVIEW (Ex ante or Ex post)	FINANCING SOURCE AND PERCENTAGE		PREQUALIFICATION YES / NO	Estimated dates		STATUS (Pending, in process, awarded, cancelled)	COMMENTS
					% IDB	% LOCAL / OTHER		Specific Procurement Notice	Duration of Contract		
4. CONSULTING SERVICES											
C5.C33	Health Information System - ongoing consulting services	40,000.00	IICQ	Ex ante	100%	0%	No	Q4 2010	4 months	Pending	
	Specialist in IT/IS	240,000.00		Ex ante	100%	0%	No	Q4 2011	5 months	Pending	
	IT project coordinator	240,000.00		Ex ante	100%	0%	No	Q4 2012	6 months	Pending	
	Database administrator	132,000.00		Ex ante	100%	0%	No	Q4 2013	7 months	Pending	
	Medical administrator	154,000.00		Ex ante	100%	0%	No	Q4 2014	8 months	Pending	
	Administrative assistant	36,000.00		Ex ante	100%	0%	No	Q4 2015	9 months	Pending	
	Manager	132,000.00		Ex ante	100%	0%	No	Q4 2016	10 months	Pending	
	Technical support	1,110,000.00		Ex ante	100%	0%	No	Q4 2017	11 months	Pending	
	Operators	277,500.00		Ex ante	100%	0%	No	Q4 2018	12 months	Pending	
	Trainer/implementer	487,500.00		Ex ante	100%	0%	No	Q1 2011	13 months	Pending	
	Product acceptance	25,000.00		Ex ante	100%	0%	No	Q1 2011	14 months	Pending	
	User's Manual	20,000.00		Ex ante	100%	0%	No	Q1 2011	15 months	Pending	
	Procedures Manual	20,000.00		Ex ante	100%	0%	No	Q2 2011	16 months	Pending	
	Subtotal	2,914,000.00									
COMPONENT: EQUIPMENT											
1. GOODS											
C3.B6	UNAP medical equipment (50%of equipment value)	6,500,000.00	ICB	Ex ante	100%	0%	No	Q4 2010		Pending	
C3.B7	UNAP non-medical equipment (50% of equipment value)	3,100,000.00	ICB	Ex ante	100%	0%	No	Q4 2010		Pending	
	Subtotal	9,600,000.00									
2. WORKS											
	Subtotal										
3. NON-CONSULTING SERVICES											
C3.S5	Inventory of equipment, infrastructure and human resources in the UNAPs (firm)	100,000.00	NCB	Ex ante	100%	0%	No	Q3 2010	2 months	Pending	
	Subtotal	100,000.00									
4. CONSULTING SERVICES											
	Subtotal										
COMPONENT: EVALUATION & MONITORING											
1. GOODS											
2. WORKS											
3. NON-CONSULTING SERVICES											
C4.S7	First monitoring survey of Solidaridad beneficiaries (BCRD agreement)	1,000,000.00	SSS	Ex ante	100%	0%	No	Q3 2011	3 months	Pending	
	Subtotal	1,000,000.00									
4. CONSULTING SERVICES											
	Subtotal										
OTHERS: TO BE CLASSIFIED											
1. GOODS											
C2.B4	Voice IP (including physical adaptations	1,000,000.00	ICB	Ex ante	100%	0%	No	Q3 2010	24 months	Pending	
C3.B5	Data Center	800,000.00	ICB	Ex ante	100%	0%	No	Q3 2010		Pending	
C5.B10	PCU furnishings and equipment	15,000.00	PC	Ex ante	100%	0%	No	Q4 2010	24 months	Pending	
C5.B11	Office supplies	7,000.00	PC	Ex ante	100%	0%	No	Q4 2010	24 months	Pending	
	ADESS DataCenter adaptations	300,000.00	ICB	Ex ante	100%	0%	No	Q4 2010	6 months	Pending	
	Software licenses (Incl. ICTs)	1,135,000.00	ICB	Ex ante	100%	0%	No	Q4 2010	4 months	Pending	
	Subtotal	3,257,000.00									
2. WORKS											
	ADESS DataCenter adaptations	220,000.00	NCB	Ex ante	100%	0%	No	Q4 2010	6 months	Pending	
	Subtotal	220,000.00									
3. NON-CONSULTING SERVICES											
C4.S10	PCU communication	18,000.00	PC	Ex ante	100%	0%	No	Q4 2010	24 months	Pending	
	ICT management training	38,000.00	PC	Ex ante	100%	0%	No	Q1 2011	4 months	Pending	
	Digitalization of Documents	910,000.00	ICB	Ex ante	100%	0%	No	Q1 2011	6 months	Pending	
	Subtotal	966,000.00									
4. CONSULTING SERVICES											
C2.C1	MINED-Solidaridad interconnectivity: Design, testing and training of web-based module (firm)	20,000.00	QCBS	Ex ante	100%	0%	No	Q4 2010		Pending	

**Dominican Republic**  
**Support for the Social Protection Program - Second Phase**  
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Period: July 2010-June 2012

PROCUREMENT PLAN [2010/2012]											
REFERENCE NO.	DESCRIPTION OF CONTRACT	ESTIMATED COST (US\$)	PROCURE-MENT METHOD	REVIEW (Ex ante or Ex post)	FINANCING SOURCE AND PERCENTAGE		PREQUALIFICA-TION YES / NO	Estimated dates		STATUS (Pending, in process, awarded, cancelled)	COMMENTS
					% IDB	% LOCAL / OTHER		Specific Procurement Notice	Duration of Contract		
C4.C27	Information systems evaluation (firm)	30,000.00	QCBS	Ex ante	100%	0%	No	Q2 2011		Pending	
C4.C28	Qualitative evaluation of Solidaridad (firm)	80,000.00	QCBS	Ex ante	100%	0%	No	Q2 2011		Pending	
C5.C29	Recurrent audit of co-responsibility verification processes (firm)	350,000.00	QCBS	Ex ante	100%	0%	No	Q4 2010	12 months	Pending	
C5.C30	Financial audit (firm)	40,000.00	QCBS	Ex ante	100%	0%	No	Q4 2010	24 months	Pending	
C5.C31	Senior IT consultant	80,000.00	NICQ	Ex ante	100%	0%	No	Q4 2010	12 months	Pending	
C5.C32	Junior IT consultant	50,000.00	NICQ	Ex ante	100%	0%	No	Q4 2010	12 months	Pending	
C5.C36	Procurement specialist	78,000.00	NICQ	Ex ante	100%	0%	No	Q4 2010	24 months	Pending	
C5.C37	Financial specialist	78,000.00	NICQ	Ex ante	100%	0%	No	Q4 2010	24 months	Pending	
	ICT management consultant	114,000.00	NCB	Ex ante	100%	0%	No	Q1 2011	5 months	Pending	
	Strengthening information security	180,000.00	NCB	Ex ante	100%	0%	No	Q1 2011	5 months	Pending	
	Hardware and Vehicles	565,000.00	ICB	Ex ante	100%	0%	No	Q1 2011	6 months	Pending	
	Strengthening of IT divisions (Technical and admin staff)	200,000.00	PC	Ex ante	100%	0%	No	Q1 2011	12 months	Pending	
	Subtotal	1,865,000.00		580,000.00							
	Total	50,031,000.00									

Goods and works: ICB: International competitive bidding; LIB Limited international bidding NCB: National competitive bidding; PC: Price comparison; DC: Direct contracting FA: Force account; PSA Procurement through specialized agencies; PA: Procurement agents; IA: Inspection agents PLFI: Procurement in loans to financial intermediaries BOO/BOT/BOOT: Build, own, operate/build, operate, transfer/build, own, operate, transfer; PBP: Performance-based procurement; PLGB: Procurement under loans guaranteed by the Bank; CPP: Community participation in procurement Consulting firms: QCBS: Quality- and cost-based selection; QBS Quality-based selection; FBS Selection under a fixed budget; LCS Least-cost selection; CQS: Selection based on the consultants' qualifications; SSS: Single source selection. Individual consultants: IICQ: International Individual Consultant selection based on Qualifications; NICQ: National Individual Consultant selection based on Qualifications.