

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

**REGIONAL**

**AGING FACILITY: STRENGTHENING CAPACITY FOR HEALTH, LONG-TERM  
CARE AND SOCIAL SERVICES**

**(RG-O1682, RG-T3604)**

**TECHNICAL COOPERATION**

This document was prepared by the project team consisting of: Pablo Ibarrarán (SCL/SPH), team leader; Marco Stampini (SCL/SPH), alternate team leader; María Laura Oliveri (SCL/SPH); Mariano Bosch (SCL/LMK), Mariana Beatriz Mendoza Centellas (ORP/GCM); Daniel Hincapie (ORP/REM); César Andrés Negret Garrido (LEG/SGO); and Martha Guerra (SCL/SPH).

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## TECHNICAL COOPERATION

### I. Basic Information

▪ Country/Region:	Latin American and the Caribbean Region
▪ Facility Name:	Aging Facility: Strengthening capacity for health, long-term care and social services
▪ Facility Number:	RG-O1682/ RG-T3604
▪ Team Leader/Members:	Pablo Ibarrarán (SCL/SPH), team leader; Marco Stampini (SCL/SPH), alternate team leader; María Laura Oliveri (SCL/SPH); Mariano Bosch (SCL/LMK), Mariana Beatriz Mendoza Centellas (ORP/GCM); Daniel Hincapie (ORP/REM); César Andrés Negret Garrido (LEG/SGO); and Martha Guerra (SCL/SPH)
▪ Beneficiary:	IDB Borrowing Member Countries
▪ Executing Agency:	Interamerican Development Bank (IDB) through the Social Protection and Health Division <sup>1</sup>
▪ Donors providing funding:	Government of France, through the <i>Agence Française de Développement</i> (AFD) <sup>2</sup>
▪ IDB Funding Requested:	US\$3,370,787 (€3,000,000) <sup>3</sup>
▪ Local counterpart funding, if any:	N/A
▪ Disbursement period:	48 months (execution period 45 months)
▪ Required start date:	Aug 2020
▪ Types of consultants:	Individual consultants and consulting firms
▪ Prepared by Unit:	Social Protection and Health Division (SCL/SPH)
▪ Unit of Disbursement Responsibility:	Social Sector (SCL/SCL)
▪ Included in Country Strategy (y/n):	N/A
▪ Included in CPD (y/n):	N/A
▪ Alignment to the Update to the Institutional Strategy Development Solutions that Reignite Growth and Improve Lives.	Promoting Gender Equality, Diversity and inclusion; Social Inclusion and Equality; Institutional Capacity and Rule of Law; Climate Change and Environmental sustainability

### II. Objectives and Justification

- 2.1 In 2020, 11% of the population in Latin America and the Caribbean (LAC) is older than 60, a share similar to that observed in the world (12%). However, the region is aging faster than any other. By 2050, one in four people in LAC will be older than 60 (UN 2017). It will take approximately 33 years for the population over 60 to increase from 10% to 20% of the total. This is to be compared with the 60 years that Europe and North America took to experience the same change.

<sup>1</sup> The Bank will be the Executing Agency of the Facility.

<sup>2</sup> Resources to be provided by the Government of France, through its French Development Agency (AFD, *Agence Française de Développement*), will be administered by the Interamerican Development Bank (IDB, hereafter the Bank) through a non-reimbursable Project Specific Grant (PSG). AFD resources will be available once the Bank has entered into the corresponding Administrative Arrangement, the funds are received by the Bank and they are converted into U.S. Dollars. The PSG will be administered by the Bank pursuant to document SC-114.

<sup>3</sup> These funds will be administered by the IDB through a non-reimbursable PSG. AFD will contribute €3,000,000 to this project, which is equivalent to US\$3,370,787, at the exchange rate of US\$1= €0.89 as of January 14th, 2020.

- 2.2 The regional average hides large heterogeneity. In countries like Belize, Guatemala and Haiti only 7% of the population is older than 60, and this share will grow to 18% (the value observed today in Costa Rica) in 2050. In contrast, in Barbados, Brazil, Chile, Colombia, Costa Rica, Jamaica, Trinidad and Tobago and Uruguay, the projected proportion of older adults will approach 30% by 2050 (a figure that is similar to today's Germany, Finland and Japan).
- 2.3 Aging is associated with an increased relevance of non-communicable diseases (NCD) as the main causes of morbidity and mortality.<sup>4</sup> In 1990, NCD represented only two of the main five causes of death in LAC. In contrast, in 2017 all the main five causes of death were NCD (GBD, 2017).
- 2.4 Aging is also associated with a growth in care dependence, i.e. difficulty and need of help (or long-term care) to perform basic activities of daily living (ADL), such as bathing or showering, eating, using the toilet, dressing, moving around a room, or getting in and out of bed. In 2015, this was the condition of 8 million individual older than 60 in LAC (with a prevalence of 12% in this age group, and 27% in the population older than 80). Because of aging, this figure is estimated to grow to at least 27 million by 2050.
- 2.5 This noteworthy trend will take place in a context of insufficient supply of long-term care services. For example, less than 0.5% of the population over 60 lives in institutions, compared with 2%-4% in European countries from the Organization for Economic Cooperation and Development (OECD). In addition, about 25% of older people living with severe care dependence did not receive any long-term care (LTC) in Mexico in 2015, and of those who received support at home only about 2% paid for these services.
- 2.6 The demographic transition in the region poses significant public policy challenges for the provision of pensions, health care and LTC without compromising overall fiscal sustainability or the welfare of other population groups. These challenges are acute in a context of widespread labor informality, in which social insurance and health systems are fragmented and underfunded.
- 2.7 The demographic transition also poses challenges for gender equality. Women live longer than men, they are less likely to receive a pension and more likely to be care dependent at a given age. Moreover, most care is provided by female family members informally. Unpaid household work in countries such as Mexico and Colombia accounts for about 20% of gross domestic product (GDP). Of this figure, about six percentage points correspond to caring for family members (children and adults).
- 2.8 Some of the challenges of the demographic transition have a close relationship with climate change. Older people are especially vulnerable to the adverse health consequences that global climate change will bring. They are more sensitive to changes in the environment and exposure to toxins, noxious agents, and infectious agents. This greater sensitivity is a by-product of a lower physiological reserve capacity, slower metabolism, and a more slowly responding immune system. They also have a higher disease burden (morbidity) than younger people. The cumulative effect of this increased disease burden makes specific organ systems

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<sup>4</sup> Non-communicable disease (NCD) refers to a disease that is not transmissible directly from one person to another. NCDs include Parkinson's disease, autoimmune diseases, strokes, most heart diseases, most cancers, diabetes, chronic kidney disease, osteoarthritis, osteoporosis, Alzheimer's disease, cataracts, and others.

less able to tolerate stress.<sup>5</sup> Thus, there is a need to adapt elderly care services to the consequences of climate change, both in terms of mitigation and adaptation.

- 2.9 Many of the challenges described above have been accentuated in the context of the COVID-19 pandemic. Individuals 60 years and older are the most vulnerable as they face a higher risk due to their reduced immunity and because they have a higher probability of suffering from chronic diseases such as diabetes, cardiovascular diseases, chronic respiratory diseases or hypertension. In case of contracting the virus, the probability of suffering severe complications and death is considerable. In this situation, nursing homes for older adults represent a very dangerous spot for infections and in many cases these places have had multiple cases followed by death of several of their residents. The pandemic has exposed the fragility of systems of care in the context of a health emergency caused by infectious diseases. Day care centers activities have been suspended, leaving older adults in a state of greater isolation, which can lead to mental health issues, including anxiety and depression. The pandemic is highlighting LTC's structural problems in terms of insufficient staffing, poor job quality and insufficient skills, all of which have a toll on quality of care and safety.<sup>6</sup> This situation reveals that there is a lack of information on how to prevent the spread of COVID-19 among caregivers, who lack training to handle this type of situation. Also, the crisis underscores the need for revamped care protocols and strengthening of emergency responses. Countries in LAC have actively responded to the crisis,<sup>7</sup> and the Bank has organized a series of policy webinars on the mitigation of COVID-19 in nursing homes or day centers and the continuity of home care and telecare services, with participation of stakeholders and counterparts from the region.<sup>8</sup>
- 2.10 The Bank is the main source of multilateral financing in LAC and has extensive experience in project design, implementation and evaluation in all areas of social protection. The Bank has been preparing to help countries manage the challenges related to aging through knowledge work, policy dialogue,<sup>9</sup> technical assistance and loan operations in LTC, health and pensions. In particular, the Bank has supported its members in their efforts to: (i) strengthen primary-health care in order to prepare health systems to better deal with NCD through health promotion, prevention and continuity of health services through a health networks approach; (ii) the launch and implementation of a LTC system in Uruguay, the production of diagnostics on the situation of aging and dependency, and research on the key steps for the implementation of LTC systems; and (iii) the promotion of equity and sustainability in pension systems.
- 2.11 Clients have requested<sup>10</sup> that the Bank increases the availability of technical assistance for the development and implementation of public policies related to aging,

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<sup>5</sup> See, for example, Carnes BA, Staats D, Willcox BJ. Impact of climate change on elder health. *J Gerontol A Biol Sci Med Sci*. 2014;69(9):1087–1091. doi:10.1093/gerona/glt159.

<sup>6</sup> OECD (2020). See <https://www.oecd.org/fr/publications/who-cares-attracting-and-retaining-elderly-care-workers-92c0ef68-en.htm>.

<sup>7</sup> See <https://blogs.iadb.org/salud/es/covid-19-adultos-mayores-medidas/>.

<sup>8</sup> See <https://cursos.iadb.org/en/webinars/envejecimiento/como-enfrentar-al-covid-19-en-las-residencias-y-centros-diurnos-de-adultos-mayores> and <https://cursos.iadb.org/en/webinars/envejecimiento/continuidad-de-los-servicios-en-domicilio-y-de-teleasistencia-para-adultos-mayores>.

<sup>9</sup> For example, the Regional Policy Dialogue organized by SPH in 2019 was on long-term care services in the region.

<sup>10</sup> Examples of this demand resulted from the Regional Policy Dialogue 2019, where some countries such as Costa Rica, Colombia and Mexico requested the Bank support for the development of different areas of their long-term care support system. Mexico, for instance, want to expand coverage in day centers for the elderly

with focus on LTC. Also, the Bank's sector knowledge and policy dialogue highlight, among others, the following needs: (i) updated and actionable assessments of demand and supply, as well as development of regulations for elderly services in general and LTC services in particular (including formal and informal, for and non for profit); and (ii) increased public administrations' capacity to design, implement, monitor and evaluate policies in the areas of health and LTC for the aging population.

- 2.12 **Aging Facility:** The proposed Aging Facility, to be financed by the Government of France through the *Agence Française de Développement* (AFD), will respond to the client's requests and identified needs (paragraph 2.11) by supporting regional and country specific technical assistance activities. Specifically, this Facility: (i) will promote dialogue, policy research and knowledge sharing at the regional level (Component 1); and (ii) will finance country specific technical cooperation operations (Component 2). Also, it will include an administrative component for its supervision and monitoring arrangements (Component 3).
- 2.13 **Objective of the Facility.** The general objective of this Facility is to support countries in the development of policies that respond to the multidimensional consequences of ageing, while promoting gender equality, targeting the following areas: (i) long-term care services and support; (ii) adapting healthcare systems to dependent elders, and developing initiatives that promote healthy aging; and (iii) financing elderly care services.
- 2.14 In accordance with countries' needs and demands, the specific objective of the facility is to increase public administrations' capacities to formulate, implement, monitor and evaluate public policies and programs for elders with care dependence, considering: (i) the gender dimension, as women are the main providers of unpaid family caregiving and represent the largest share of the demand for long-term care services; and (ii) the climate dimension, as older persons are particularly vulnerable to the consequences of climate change. This specific objective is twofold: (i) countries acquire in-depth knowledge of the needs for elderly care, identify existing institutional, legal, financing and operational challenges to address them, and develop policies, programs and models of interventions to address such needs; and (ii) gender-sensitive and climate-sensitive elderly care programs are made operational/reinforced.
- 2.15 During the development of the activities financed by the facility, there will be a coordinated work with IDB INVEST and IDB LAB, with whom SCL has established collaboration processes in the field of the silver economy. One of the Bank's recommendations is to leverage the private sector for the development and provision of care services, and this will be included in the work agenda with the countries. Moreover, it is planned to link the activities of this facility with the activities that are being carried out in the Economic and Sector Work (ESW) RG-E1656 on aging and dependency care, and in turn will coordinate activities in the framework of the strategic alliance that the IDB has with Eurosocial<sup>11</sup> (European Union) in this area. Within this

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and Colombia want support to create a long-term care policy. In the context of the policy webinars described in paragraph 2.9, as response to COVID-19, countries have reiterated the demand for support to strengthen the capacity to implement quality standards in LTC services.

<sup>11</sup> On October 27<sup>th</sup>, 2017, the IDB signed a Memorandum of Understanding titled "*Acuerdo de co-publicación entre el Instituto Italo-Latino Americano y el Banco Interamericano de Desarrollo fechado 17 de junio de 2019*", with the Instituto Italo-latino Americano (ILLA), in its capacity as a member of the consortium implementing the EUROsociAL+ Programme and on behalf of Fundación Internacional y para Iberoamérica de Administración y Políticas Públicas ("FIIAPP"), and Expertise France who are also members of said consortium, which aims to formalize a non-exclusive framework for cooperation and foster collaboration between the parties, with the aim of promoting programs and projects that promote cooperation between them.

framework, activities will be promoted and there will be direct channels of articulation of the different activities carried out. Eurosocial will be invited to participate in relevant key meetings with AFD. Beyond this, AFD signed an agreement with Eurosocial to be part of AFD, which guarantees coordination between the actors.

- 2.16 This Facility is consistent with the Update to the Institutional Strategy Development Solutions that Reignite Growth and Improve Lives (AB-3190-2) and is aligned with the development challenge of Social Inclusion and Equality, by supporting policies that will enhance the autonomy and social inclusion of the elderly. The facility is also aligned with the cross-cutting theme of Gender Equality and Diversity, by promoting a shared distribution of the burden of care between men and women within the family, supporting family and paid caregivers who are predominantly female, and addressing the higher age-specific care dependence rates that affect women. It is also aligned with the theme of Climate Change and Environmental Sustainability, by supporting social services for the elderly who are particularly vulnerable to the consequences of extreme weather events and the environmental changes brought upon by climate change. Finally, it is aligned with the theme of Institutional Capacity and Rule of Law, by strengthening government's capacity to build, implement and monitor policies for the older population.

### **III. Description of Components and Budget**

- 3.1 To support countries in the development of policies to respond to the multidimensional consequences of aging, the facility has three components. The first develops a regional approach for dialogue, policy research and knowledge sharing. The second finances technical cooperation operations to develop policies and strategies in selected countries. The third component supports the Facility's governance and monitoring.
- 3.2 **Component 1. Dialogue and knowledge sharing in the LAC region (US\$850,000).** This component will finance two individual projects: one individual regional technical cooperation operation and one externally funded consultant (EFC). The regional TC will support (i) the creation of a community of practice on the three areas described in the Objective of the Facility (paragraph 2.11), through regional, sub-regional and national seminars and workshops, webinars, peer to peer exchanges; (ii) analytical work on policies and programs in the three areas described in the Objective of the Facility (paragraph 2.11); (iii) inputs for the preparation of technical cooperation operations including detailed diagnosis with appropriate responses to identified issues, (including dialogue activities, identification meetings and travel expenses of Bank staff for such purposes) in prioritized countries. The creation of gender and climate sensitive policies and programs will be a cross-cutting objective of this component. In terms of gender, the aim will be to support knowledge and design of interventions that reduce the gender gap in elderly care. In terms of climate, the focus will be on ensuring the continuity of long-term care in the event of a climate shock through, for example, the preparation of contingency plans and of surveillance systems, analysis of the impact of floods and cyclones, high temperatures on services provided in institutions or at home. The component will support the study of mitigation measures, such as those that enhance infrastructure's energy efficiency. The individual EFC will support dialogue and knowledge sharing within the LAC region and with experts and stakeholders outside the region, coordinate and supervise the quality and relevance of the analytic work and the contribute to the monitoring and evaluation of the Facility.

- 3.3 **Component 2. Support the implementation of prioritized activities in the form of individual technical cooperation operations (US\$2,250,831).** This component will finance individual national technical cooperation operations on the following four themes: (i) assessment of individual needs in terms of elderly care; (ii) organization of services and governance (i.e. institutional arrangements and assignment of responsibilities among different stakeholders, management and regulation of the system, LTC legislation and information sharing platforms); (iii) regulation and quality of elderly care services; and (iv) financing structure of elderly care systems. The technical assistance will include: (i) thematic seminars, technical trainings, workshops and study visits; (ii) research and elaboration of operational documents; and (iii) design, execution and/or evaluation of new models of intervention to support the elderly in response to the barriers and challenges identified in the workshops and studies.<sup>12</sup> When possible, technological innovations and education to promote the long-term care supply will be considered in the activities of the facility. Within the individual country technical operations, activities may be included to support the structuring of potential loan operations in the three areas described in the Objective of the Facility (paragraph 2.11), through the financing of feasibility studies and/or the preparation of operational, financial and legal documents. Paragraph 4.7 specifies the criteria that will be used to prioritize the countries where technical cooperation operations will be developed, specifying that preference will be given to the support in the implementation and evaluation of services.
- 3.4 **Component 3. Facility Administration (RG-T3604), (US\$270,000).** This component will finance the expenses related to the supervision, monitoring and evaluation of the Facility, including travel expenses of Bank staff for such purposes. However, the resources of the Facility may not supplement the budget of the IDB for routine and customary activities. The component also includes the 5% administration fee. This component will be approved jointly with the approval of the Facility.
- 3.5 An indicative Result Matrix of the Facility is included below. The Matrix is disaggregated according to the specific objectives of the Facility, (i) countries acquire in-depth knowledge of the needs for elderly care; identify existing institutional, legal, financing and operational challenges to address them; and develop policies, programs and models of interventions to address such needs; and (ii) gender-sensitive and climate-sensitive elderly care programs are made operational/reinforced.

**Indicative Results Matrix**

<b>General objective:</b> Support countries in the development of policies that respond to the multidimensional consequences of ageing, while promoting gender equality and adaptation to climate change, targeting the following areas: (i) LTC services and supports; (ii) adapting healthcare systems to dependent elders, and developing initiatives that promote healthy aging; (iii) financing elderly care services.			
<b>Specific objective:</b> Countries increase their public administrations' capacities to formulate, implement, monitor and evaluate public policies and programs for elders with care dependence, considering the gender and climate dimensions.			
Specific objectives	Aging Facility-Sponsored Outputs	Targets	Data Source
Countries acquire in-depth knowledge of the needs for elderly care; identify existing institutional, legal, financing and	1. Country-diagnostics of existing and projected demand and supply of elderly care services, accounting for gender and climate specificities (elderly care includes health, healthy aging, LTC and their financing)	2-4 studies/ assessments accounting for gender and climate specificities	IDB publications Project reporting and monitoring data

<sup>12</sup> Possible new models of intervention to support the elderly could be the extension of long-term services at home, the provision of teleassistance services, a new way of training care workers, for instance.

Specific objectives	Aging Facility-Sponsored Outputs	Targets	Data Source
operational challenges to address them; develop policies, programs and models of interventions.	2. Country-diagnostics of elderly care regulations, policies and programs, that also account for gender and climate specificities.		
	3. Regional and country specific engagement seminars and workshops 4. Support dialogue efforts (webinars, peer to peer exchanges)	5-15 events 4-15 participating countries 25-200+ participants 3 webinars	Attendance reports from partner organizations /IDB
Gender-sensitive and climate-sensitive elderly care programs are designed, made operational and/or reinforced.	5. Country specific technical cooperation operation's documents <sup>13</sup>	4-6 reports accounting for gender and climate specificities	TC documents and annual reports

- 3.6 The total resources of this Facility (RG-O1682) will be provided by the Government of France, through the *Agence Française de Développement* (AFD), in the amount of €3,000,000, equivalent to US\$3,370,787, which includes the cost of the facility administration (RG-T3604).

**RG-O1682: Indicative Budget (US\$)**

Component	Description	Amount
Component 1	Dialogue and knowledge sharing in the LAC region	850,000
Component 2	Implementation of prioritized activities in the form of individual technical cooperation	2,250,787
Component 3	Facility administration	270,000
<b>Total</b>		<b>3,370,787</b>

**RG-T3604: Indicative Budget (US\$)**

Component 3	Description	Amount
Facility administration	Monitoring and evaluation	30,000
	Coordination and supervision visits	51,461
	Contingencies	20,000
	Administration fee (5%)*	168,539
<b>Total</b>		<b>270,000</b>

\* The 5% Administration fee will be considered accessible at the time of the approval of the Facility.

- 3.7 Resources of this project will be provided to the Bank through a Facility to be 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 from AFD will be established through a separate Administration Agreement. Under such agreement, the resources for this project will be administered by the Bank and the Bank will charge a non-refundable administration fee of 5% of the contribution, which is identified in the budget of this project. The administration fee will be charged upon the Bank's receipt of the contribution.

<sup>13</sup> When applicable, the indicators of the individual TCs will be disaggregated by gender.



- 3.8 The AFD expects to commit €3,000,000 to this project, <sup>14</sup> which is equivalent to US\$3,370,787, based on the exchange rate US\$1= €0.89 as of January 14th, 2019. The allocation will be done in three annual installments. The first one will be 50% of the total commitment and the other two will be 25% of the total commitment each. Final resources in US dollars will depend on the exchange rate of the date when the resources are received by the Bank and converted into US dollars. If a significant adverse fluctuation in the exchange rate reduces the amount of US dollars contemplated in this budget, and such amount cannot be covered by the contingency line item, the activities contemplated in the project will be decreased appropriately and the budget will be adjusted accordingly by the project team.
- 3.9 The Bank shall own any and all intellectual property rights in relation to any Material developed with the resources of the Contribution. The Bank will grant to the Donor a royalty-free, irrevocable and perpetual license to use, publish or distribute all such Materials or any other intellectual property rights. The word “Materials” may include, but is not limited to reports, studies, photographs, computer programs, drawings, writings or other similar works or documents, along with all supporting data and material, produced under this Administration Agreement. The Bank agrees to provide the Donor with copies of the Materials at no cost.

#### **IV. Executing Agency and Execution Structure**

- 4.1 The Bank will act as the executing agency for the purpose of the administration of the Facility. The IDB will be responsible for the implementation and supervision of the AFD resources as a Project Specific Grant (PSG) contribution. The IDB will prepare an annual operation plan and lead the country dialogue, preparation of individual technical cooperation operations, implementation and programmatic oversight of the different activities and coordinate annual meetings with AFD to provide an overall assessment of the program’s progress and results. In addition to the formal reporting and other communications, the IDB and the donor may have regular meetings and discussions, in order to monitor the activities being financed and being carried out for the Project. All Project monitoring and results reporting will be guided by the Bank’s applicable policies and procedures. There will have at least two annual bilateral meetings in which both institutions will decide the individual technical cooperation operations that would be financed by the facility.
- 4.2 The individual technical cooperation operations to be financed by the Facility will be executed by the Bank. In accordance with the Operational Guidelines for Technical Cooperation Products (GN-2629-2) or its current version, the justification for the Bank to execute the technical cooperation operations is because the subject matter of the Facility is new to policymakers in the region and countries have recognized the technical and operational expertise of the Bank which would allow for a more effective implementation. Activities sponsored under the facility must contribute to the results matrix as a condition for eligibility and the target areas described in each component. Actions that contribute to the transfer of capacities and learning about public policies and management of care services for the countries participating in the facility will be considered.

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<sup>14</sup> The Inter-American Development Bank will commit US\$1,000,000 from the OC-SDP for Social Development that will co-finance the technical cooperation operations supported by Components 1 and 2. This amount of co-financing resources is subject to the availability of resources in such fund.

- 4.3 The technical responsibility for the Facility will be assigned to the Team Leader from the Bank's Social Protection and Health Division within the Social Sector Department (SCL/SPH). Facility resources are expected to be executed during a period of four years upon the approval of the Facility. With resources from the Facility, the Bank will hire a full-time consultant that will be based in DC and dedicated to the overall technical management of the Facility.
- 4.4 The project team will be responsible for the preparation and submission to the donor of the project reporting, which will be fulfilled in compliance with the stipulations of the Administration Agreement. The Team Leader will submit annually to the donor, in accordance with the CT Monitoring and Reporting System (TCM), the progress achieved by this Facility. The report will be submitted in April 30 containing information up December 30th of the previous year.
- 4.5 **Coordination with AFD.** In order to ensure effective execution of the program, a coordination committee will be established with participation of and co-chaired by the AFD and the IDB; the committee will meet at least once a year and will be in charge of: (i) validating the annual operating plan submitted by the technical teams from the IDB; (ii) prioritizing activities and validate proposals for individual technical cooperation; and (iii) monitoring the implementation of activities. The Division Chief of SPH will represent the Bank at the Coordination Committee; from the AFD the Health and Social Protection Division and the Latin America department will participate. In addition, the IDB, in collaboration with AFD, will: (i) supervise the implementation of the activities prioritized in the Facility; (ii) monitor and follow up on technical assistance needs expressed by governments; and (iii) maintain a policy dialogue and share information on aging with main stakeholders.
- 4.6 It is possible that there are more donors who are interested in supporting this Facility by providing other financial contributions after their approval. In that case, and to the extent that future donors can contribute resources to support any of the project components listed in this document in the form of non-reimbursable financing for specific projects, the IDB will establish a commitment for each donor to through an administrative agreement without the requirement to prepare or approve a separate project proposal. Under this administrative agreement, the Bank will administer the resources provided by the donor and will charge an administrative commission in accordance with its current policy on administration of fees for donor contributions to trust funds and non-reimbursable financing for specific projects
- 4.7 **Eligibility and Prioritization.** The IDB and AFD will agree upon which countries will benefit from the individual technical cooperation operations to be financed under Component 2 of the Facility.<sup>15</sup> The prioritization will be based on the alignment of these demands with the potential for policy developments in the aging and care agenda at the country level, taking special consideration on country's individual needs and aging profiles. *Ceteris paribus*, priority will be given to countries that are more advanced in the demograph transition, and where development of technical cooperation operations under the Facility will support the implementation and evaluation of elderly care interventions. Specific countries that would be beneficiaries of the individual technical

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<sup>15</sup> While all IDB's borrowing member countries may benefit from Component 1, government authorities from countries in which activities financed by the regional technical cooperation (Component 1 of the Facility) will take place will submit a letter granting their no-objection for the activities to take place. Similarly, countries that will benefit from individual technical cooperation operations (financed with Component 2 of the Facility) will submit a letter granting their no-objection for the activities to take place as well as a letter requesting such technical assistance and for the Bank to be the executing agency of such operations.

cooperation operations financed by Component 2 of the Facility will be defined after the initiation of the regional technical cooperation (Component 1).

- 4.8 **Acquisitions.** The financing of the individual technical cooperation operations financed with the Facility will be used to hire consulting services, pay travel costs and the organization of dissemination and training events. The Bank will hire individual consultants, consulting firms and services not related to consulting in accordance with its policies and procedures in force regarding procurement and contracting. The IDB will hire consultants or consulting firms of Compliance with the Policy for the Selection and Contracting of Consulting Companies for Operational Work Executed by the IDB (GN-2765-4), its Operative Guides (OP-1155-4) and the Workforce Policy Complementary (AM-650) and the Institutional Procurement Policy (GN-2303-28) for additional services, if required. Travel expenses of Bank staff for the implementation, supervision and monitoring of activities directly related to the facility will be covered with the funds of Component 3 (see [Procurement Plan](#)).
- 4.9 **Execution arrangements.** As established in the 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 or not any of these participants are designated in the Sanctions Lists of France. This consultation with the AFD will take place after the application of the Policy for the Selection and Contracting of Consulting Firms for Bank-executed Operational Work (GN-2765-1). A "complementary" and "separate" process will be done by the Team Leader on a case-by-case basis in addition to the screening that the Project Team must perform in each process in application of the policies and instruments that the Bank has implemented for the effect in Convergence.

## V. Major Issues

- 5.1 The work proposed in this Facility is highly technical and relatively new in the region. Ensuring close technical follow up and quality control of the support provided is one of the reasons why the TC is executed by IDB. Success is also contingent on a strong ownership of the beneficiaries so that the products financed by the Facility are used by policymakers to develop policies and programs. Individual operations will be the result of high-level policy dialogue and the Coordination Committee will ensure that counterparts at the country level are committed to pursuing the aging agenda according to the objectives of this operation. During the policy dialogue and the preparation of individual technical cooperation operations, the Bank will ensure that beneficiaries agree on these conditions, through jointly signed letters of agreement, as a pre-condition to receive support from this initiative.
- 5.2 The COVID-19 pandemic introduces the risk that the events associated with this facility and its technical cooperation operations cannot be conducted face-to-face. This can be mitigated by replaced them by virtual activities. Additionally, changes of governments may affect the priority given to elderly care in the political agenda. In contrast, however, the COVID-19 pandemic increases the relevance of the proposed facility and the associated technical cooperation operations. The elderly population is one of the most affected groups by the pandemic, so it will be a priority for governments to guarantee a care system for this population.

5.3 In order to guarantee the sustainability of the interventions, actions that contribute to the transfer of capacities and learning about public policies and management of care services for the countries participating in the facility will be considered. Likewise, it will work according to the demand of the countries and will generate evidence that will support the development and sustainability of care policies in the countries.

**VI. Exceptions to Bank policy**

6.1 Exceptions to Bank policy have not been identified.

**VII. Environmental and Social Strategy**

7.1 The ESG classification for this operation is "C". Considering that the project will not finance construction works and the procurement of goods but rather exclusively includes consultant and non-consultant services and travel costs, potentially negative social and/or environmental impacts have not been identified.

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-\_\_\_/20

Regional. Nonreimbursable Technical Cooperation Facility RG-O1682  
Aging Facility: Strengthening Capacity for Health, Long-Term  
Care and Social Services

The Board of Executive Directors

RESOLVES:

1. That the President of the Inter-American Development Bank (“Bank”), or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such agreement or agreements as may be necessary, for the purpose of establishing a nonreimbursable technical cooperation facility for a sum of up to €3,000,000 chargeable to the resources granted by the Government of France, through the French Development Agency (AFD), pursuant to the agreement or agreements specified in paragraph 2 below, and to adopt any other measures as may be pertinent for the execution of the project proposal contained in document AT-\_\_\_\_\_.

2. That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such agreement or agreements with the AFD, as may be necessary to receive and administer resources for the purposes described in the project proposal specified in paragraph 1 above, and to adopt any other measures as may be pertinent for the execution of said agreement or agreements.

3. That the authorization granted in paragraph 1 above will be effective once the Bank and the AFD have entered into the corresponding agreement or agreements to which reference is made in paragraph 2.

(Adopted on \_\_\_\_ \_\_\_\_\_, 2020)

**ADM AGING FACILITY: STRENGTHENING CAPACITY FOR HEALTH, LONG-TERM CARE AND SOCIAL SERVICES**

**RG-T3604**

**CERTIFICATION**

The Grants and Co-Financing Management Unit (ORP/GCM) certifies that the referenced operation<sup>1</sup> will be financed through:

<b>Funding Source</b>	<b>Fund Code</b>	<b>Currency</b>	<b>Amount Up to</b>
CofinancingSpecial Grants	COF	USD	270,000

The agreement with the executing agency or the commitments to be entered into by the Bank of the resources corresponding to this certification must be made in the currency of the fund that finances each budget line. No resources of the fund may be used to cover amounts greater than the certified amount for the implementation of this operation. Amounts greater than the certified may originate from commitments stipulated in contracts that are denominated in a currency other than the currency of the fund, which may result in losses due to currency exchange rate fluctuations, representing a risk that will not be absorbed by the fund.

Certified by: Original signed  
\_\_\_\_\_  
Maria Fernanda García  
Chief  
Grants and Co-Financing Management Unit  
ORP/GCM

\_\_\_\_\_  
Date

<sup>1</sup> In case of Project Specific Grants (PSG) or Financial Intermediary Fund (FIF), the availability of resources is contingent upon the signature of the agreement between the Donor and the Bank and the receipt of the resources.