

TC Document

I. Basic Information for TC

▪ Country/Region:	BOLIVIA
▪ TC Name:	Promoting an integrated data policy framework in Bolivia
▪ TC Number:	BO-T1427
▪ Team Leader/Members:	Muente Kunigami, Arturo (IFD/ICS) Team Leader; Fabricio Rodriguez (IFD/ICS); Bonilla Merino Arturo Francisco (LEG/SGO); Bueno Londono Daniela (IFD/ICS); Rojas Gonzalez, Sonia Amalia (IFD/ICS), Team Leader; Fabricio Rodriguez (IFD/ICS); Paula Gamboa Leon (LEG/SGO); Bueno Londono Daniela (IFD/ICS); Daniela Acevedo (LEG/CLA)
▪ Taxonomy:	Client Support
▪ Operation Supported by the TC:	.
▪ Date of TC Abstract authorization:	14 Jun 2023.
▪ Beneficiary:	Plurinational State of Bolivia / <i>Agencia de Gobierno Electrónico y Tecnologías de Información y Comunicación (AGETIC)</i>
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	Japan Special Fund(JSF)
▪ IDB Funding Requested:	US\$250,000.00
▪ Local counterpart funding, if any:	US\$25,000.00 (In-Kind)
▪ Disbursement period (which includes Execution period):	36 months
▪ Required start date:	July 2024
▪ Types of consultants:	Firms, Individual Consultants
▪ Prepared by Unit:	IFD/ICS-Innovation in Citizen Services Division
▪ Unit of Disbursement Responsibility:	IFD/ICS-Innovation in Citizen Services Division
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	Yes
▪ Alignment to the Institutional Strategy: Transforming for Scale and Impact.	Environmental sustainability; Institutional capacity and rule of law; Productivity and innovation; Social inclusion and equality

II. Objectives and Justification of the TC

2.1 There is a new nascent agenda around comprehensive yet flexible Data Frameworks around the world. Countries with a more sophisticated data infrastructure such as the United States (US), Canada, United Kingdom (UK), and Uruguay have recently started to adopt a more holistic approach to data that is expected to facilitate coordination and promote innovation while, at the same time, safeguarding the privacy and rights of individuals, ensuring adoption by all sectors in and outside government, so that the potential benefits are effectively realized. The US and Canada have each issued a federal “Data Strategy”, UK has launched a “National Data Strategy”, and Uruguay has implemented a “Data 360” initiative. The European Union released a draft Data Governance Act in late 2020, following the launch of its Data Strategy in 2020 and the General Data Protection Regulation (GDPR), which quickly became the reference for data protection in the world. Japan created the “Digital Agency” in 2021 and soon launched its “Data Free Flow with Trust” initiative, which favors a more integrated approach and prioritizes data exchanges and data flows. Countries and regions with

less developed data landscapes will soon face the need for such approaches, as the existing requests mentioned above already suggest.

- 2.2 The level of maturity of data policy frameworks in Latin-American and the Caribbean varies. Even though many countries have added open data activities to their open government plans, the Open Data Barometer 2020 shows a broad range of readiness, implementation, and impact levels across the region. Additionally, the cybersecurity report published in 2020 provides a similar landscape, with countries in the region showing an overall low score compared to other countries, albeit showing some progress since 2016. Data protection remains the least studied area: 17 countries in the region have a national data protection law, 10 of which have institutions in charge of enforcing this legislation. In general, only Uruguay has a comprehensive data initiative, as explained above, while Chile is still drafting a new National Data Policy.
- 2.3 Bolivia acknowledges the importance of a comprehensive data policy framework. In this context, the Government of Bolivia through its Digital Government Agency, AGETIC, has embarked in a digital transformation journey. The agency is currently going through the process of designing a National Digital Strategy, but it has already identified data as a key piece of the strategy, and one where the country is lagging with respect to peers in the region. Bolivia ranked 13 out of 24 countries in the 2020 edition of the Open Data Barometer, and it does not have a Personal Data Protection Law, let alone a National Data Strategy.
- 2.4 The country needs an integrated approach to data. Despite some significant efforts made by the Government of Bolivia in recent months to establish a legal framework for personal data protection¹, a gap in promoting a comprehensive data policy remains. Such a policy would not only support the creation and enforcement of a law but also address other crucial aspects of a data ecosystem, including data governance, data-driven decision making, transparency, and capacity building, among others.
- 2.5 The main objective of this Technical Cooperation (TC) is to assist the Government of Bolivia in designing a comprehensive data policy framework and establishing the necessary institutional capacities to enforce it.
- 2.6 The TC is consistent with the IDB Group Institutional Strategy: Transforming for Scale and Impact (CA-631) and aligns with the following objectives: (i) reducing poverty and inequality; (ii) addressing climate change; and (iii) bolstering sustainable regional growth. Improving the data policy framework will create an enabling environment that not only promotes data-driven governance but also fosters a digital culture within the country. This will directly impact development by increasing production and reducing poverty through the promotion of the digital economy. Additionally, it will address climate change by enabling the adequate use and measurement of climate data. Finally, it will bolster sustainable growth by promoting innovation and the diversification of production in Bolivia, making the country less dependent on its traditional natural resource-based economy.
- 2.7 The TC is also aligned with the operational focus area of (i) institutional capacity, rule of law, and citizen security as it improves the regulatory framework and implements capacity-building activities, thereby strengthening the institutional environment for the

¹ [Bolivia has been working on a Data Protection Law proposal during 2022 and 2023](#). Nevertheless, it has not yet been approved, nor has the government worked on the specific regulations needed to promote the adequate enforcement of this norm.

enforcement of the data protection legal framework. It is also aligned with the focused sector of the Japanese Special Fund: (i) quality infrastructure. Establishing a comprehensive data policy and strategy will aid the Bolivian government in defining the digital infrastructure necessary for effective data governance; by enhancing data management practices and infrastructure, this initiative will contribute to the overall quality and reliability of the country's digital ecosystem.

- 2.8 Finally, this TC is also aligned with the Country Strategy of Bolivia (GN-3088), through the priority area of Economic and Productivity bust, through the strategic objective of Support to Digital Transformation. This TC will promote strengthening institutional capacity for data-driven governance, providing specific legal and strategic frameworks that will generate a roadmap for the country to coordinate actions aimed at providing better and more effective services; and, although this TC does not complement specific operations currently being developed in Bolivia, its results will promote a legal and strategic framework necessary to generate operations that drive the creation of the required institutional framework for the implementation and enforcement of the legal framework for data protection and data governance.

III. Description of activities/components and budget²

- 3.1 **Component 1. Improving the legal framework for Personal Data Protection (US\$80,000.00).** Under this component, an analysis will be conducted on existing legislation related to personal data protection in Bolivia. Technical support will be provided to draft necessary legislation based on the analysis, taking into consideration the Ibero-American Personal Data Protection Standards, the European General Data Protection Regulation, the Cross-Border Privacy Rules, and any other relevant international benchmark. This component will also include strategic public consultations with stakeholders and exchanges and training of key public officials. This component will be carried out through the following activities:
- 3.1.1 Study development to identify existing gaps in Bolivian legislation concerning personal data protection, taking into account international experiences, standards, and best practices in this field.
 - 3.1.2 Based on previous findings, a specific legal proposal will be developed that might incorporate elements from other relevant legislation, or projects previously advanced in the realm of data protection within the country.
- 3.2 **Component 2. Support for a National Data Policy (US\$100,000.00).** This component will support the creation of a national data strategy, following the examples of other countries around the globe, notably the “Data Free Flow with Trust” initiative from the Government of Japan that emphasizes the potential role that data has on economic development in the digital age and the need for data exchanges in trustworthy environments. This component will include institutional arrangements, governance, and roles and responsibilities for key agencies in the ecosystem. Additionally, this component will fund technical exchanges with experts from other

² The activities contemplated in this Technical Cooperation do not rely on any legislative approval. The legal framework will be designed considering the current normative status of the country. Therefore, once this legislation is approved, the specific regulations that this TC will support will facilitate the adequate enforcement of the law. On the other hand, the data strategy is a strategic approach for the adequate governance of data in Bolivia, and therefore, this activity does not depend on specific legislative approvals.

countries, including Japan, and will explore digital solutions that enable a data-driven economy. The activities for this component will be as follows:

- 3.2.1 Implementation of the Assessment Playbook for Data Strategy Formulation within the Public Sector. This playbook will assess the maturity of strategic dimensions critical to a National Strategy, encompassing leadership, financing, regulatory framework, organizational structure, data and its management, capacity building, user demand and community engagement, and technology and transfer mechanisms.
 - 3.2.2 Support for the National Data Policy through the development of a comprehensive National Data Strategy. The strategy will build upon the outcomes of the preceding activity and will involve engagement with experts who can contribute their specialized knowledge in this field.
 - 3.2.3 Conducting a study on the data protection vulnerabilities faced by Bolivian citizens, with the aim of formulating an action plan to promote awareness regarding the significance of personal data protection and privacy within society.
- 3.3 **Component 3. Dissemination of the data policy framework (US\$70,000.00).** This component focuses on promoting training sessions for strategic officials, facilitating knowledge exchanges with other data authorities, for example with the Digital Agency in Japan, and raising awareness among citizens about their data protection rights and the policies in place. Special attention will be given to reaching vulnerable communities. The activities for this component will be as follows:
- 3.3.1 Development of a training program for strategic officials from Bolivia, drawing from exchanges with other agencies that can contribute their best practices and experiences in promoting and enforcing data policies. The criteria and methodology for the official's selection will be developed as part of this TC execution in coordination with the beneficiary agency.
 - 3.3.2 Implementation of a campaign aimed at promoting the strategic and legal frameworks formulated in the preceding components. Additionally, a campaign on personal data protection will be created with a specific focus on raising awareness among socially vulnerable segments.
- 3.4 **Expected results:** (i) Strengthened data protection legal framework and national data policy in Bolivia; and (ii) awareness and capacities created between officials of the Bolivian government and vulnerable population related to data protection.
- 3.5 The total amount of funding required for this TC is US\$275,000, as shown by each component in the table below. Counterpart funding of US\$25,000 in the form of in-kind contributions is also included in the tabulation. The Japan Special Fund will provide financing for this TC.

Indicative Budget

Component	Description	IDB/ Japan Special Fund (JSF)	Counterpart Funding	Total Funding
Component 1	Improving the legal framework for Data Protection	US\$80,000.00	US\$5,000.00	US\$85,000.00
Component 2	Support for a National Data Policy	US\$100,000.00	US\$5,000.00	US\$105,000.00

Component 3	Dissemination of the data policy framework	US\$70,000.00	US\$15,000.00	US\$85,000.00
Total		US\$250,000.00	US\$25,000.00	US\$275,000.00

3.6 All activities will be informed to the Chief of Operations in Bolivia. No supervision costs to COF are expected. Furthermore, the project team will have a close coordination and communication with government counterparts. This TC includes a Results Matrix that will help monitor and evaluate the fulfillment of the committed products.

IV. Executing agency and execution structure

- 4.1 The government of Bolivia has expressed its requirement for the Inter-American Development Bank, through the Division of Innovation for Citizen Services of the Department of Institutions for Development (IFD/ICS), to be the executing agency. According to Annex II of the Procedures for the Approval of Technical Cooperations (OP-619-4), the execution by the Bank is justified because the counterpart does not have the technical capacity and the level of specialization necessary to execute this TC.
- 4.2 The IDB has extensive experience in the provision and coordination of technical assistance, conducting the selection and hiring of quality consulting services (in accordance with Bank policies). The IDB can also contribute to the generation of innovative solutions by attracting experts in the field. The Bank will have the final word to select, hire, evaluate, and pay consultants/firms. While it can receive input or feedback from the beneficiaries, this will not constrain its ability to manage the relationship with the consultants.
- 4.3 The activities to be carried out under this operation have been included in the Procurement Plan (Annex IV) and will be executed in accordance with the applicable policies and procedures for Bank Executed Operations (BEO), namely: (a) Hiring of individual consultants, as established in the regulations AM-650; (b) the contracting of all relevant services will be carried out in accordance with the new policy GN-2303-33 and its associated guidelines, as replacement of the policies contained in documents GN-2303-28 and GN-2765-4.
- 4.4 Considering the projects and topics addressed by the Division of Innovation for Citizen Services, the Single Sourced Selection of expert consultants and firms is being considered for some consultancies. These consultants or firms have been working with the Division in other countries and under different projects related to digital government and the provision of technological solutions.
- 4.5 The IDB will maintain permanent coordination with AGETIC as its counterpart in the Bolivian government for the adequate execution of this TC. For this purpose, the IDB will promote close coordination by establishing a permanent focal point in AGETIC. This will ensure that the activities to be implemented, as well as the products and other materials produced by the TC, will not only be reviewed but also planned with the official counterpart in the Bolivian government.

V. Major issues

- 5.1 The main risk is related to the difficulty of coordinating all the institutions and agencies involved in the creation and implementation of a national data policy. To mitigate this risk, the Bank will maintain ongoing coordination with all stakeholders, for the creation and implementation of the strategic and normative framework and for the

implementation of technological solutions that may be applied as part of this cooperation.

- 5.2 The intellectual property of all knowledge products will belong to the Bank and may be made available to the public under a creative commons license. However, at the request of the beneficiary, following the provisions of the procedures AM-331, the intellectual property of said products may also be licensed to the beneficiary through specific contractual commitments.

VI. Exceptions to Bank policy

- 6.1 There are no exceptions identified.

VII. Environmental and Social Aspects

- 7.1 This Technical Cooperation is not intended to finance pre-feasibility or feasibility studies of specific investment projects or environmental and social studies associated with them; therefore, this TC does not have applicable requirements of the Bank's Environmental and Social Policy Framework (ESPF).

Required Annexes:

[Request from the Client_91922.pdf](#)

[Results Matrix_43765.pdf](#)

[Terms of Reference_48600.pdf](#)

[Procurement Plan_58563.pdf](#)