

TC Document

I. Basic Information for TC

▪ Country/Region:	REGIONAL
▪ TC Name:	Strengthening and capacity building for the digital transformation of social services
▪ TC Number:	RG-T4454
▪ Team Leader/Members:	Pombo Rivera, Cristina (SCL/SCL) Team Leader; Paz Gonzalez, Santiago (IFD/ICS) Alternate Team Leader; Rivas Herrera Carolina (SCL/SCL); Hidalgo, Nidia (SCL/GDI); Bonilla Merino Arturo Francisco (LEG/SGO); Casco, Mario A. (ITE/IPS); Ferrin Gaston (SCL/LMK); Moreno, Michelle Leonor (ITE/IPS); Vasquez, Mateo (SCL/GDI)
▪ Taxonomy:	Research and Dissemination
▪ Operation Supported by the TC:	.
▪ Date of TC Abstract authorization:	March 3rd, 2024
▪ Beneficiary:	IDB borrowing member countries
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	OC SDP Window 2 - Social Development(W2E)
▪ IDB Funding Requested:	US\$450,000.00
▪ Local counterpart funding, if any:	US\$0
▪ Disbursement period (which includes Execution period):	36 months
▪ Required start date:	May 1st, 2024
▪ Types of consultants:	Individual consultants, and consulting firms
▪ Prepared by Unit:	SCL-Social Sector
▪ Unit of Disbursement Responsibility:	SCL/SCL-Social Sector
▪ TC included in Country Strategy (y/n):	N/A
▪ TC included in CPD (y/n):	N/A
▪ Alignment to the Institutional Strategy:	Afro-descendants; Diversity; Gender equality; Indigenous People; Institutional capacity and rule of law; Persons with Disabilities; Productivity and innovation

II. Objectives and Justification of the TC

- 2.1 The adoption of digital platforms has been disruptive in how individuals work, relate, access information, and demand services. Although digital platforms offer many advantages, they also pose challenges regarding privacy, security, and accessibility. Furthermore, digital platforms have the potential to generate substantial amounts of data, which must meet high-quality standards.
- 2.2 Over the past six years, the social sector (SCL) of the Inter-American Development Bank (IDB) has developed and strengthened a digital agenda across various domains. This includes (i) building an interoperability strategy of public platforms to provide more efficient and better social services ([RG-T3129](#), [RG-T3299](#)), (ii) consolidating an official [website](#) with publications, solutions, and other resources to empower social services across Latin America and the Caribbean (LAC), (iii) creating internal dashboards, checklists, and data analysis tools to identify operations with a digital component and

their specific characteristics to support team members in their dialogue with clients. Despite the improvements achieved, ongoing challenges require more sophisticated solutions. Particularly, in areas such as cybersecurity, interoperability, and data quality that allow sectors to work collaboratively towards achieving greater efficiency, effectiveness, and impact in delivering vital social services to communities across the region.

- 2.3 Cybersecurity challenges overlap in health and education data, with health being a prime target for ransomware attacks. The 2020 Cybersecurity Report, developed in collaboration with the Organization of American States (OAS), showed that countries in the region have ample room for improvement. Only 7 out of the 32 countries included in the study have a critical infrastructure protection plan, while 20 have established cybersecurity incident response teams¹. Cybersecurity in social services is crucial in today's digital era, where sensitive and personal information is stored and shared online. Protecting confidential data, such as medical records, educational records, and social assistance details, is essential to ensure users' privacy and integrity. Cybersecurity also preserves public trust in social services, as it safeguards the credibility and effectiveness of social services.
- 2.4 On average, US\$1 of every US\$10 of GDP in LAC is spent on social services². However, knowing how this is distributed among the population is difficult. This can be substantially improved when the information and management systems within the social sector are interoperable. Interoperability ensures that relevant information flows and is available to authorized personnel at the precise moment and location where it is needed, containing accurate, complete, necessary, and sufficient data³.
- 2.5 An IDB digital accessibility assessment of 24 web portals in Latin America and the Caribbean found that compliance with World Wide Web Consortium (W3C) standards remains a major challenge, making access particularly difficult for people with disabilities and those with temporary impairments. For instance, 23 out of 24 portals lack full keyboard navigation functionality, crucial for users with motor disabilities reliant on keyboard navigation. Moreover, only one portal fulfills all requirements for screen reader compatibility, limiting access for individuals with visual impairments or dyslexia. Strengthening the institutional capacities of counterparts and their digital services is therefore essential to prioritize digital accessibility.
- 2.6 High-quality data serves as the foundation for informed decision-making and effective policy implementation. Digital transformation has brought forth relevant data with the potential to identify social challenges, assess program effectiveness, and formulate targeted and accessible interventions for the most vulnerable. By prioritizing the acquisition and maintenance of high-quality data, SCL can maximize its impact when supporting our clients.
- 2.7 As previously highlighted, SCL has dedicated the last six years to addressing transversal digital transformation issues for social services. Complexities surrounding

¹ Refer to IDB/OAS [2020 Cybersecurity Report: Risks, Progress, and the Way Forward in Latin America and the Caribbean](#).

² Economic Commission for Latin America and the Caribbean (ECLAC), Social Panorama of Latin America and the Caribbean, 2022 (LC/PUB.2022/15-P), Santiago, 2022.

³ For more information, refer to the IDB interoperability guide: [The ABC of Social Services Interoperability: Guide for Governments](#).

cybersecurity, interoperability, data quality, and accessibility have arisen demanding new skills and capabilities. Throughout this period a total of 85 loans with digital components in 22 countries were supported and a recurring observation emerged: ministries lack the necessary tools and procedures to adequately address challenges across these domains. Recognizing this deficiency highlights the importance of strengthening these specific areas and defining a knowledge agenda to learn more. The main goal of this effort is to build a strong base that improves our ability to create solutions that can be replicated and work well with other projects in the future.

- 2.8 **Objective.** Aligned with clients' interests and needs, the Technical Cooperation's main objective is to strengthen the social ministries' responsiveness to the digital transformation challenges with an equity lens. This will be done by promoting secure, accessible, and equitable social services through targeted actions to strengthen cybersecurity measures, enhance data interoperability, and promote high-quality data management. Additionally, the TC will (i) foster integration efforts across and within divisions to ensure a cohesive approach towards more complex digital initiatives; and (ii) boost a strong transversal approach to address accessibility issues, guiding on how digital social services could be inclusive and accessible to all individuals, regardless of their background or circumstances. Expected results include developing learning materials to enhance cybersecurity, updating and implementing an interoperability framework in two countries, establishing protocols for data quality control, and creating accessible materials to improve digital solution's accessibility.
- 2.9 The TC is consistent with the IDB Group Institutional Strategy: Transforming for Scale and Impact ([CA-631](#)) and aligns with the objective of Bolster Sustainable Regional Growth by supporting countries to drive productivity and innovation through digital transformation. It is also aligned with the operational focus area of institutional capacity, rule of law, and citizen security, by supporting digital transformation of the public sector.
- 2.10 This operation is aligned with the Sector Framework Documents on: (i) Gender and Diversity ([GN-2800-8](#)), which highlights the need for data on diverse populations and to include vulnerable populations in the digitalization efforts; (ii) Health ([GN-2735-12](#)), action line 3 "Improve the organization and quality of healthcare service delivery particularly for diverse, marginal, and disadvantaged groups" which highlights the role that digital transformation has on quality service delivery; (iii) Labor ([GN-2741-12](#)), action line 4 "Strategies to promote a more inclusive labor market" which highlights the need to promote digital employment services with an inclusive lens; and (iv) Skills Development ([GN-3012-3](#)), action line 4 "Leverage the use of technology to expand equitable access to skill development opportunities and make skill development systems more efficient". Additionally, this TC will align and reinforce ongoing or proposed digital transformation activities across other divisions' TCs. The goal is to amplify their impact by fostering economies of scale in areas where a collaborative approach is most effective. Finally, it is also aligned with the fund financing Window 2 - Social Development (W2E) (GN-2819-14), specifically with the Priority Area 3: Effective, Efficient and Transparent Institutions by strengthening and supporting the capacity building for the digital transformation of social services.

III. Description of activities/components and budget

- 3.1 **Component 1: Enhance Social Sector Responsiveness in Cybersecurity (US\$130,000).** It will develop learning materials and provide training and support to

integrate cybersecurity elements in SCL projects in collaboration with the Innovation in Citizen Services (ICS) Division. This seeks to enhance the capacity of stakeholders within social sectors to identify and address cybersecurity challenges and mitigate risks effectively. By equipping IDB project teams with the knowledge and guidelines, considerations will be systematically integrated into their project planning and implementation, ultimately safeguarding project beneficiaries' critical data and infrastructure.

- 3.2 **Component 2: Integrate Efforts on Interoperability of Social Services (US\$110,000).** It will update the conceptual framework and interoperability guide for social services and implement it in two countries⁴ to derive lessons for replicability. This initiative aims to ensure alignment with national agendas, leveraging best practices. It involves standardizing data formats, protocols, and secure interfaces to facilitate seamless communication and data exchange among various social service agencies and stakeholders.
- 3.3 **Component 3: Building Standards for Social Data Quality (US\$130,000).** It will issue comprehensive documents, procedures, and materials for data quality control and ensure the continual updating and maintenance of data sources. This includes (i) generating relevant data on digital services use, access, and limitations, (ii) incorporating artificial intelligence tools to check data quality and processing, and (ii) updating and maintaining digital tools (checklist and dashboards) to track internally IDB operations with digital components that promote cybersecurity, accessibility, and interoperability.
- 3.4 **Component 4: Promote Accessibility, Diversity, and Inclusion in Technology Development (US\$80,000).** Create and disseminate materials and provide training to detect and decrease gender and diversity biases in digital solutions, specifically focusing on the design stage. Through this component, we aim to enhance the inclusivity and effectiveness of digital solutions by addressing potential biases and ensuring equal access for all users. The TC will finance the organization of workshops and the design of learning materials (e.g., a guide on how to make digital solutions more accessible) for SCL staff and counterparts on this topic.
- 3.5 A budget of US\$450,000 is estimated to be executed in up to 36 months. The funding source of this TC is the OC SDP Window 2 – Social Development (W2E) (GN-2819-14) and the UDR will be the Social Sector (SCL/SCL).

Indicative Budget (US\$)

⁴ Countries will be chosen based on specific eligibility criteria. Firstly, their systems must demonstrate maturity in interoperability to meet clients' demands for conducting the pilot effectively. Secondly, preference will be given to countries with prior experience in projects involving data within the designated sectors. Lastly, priority will be given to countries where interested agencies are willing to collaborate and actively participate in the initiative.

Activity/Component	IDB (W2E)	Total Funding
Component 1: Enhance Social Sector Responsiveness in Cybersecurity	130,000	130,000
Component 2: Integrate Efforts on Interoperability of Social Services	110,000	110,000
Component 3: Building Standards for Social Data Quality	130,000	130,000
Component 4: Promote Accessibility, Diversity, and Inclusion in Technology Development	80,000	80,000
Total	450.000	450.000

IV. Executing agency and execution structure

- 4.1 The Inter-American Development Bank (IDB), through the Social Sector, will be the Executing Agency, in accordance with the guidelines and requirements established in the Technical Cooperation Policy (GN-2470-2) and the TC Operating Guidelines (OP-619-4).
- 4.2 This is a Regional TC that has as its objective to develop and disseminate knowledge, and as such, is an initiative led by the Bank. The execution by the Social Sector is due to the regional nature of the project and the experience and capacity of the Bank in executing this type of project, its ability to hire high-level international consultancies as a value add, the Bank's additional options for using tools to transfer lessons learned from other countries, and the Bank's capacity to promote the transfer of best practices from within and outside the region. The Bank will supervise the TC, and the beneficiaries will be able to provide technical inputs to the TC's knowledge products. Once countries for conducting pilots are identified, the Bank will proceed by requesting the corresponding non-objection letters.
- 4.3 All activities to be executed under this TC have been included in the Procurement Plan (see Annex IV) and will be contracted in accordance with Bank policies as follows: (a) AM-650 for Individual consultants; (b) GN-2765-4 and Guidelines OP-1155-4 for Consulting Firms for services of an intellectual nature; and (c) GN-2303-28 for logistics and other related services.

V. Major issues

- 5.1 The team of this operation has not identified substantial risks at the level of accountability, public administration, macroeconomic, or fiduciary. Due to its nature, the execution of this TC is not expected to result in a significant negative impact on the environment or on a social level.

VI. Exceptions to Bank policies

- 6.1 There are no exceptions to the Bank's policies.

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:

[Results Matrix_11683.pdf](#)

[Terms of Reference_77591.pdf](#)

[Procurement Plan_6864.pdf](#)