

TC ABSTRACT

I. Basic project data

▪ Country/Region:	Bolivia
▪ TC Name:	Promoting an integrated data policy framework in Bolivia
▪ TC Number:	BO-T1427
▪ Team Leader/Members:	Arturo Munte (IFD/ICS) / Team lead; Fabricio Rodríguez, Mariana Catano (IFD/ICS)
▪ Indicate if: Operational Support, Client Support, or Research & Dissemination.	Client Support
▪ If Operational Support TC, give number and name of Operation Supported by the TC:	
▪ Date of TC Abstract:	6/7/2023
▪ Beneficiary:	Plurinational State of Bolivia / Agencia de Gobierno Electrónico y Tecnologías de Información y Comunicación (AGETIC)
▪ Executing Agency and contact name	Interamerican Development Bank / Division of Innovation for Citizens Services (IFD/ICS).
▪ IDB Funding Requested:	US\$ 250,000.00
▪ Local counterpart funding, if any:	US\$ 0
▪ Disbursement period (which includes execution period):	36 months
▪ Required start date:	August 2023
▪ Types of consultants (firm or individual consultants):	Firms or Individual Consultants
▪ Prepared by Unit:	IFD/ICS
▪ Unit of Disbursement Responsibility:	IFD/ICS
▪ Included in Country Strategy (y/n);	Yes
▪ TC included in CPD (y/n):	Yes
▪ Alignment to the Second Update to the Institutional Strategy:	Development challenges of 'Productivity and Innovation'. Cross-cutting issue of 'Institutional Capacity and the Rule of Law'

II. Objective and Justification.

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 US, Canada, 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 the region 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 protection, 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** is to assist the government of Bolivia in implementing a comprehensive data policy framework and establishing the necessary institutional capacities to enforce it.
- 2.6 **The TC is consistent with the Bank’s Update to the Institutional Strategy (AB-3190-2)** and is aligned with the development challenges of ‘Productivity and Innovation’ because the improvement of a data policy framework will create an enabling environment that promotes not only data-driven government but also fosters a digital culture within the country. The TC aligns with the cross-cutting issue of 'Institutional Capacity and the Rule of Law' as it improves the regulatory

framework and implements capacity-building activities, thereby strengthening the institutional environment for the enforcement of data protection legal framework.

- 2.7 **The TC is also aligned with the Corporate Results Framework, 2020-2023 (GN-2727-12)** at level 1, with the indicator 15: “Government effectiveness”, and at level 2, with the indicators 27: “Agencies with strengthened transparency and integrity practices”. On the other hand, this TC is consistent with The Ordinary Capital Strategic Development Program (GN-2819-14) through. Priority Area 3: Effective, Efficient, and Transparent Institutions by the data policy framework that will be conducted with the support of this TC.
- 2.8 **Finally, this TC is also aligned with the Country Strategy of Bolivia, 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.

III. Description of activities and outputs.

- 3.1 **Component I. Improving the legal framework for Personal Data Protection.** 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 II. Support for a National Data Policy.** 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 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 III. Dissemination of the data policy framework.** 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.
 - 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.

IV. Budget

Indicative Budget

Activity Component	Description	IDB/Fund Funding	Total Funding IDB
Component 1	Improving the legal framework for Data Protection.	US\$ 80,000.00	US\$ 80,000.00
Component 2	Support for a National Data Policy.	US\$ 100,000.00	US\$ 100,000.00
Component 3	Dissemination of the data policy framework.	US\$ 70,000.00	US\$ 70,000.00
Total		US\$ 250,000.00	US\$ 250,000.00

V. Executing agency and execution structure.

4.1 This project will be executed directly by the Bank, through IFD/ICS. The IDB has extensive experience in the provision and coordination of technical assistance, to conduct 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 constraint its ability to manage the relationship with the consultants. This decision is aligned with appendix 10 of GN-2629-1 which establishes that the Bank can be responsible for the execution of a TC at the request of the beneficiary countries.

VI. Project Risks and 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.

VII. Environmental and Social Classification.

6.1 This TC will not finance feasibility or pre-feasibility studies of investment projects or associated environmental and social studies; therefore, it does not have applicable requirements of the Bank's Environmental and Social Policy Framework (ESPF).