

SPECIAL OPERATION DOCUMENT (SPE)

REGIONAL

I. BACKGROUND

Country:	Regional
Operation Name:	Technical Support for the Comprehensive Management of the Broadband Special Program
Operation Number:	RG-X1243
Team Leader/Members:	Antonio García Zaballos (IFD/CMF, Team Leader); Felix Gonzalez Herranz (IFD/CMF, Alternate Team Leader); María Elisa Arango (LEG/SGO); Enrique Iglesias (IFD/CMF); and Cecilia Bernedo (IFD/CMF).
Operation Taxonomy:	N/A
Date of authorization:	February, 2015
Donors providing funding:	Special Broadband Program (BBD)
Beneficiary:	26 IDB borrowing countries
Executing agency and contact name:	Inter-American Development Bank, Capital Markets and Finance Division (IFD/CMF)
IDB Funding Requested:	US\$206,500
Local counterpart funding:	None
Disbursement period:	24 months (21 months Execution period)
Required start date:	April, 2015
Types of consultants:	Individual consultants
Prepared by Unit:	IFD/CMF
Unit of Disbursement Responsibility:	IFD/CMF
Operation included in Country Strategy:	N/A
Operation included in CPD:	N/A
GCI-9 sector priority:	Mentioned under current sector strategies: “Support Competitive Global and Regional Integration”, and “Institutions for Growth and Social Welfare”.

II. OBJECTIVES AND JUSTIFICATION OF THIS OPERATION

- 2.1 In March 2013, the Inter-American Development Bank (from now onwards, the Bank) approved the launching of the Broadband Special Program (from now onwards, BBD) financed with resources from the Ordinary Capital and a Multi-Donor Fund. The BBD aims at creating an institutional and regulatory framework in the region to boost competition and investment in order to enhance access, adoption and usage of Broadband services.
- 2.2 The BBD offers technical support to any of the 26 IDB borrowing countries to help those economies enhance their capabilities to: (i) develop public policies and governance models that support the leadership of key institutions to design and implement

- Broadband strategies; (ii) develop a strategic regulation that boosts an effective and sustainable competition, while reinforcing the judiciary framework in order to boost investment and while setting the grounds for a greater regional coordination and harmonization in terms of regulation; and (iii) strengthen the capacities of the institutions involved to move towards objectives of universality in access, adoption and usage of Broadband services. To support the comprehensive management of the BBD program, the Technical Secretariat was created.
- 2.3 The Broadband Special Program Technical Secretariat is responsible for the preparation of recommendations on the eligibility of proposals submitted for the Committee's consideration and monitoring its decisions; comprehensive coordination of the program's technical management; support for monitoring and evaluation of the activities financed under the program; coordination of its promotion and strategic dissemination of its project results; and the preparation of technical reports highlighting the outcomes achieved.
- 2.4 Consultancies funded with previous technical cooperations RG-T2370 and RG-X1216, allowed the BBD to obtain several results, including: (i) the development of the communication and dissemination strategy that defined an action plan for the program activities; (ii) the successful launch of the digiLAC platform, which has been established as a virtual platform that consolidates key information on the challenges, opportunities and scope for broadband development in LAC; (iii) advice on technical issues for project development in different countries; (iv) the implementation of a better monitoring system; (v) presentation of BBD projects to diverse audience (webinar, presentations to Committee) and external audience (events); and (vi) design, planning and execution of the regional event "Broadband Applications for Development – Hackathon" to be held in Medellin in 2015, among others.
- 2.5 **Objectives:** The goal of this Special Operation (SPE) is to provide technical support to the development of the Broadband Special Program (BBD) through the financing of its incremental operating expenses. To support the comprehensive management of the program, "a maximum of 7% of the annual allocation of Ordinary Capital resources is proposed to finance operating expenses" (GN-2704 paragraph 3.3). The components and activities that will be financed with ordinary capital are considered essential for the supervision and implementation of the special program for broadband services, and do not constitute routine or customary activities of IFD/CMF.

III. DESCRIPTION OF ACTIVITIES

- 3.1 The activities proposed in this special operation are divided into three main components:
- 3.2 **Component 1: Technical support to the BBD and Technical Secretariat of the Broadband Fund.** This component will finance the following activities: (i) supporting the identification, assessment, preparation, monitoring, reporting and evaluation of proposals, as well as the preparation and implementation of a dissemination strategy to showcase the results obtained and inform IFD management and other stakeholders; (ii) supporting the work of the BBD Eligibility and Strategic Committee (ESC) headed by the Office of the Manager of the Institutions for Development Department (IFD); (iii) strengthening portfolio management, ensuring an updated project database, with tracking of projects' financial and performance indicators and optimization of available

resources; and (iv) advice to the Broadband Program and Secretary of the Broadband Fund on the Fund’s strategy and criteria to allocate its resources and activities.

- 3.3 **Component 2: Dissemination.** The objective of this component is to support the dissemination of the Fund’s interventions and activities, including information regarding the progress and outcomes of the proposals financed with Fund resources. Some of the main activities of this component include: (i) preparation of progress reports, presentations and dissemination material (videos, infographics, etc); and (ii) organization of the Bank’s dissemination events.
- 3.4 **Component 3: (1 advisory meeting with group of experts): Strategic expert advice meeting to the BBD Platform.** This Component will finance the organization of one meeting with key experts who will provide guidance, and strategic advice to the BBD. Experts are expected to advise on strategic aspects with key stakeholders in the Region; and will provide technical inputs and advise on the vision on knowledge products.
- 3.5 **Expected results:** As a result of this technical cooperation, the BBD will: (i) be strengthened in the technical capabilities of its team; and (ii) have greater capabilities to design, execute and supervise operations

Table 3.1: Indicative matrix of the results

Suggested indicator	Measurement Unit	Baseline	Target at the end of the Operation
Output Indicators:			
Component 1: Technical advisory to the BBD and Technical Secretariat of the Broadband Fund			
- Elaboration of management documents, reports and presentations prepared for the Office of the Manager IFD	No. of Documents	0	6
- Representation of the Bank in events, conferences and missions that require the participation of the BBD team	No. of events/missions	0	4
Component 2: Dissemination			
- Progress reports, presentations and dissemination material (videos, infographics, etc),	Progress reports completed	0	2
	Videos produced	2	4
- Organization of dissemination events	No. of events Organized	0	2
Component 3: Strategic expert advice meeting to the BBD Platform			
- Strategic meeting of group of experts with the BBD Coordinator and the BBD Technical and Strategic leader	Advisory meeting	0	1
	No. of Documents	0	1
Outcome Indicators:			
- Increased technical and strategic support to the BBD team letting them to generate demand for the Fund	Percentage of TCs led by other units	0	30%
- Monitoring the existing BBD portfolio	Percentage of TCs in alert	0	< 5%

Table 2: Budget of reference

Components	Description	IDB	Total
Component 1: Technical advisory to the BBD Platform and Technical Secretariat of the Broadband Fund	International consultant technical secretariat	130,000	130,000
	Supervision of projects (in the field): travel expenses	10,000	10,000
Subtotal Component 1		140,000	140,000
Component 2: Dissemination	Reports and other materials: design and editing	10,000	10,000
	Thematic videos	10,000	10,000
	BBD conference	16,500	16,500
Subtotal Component 2		36,500	36,500
Component 3: Strategic expert advice meeting to the BBD Platform	advisory meeting: logistics, travel expenses	20,000	20,000
	Summary report: individual consultant	10,000	10,000
Subtotal Component 3		30,000	30,000
Total		206,500	206,500

IV. EXECUTING AGENCY AND EXECUTING STRUCTURE

- 4.1 The executing agency will be the IFD/CMF Division. Due to the regional nature of this TC and the fact that there are no regional agencies to coordinate the efforts for the Region in this matter, the Bank will be in charge of executing this operation.
- 4.2 **Procurement.** The Bank will hire the services of individual consultants and firms, and various consulting services in accordance with Bank procurement policies and procedures.

V. PROJECT RISKS

- 5.1 A possible risk could be that the identified proposals do not meet the expected impact results. To mitigate this risk this project will have the continued support of consultants to help identify the challenges and offer close monitoring throughout its execution. Additionally, the project team will generate open and regional dialogues among different stakeholders to make sure there is an appropriate alignment between proposals and expected results.

VI. EXCEPTIONS TO THE POLICY OF THE BANK

- 6.1 There are no exceptions to the policy of the Bank.

VII. ENVIRONMENTAL STRATEGY

7.1 Given that the current Operation revolves around hiring consultancy services and organizing meetings, there are no social or environmental risks associated with it. This operation is classified as a Category “C” according to the classification toolkit of the Bank (see the link: [IDBDocs#39363473](#)).

Annexes:

- Annex I: [Terms of Reference \(ToR\)](#)
- Annex II: [Procurement Plan](#)

**TECHNICAL SUPPORT FOR THE COMPREHENSIVE MANAGEMENT OF
BROADBAND SPECIAL PROGRAM**

RG-X1243

CERTIFICATION

I hereby certify that this operation was approved for financing under the Broadband Special Program (BBD) through a communication dated April 25, 2014 and signed by Su Hyun Kim (ORP/GCM). Also, I certify that resources from said fund are available for up to US\$206,500 in order to finance the activities described and budgeted in this document. This certification, reserves resources for the referenced project for a period of four (4) calendar months counted from the date of signature below. If the project is not approved by the IDB within that period, the reserve of resources will be cancelled, except in the case a new certification is granted. The commitment and disbursement of these resources shall be made only by the Bank in U.S. dollars. The same currency shall be used to stipulate the remuneration and payments to consultants, except in the case of local consultants working in their own borrowing member country who shall have their remuneration defined and paid in the currency of such country. No resources of the Fund shall be made available to cover amounts greater than the amount certified herein above for the implementation of this operation. Amounts greater than the certified amount, may arise from commitments on contracts denominated in a currency other than the Fund currency, resulting in currency exchange rate differences, for which the Fund is not at risk.

<hr/> <p>Original Signed Sonia M. Rivera Chief Grants and Co-Financing Management Unit ORP/GCM</p>	<hr/> <p>April 22, 2015 Date</p>
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APPROVAL

APPROVED:	<hr/> <p>Original Signed Juan Antonio Ketterer Division Chief Capital Markets and Financial Institutions Division IFD/CMF</p>	<hr/> <p>April 22, 2015 Date</p>
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