

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

REGIONAL

**MIG-INTEGRATION: FACILITY ON SOCIO-ECONOMIC INTEGRATION OF
REFUGEES, MIGRANTS, RETURNEES, AND HOST COMMUNITY MEMBERS IN
LATIN AMERICA AND THE CARIBBEAN**

(RG-O1722)

FACILITY DOCUMENT

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ABBREVIATIONS

LAC	Latin America and the Caribbean
SCL/MIG	Social Sector/Migration Unit at the IDB
PSG	Project Specific Grants
IGR	Investment Grant Operation
BOG	Board of Governors
GRF	Grant Facility
TC	Technical Cooperation Operation
ESPF	Environmental and Social Policy Framework
ESIC	Environmental and Social Impact Category
IDB	Inter-American Development Bank
GDAP	IDB Group Gender and Diversity Action Plan 2022-2025
DFATD	The Department of Global Affairs, Trade and Development
BOD	Board of Executive Directors

PROJECT SUMMARY
REGIONAL

MIG-INTEGRATION: FACILITY ON SOCIO-ECONOMIC INTEGRATION OF REFUGEES, MIGRANTS, RETURNEES, AND HOST COMMUNITY MEMBERS IN LATIN AMERICA AND THE CARIBBEAN (RG-O1722)

Implementation Arrangements and Budget							
Beneficiary Countries:							
All IDB borrowing member countries follow the eligibility criteria in paragraphs 1.11, 1.12, and 1.14.							
Executing Agency:							
The IDB (SCL/MIG) will implement this Facility. Legally established entities and the Bank may receive and administer resources under this Facility as executing agencies of eligible individual operations.							
Source		Amount (US\$)		%			
The Department of Global Affairs, Trade and Development (“DFATD”), ¹ Government of Canada		US\$9,931,674 (CAD13,300,001)		100			
Cofinancing:		0		0			
Total:		US\$9,931,674		100			
Project Summary							
<p>Objective: The general objective of this Facility is to support the socioeconomic integration of refugees, migrants, returnees, and host community members, including a gender and diversity approach, in eligible countries across Latin America and the Caribbean. Each project under this Facility should aim to enhance the capacity of national and/or local governments and service providers. These projects will focus on developing mechanisms to ensure inclusive and gender-responsive protection, access to essential social services, and opportunities for economic advancement.</p> <p>The specific objective of this Facility is to support countries receiving and hosting migrants and returned emigrants to harness the benefits of migration by finding long-term solutions to the diverse set of integration challenges that result from increased migratory flows through concessional financing, technical assistance and research studies. In particular, the Facility will help increase the capacity of targeted national governments and service providers to develop mechanisms for providing inclusive and gender-responsive protection, access to basic and social services, and economic opportunities.</p>							
<p>Funding and Types of Financing: The Department of Global Affairs, Trade and Development (“DFATD”) will fund the Facility for US\$9,931,674. The Facility will provide financing to public entities through two financial instruments: (i) non-reimbursable TCs; and (ii) IGRs. In all cases, resources will be channeled through individual projects. All individual projects must comply with the eligibility criteria described in paragraph ¶2.7 and will be approved following the IDB policies and procedures.</p>							
<p>Structure: The Facility will be structured in two components: Component 1. Support activities to enhance protection and access to services for refugees, migrants, returnees, and host community members, including a gender and diversity approach in targeted countries. (US\$4,715,837). Component 2. Support activities to enhance access to economic opportunities for refugees, migrants, returnees, and host community members, including a gender and diversity approach in targeted countries. (US\$4,715,837). Administration and management costs (US\$500,000).</p>							
Exceptions to Bank Policies: N/A.							
Strategic Alignment							
Objectives^(a):	O1 <input checked="" type="checkbox"/>		O2 <input type="checkbox"/>		O3 <input checked="" type="checkbox"/>		
Operational Focus Areas^(b):	OF1 <input type="checkbox"/>	OF2-G <input checked="" type="checkbox"/> OF2-D <input checked="" type="checkbox"/>	OF3 <input checked="" type="checkbox"/>	OF4 <input checked="" type="checkbox"/>	OF5 <input type="checkbox"/>	OF6 <input type="checkbox"/>	OF7 <input checked="" type="checkbox"/>

^(a) O1 (Reduce poverty and inequality); O2 (Address climate change); and O3 (Bolster sustainable regional growth).

^(b) OF1 (Biodiversity, natural capital, and climate action); OF2-G (Gender equality); OF2-D (Inclusion of diverse population groups); OF3 (Institutional capacity, rule of law, and citizen security); OF4 (Social protection and human capital development); OF5 (Productive development and innovation through the private sector); OF6 (Sustainable, resilient, and inclusive infrastructure) and OF7 (Regional integration).

¹ The IDB will administer these funds through a Project-Specific Grant (PSG). The Department of Global Affairs, Trade and Development (“DFATD”) will contribute CAD14,000,000, equivalent to US\$10,454,392, at the exchange rate of 1.33915 as of 9th February 2024. DFATD and the Bank signed the corresponding Administration Agreement on March 22nd, 2024. Out of this contribution, US\$522,719 will be set aside as a 5% administration fee. The remaining contribution of US\$9,931,674 corresponds to the project amount as indicated in the Implementation Arrangements and Budget table. The administration fee will be distributed to the Bank’s offices involved in the origination and execution of the resources to make up for the costs associated with the administration and execution of the contribution. Resources for this contribution will be received in the Canada Cooperation Framework (CCF) account.

I. FACILITY DESCRIPTION AND OBJECTIVE

A. Background, problem addressed, and justification.

- 1.1 Over the past decade, **migration within Latin America and the Caribbean (LAC) has markedly increased**. The number of intra-regional migrants grew 89% from 2015 to 2020, reaching 10.7 million people.²
- 1.2 **As of November 2023, the exodus out of Venezuela is still growing, with 7.7 million Venezuelans having left their country since 2015.**³ Of these, 6.5 million (85%) have settled in other countries of the region: 2.9 million in Colombia, 1.5 million in Peru, 511,000 in Brazil, 475,000 in Ecuador, 444,000 in Chile, and nearly 220,000.⁴
- 1.3 **An unprecedented number of migrants are in perilous transit, seeking to move north toward traditional destinations in the United States of America (US) and Canada through irregular channels.** This migration has put extraordinary pressure on certain corridors, such as the Darien Gap in Panama. In 2019, before the COVID-19 pandemic, fewer than 15,000 people were recorded crossing the jungle. This flow grew to almost 123,000 in 2021, 213,000 in 2022, and more than 520,000 in 2023.⁵ This extreme increase in migratory flows has significant consequences for local communities along the route in both countries and communities in transit countries further north as these large numbers of people move towards the United States.⁶
- 1.4 **These combined flows, including those from traditional emigrant sources in northern Central America, are causing increased pressure on the US southern border, leading to record numbers of returned emigrants and asylum requests.** Record numbers of people have been encountered and detained, reaching 2.3 million in fiscal year 2022 and 2.4 million in fiscal 2023.⁷ The traditional countries of origin (Mexico, El Salvador, Guatemala, and Honduras) now account for less than half of those encountered at the border. In contrast, the flow of migrants from other Latin American and Caribbean (LAC) countries (Venezuela, Haiti, Ecuador) and from the rest of the world has increased faster. This acceleration has resulted in many asylum requests from migrants moving north. Mexico, for example, has received approximately 120,000 requests in each of the past three years.⁸ Costa Rica has also received 276,000 requests since 2012, predominantly from Nicaraguans, and now has around 190,000 pending resolutions.⁹
- 1.5 **Migration flows pose significant political and policy challenges, mainly because most migrants have intentions to establish long-term residence in their host countries.** Despite these challenges, governments in LAC have

² Calculations based on data from [UNDESA](#).

³ [R4V Interagency Coordination Platform for Refugees and Migrants \(R4V\)](#).

⁴ [R4V Interagency Coordination Platform for Refugees and Migrants \(R4V\)](#).

⁵ [Panama National Migration Service](#).

⁶ [Panama National Migration Service](#).

⁷ [US Customs and Border Protection](#).

⁸ https://www.gob.mx/cms/uploads/attachment/file/896219/Cierre_Febrero-2024_29-Febrero_.pdf

⁹ [Dirección General de Migración y Extranjería](#), Costa Rica.

responded generously. For example, countries of the region have implemented over 90 different extraordinary regularization programs in the last two decades.¹⁰

- 1.6 **While migration-related fiscal deficits pose a challenge, forecasts¹¹ suggest that these deficits are transitory as migration dynamics evolve in the region.** Projections indicate that fiscal deficits attributed to migration will diminish as flows in LAC gradually shift from a situation of urgent crises to a scenario where migrants can positively contribute to their host countries' economic and social fabric under the prevailing or improved integration policies. As this transition unfolds, migrants can play a crucial role in fostering economic growth and as drivers of development.
- 1.7 **An additional fundamental aspect to highlight is the gender dimension of migration. In the LAC countries, women have reached parity with men in the migrant populations, representing 51% of both the foreign- and native-born populations.** An increasing number of women are migrating independently to work, get an education, and/or in their capacity as head of household.¹² However, foreign-born women tend to be more educated than their native-born peers, and by a small margin, migrant women tend to work and participate in the labor market more than native-born women. In all countries, men participate much more than women in the labor market.¹³ Furthermore, migrant women face various forms of discrimination and vulnerability due to their nationalities. For example, it is estimated that in 2023, more than 750 thousand children under five have been born to migrant women in their host countries,¹⁴ adding costs and challenges to their daily lives. Women often have limited access to information regarding their rights and access to social services, resulting in fewer opportunities for legal migration. Moreover, they are at risk of exploitation through migrant smuggling, trafficking, and sexual violence. Access to education and the job market is also restricted for them, along with challenges in accessing sexual and reproductive health services, which influences their migration decisions and outcomes.¹⁵
- 1.8 **Finally, prejudice and social exclusion pose significant barriers to the socioeconomic integration of migrants.** Recent research by the IDB indicates that public opinion toward migration in the region is worsening.¹⁶ If these trends persist, there is a risk of regression from the initial generous government policies and inclusive investments, both in the region and in emerging private sector practices. Such an outcome could increase the challenges to migrants and undermine their capacity to contribute economically. However, LAC countries' track record to date suggests that they can turn these challenges into opportunities and promote social cohesion and integration.

¹⁰ <https://publications.iadb.org/en/migration-policy-regimes-latin-america-and-caribbean-immigration-regional-free-movement-refuge-and>.

¹¹ Faruqee, H., Fernandez-Corugedo, E., Guajardo, J., Peraza, G., & Albornoz, J. Y. (2022). Regional Spillovers from the Venezuelan Crisis.

¹² <https://publications.iadb.org/es/la-migracion-desde-una-perspectiva-de-genero-ideas-operativas-para-su-integracion-en-proyectos-de>.

¹³ IDB, OECD, UNDP (2023) "How do Migrants Fare in Latin America and the Caribbean: Mapping Socioeconomic Integration," Inter-American Development Bank, Washington, DC.

¹⁴ Daga, Lopez Boo, van der Werf (2024) "Migración y primera Infancia". IDB. Forthcoming.

¹⁵ [Ferrant, G., Tuccio, M., Loiseau, E., & Nowacka, K. \(2014\).](#)

¹⁶ <https://laboratoriomigracion.iadb.org/>.

- 1.9 To address the challenges above, in 2019, the IDB's Board of Governors (BOG) allocated up to US\$100 million of the IDB's Grant Facility (GRF) (AB-3199) to leverage investment operations to support host countries.
- 1.10 Considering that migration flows remained one of the biggest challenges in the region and the depletion of the resources, in 2022, the IDB renewed its support by granting the use of another US\$100 million (AB-3332, GN-2947-26) through the GRF to support countries with communities receiving and/or hosting large and sudden intraregional migrations flows (including returnees). The financing scheme of this second approval is structured in phases that gradually match funds from the GRF with donor resources, starting with a non-reimbursable amount of up to US\$25 million from the GRF resources that, once matched by an equal amount in non-reimbursable donor resources, will be followed by successive new GRF contributions of up to US\$100 million and US\$100 million from donors. The resources from this Facility contribute to this financing scheme.
- 1.11 Investment operations that use resources from the GRF can be used in countries that fulfill at least one of the following eligibility criteria: (i) The beneficiary country has received a cumulative number of cross-border intraregional migrants equivalent to 0.5% of their total population over the last three years; (ii) The beneficiary country is hosting an intraregional immigrant population equivalent to 0.5% or more of their total population and accumulated within three years due to sudden, large-scale flows since 2017 (permanence criterion); or (iii) The beneficiary country has received a cumulative number of returning emigrants equivalent to 0.5% of their total population over three of the last five years.
- 1.12 The Board of Executive Directors (BOD) may approve waivers to these eligibility criteria for subnational investment projects in countries that do not meet these criteria at the national level if data is presented to support the impact of migration flows and the permanence of migrants on receiving communities at the subnational level. According to the operational guidelines approved by the BOD, the list of eligible countries must be reviewed each year following the criteria described in the previous paragraph.
- 1.13 Operations aimed at enhancing the socio-economic integration of migrants in their host communities and respective countries are organized into four main thematic areas of intervention: (i) access to registration, documentation, and personal protection; (ii) access to basic services and housing; (iii) social services; and (iv) economic opportunities. Additionally, they include three crosscutting areas: (i) a differential gender and diversity approach; (ii) institutional strengthening and awareness-raising relating to xenophobia; and (iii) the promotion of collective regional action.
- 1.14 Additionally, the IDB can support all¹⁷ borrowing members through non-reimbursable technical cooperation (TC) and Investment Grant (IGR) projects focusing on modernizing related migration entities, institutional strengthening, capacity building, generation and transference of knowledge, and research

¹⁷ Document AB-3332 (Proposal for the use of resources from the IDB Grant Facility to continue supporting the efforts of Latin America and the Caribbean to address ongoing and emerging migration-related challenges) establishes that investment operations using resources from the GRF or IGRs accompanying them have to follow the eligibility criteria and thematic areas of intervention outlined in paragraphs 1.11, 1.12 and 1.13 of this Facility. That document does not establish eligibility criteria to allocate donor resources to stand-alone IGR or TC projects.

activities, including diagnostic, pre-investment, and sector studies that support project design and preparation. In this sense, no eligibility criteria exist regarding which countries can access these resources.

- 1.15 From the approval of the use of GRF resources to address migration issues in LAC (2019) through December 31st, 2023, the IDB approved 20 migration-related operations. The total amount of reimbursable (loan) resources and non-reimbursable resources supporting activities focusing on migrants and their host communities within this active portfolio of twenty operations is US\$1.32 billion,¹⁸ of which US\$98.3 million came from the IDB Grant Facility (GRF) Phase I,¹⁹ just over US\$3.2 million from GRF Phase II,²⁰ and about US\$77.7 million from donors.²¹ Moreover, SCL/MIG has approved 34 TC projects for US\$17.4 million.
- 1.16 **Lessons learned.** Despite being new, the IDB's migration portfolio achieved significant results by 2023. Among a few examples, we can mention an operation in Colombia that supported the implementation of the Temporary Protection Statute for Venezuelan Migrants (ETPMV). This led to the registration of 87% (2,507,183) of the Venezuelan migrants in the Single Registry of Venezuelan Migrants (RUMV) and the issuance of 2 million Temporary Protection Permits (PPT) granting most migrants access to social services. Additionally, during 2021 and 2022, 1,076,149 education enrollments were reported, 4,332 migrants validated their professional degrees, and 2,852 migrants certified their labor competencies through the "Saber Hacer Vale" Program. Moreover, the IDB has supported an operation in Chile, and to date, 1,000 households have received sustainable housing solutions, of which 250 are migrant households. In Uruguay, the migrant population's socio-urban integration is supported through a Migrant Welcome Center, with an estimated 430 short-term (three-to-six-month) housing subsidies and approximately 264 long-term (18-month) rental subsidies to migrant households. With the main objective of improving STEAM teaching in a multicultural education environment, Belize provided migrant children with 9,609 electronic devices for self-led learning to facilitate their education.
- 1.17 SCL/MIG has learned that having a strong portfolio generates positive externalities, as it helps countries prioritize migration policy reforms and coordinate government entities horizontally and vertically. Additionally, an attractive pipeline in eligible countries and IDB grants attract donors to the operation and region. Moreover, strengthening evidence-based interventions through appropriate data collection to diagnose problems accurately and assess the effectiveness of operations, enhancing intersectoral and interagency coordination, and incorporating institutional strengthening components to ensure programs are adequately implemented, given the multidimensional nature of migration, are key to achieving the desired results.

¹⁸ The total reimbursable amount (including all OC loan components, eligible and non-eligible to receive funds from the GRF) and non-reimbursable resources for all operations approved and in the active pipeline is estimated to be more than US\$1.7 billion.

¹⁹ GN-2947-1 Proposal for expanding the scope of the IDB Grant Facility to support countries with large and sudden intraregional migration inflows.

²⁰ GN-2947-20 Proposal for the use of resources from the IDB Grant Facility to continue supporting the efforts of Latin America and the Caribbean to address ongoing and emerging migration-related challenges.

²¹ These amounts reflect the available resources after subtracting the IDB's administration fee (5%, as stated in document SC-114).

B. Objectives

- 1.18 The general objective of this Facility is to support the socio-economic integration of refugees, migrants, returnees, and host community members,²² including a gender and diversity approach in eligible countries across Latin America and the Caribbean. Each project under this Facility will aim to enhance the capacity of national and/or local governments as well as service providers. These projects will focus on developing mechanisms to ensure inclusive and gender-responsive protection, access to essential social services, and opportunities for economic advancement.
- 1.19 The specific objective of this Facility is to support countries receiving and hosting migrants and returned emigrants to harness the benefits of migration by finding long-term solutions to the diverse set of integration challenges that result from increased migratory flows through concessional financing, technical assistance, and research studies. In particular, the Facility will help increase the capacity of targeted national governments and service providers to develop mechanisms for providing inclusive and gender-responsive protection, access to basic and social services, and economic opportunities.
- 1.20 **Beneficiary Countries.** Depending on the financial instrument used and aligned to the donor’s priorities, this Facility will identify two eligibility criteria to establish the beneficiary countries: (i) Regarding IGR accompanying investment loans, congruent with AB-3332, eligibility criteria follow the description of paragraphs 1.11 and 1.12;²³ and (ii) Regarding stand-alone IGRs and non-reimbursable TC projects, this Facility can support all IDB-borrowing member countries.²⁴
- 1.21 **Strategic Alignment.** The Program is consistent with the IDB Group Institutional Strategy: Transforming for Scale and Impact (CA-631)²⁵ and is aligned with the objectives of (i) reduce poverty and inequality given that most migrants and returned emigrants face similar social inclusion challenges to the citizens of their host communities, compounded by the fact that their migration status is often irregular, which prevents them from accessing various social services and formal-sector jobs; and/or (ii) bolster sustainable regional growth since projections indicate that fiscal deficits attributed to migration will diminish as flows in LAC gradually shift from a situation of urgent crises to a scenario where migrants can positively contribute to their host countries’ economic and social fabric under the prevailing, or improved, integration policies. As this transition unfolds, migrants can play a crucial role in fostering economic growth and as drivers of development by increasing consumption, addressing relative scarcity in the labor market, increasing tax revenues, raising the innovation rate, and creating cross-border networks that can enhance development and the transfer of remittances. The

²² Monras et al. (2021) “Understanding the Effects of Granting Work Permits to Undocumented Immigrants” documents the positive economic effects for host countries, as well as migrants, of effective socioeconomic integration.

²³ As per the yearly review for country eligibility conducted in Q1 2023, the data available as of December 31, 2022 found that the following fourteen countries met the eligibility criterion 4.4 of Document GN-2947-20 to access resources from the GRF for the period 2023-2025: Belize, Chile, Costa Rica, Colombia, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Honduras, Panama, Peru, Dominican Republic, Trinidad y Tobago, and Uruguay

²⁴ Despite these internal procedures, the donor can define some countries of preference or others where they decided not to invest resources from this facility.

²⁵ This program was designed under the Second Update to the Institutional Strategy (AB-3190-2).

Program is also aligned with the operational focus areas of (i) gender equality and inclusion of diverse population groups, and/or (ii) institutional capacity, the rule of law, and citizen security; and/or (iii) social protection and human capital development; (iv) Productive Development and Innovation through the Private Sector; and/or (v) Regional Integration.

- 1.22 Additionally, this Facility is aligned with the BOG's approval of the Proposal to Expand the Use of the IDB Non-Reimbursable Facility for migration investment operations (AB-3332, AG-13/22). Moreover, all interventions under this facility will be aligned with the IDB Group's Country Strategies for each respective country. Depending on the project's topics, SCL/MIG will consider the Fragility, Conflict, and Criminal Violence (FCCV) Framework.
- 1.23 **Gender and diversity considerations at the individual project level.** Within the Gender and Diversity Sector Framework Document (GN-2800-13) and the IDB Group Gender and Diversity Action Plan 2022-2025 (GDAP) (GN-3116-1), the IDB will extend technical assistance to facilitate the design, implementation, and evaluation of individual projects that promote gender equality. Specifically, the GDAP places substantial emphasis on quality mainstreaming in operations design. At the individual project level, a TC or IGR shall meet the strategic alignment criteria established in paragraphs 3.2 and 3.5 of the CRF Technical Guidance Note 2020-2023 (OP-2043-1) for the Gender and Diversity Strategic Alignment, including: (i) description of the gender equality issue; (ii) proposal of an activity/intervention to address the issue; and (iii) existence of an indicator in the result matrix related to the gender equality activity/intervention. Each individual project will be aligned with gender and diversity considerations and precise indicators, to close specific gender and diversity gaps, will be incorporated into each project's results matrix.²⁶

II. COMPONENTS AND RESULTS

A. Components

- 2.1 To achieve this objective, this Facility comprises of three components:
- 2.2 **Component 1. Support activities to enhance protection and access to services for refugees, migrants, returnees, and host community members, including a gender and diversity approach in targeted countries. (US\$4,715,837).** Through this component, the Facility will finance individual projects to support receiving countries in their need to identify, protect, and support migrants, returned emigrants, and host community members. To do so, this component will fund (i) registration, documentation, and personal protection initiatives to facilitate the management of migrants' identities; (ii) projects on the regularization of the migratory status of international migrants to grant them access to basic services, such as affordable housing; and (iii) projects to grant them access to social services such as education, social protection, housing, access to water, sanitation, and health. A specific approach for women and diverse

²⁶ Generic indicators cannot be included in the results matrix of this Facility since each situation and country context differ. Therefore, the results matrix of each individual project will include indicators that measure how specific gaps are being closed.

population will be considered in the activities under this component.²⁷ These activities will be mindful of the three cross-cutting areas of intervention (¶1.13).

2.3 Component 2. Support activities to enhance access to economic opportunities for refugees, migrants, returnees, and host community members, including a gender and diversity approach in targeted countries (US\$4,715,837). Through this component, the Facility will finance individual projects to support the insertion of migrants and returned emigrants into formal labor markets. By promoting adequate labor market integration of these populations, recipient countries reduce the misallocation of human capital, increase task specialization and labor productivity, and, therefore, harness the full economic growth opportunities of migratory flows. Projects that promote the labor market insertion of these populations include supporting technological improvements in the development of systems that facilitate effective employment, matching between job seekers and employers, strengthening access to and the quality of existing job training and certification programs, improving coordination with employers, and reducing discrimination and prejudice from employers, colleagues, and public employment officers. A specific approach for women and diverse population will be considered in the activities under this component.²⁸ These activities will be mindful of the three cross-cutting areas of intervention (¶1.13).

2.4 Administration and management costs (US\$500,000).²⁹ This component will finance the expenses related to the supervision, monitoring, and evaluation of the Facility, including travel expenses of Bank staff for such purposes. The facility's resources may not supplement the IDB's budget for routine and customary activities. Facility administration and management will support the coordination, monitoring, evaluation, supervision, communication, and visibility of programs supported by the Facility.

B. Key results indicators

2.5 The indicative [Results Matrix](#) for the Facility is aligned with the migration initiative Results Framework approved by the BOG (AB-3332, AG-13/22). The matrix addresses the facility's specific objective (¶1.19).

2.6 All activities sponsored under the Facility must meet the eligibility criteria (¶2.7) by contributing to the results matrix and aligning with the target areas outlined in each component.

2.7 Individual Project's Eligibility Criteria. The eligibility criteria for individual projects benefiting Components 1 and 2 of the Facility will: (i) be aligned with the BOG's approved Proposal to Expand the Use of the IDB Non-Reimbursable Facility for migration investment operations (AB-3332 AG-13/22); (ii) be aligned with the objectives of the Facility; (iii) include gender-sensitive initiatives; (vi) have its technical, financial, environmental, and social feasibility validated by IDB's

²⁷ These activities will be tailored to the unique circumstances of each country and migrant population. They may include non-exclusively GBV prevention, gender-sensitive needs assessments, healthcare access including reproductive health services, among others.

²⁸ These activities will be tailored to the unique circumstances of each country and migrant population. They may include promoting gender-inclusive employment opportunities, gender and diversity-disaggregated data collection, women's economic empowerment programs, childcare support, among others.

²⁹ The resources to finance these activities will be accessible through the administrative operation RG-T4472. For more information, see the [Procurement Plan](#) for these activities.

specialists; (v) comply with IDB's risk assessments and policies; (vi) commit to comply with IDB's reporting and accountability; (vii) be aligned with donor's priorities. The individual TC and/or IGR operations will be defined after initiating the Facility (Components 1 and 2); and (viii) be aligned with the Environmental and Social Policy Framework at an individual project level, specifically for human rights threats. For selecting projects under this Facility, SCL/MIG will coordinate with other sectors and country departments within the Bank. Also, SCL/MIG will coordinate with other MDBs and other stakeholders seeking complementarity and maximizing joint impact.

- 2.8 **Individual project approval.** All individual projects are subject to compliance with the IDB's policies and regulations regarding the approval of non-reimbursable TCs and IGRs.

III. FINANCING STRUCTURE

A. Financing instruments

- 3.1 **Source of funding.** The Department of Global Affairs, Trade and Development ("DFATD") expects to commit CAD13,300,001 to this project, equivalent to US\$9,931,674, at the exchange rate of US\$1=1.33915 as of February 9th, 2024. Final resources in US dollars will depend on the exchange rate of the date when the resources are received by the Bank and converted into US Dollars. Suppose a significant adverse fluctuation in the exchange rate reduces the value in US Dollars in this budget, and the contingency line cannot cover such an amount. In that case, the project activities will be decreased appropriately, and the project team will adjust the budget accordingly.
- 3.2 This facility's total resources (RG-O1722) are US\$9,931,674. The Department of Global Affairs, Trade and Development ("DFATD") will provide these resources through a Project-Specific Grant (PSG).
- 3.3 The Bank administers a PSG 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, DFATD's commitment will be established through a separate Administrative Agreement. Under such an agreement, the Bank will administer the resources for this Facility.
- 3.4 **Administration fee distribution.** Authorization from the Board of Executive Directors will be requested to distribute the administrative fees received by the IDB among the relevant departments for which the Facility generates additional workload.
- 3.5 **Type of financing instruments.** The Facility will deploy funding through (i) non-reimbursable TCs and (ii) IGRs. The financial needs of each individual project will determine the utilization of these financing instruments approved under this facility.

B. Facility Budget

- 3.6 DFATD expects to commit US\$9,931,674 to this Facility, equivalent to CA\$13,300,001 at the exchange rate of US\$1.33915 as of February 9th, 2024.³⁰

³⁰ Resources for this contribution will be received in the Canada Cooperation Framework (CCF) account.

3.7 The Facility’s budget will be structured as follows:

Table 1. Summary of Program Costs (in US\$)¹² RG-O1722

Components	DFATD	Total	%
Component 1. Support activities to enhance protection and access to services for refugees, migrants, returnees, and host community members, including a gender and diversity approach in targeted countries.	4,715,837	4,715,837	47.5
Component 2. Support activities to enhance access to economic opportunities for refugees, migrants, returnees, and host community members, including a gender and diversity approach in targeted countries.	4,715,837	4,715,837	47.5
Administration and management cost Monitoring and evaluation reports, Coordination and supervision visits, communication, and visibility. ³¹	500,000	500,000	5.0
Total	9,931,674	9,931,674	100

IV. IMPLEMENTATION AND MAIN RISKS

A. Implementation arrangements

- 4.1 **Executing agencies.** Legally established entities may receive and administer resources under this facility as executing agencies of eligible operations. These executing agencies must be one of the following: (i) borrowing member countries, including national and sub-national institutions with the legal capacity to enter into legal agreements with the Bank; (ii) regional and sub-regional agencies established by the same countries; (iii) international or regional cooperation agencies; (iv) academic institutions and local Non-Governmental Organizations (NGO) that fulfill the necessary Bank requirements and conditions.
- 4.2 The Bank may also receive and administer resources under this Facility as an executing agency of eligible TC projects, since it cannot execute IGR operations Following the Procedures for the Processing of TC Operations and Related Matters (OP-619-4), the justification for the Bank to execute the TC operations is that the subject matter of the Facility is new to policymakers in the region, and countries have recognized the technical and operational expertise of the Bank which would allow for more effective implementation.
- 4.3 **Coordination.** DFATD and the Bank will adhere to the individual project's eligibility criteria outlined in section 2.7. To ensure effective governance and successful implementation of the Facility, the IDB and DFATD will establish a Coordination Committee. This committee will convene at least once a year to validate the operating plan submitted by the technical teams from the IDB, inform activities and proposals for individual TCs and IGRs, and report back on the implementation of activities. The bank will coordinate the timeline for submitting individual projects with the donor. The project team will be responsible for preparing project proposals and reports to the donor and fulfilling all other actions and deliverables related to project execution. The Parties will appoint focal points for coordination purposes. Through these focal points, the Bank will submit the individual projects to the Donor for its non-objection. This coordination mechanism will ensure transparency, accountability, and efficient coordination between the IDB and the Canadian

³¹ See [Procurement Plan](#) for these activities.

government, ultimately leading to the successful execution of the Facility.³² Moreover, there will be quarterly meetings to provide updates on the implementation.

- 4.4 **Procurement.** When a TC to be financed with this Facility is recipient executed, the “Policies for the Procurement of Goods and Works financed by the IDB” (GN-2349-15) and the “Policies for the Selection and Contracting of Consultants financed by the IDB” (GN-2350-15) will be applicable. In the case of Bank executed TC, the activities will be included in the Procurement Plan and will be contracted following Bank policies and procedures: (a) “Regulation Complementary Workforce” (AM-650) for individual consultants; (b) “Policy for the Selection and Contracting of Consulting Firms for Bank-executed Operational Work” (GN-2765-4) and Guidelines (OP-1155-4) for consulting firms for services of an intellectual nature; and (c) “IDB Corporate Procurement Policy” (GN-2303-28) for logistics and other related services if required.
- 4.5 **Technical Responsibility.** The technical responsibility for the Facility will be assigned to the project Team Leader from the Bank’s Migration Unit within the Social Sector Department (SCL/MIG).³³
- 4.6 **Execution period.** Per the agreement with Canada, the installment of the Facility extends to four years (48 months). All resources from the Facility must be committed to individual projects no later than 24 months after the approval of the Facility.³⁴ The Facility may be extended following IDB policies and procedures.
- 4.7 **Monitoring.** SCL/MIG will report on the Facility execution according to the administrative agreement based on the results matrix. Individual projects under Components 1 and 2, as well as the report on the Facility’s execution, will comply with the IDB Monitoring and Reporting System regulations (OP-1385-4).
- 4.8 **Evaluation.** If the donor agrees, a final facility evaluation will be conducted through an independent third party, fed from the individual project-level reports.
- 4.9 **Environmental and Social Aspects.** The operations under the Facility modality are not included in the scope of application of the new Environmental and Social Policy Framework (ESPF); therefore, they do not receive an Environmental and Social Impact Category (ESIC).
- 4.10 **Fiduciary and other risks, and mitigation strategies.** The IDB will ensure close technical follow-up and quality control of the support provided. Among the risks, Management identifies the following:
- 4.11 Political instability in the region: The changing political environment in participating countries could hamper commitment and progress at the municipal, provincial, or national level. The IDB will work closely with government institutions and regional platforms **to anticipate such events, hedge projects through the timing of**

³² In line with Regulation AM-903 (Partnership Modalities Related to Mobilization of Financial Resources), the Bank will manage the contribution as a facility rather than a Trust Fund. Facilities can be more suitable for interventions with a narrow scope and high degree of technical specialization. In facilities, the project team leads the identification, eligibility, and donor reporting, consistently with the result framework, which in this case has been agreed with the donor. Trust funds, on the contrary, normally have a less specialized focus and serve as a pool of funds accessible to various Bank offices. Another advantage is that facilities do not entail fixed expenses. Consequently, the entire contribution amount is available for project execution.

³³ The Technical responsibility will be assigned to the Team Leader of each individual project.

³⁴ The execution period of individual projects can exceed the duration of the Facility.

approvals, take into account political cycles and early political dialogue, and mitigate progress delays by adequately sequencing disbursements and contracts. However, the long-standing institutional commitment between the IDB and the countries in the region where this proposal will be implemented is strong, which allows for operation continuity despite any potential interruption, given the political conditions inherent to development work.

- 4.12 Public management and governance: There is sometimes a risk that difficulties may arise in the coordination between the central government and local entities for implementation. **To address this, the Bank supports the agencies involved through technical assistance to strengthen their capacities to coordinate with the subnational level and implement policy measures planned for the operation through various instruments.** The Bank has a robust political dialogue in the identification and formulation phase. Suppose security issues arise in and around project areas, resulting in limited access and delivery of services. In that case, they will be closely monitored, and all stakeholders' plans will be adjusted.

Annex I- Results Matrix- RG-O1722

OUTCOME INDICATOR	UNIT OF MEASURE	MEANS OF VERIFICATION	Year 1	Year 2	Year 3	Year 4	EOP	COMMENTS
TC projects documents.	Number of TCs	TC documents and annual reports	1	2	1	1	5	This goal is indicative. If there is a possibility of approving less TC projects for a higher amount, SCL/MIG will pursue it
IGR operation's documents.	Number of IGRs	TC documents and annual reports	1	0	1	0	2	This goal is indicative. If there is a possibility of approving less IGR projects for a higher amount, SCL/MIG will pursue it
Research and elaboration of applied knowledge products, including design, execution and/or evaluation of new models of intervention	Number of Documents	IDB documents	1	1	1	1	4	

OUTPUT INDICATOR	UNIT OF MEASURE	MEANS OF VERIFICATION	Year 1	Year 2	Year 3	Year 4	EOP	Cost
Component 1.								\$ 4,715,837.00
IGR that foster access to registration, basic services, and social services to advance integration of refugees and migrants	Number	IGR documents and annual reports	1	0	0	0	1	\$ 4,715,837.00
TC projects that foster access to registration, basic services, and social services to advance integration of refugees and migrants	Number	TC documents and annual reports	0	1	1	0	2	
Component 2.								\$ 4,715,837.00
IGR that foster access to economic opportunities for refugees and migrants	Number	IGR documents and annual reports	0	0	1	0	1	\$ 4,715,837.00
TC projects that foster access to economic opportunities for refugees and migrants	Number	TC documents and annual reports	1	1	0	1	3	
TOTAL								\$ 9,431,674.00

**MIG-INTEGRATION: FACILITY ON SOCIO-ECONOMIC INTEGRATION OF REFUGEES, MIGRANTS,
RETURNEES, AND HOST COMMUNITY MEMBERS IN LATIN AMERICA AND THE CARIBBEAN**

**RG-O1722
RG-T4472¹**

CERTIFICATION OF FACILITY

The Grants and Co-Financing Management Unit (ORP/GCM) certifies that the referenced operation will be financed through:

Funding Source	Fund Code	Currency	Amount Up to
Canada Cooperation Framework	CCF	USD	9,931,674

For operations financed by funds where the Inter-American Development Bank (IDB) does not control liquidity, the availability of resources is contingent upon the request and the receipt of the resources from the donors. Additionally, in case of operations financed by funds that require a post-approval agreement with the donor, the availability of resources is contingent upon the signature of the agreement between the Donor and the IDB. (i.e.: Project Specific Grants (PSG), Financial Intermediary Funds (FIF), and single donor trust funds).

Certified by:

Original Signed

March 25, 2024 | 10:47 AM EDT

María Fernanda García Rincón
Chief

Date

Grants and Co-Financing Management Unit
ORP/GCM

¹ **RG-T4472** is the administrative operation (ADM) of the facility with resources from the **Canada Cooperation Framework (CCF)**. This operation provides resources dedicated to the general administration of the facility and are under the same budget. This operation will be approved simultaneously by the corresponding authority.

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-___/24

Regional. RG-O1722 and ATN/CN-____-RG. MIG-INTEGRATION: Facility on Socio-Economic Integration of Refugees, Migrants, Returnees, and Host Community Members in Latin America and the Caribbean

The Board of Executive Directors

RESOLVES:

1. To approve the establishment of the “MIG-INTEGRATION: Facility on Socio-Economic Integration of Refugees, Migrants, Returnees, and Host Community Members in Latin America and the Caribbean” (the “Facility”) in accordance with the terms and conditions set forth in document AT-_____.

2. That up to the sum of CAD13,300,001 chargeable to the resources granted by the Department of Global Affairs, Trade and Development (“DFATD”) of the Government of Canada (the “Donor”), pursuant to the Administrative Agreement entered into between the Donor and the Bank on 22 March 2024, will be granted for the financing of individual nonreimbursable technical cooperation operations and nonreimbursable investment financing operations in accordance with the terms and conditions of the Facility.

3. That the President of the Bank, or such representative as he shall designate, is authorized in the name and on behalf of the Bank, to enter into such agreement or agreements as may be necessary, and to adopt such other measures as may be pertinent for the implementation of the Facility in accordance with the terms and conditions set forth in document AT-_____.

4. That the President of the Bank, or such representative as he shall designate, is authorized to distribute the administrative fees received by the Bank among the relevant departments for which additional workload is generated by the Facility.

(Adopted on ____ 2024)