

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

REGIONAL

**AGING FACILITY: STUDIES ON LONG-TERM CARE IN LATIN AMERICA AND THE
CARIBBEAN**

(RG-T5067)

PROJECT DOCUMENT

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PROJECT SUMMARY

Operation Type:	Technical Cooperation
Sector:	SOCIAL INVESTMENT
Subsector:	POVERTY ALLEVIATION
TC Taxonomy:	Research and Dissemination
Project Number under the Operational Support Taxonomy:	N/A
Technical Responsible Unit:	SCL/SPL-Social Protection and Labor Markets Division
Unit with Disbursement Responsibility (UDR):	SCL/SPL-Social Protection and Labor Markets Division
Executing Agency:	Inter-American Development Bank

PROJECT OBJECTIVE

The objective of this technical cooperation (TC) project is to generate and disseminate knowledge on long-term care in the region, to inform policy development, and to strengthen the provision of long-term care services for older people in the region. This TC will also systematize the findings from all the projects financed by the facility "Aging Facility: Strengthening Capacity for Health, Long-Term Care and Social Services".

FINANCIAL INFORMATION

Financing Type	Fund	Amount in US\$
TCN - Nonreimbursable	COF - Cofinancing Special Grants	343,091
Total IDB Financing		343,091
Counterpart Financing		0
Total Project Budget		343,091
Donors:	N/A	
Disbursement Period:	36 months	
Execution Period:	36 months	

ADDITIONAL FINANCIAL INFORMATION

Individual Operation under the "Aging Facility: Strengthening Capacity for Health, Long-Term Care and Social Services" (RG-O1682) approved by the Board by Resolution DE-99/20.

I. JUSTIFICATION AND OBJECTIVE

- 1.1 **Diagnostic and Background.** Latin America and the Caribbean (LAC) is aging faster than any other region in the world. One of the consequences of this process is the rapid increase in the number of older people who are in need of care and support. In 2020, almost 8 million people older than 65 required support for basic activities of daily living in LAC (14.3% of this age group). Women represented almost two thirds of this population. Due to demographic trends, this figure is estimated to grow to 22.8 million by 2050.
- 1.2 The long-term care services needed by this population include those provided by home caregivers, day centers, long-term care facilities, and telecare. In the region, the supply financed by the public sector is characterized by low coverage and quality. The private sector supplies services, but these are only accessible for high-income families, and often also characterized by low quality.
- 1.3 Paid care workers, of which women represent the vast majority, have insufficient access to social security benefits and little training. In most countries, their role is not recognized by a defined professional profile, which hinders formalization and career opportunities. In this unfavorable context, long-term care responsibilities are most often assumed by family members. In the region, there are almost 25 million unpaid caregivers for older people. They are mostly women, who receive little support and training. Unpaid care has been increasingly recognized as a cause of inequities and physical and mental distress and may lead to impoverishment by negatively affecting female participation in the labor market.
- 1.4 The low coverage of long-term care services also strains the healthcare sector. Recent evidence suggests that the lack of rehabilitation, social, and long-term care accounts for 12% of total hospital days for older people in Brazil and 7% in Mexico.
- 1.5 To address this situation, the countries of the region are making efforts to improve the supply of long-term care, often in the context of the implementation of care systems. Additionally, they are fostering the development of innovative solutions in the private sector to meet the increasing demand for long-term care, considering that publicly funded supply can only cover part of the demand.
- 1.6 The Inter-American Development Bank has established itself as a key partner and a trusted advisor of the countries of the region in the area of long-term care. It has approved 10 loan operations and 37 technical cooperation projects with long-term care components. Additionally, since 2020, it has sponsored and led the activities of the Long-Term Care Policy Network in Latin America and the Caribbean ([RedCUIDAR+](#)), in partnership with the European Union and the French Development Agency. This network has held 12 meetings so far. The IDB work on long-term care ([projects](#), knowledge and policy dialogue) is showcased in the IDB [webpage of the Panorama of Aging and Long-Term Care](#).
- 1.7 **Objective.** The objective of this technical cooperation (TC) project is to generate and disseminate knowledge on long-term care in the region, to inform policy development, and to strengthen the provision of long-term care services for older people. This TC will also systematize the findings from all the projects financed by

the “Aging Facility: Strengthening the Capacity of Social, Health, and Long-Term Care Services”.

- 1.8 **Complementary Operations.** This operation is funded by the facility “Aging Facility: Strengthening the Capacity of Social, Health, and Long-Term Care Services” (RG-O1682), which aims to assist countries in developing long-term care policies and programs, while promoting gender equality. This facility has financed two regional technical cooperation projects ([ATN/CF-18555-RG](#) and [ATN/CF-20086-RG](#)) that funded regional policy dialogue and the production and dissemination of knowledge products on long-term care, and six country-specific technical cooperation projects (ATN/CF-21233-BR, ATN/CF-21967-BR, ATN/CF-20248-BO, ATN/CF-19005-CR, ATN/OC-20495-CR, ATN/CF-19681-DR, and ATN/CF-21039-ME).
- 1.9 **Strategic Alignment.** This TC is consistent with the IDB Group's Institutional Strategy: Transforming for Greater Scale and Impact (GN-3159-12) and is aligned with its objective of reducing poverty and inequality, by promoting the quality of life of vulnerable older people. It is also aligned with the following areas of operational focus: (i) gender equality; (ii) social protection and human capital development. It is also consistent with the Social Protection and Poverty Sector Framework Document (GN-2784-12), which identifies long-term care as a key line of action, and with the Gender and Diversity Sector Framework Document (GN-2800-13), which includes a line of action focused on solutions for the reconciliation of work and home care responsibilities for men and women and facilitate women's participation in the labor market.
- 1.10 This operation also contributes to [IDB Cares](#), the IDB's initiative to address the growing care demands in the region through innovative, scalable, and evidence-based solutions that deliver long-term growth and productivity.
- 1.11 **Donor.** With support from the French Development Agency (Agence Française de Développement, AFD), the Inter-American Development Bank (IDB) created the Aging Facility: Strengthening Capacity for Health, Long-Term Care and Social Services (RG-O1682). This Facility supports the design and implementation of long-term care policies and systems, through regional and country-specific Technical Cooperation (TC) projects (see par. 1.8).

II. COMPONENTS

- 2.1 **Component 1: Development of knowledge on long-term care (US\$343,091).** This component will support knowledge products on long-term care in Latin America and the Caribbean. The products will include: (i) at least two pre-feasibility studies on investments in infrastructure for the provision of long-term care or healthcare for older people (e.g., day centers, geriatric hospitals); (ii) a study on digital labor platforms that match families with qualified paid caregivers to deliver home-based care; (iii) a report documenting the results of the projects funded by the “Aging Facility: Strengthening the Capacity of Social, Health, and Long-Term Care Services” (RG-O1682).
- 2.2 **Expected Results and Beneficiaries.** This project will benefit IDB borrowing member countries and, through them, older persons in the region and their caregivers, both paid and unpaid. The actions supported by the operation will help strengthen the services and contribute to the development and consolidation of long-term care services in the region.

III. BUDGET

- 3.1 **Budget.** The total cost of the TC is US\$343,091 financed with resources from the *Agence Française de Développement* (AFD) through the “Aging Facility: Strengthening Capacity for Health, Long-Term Care and Social Services” (RG-O1682). No local counterpart is contemplated.
- 3.2 Resources of this project have been received from the Agence Française de Développement (AFD) through a Project Specific Grant (PSG). The PSG is administered by the Bank according to the “Report on COFABS, Ad-Hocs and CLFGS and a Proposal to Unify Them as Project Specific Grants (PSGs)” (Document SC-114). As contemplated in these procedures, the commitment by the Agence Française de Développement (AFD) has been established through a separate Administration Agreement. Under such agreement, the resources for this project will be administered by the Bank.

Budget in US\$		
Components	IDB/ COF	Total
Component 1: Development of knowledge on long-term care	US\$343,091	US\$343,091
Total	US\$343,091	US\$343,091

IV. EXECUTION STRUCTURE

- 4.1 The TC will be directed, coordinated, and supervised by the Division of Social Protection and Labor Markets (SCL/SPL). The team leader assigned to this TC will be responsible for the supervision and execution.
- 4.2 **Procurement.** All procurement activities to be carried out under this TC have been included in the Procurement Plan (Annex IV) and will be hired in compliance with the applicable Bank policies and regulations as follows: (a) hiring of individual consultants, as established in the regulation on Complementary Workforce (AM-650) and (b) contracting of services provided by consulting firms in accordance with the corporate procurement policy (GN-2303-33) and its guidelines.
- 4.3 **Execution and Disbursement Period.** The estimated execution and disbursement period for the project is 36 months.
- 4.4 **Monitoring, Reporting, and Supervision.** The overall supervision of the Technical Cooperation project will be under the responsibility of the designated Team Leader and the project team from the Social Protection and Labor Market Division of the IDB (SCL/SPL). The project will produce annual reports which will include, among other aspects, a description of the progress made, the results obtained, the status of execution of the planned activities, difficulties encountered, suggestions for adjustments for the remaining execution period, lessons learned, identification of risks to execution, and mitigation measures. In compliance with the IDB's TC Monitoring System and regulation OP-1385-4, the Team Leader will submit—at the end of each year—a progress report detailing the results achieved during the year just concluded.
- 4.5 **Special Donor Requirements.** According to the Administrative Agreement, these are the special donor requirements:
- **Bank execution.** The progress and quality of the activities financed by this TC will be monitored directly by the IDB, in accordance with the TC document (paragraph 4.2) of the Aging Facility agreement (RG-O1682) which establishes that TC operations will be executed by the IDB.
 - **Reporting.** As a requirement of the Aging Facility, the project team will be responsible for preparing and submitting the project reporting to AFD, as well as for all other actions and deliverables pertaining to project execution and agreed with AFD in the Administration Agreement.
 - **Sanctions lists verification.** As established in the Aging Facility Administrative Agreement between the Bank and the AFD, before awarding a contract or authorizing a sub-contract to be paid for with resources from the Contribution, the Bank shall provide the donor with the (a) name of the person, group, company, institution, or entity, and (b) its country of registration or country of citizenship to enable the donor to verify whether any of these participants are designated in the Sanctions Lists of France.

- 4.6 Additionally, the studies funded by this TC will be previously discussed with the French Development Agency's focal point, who will grant a no objection.

V. POTENTIAL RISKS

- 5.1 No potential risks are foreseen in the implementation of this TC.
- 5.2 **Intellectual Property.** The knowledge products generated under this TC will be the property of the Bank and will be published under a Creative Commons IGO 3.0 license. At the specific request of the beneficiaries and in accordance with the provisions of document AM-331, the intellectual property rights to such products may also be licensed through specific contractual agreements to be drafted with the guidance of the Legal Department.

VI. EXCEPTIONS TO BANK POLICIES

- 6.1 No exceptions to Bank policy will apply.

VII. ENVIRONMENTAL AND SOCIAL ASPECTS

- 7.1 This Technical Cooperation is intended to finance pre-feasibility or feasibility studies of specific investment projects and the environmental and social studies associated with them; therefore, the terms of reference and products of this TC will be consistent with the applicable requirements of the Bank's Environmental and Social Policy Framework (ESPF).

REQUIRED ANNEXES:

- Annex II: Results Matrix
 - Annex III: Terms of Reference
 - Annex IV: Procurement Plan
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