

TECHNICAL COOPERATION ABSTRACT

I. Basic project data

▪ Country/Region:	Regional
▪ TC Name:	Strengthening Country Environmental and Social Safeguard Systems
▪ TC Number:	RG-T2556
▪ Team Leader/Members:	Emmanuel Boulet (Team Leader); David Rogers (Team Member); Gabriela Infante (Team Member); Graham Watkins (Team Member); Maria da Cunha (Team Member); Zachary Hurwitz (Team Member); Heidi Hausman (Team Member); Melissa Barandiaran (Team Member).
▪ Operation Type:	Research & Dissemination
▪ Operation Supported by the TC:	N/A
▪ Reference to Request ¹ : (IDB docs #)	SENACE request for support (PE)
▪ Date of TC Abstract:	October 28, 2014
▪ Beneficiary (countries or entities which are the recipient of the technical assistance):	Public sector entities responsible for development and implementation of environmental and social safeguard systems in various countries
▪ Executing Agency and contact name	The Inter-American Development Bank (IDB) through the Environmental and Social Safeguard Unit (VPS/ESG)
▪ IDB Funding Requested:	US\$500,000
▪ Local counterpart funding, if any:	N/A
▪ Disbursement period (which includes execution period):	24 months
▪ Required start date:	January 1, 2015
▪ Types of consultants (firm or individual consultants):	Individual consultants, firms, universities and/or think-tanks depending on the activity
▪ Prepared by Unit:	VPS/ESG
▪ Unit of Disbursement Responsibility:	VPS/ESG
▪ Included in Country Strategy (y/n); ▪ Included in CPD (y/n):	No. This is a regional project.
▪ GCI-9 Sector Priorities:	(i) Strategy for the strengthening and use of country systems. (ii) Sustainability, climate change and food security

II. Objective and Justification

2.1 The purpose of this TC is to support efforts of public sector entities to advance the development and implementation of environmental and social safeguard systems in various

¹ A copy of the Letter of Request, Programming/Portfolio Review Mission Aide Memoire or Report requesting the TC should be submitted with the Abstract.

LAC countries. The operation fosters a gradual approach to the strengthening and use of country (non-fiduciary) safeguard systems, and the incorporation of their use in the design, implementation and evaluation of Bank-financed operations. It also contributes to fulfillment of international donor-community commitments,² as well as achieving goals established in the 2010 “Strategy for Strengthening and Use of Country Systems”³ (the Strategy) of GCI-9.

- 2.2 This TC specifically supports VPS/ESG efforts in achieving the results set forth in the 2014-2018 implementation update under the Strategy,⁴ by addressing the demand for diagnostic work on safeguard systems while identifying opportunities to apply country safeguard systems in Bank-financed operations.
- 2.3 Comparator agency’s experience offers useful insights for moving forward. The Asian Development Bank, has helped its member countries to develop safeguard systems and build capacity to address environmental and social issues in development projects. Specific actions include creating opportunities to share knowledge, promoting common approaches and partnerships, and helping align country safeguards to international good practices.
- 2.4 OVE’s assessment of environmental and social safeguards⁵ concluded that additional effort is needed to underpin the gains and sustain the momentum in relation to the full and effective implementation of both environmental and social safeguards, and suggests mainstreaming sustainability concerns and safeguard system effectiveness, especially in the context of high-risk operations and projects in small and vulnerable countries. Adapted to each country’s specific environment and capabilities, preliminary diagnostic activities supported under this TC will contribute valuable assessments of national and sectorial safeguard systems, early in Bank country-strategy and programming exercises.

III. Description of activities and outputs

- 3.1 This TC will contribute through a variety of technical assistance interventions that support countries’ efforts to increase efficiency and effectiveness in managing their (non-fiduciary) environmental and social safeguard systems.
- 3.2 **Component 1: Diagnostic Work**
- 3.3 **Subcomponent 1.1: Country Safeguard Diagnostics at National , Subnational and/or Sector Level:** Strengthening country safeguard systems begins with a *rapid and indicative analysis* of a country’s environmental and social safeguard institutional framework, which includes a review of relevant laws, decrees, resolutions, public policies and procedures. The resulting safeguard-system scorecard will contribute to internal IDB dialogue during country-strategy and/or country-programming exercises, by highlighting opportunities for technical interventions that will enhance a country’s efforts to improve institutional

² The Bank is signatory to the 2005 Paris Declaration on Aid Effectiveness, the 2008 Accra Agenda for Action and, more recently, the 2011 Busan Partnership for Effective Development Cooperation.

³ GN-2538 [Strategy for Strengthening and Use of Country Systems](#)

⁴ See GN-2538-9 - the [Three-Year Update](#) on the implementation of the Strategy, 2013

⁵ RE-445-3 Background Paper: Environmental and Social Safeguards, Including Gender Policy. April 8, 2013.

effectiveness and efficiency, and consolidate the use of country safeguard systems in the early stages of Bank-funded operations.

- 3.4 Where an *in-depth analysis* may be required, the TC will support performing an equivalence and acceptability analysis, following the protocol developed under the *Environment and Safeguards Compliance Policy*⁶. Once gaps are identified, an action plan can be developed with the country counterpart(s) and relevant IDB sector(s) to enhance effectiveness and efficiency of country safeguard systems.
- 3.5 **Subcomponent 1.2: Organizational Needs Assessments Related to Potential Infrastructure Projects.** Organizational capacity assessments of the relevant entities associated with the preparation and execution of potential infrastructure projects will identify ways to increase the effectiveness and abilities of these organizations to assess and manage the environmental and social impacts of infrastructure projects. Focusing specifically on needs of these organizations, activities will include efforts to increase their abilities to assess and manage the environmental and social impacts of those projects. Training and capacity building would cover topics such as environmental impact assessment, enforcement, international best practice, effective legal and regulatory frameworks and institutional modernization.
- 3.6 **Component 2: Targeted Capacity Building Activities.** Training, workshops, study tours and exchange activities will be designed to strengthen specific areas of interests identified on both legal/regulatory issues as well as organizational capacity aspects of safeguard management. Activities illustratively include: cumulative impact assessment, management protocols in specific sectors (energy, transport, etc.), alternatives analysis, biodiversity offsets, and discharge and emissions standards. Institutional strengthening can include updating the legal, regulatory or policy framework or modernizing administrative processes in organizations. Support for addressing institutional and organizational changes to safeguard systems will be channeled through other TC operations, or as components in investment and/or policy-based loans, in coordination with the relevant Bank sector.
- 3.7 Demand from countries and the priorities of Bank country strategies and programs will determine the countries covered and nature of each component. Mexico, Peru and Chile have indicated their interest for Bank support in strengthen their capacity and systems.
- 3.8 The organizational capacity building activities carried out under this TC will contribute to a broad body of knowledge and a long-term training strategy that will respond to needs identified through projects (particularly in small and vulnerable countries) and specific requests by counterparts (in A & B countries). The overarching intent is to train the constantly-changing pool of professionals on well-established safeguards standards and introduce them to cutting-edge safeguards knowledge and tools. The training strategy contemplates partnerships with other institutions, such as universities, think tanks and Bank clients interested in supporting these efforts.

IV. Budget

⁶ Use of Country Systems [Equivalence](#) and [Acceptability](#) Analysis.

- 4.1 The total TC funding requested is US\$500,000 of Ordinary Capital from the Special Program for Institutional Development.

Indicative Budget

Activity/Component	Description	IDB/Fund Funding	Total Funding
1.1 Country safeguard diagnostic work	Consultancy to conduct the diagnostic work to be applied to 5 countries – Mostly desk analysis with limited travel to the region	150k	150k
1.2 Needs assessments for infrastructure projects	Consultancy to conduct the needs assessment including travel to 2 countries	100k	100k
2.0 Capacity building	Consultancy and travel (PE, ME and CH) 1 program on Env. safeguards 1 program on Social safeguards 1 south-south workshop on best practices on a leading issue such as biodiversity offset.	200k	200k
3.0 Support to implementation	One part-time consultant to support with the management, organization, follow-up and reporting	50k	50k

V. Executing agency and execution structure

- 5.1 The Bank is the proposed executing agency given that (i) the Bank-wide agenda to tackle this issue that cannot be delegated to a third party, (ii) the regional nature of the work, and (iii) the need to produce initial analytical work before initiating specific in-depth country/sector discussions.

VI. Project Risks and issues

- 6.1 The principal risk is related to the execution of Component 2, which will require the active participation of targeted agencies to either implement the capacity building activities or institute legal and regulatory improvements. In order to mitigate this risk, ESG will maintain a close relationship and engagement with each relevant agency to ensure the product responds to their needs. The fact that some capacity building activities will be offered at a regional level further reduces the risk of a country's delay or changing priorities would endanger achieving the TC's objectives.

VII. Environmental and Social Classification

- 7.1 This TC is not expected have any negative impact on environmental or social aspects. It was classified as C based on the safeguards classification toolkit.