



Board of Executive Directors
For consideration
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To: The Executive Directors
From: The Secretary
Subject: Uruguay. Individual loan and investment grant proposal for the “Program to Support the Strengthening and Sustainability of the National Care System”

Basic Information: Modality Specific Investment Loan (ESP) and Nonreimbursable Investment Financing
Borrower and Beneficiary Eastern Republic of Uruguay

Loan
Amount up to US\$10,000,000
Source Ordinary Capital

Investment Grant
Amount.....up to US\$2,500,000
Source IDB Grant Facility

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Remarks: This is the third individual operation financed with resources from the Conditional Credit Line for Investment Projects (CCLIP) for the “National Strategy for Children and Adolescents Support Program” (document PR-3312), approved pursuant Resolution DE-128/08.

This operation is being presented by Standard Procedure in accordance with paragraph 4.2 of the “Operational Guidelines for the Use of Resources from the IDB Grant Facility to Support Countries with Large and Sudden Intraregional Migration Inflows. Revised version” (document GN-2947-6), approved on 30 May 2019.

Reference: AB-3332(9/22), AG-13/22, DR-398-20(3/24), GN-1838-3(6/18), GN-2246-13(10/19), DE-98/19, GN-2246-15(11/21), GN-2947-26(11/22), GN-3207(3/24), GN-3056(6/21), GN-3056-1(6/21), PR-3312(10/8), DE-128/08, PR-4406(7/16), DE-39/16

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

URUGUAY

**PROGRAM TO SUPPORT THE STRENGTHENING AND SUSTAINABILITY OF THE
NATIONAL CARE SYSTEM
(UR-L1196; UR-J0003)**

**THIRD OPERATION UNDER THE CONDITIONAL CREDIT LINE FOR
INVESTMENT PROJECTS (CCLIP) FOR THE NATIONAL STRATEGY FOR
CHILDREN AND ADOLESCENTS SUPPORT PROGRAM
(UR-X1005)**

LOAN PROPOSAL

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REQUIRED LINKS	
1.	Multiyear execution plan and Annual work plan
2.	Monitoring and evaluation plan
3.	Procurement plan
4.	Environmental and social annex

OPTIONAL LINKS	
1.	Economic analysis of the project
2.	Migration annex
3.	Climate change annex
4.	References and sector analysis
5.	Theory of change
6.	Operating Regulations
7.	Data and evidence on care for children with disabilities

ABBREVIATIONS	
ANEP	Administración Nacional de Educación Pública (National Public Education Administration)
BPS	Banco de Previsión Social (Social Insurance Bank, Uruguay's State-owned social security institute)
CCLIP	Conditional credit line for investment projects
CGN	Office of the Comptroller General of the Nation
CND	National Development Corporation
FAAE	Autonomy Facilitator in Schools
GRF	IDB Grant Facility
ICAP	Institutional Capacity Assessment Platform
ICB	International competitive bidding
IDB	Inter-American Development Bank
INACOOP	Instituto Nacional del Cooperativismo (National Cooperative Institute)
INEEd	Instituto Nacional de Evaluación Educativa (National Institute for Educational Evaluation)
MIDES	Ministry of Social Development
SNCD	Secretaría Nacional de Cuidados y Discapacidad (National Care and Disability Department)
SNIC	Sistema Nacional Integrado de Cuidados (National Integrated Care System)
SOFR	Secured overnight financing rate
TCR	Court of Accounts of the Republic
UNICEF	United Nations Children's Fund

PROJECT SUMMARY

PROGRAM TO SUPPORT THE STRENGTHENING AND SUSTAINABILITY OF THE NATIONAL CARE SYSTEM (UR-L1196; UR-J0003)

THIRD OPERATION UNDER THE CONDITIONAL CREDIT LINE FOR INVESTMENT PROJECTS (CCLIP) FOR THE NATIONAL STRATEGY FOR CHILDREN AND ADOLESCENTS SUPPORT PROGRAM (UR-X1005)

Financial Terms and Conditions						
Borrower:			Flexible Financing Facility^(b)			
Eastern Republic of Uruguay			Amortization period:		25 years	
Executing agency:			Disbursement period:		4 years	
The borrower, through the Ministry of Social Development (MIDES) and its National Care and Disability Department (SNCD)			Grace period:		5.5 years ^(c)	
Source		Amount (US\$)	%	Interest rate:		SOFR-based
IDB (Ordinary Capital):		10,000,000	62.5	Credit fee:		^(d)
IDB (Grant Facility):^(a)		2,500,000	15.6	Inspection and supervision fee:		^(d)
Local:		3,500,000	21.9	Weighted average life:		15.25 years
Total:		16,000,000	100	Approval currency:		U.S. dollars
Project at a Glance						
<p>Project objective/description: The general objective of the program is to help improve access to quality care for persons with disabilities and persons in a state of dependency. The program will have three specific objectives: (i) to enhance access to quality care in schools for children with disabilities in a state of dependency, including the migrant population; (ii) to improve the quality of home care for persons in a state of severe dependency and the quality of employment for caregivers, including the migrant population; and (iii) to improve the long-term planning and management capacity of the National Integrated Care System (SNIC).</p>						
<p>Special contractual conditions precedent to the first disbursement of the financing: The first disbursement of the proceeds of the financing is subject to presentation of evidence by the executing agency of the following: (i) establishment of the program execution unit: appointment of a general coordinator for the program; a technical coordinator for Component 1; and a technical coordinator for Component 2; (ii) approval and entry into force of the program Operating Regulations (optional link 6) under terms and conditions previously agreed upon with the Bank (paragraph 3.5).</p>						
<p>Special contractual condition of execution: (i) Prior to initiating execution of activity (i) under Component 2 with Bank resources, the executing agency agrees to present evidence to the Bank of the signature and entry into force of an interagency agreement between the executing agency and the National Cooperative Institute (INACOOPI) that defines the roles and responsibilities of the institutions for providing technical and financial assistance to care cooperatives (paragraph 3.6).</p>						
Exceptions to Bank policies: None.						
Strategic Alignment						
Objectives:^(d)	O1 <input checked="" type="checkbox"/>		O2 <input checked="" type="checkbox"/>		O3 <input type="checkbox"/>	
Operational focus areas:^(e)	OF1 <input type="checkbox"/>	OF2-G <input checked="" type="checkbox"/> OF2-D <input checked="" type="checkbox"/>	OF3 <input checked="" type="checkbox"/>	OF4 <input checked="" type="checkbox"/>	OF5 <input type="checkbox"/>	OF6 <input type="checkbox"/> OF7 <input type="checkbox"/>

^(a) Grant financing. The IDB Grant Facility (GRF) is the nonreimbursable facility of the Inter-American Development Bank (IDB) to support countries with large and sudden intraregional migration inflows. In accordance with document GN-2947-26, the financing structure of the IDB for this operation includes a blend of a maximum of 20% nonreimbursable resources (GRF) and 80% reimbursable resources (Ordinary Capital). Disbursement of resources from the GRF and from the Ordinary Capital loan will be made pari passu.

^(b) Under the terms of the Flexible Financing Facility (FN-655-1), the borrower has the option of requesting changes to the amortization schedule, as well as currency, interest rate, commodity, and catastrophe protection conversions. The Bank will take operational and risk management considerations into account when reviewing such requests.

^(c) Under the flexible repayment options of the Flexible Financing Facility, changes to the grace period are permitted provided that they do not entail any extension of the original weighted average life of the loan or the last payment date as documented in the loan contract.

^(d) The credit fee and inspection and supervision fee will be established periodically by the Board of Executive Directors as part of its review of the Bank's lending charges, in accordance with the applicable policies.

^(e) O1 (Reduce poverty and inequality); O2 (Address climate change); and O3 (Bolster sustainable regional growth).

^(f) OF1 (Biodiversity, natural capital, and climate action); OF2-G (Gender equality); OF2-D (Inclusion of diverse population groups); OF3 (Institutional capacity, rule of law, and citizen security); OF4 (Social protection and human capital development); OF5 (Productive development and innovation through the private sector); OF6 (Sustainable, resilient, and inclusive infrastructure); OF7 (Regional integration).

I. DESCRIPTION AND RESULTS MONITORING

A. Background, problem addressed, and rationale

- 1.1 **The challenge of dependency care in Uruguay.** People are considered to be in a state of dependency if they require the assistance of others to carry out everyday activities (such as eating, dressing, or moving around). Dependency can affect individuals at various stages of life, but it is particularly prevalent among children, older adults, and persons with disabilities,¹ and it is associated with significant gaps in well-being.
- 1.2 Children with disabilities face significant barriers in access to and participation in education. A total of 6.5% of children with disabilities do not attend school (compared with 3.8% of children without disabilities),² and 62.6% of children with disabilities report a low level of engagement in schools (compared with 50% for their peers without disabilities).³ Children with disabilities are 43% less likely to complete primary education than their peers without disabilities; this percentage increases to 50% in the case of Afro-descendant children with disabilities.⁴ In adulthood, dependency (often times related to a disability) is associated with lower levels of education, lower rates of labor market participation, and higher rates of poverty. During old age, dependency is associated with a lower quality of life.⁵ Persons in a state of dependency are also more vulnerable to the effects of climate change, with higher mortality among the older adult population during heat waves and mortality rates that are two to four times higher for persons with disabilities during climate-related disasters.⁶
- 1.3 These gaps are also observed among caregivers. The dependency care sector is highly feminized (99% of caregivers are women) and tends to be associated with unfavorable working conditions. It is estimated that 3.2% of women employed in Uruguay work in the care sector, with migrant and Afro-descendant women being overrepresented (13% and 6.5%, respectively, work in this sector).⁷ While there have been improvements in working conditions in this sector, 39.2% of those employed in caregiving do not contribute to social security (compared with 22.3% at the national level), and there are few opportunities for caregiver training and professionalization, which results in a lower quality of care.⁸ In turn, in the absence of accessible, high quality care, the burden of caregiving falls disproportionately on women in the form of unpaid work. In Uruguay, women work 18 hours per week

¹ Disability is defined as the existence of long-term physical or cognitive limitations that, when interacting with environmental barriers, restrict the participation of the affected individuals in society (World Health Organization, 2001). It is worth noting that not all persons with disabilities are in a state of dependency.

² García Mora et al. (2021).

³ Rocha et al. (2022).

⁴ García Mora et al. (2021).

⁵ World Bank (2020) and Pan American Health Organization and Inter-American Development Bank (2023).

⁶ Belmin, J. et al. (2007); Stein, P. J. et al. (2023).

⁷ Banco de Previsión Social (BPS) (2021) and Prieto Rosas et al. (2018).

⁸ BPS (2021); Pan American Health Organization and Inter-American Development Bank (2023).

providing unpaid care (4.2 hours more than men), which affects their health and impedes their participation in the labor market and their economic autonomy.⁹

- 1.4 **Advances in the National Integrated Care System (SNIC).** In order to confront the challenge of dependency, Uruguay became the first country in the region to establish a SNIC through approval of Law 19,353 of 2015.¹⁰ The objective of the SNIC is to guarantee the right of persons in a state of dependency to receive quality care, thus fostering the development of autonomy, in the framework of a model of joint responsibility between families, State, market, and community, as well as between men and women. Law 19,353 established an intersector governance framework by creating a National Care Board, the National Care and Disability Department (SNCD), and the Consultative Committee on Care.¹¹
- 1.5 Between 2015 and 2022, the SNIC, with technical and financial support from the Bank, particularly through the Program to Support Strengthening of the National Integrated Care System ([3706/OC-UR](#)), made significant headway in defining and regulating services and in caring for three priority populations. Care services for early childhood covered 63,395 children in 2022, which is equivalent to 50% of the population in that age group and an increase of nearly 20 percentage points with respect to 2014, prior to implementation of the system. In addition, the SNIC provided care services to functionally dependent individuals, with a special emphasis on those under 30 and over 65. In 2022, 8,092 persons in a state of dependency received care services through daycare centers, telephone assistance, and a personal assistant program. The SNIC has also endeavored to promote the professionalization of caregivers (mainly women) through training, validation, and accreditation of competencies as a key factor for both the quality of services and the well-being of the caregivers. In 2022, 7,229 caregivers had completed the dependency care course, and 4,069 people were working as personal assistants, 90% of whom were women.¹²
- 1.6 **Migration in the care sector.** It is estimated that 16% of migrant women from Peru, 11% of women from the Dominican Republic, and 3% of women from Venezuela work in the care sector in Uruguay,¹³ which is one of the main employment sectors for those populations. Although the SNIC does not systematically gather this information, it is estimated that 2% of personal assistants are migrant women. In an environment in which migrants, particularly women, face significant barriers to participation in the job market,¹⁴ employment as a caregiver in the framework of the SNIC represents an opportunity for professionalization and access to quality employment, social security, and training and certification in caregiver competencies. At the same time, migrant women have a high burden of unpaid care responsibilities (75% of Dominican family units and 46.1% of Peruvian

⁹ Uruguay's National Institute for Women's Affairs (2023).

¹⁰ Law 19,353 (<https://www.impo.com.uy/bases/leyes/19353-2015>).

¹¹ The National Care Board is the governing body for public policy on care and is formed by a representative from the Ministry of Social Development (MIDES) (who presides) and by 10 representatives from the other ministries and relevant organizations. The SNCD acts as the executive branch of the Board, and the Consultative Committee on Care is made up of representatives from civil society.

¹² SNIC (2023).

¹³ Prieto Rosas et al. (2018) and BPS (2021).

¹⁴ Marquez et al. (2020).

family units have at least one dependent under 13) and, therefore, are potential beneficiaries of SNIC services. [Optional link 2](#) contains a detailed diagnostic assessment of the status of migrant women in Uruguay's care sector.

- 1.7 Despite progress made, the SNIC faces a number of pending challenges. The Five-Year Care Plan 2021-2025¹⁵ highlights the following three main challenges: (i) correct gaps in access to quality care services in educational institutions for children with disabilities in a state of dependency; (ii) correct gaps in home care quality; and (iii) improve the long-term planning and management capacity of the SNCD. Those three challenges and their respective determining factors are described below.
- 1.8 **Gaps in access to quality care services in educational institutions for children with disabilities in a state of dependency.** Care services at educational institutions specifically target children with disabilities in a state of dependency who are enrolled or are in the process of being enrolled in a school. It is estimated that 1.6% of children enrolled in primary education and 3.5% of children enrolled in secondary education¹⁶ have some type of disability and require the help of others to insert themselves and participate fully in educational environments. There are significant gaps in coverage for quality care services in schools. Surveys of families of children with disabilities reveal that 50.7% were refused enrollment or re-enrollment at an educational institution at least once, mainly due to the lack of access to options for care in the schools.¹⁷ Those gaps in access to quality care at educational institutions are due to a combination of factors related to both supply and demand.
- 1.9 On the supply side, educational institutions are ill prepared for inclusion and provision of care to children with disabilities. Just 24.7% of schools attended by children with disabilities have social workers, while 46% of school principals and 72% of teachers lack specific training for inclusion of children with disabilities.¹⁸ Moreover, the SNIC does not have adequate care mechanisms to promote the autonomy of children with disabilities in schools. In order to meet the growing demand for care in educational institutions, the SNIC has granted exceptions for the use of personal assistants within the classroom. However, personal assistants were originally designed to provide individualized home care for persons with severe dependency. They do not have the necessary training for care in schools, and roles and responsibilities for work in the classroom have not been clearly defined. In addition, high turnover of personal assistants makes it difficult to establish connections between the children with disabilities and the school environment, which is essential for their full inclusion.^{19,20}

¹⁵ SNIC (2021).

¹⁶ The National Institute for Educational Evaluation (INEEd) and the United Nations Children's Fund (UNICEF) (2023) estimate that 3.2% of children enrolled in primary education have some type of disability, while Rocha et al. (2022) estimate that 7% of children enrolled in secondary education have some type of disability. It is estimated that half of persons with disabilities are in a state of dependency (Colacce et al. 2021).

¹⁷ Proedu (2021).

¹⁸ INEEd and UNICEF (2023).

¹⁹ MIDES and National Public Education Administration (ANEP) (2022).

²⁰ Angulo and Sánchez (2023).

- 1.10 On the demand side, there is a greater prevalence of poverty among children with disabilities in primary school (20.5%) than among their peers without disabilities (10.9%),²¹ which makes it difficult for families to access paid caregiver services. There are also cultural barriers related to the reluctance of families to enroll their children with disabilities in mainstream schools and to expose them to an environment that is ill prepared for inclusion.²² In the absence of a mechanism for providing effective and accessible care, women (mainly mothers) typically assume the burden of care and accompany their children in the classroom, often at the expense of other educational and employment opportunities for themselves.²³
- 1.11 **Gaps in quality of home care.** The SNIC grants a subsidy for 80 hours per month of home care services through personal assistants provided to those under 30 and over 80 with severe dependency. Between 2017 and 2023, a total of 12,860 working relationships were established between personal assistants and families, and there are currently 6,048 active caregiver-caree pairs.²⁴ Although the personal assistant program has expanded rapidly, 36% of those eligible for services choose not to receive them, mainly due to gaps in quality.²⁵ Those gaps are related to three main factors.
- 1.12 First, the current modality of hiring caregivers adversely impacts the quality of care as well as job quality for personal assistants. Under the current structure, families hire caregivers directly based on highly limited information, which makes it difficult to match caregiver-caree pairs. Although the SNIC recommends that a contract be signed by both parties, this is not mandatory and rarely occurs in practice.²⁶ This situation affects the quality of care because there are no formal guidelines regulating responsibilities, work hours, licensing, and dismissals. The above also affects job quality, particularly because the program subsidy does not cover costs associated with dismissals of personal assistants, which means that the parties involved are vulnerable in the event of termination of the employment relationship. Additionally, since they are directly employed by the families, personal assistants do not have opportunities to share experiences with their peers, which affects job quality as well as the quality of care.²⁷
- 1.13 Second, despite progress, there is still a lack of training for caregivers. Although the percentage of personal assistants with basic training in dependency care increased from 53.4% in 2021 to 74% in 2023, a total of 26% of employed personal assistants do not have the tools and basic knowledge to provide quality care. The training curriculum also needs to be updated to tailor it to the different populations that use the program.²⁸

²¹ INEEd and UNICEF (2023).

²² Elkins, J., Van Kraayenoord, C. E., & Jobling, A. (2003) and Ahmad, W. (2012).

²³ MIDES and ANEP (2022).

²⁴ SNIC (2023). A caregiver-caree pair is established between a caregiver (personal assistant) and a care recipient.

²⁵ SNIC (2023) and MIDES (2020).

²⁶ MIDES (2020).

²⁷ MIDES (2020).

²⁸ SNIC (2024).

- 1.14 Third, there are no mechanisms in place for monitoring the quality of home care. The SNIC has made progress in recent years with the design of a personalized care plan that seeks to establish the tasks to be performed by personal assistants, the goals for supporting the autonomy of each user, and monitoring methods, all under a person-centered approach.²⁹ However, as of 2023, the SNIC had not yet begun rolling out the plan.
- 1.15 **Gaps in long-term planning and management capacity.** Since its inception, the SNIC has created tools for selecting beneficiaries and managing programs. Specifically, it created a scale for assessing the level of dependency, which consists of a measurement tool that evaluates the care needs of individuals based on a classification of dependency as low, moderate, or severe, in order to direct beneficiaries to the various services offered by the SNIC. Between 2015 and 2023, the dependency scale was applied to more than 20,180 people. A National Care Portal was also created, and distinct National Care Registry modules were implemented.³⁰
- 1.16 However, the SNIC does not yet have all the necessary information to manage care programs in schools and in homes. Specifically, modalities need to be defined for application at scale of the dependency metric in schools, and an information system needs to be developed for registering selected users and tracking care services in educational institutions. The SNIC made headway with the functional design of a platform for management, monitoring, and tracking of home care, but has not yet completed the development, implementation, and maintenance of the technology solution, which results in gaps in information required for monitoring service quality. While evidence exists that Afro-descendant households experience gaps in access to care services (19% of Afro-descendant children between 2 and 6 from urban areas had never attended an educational institution or primary school compared with 17% for non-Afro-descendant children),³¹ the SNIC's management systems do not collect data on access to care services that are disaggregated by race and ethnicity. This makes it difficult to design and take actions targeting those populations. Likewise, the SNIC does not have the necessary information to plan a services offering that is sustainable in the medium and long term. Specifically, it does not have estimates of current and future care needs, and it has not defined coverage scenarios for the services or sustainable medium and long-term financing options.
- 1.17 **Intervention strategy.** The proposed intervention will be aimed at strengthening the SNIC in three lines ([optional link 5](#), theory of change) that will help improve access to quality care services for persons with disabilities and persons in a state of dependency.
- 1.18 First, the operation will support installation of a new care mechanism for children with disabilities in a state of dependency in educational institutions by

²⁹ MIDES (2020).

³⁰ SNIC (2021). The National Care Portal consists of a platform to link users, workers, and care services in order to facilitate knowledge of, access to, and implementation of care services. The National Care Registry is an information system that seeks to compile all information related to service providers, users, training institutes, and caregivers.

³¹ García Mora et al. (2021).

implementing the Autonomy Facilitator in Schools (FAAE) program. That program was approved in the framework of Article 335 of Law 20,075 on Accountability Reporting,³² and is based on a 2023 interagency agreement between the Ministry of Social Development (MIDES) and the National Public Education Administration (ANEP). Both ANEP, through the Educational Development Plan 2020-2024,³³ and MIDES, through its National Care Plan 2021-2025,³⁴ identify care services as key to contributing to the autonomy of children with disabilities in a state of dependency in educational institutions.

- 1.19 Facilitators will be caregivers hired by the SNIC who will work in the country's educational institutions to promote the autonomy of children with disabilities in a state of dependency by providing the necessary care to ensure their full inclusion.³⁵ The facilitators will be a school resource (not a resource of the children with disabilities or their families) and may each serve a maximum of three children with disabilities. In addition to the 152 hours of basic training in dependency care, facilitators will receive an additional 22 hours of training specifically on care in schools. In order to ensure the quality of care in schools, facilitators will utilize a plan for promoting autonomy in educational settings that establishes the care responsibilities and autonomy goals to be achieved for each child with a disability. The strategy includes high quality supervisors with technical and professional qualifications, who will be responsible for managing the program and overseeing the use of quality assurance tools for care by the facilitators. It is anticipated that at least 80% of facilitators and 60% of supervisors selected will be women, and at least 3% of facilitators will be migrants. In addition, ANEP will be responsible for using its own resources to provide training to teams of teachers and administrators at the selected schools to foster inclusion of children with disabilities and ensure periodic assessments of their academic progress. Children with disabilities participating in the program will be selected based on the results of the dependency scale.³⁶ Participating schools will be selected in coordination with ANEP and must have space and time dedicated to coordination of teachers and care recipients.³⁷ Target schools for the FAAE program are those that have the greatest proportion of migrant children (2% of total students are migrants in eligible schools versus 1.6% for other schools).³⁸ The FAAE program will prioritize schools with a percentage of migrant children that exceeds the national average.
- 1.20 Second, the operation will support the provision of quality home care through care cooperatives. The cooperatives will have a care services contract, implement home care monitoring tools (in particular, a personalized care plan), and offer high quality working conditions, including access to social security and training options for personal assistants. The modality of providing care services through cooperatives is established in Decree 117/2016, which regulates the personal

³² Law 20,075, Article 335 (see <https://www.impo.com.uy/bases/leyes/20075-2022/335>).

³³ ANEP (2020).

³⁴ SNIC (2021).

³⁵ Responsibilities will be strictly related to care, e.g., toilet training, feeding assistance, or support for behavioral crises.

³⁶ The program Operating Regulations will define the selection criteria for participants.

³⁷ At the time of the design, 520 APRENDER schools, full time schools, and extended day schools were identified as eligible. Final selection criteria will be defined and updated in the Operating Regulations.

³⁸ ANEP (2024).

- assistant program.³⁹ The operation will provide technical assistance and financial support for forming new cooperatives or strengthening existing cooperatives so that they can offer high quality care. Technical and financial assistance will consist of legal advice for establishing the cooperatives and including them in the corporations registry, assistance with defining contracts for caregiver services, training, and financial support to strengthen the management of care cooperatives. Likewise, to ensure the quality of home care, case managers will be introduced to support development, management, and monitoring of the personalized home care plan for a group of caregiver-caree pairs from the cooperative. It is anticipated that at least 80% of personal assistants working in care cooperatives will be women and 3% will be migrants.
- 1.21 Third, the operation will support strengthening of the long-term planning and management capacities of the SNCD. With that goal in mind, it will support adaptation of the dependency scale to detect the needs of children with disabilities in schools, as well as development, implementation, and maintenance of management and monitoring systems for home care and care in schools. Likewise, pursuant to Article 297 of Law 20,130 of 2023 on Social Security Reform,⁴⁰ it will support the design of a strategy for the long-term sustainability of the SNIC.
- 1.22 The operation will take specific dissemination actions among migrant and Afro-descendant populations to maximize their participation as caregivers with quality employment in the framework of the FAAE and to create care cooperatives. Specific indicators will be established to track the results of those actions ([optional link 2](#), on migration). The operation will also support the collection of data on country of origin and the racial/ethnic profile of both caregivers and the care beneficiaries. Lastly, the operation will promote the adaptation of care services to the effects of climate change by training caregivers and designing care protocols in the context of climate shocks.
- 1.23 **Evidence.** The intervention strategy is based on promising evidence on the role of care in attaining the educational inclusion of children with disabilities and on the role of care cooperatives in ensuring quality home care. Available evaluations indicate a positive or neutral impact from educational inclusion on the learning of children with disabilities.⁴¹ Moreover, programs comparable to the FAAE have been used in countries such as the United States, the United Kingdom, and Ireland as part of necessary changes to ensure the participation of children with disabilities in educational settings.⁴² Evidence highlights the need to clearly define the roles and responsibilities of facilitators, and to ensure proper training and effective coordination between teachers and autonomy facilitators to maximize the effects of the program.⁴³ There is strong evidence that proper training of facilitators leads to improvements in social skills, greater autonomy, and a decrease in behavioral problems among children with disabilities.⁴⁴ In Uruguay, evidence shows that

³⁹ Decree 117/2016, which regulates Law 19,353 related to creation of the SNIC (see <https://www.impo.com.uy/bases/decretos/117-2016>).

⁴⁰ Law 20,130, Article 297 (see <https://www.impo.com.uy/bases/leyes/20130-2023>).

⁴¹ Hanushek et al. (2002), Myklebust (2007).

⁴² Giangreco (2010).

⁴³ Sharma & Salend (2016), Webster & de Boer (2021).

⁴⁴ Brock & Anderson (2021).

having personal assistant mechanisms in schools helps improve the classroom participation of children with disabilities as well as relationships with peers and adults.⁴⁵

- 1.24 In addition, available evidence suggests that caregivers forming part of cooperatives are able to access better working conditions and higher pay, which, in particular, benefits women, migrants, and ethnic minorities who work in this sector. Cooperatives facilitate access to training, improve the sharing of information, and create mechanisms for experience-sharing among peers, which results in greater job satisfaction for caregivers, lower turnover, and better care for the care recipient.⁴⁶ Countries in the region like Argentina, Guatemala, the Dominican Republic, and Trinidad and Tobago are making progress in establishing care cooperatives. In Uruguay, an evaluation of a first phase of the pilot project for collective personal assistant services shows that providing services through cooperatives is a promising way to improve both the quality of care and working conditions for personal assistants.⁴⁷
- 1.25 **Programmatic approach.** In the last 20 years, the Bank has been a key partner in strengthening social protection policy in Uruguay through various loan and technical cooperation operations, following a life cycle and expansion-of-coverage approach by including the care dimension in that policy. Thus, in 2008, the Bank approved the conditional credit line for investment projects (CCLIP) ([UR-X1005](#)) with the goal of making sustainable improvements in living conditions for the country's most vulnerable children and adolescents. In the first phase, from 2010 to 2015, the National Strategy for Children and Adolescents Support Program ([2414/OC-UR](#)), the first operation under the CCLIP, helped improve access to social services and family support programs for children, adolescents, and their families, with the goal of fostering early childhood development. That operation provided 57.2% of vulnerable households with children and adolescents in the program's target areas with access to a basic package of social benefits and successfully improved school attendance and progression for vulnerable children and adolescents.⁴⁸ Beginning in 2016, through the National Integrated Care System Support Program ([3706/OC-UR](#)), the Bank continued supporting early childhood through an integrated approach to care, strengthening services for children and adolescents and expanding supply to new target populations, such as persons with disabilities and older adults. That operation contributed to 50% of three-year-olds having access to early childcare centers and 13% of people in a state of severe dependency having access to personal assistant services.⁴⁹ It helped coordinate caregiver services for persons in a state of dependency within the country's social protection framework. This operation will deepen Uruguay's strategic agenda by developing new and innovative mechanisms for the care of children with disabilities in schools, for improving the quality of home care, and for strengthening the governance and sustainability of the care system. Together, the

⁴⁵ Angulo S. and Sanchez L. (2023).

⁴⁶ International Labour Organization (2017).

⁴⁷ Centro Interdisciplinario de Estudios sobre Desarrollo (Interdisciplinary Center for Development Studies) and MIDES (2024).

⁴⁸ Project completion report UR-L1046 / [2414/OC-UR](#).

⁴⁹ Authors' calculations based on the SNIC (2023).

three operations under the CCLIP helped to improve the quality of life of the most vulnerable households in the country, with a particular focus on children, adolescents, and persons in a state of dependency and to consolidate the role of MIDES as the steering agency for social policy in Uruguay. The new operation also builds on knowledge generated from the expansive technical cooperation agenda related to policies on early childhood and childhood ([ATN/JF-13721-UR](#), [ATN/OC-15774-UR](#)), on inclusion of children with disabilities ([ATN/CF-18572-UR](#), [ATN/EE-17658-RG](#), [ATN/CF-16889-UR](#)), on care for older adults in a state of dependency ([ATN/JO-14895-UR](#), [ATN/JO-17090-UR](#), [ATN/CF-18164-RG](#), [ATN/CF-18555-RG](#)), and on producing evidence on the care needs of the population with a gender perspective ([ATN/OC-19336-UR](#)).

- 1.26 **Lessons learned.** The following lessons learned from the Bank's cumulative experience under loans [2414/OC-UR](#) and [3706/OC-UR](#) have been incorporated into the design of this program (<https://www.iadb.org/en/whats-our-impact/UR-L1046>): (i) for social policy to function within the system, agreements must be implemented and opportunities created for interagency coordination on the design, implementation, monitoring, and evaluation of services and programs. For this reason, implementation of the FAAE (Component 1) is based on a design developed by MIDES and ANEP, and its execution will involve coordination opportunities reflected in the program Operating Regulations; (ii) expansion of service coverage must go hand in hand with ongoing strengthening of service quality. Accordingly, the operation will focus on the quality of home care by empowering caregivers, who are mostly women (Component 2); (iii) the progressive increase in coverage of high quality care services requires a consensual strategy for long-term sustainable financing; thus, Component 3 of the program will focus on strengthening the long-term planning capacity of the SNIC; and (iv) investments need to be made in producing evidence and evaluating innovative programs, for which the FAAE design will be accompanied by a proposal for rigorous evaluation of its results and impacts ([required link 2](#), monitoring and evaluation plan).
- 1.27 **Strategic alignment.** The program is consistent with the IDB Group's Institutional Strategy: Transforming for Scale and Impact (CA-631) and is aligned with the following objectives: (i) reducing poverty and inequality, since the operation aims to strengthen the supply of quality care services for persons with disabilities and in a state of dependency; and (ii) addressing climate change, since it will include actions to adapt care services to the effects of climate change by defining protocols and training caregivers in how to prepare for and respond to climate shocks. The program is also aligned with the following operational focus areas: (ii) gender equality and inclusion of diverse population groups; (iii) institutional capacity, rule of law, and citizen security; and (iv) social protection and human capital development.
- 1.28 The operation is aligned with the strategic objective of the IDB Group Country Strategy with Uruguay 2021-2025 (GN-3056) of supporting the most vulnerable groups of the population in its strategic area of equity and social inclusion. It is also consistent with the Social Protection and Poverty Sector Framework Document (GN-2784-12) with respect to Challenge 2 of promoting services for the autonomy and inclusion of persons with care dependency or disabilities, with the Migration Action Framework (GN-3021), and it is aligned with the objectives of the

IDB Grant Facility to Support Countries with Large and Sudden Intraregional Migration Inflows (GN-2947-26 and AB-3332) by helping migrants and their host communities gain access to high quality care services (indicator 2.6).

- 1.29 **Gender and diversity.** This operation is aligned with the Gender and Diversity Sector Framework Document (GN-2800-13) and with the Employment Action Framework with a Gender Perspective (GN-3057; OP-2289-1) by contributing to a decrease in the burden of unpaid care that traditionally falls on women, improving the working conditions of personal assistants and FAAE (mainly women), promoting inclusion of children with disabilities in the educational system, and improving the collection of data on access to care services that is disaggregated by race and ethnicity.
- 1.30 **Paris alignment.** The program has been reviewed using the Joint MDB Assessment Framework for Paris Alignment and the IDB Group Paris Alignment Implementation Approach (GN-3142-1), and it is deemed to be (i) aligned with the adaptation objective of the Paris Agreement; and (ii) universally aligned with the mitigation objective of the Paris Agreement.
- 1.31 According to the [joint methodology of the multilateral development banks for tracking climate change adaptation finance](#), the contribution of the Inter-American Development Bank (IDB) for this operation is 12.53%. These resources will be used to adapt care services to the effects of climate change by defining protocols and training caregivers on how to prepare for and respond to climate shocks. These resources contribute to the IDB Group target of increasing financing for climate-related projects (30% of the annual volume of approvals). Further information can be found in the Climate Change Analysis ([optional link 3](#)).

B. Objectives, components, and cost

- 1.32 The general objective of the program is to help improve access to quality care for persons with disabilities and persons in a state of dependency. The program will have three specific objectives: (i) to enhance access to quality care in schools for children with disabilities in a state of dependency, including the migrant population; (ii) to improve the quality of home care for persons in a state of severe dependency and the quality of employment for caregivers, including the migrant population; and (iii) to improve the long-term planning and management capacity of the National Integrated Care System (SNIC).
- 1.33 **Component 1. Implementation of the FAAE program (IDB US\$6.8 million, GRF US\$1.7 million, Local US\$3.1 million).** The objective of this component will be to implement the FAAE program for children with disabilities in a state of moderate or severe dependency in public schools.
- 1.34 This component will finance: (i) development of a manual defining the service model for the FAAE program, including definition of beneficiary and school selection tools, modalities for application of the selection tools, the roles and responsibilities of the various stakeholders of the program, tools for monitoring and ensuring quality care, and the definition of care protocols (including care protocols in the event of an emergency and climate shocks); (ii) definition of the profile, selection, hiring, and training of autonomy facilitators (including training for care in

- the event of an emergency and climate shocks); (iii) definition of the profile, selection, hiring, and training of supervisors to monitor the quality of care in schools; (iv) implementation of communication and awareness-raising campaigns to promote participation in the program by the different target populations (families, schools, communities), with a special focus on promoting participation by the migrant and Afro-descendant population.
- 1.35 **Component 2. Strengthening of quality home care services (IDB US\$2.9 million, GRF US\$0.7 million, Local US\$0.3 million).** The objective of this component is to improve the quality of home care in the framework of the personal assistant program, which targets persons in a state of severe dependency, and to improve job quality for caregivers by forming and strengthening care cooperatives, training caregivers, and implementing mechanisms for monitoring quality.
- 1.36 This component will finance: (i) technical and financial assistance to form, strengthen, and operate care cooperatives, promoting the affiliation of female personal assistants and migrants; (ii) selection and hiring of case managers for care cooperatives; (iii) design and implementation of ongoing training for caregivers, including training in dependency care at home, training in the use of the personalized care plan, and training in care protocols in the event of emergencies and climate shocks; (iv) supervision of the component; and (v) meetings and work days for cooperatives to share experiences and good practices, and communication campaigns with a special focus on promoting the participation of the migrant and Afro-descendant population in the personal assistant program under the collective services modality.
- 1.37 **Component 3. Strengthening of long-term planning and management capacity (IDB US\$0.3 million, GRF US\$0.1 million, Local US\$0.1 million).** The objective of this component is to strengthen the long-term planning and management capacity of SNCD as the governing body of the SNIC.
- 1.38 This component will finance: (i) formation of a technical supervision and management team within the SNCD; (ii) development, implementation, support, and maintenance of an information system for management and monitoring of care in schools, including collection of race/ethnicity and country of origin information from the beneficiary families; (iii) development, implementation, support, and maintenance of an IT platform for tracking home care, including collection of race/ethnicity and country of origin information for beneficiary families so as to gather information on the migrant population; (iv) definition of a sustainable financing strategy for the SNIC and presentation of that strategy to the National Care Board; and (v) audit and evaluation.
- 1.39 **Key results indicators.** Indicators will measure the percentage of eligible schools that are implementing the FAAE program, the number of children with disabilities in a state of dependency who are served, and the number of children with disabilities served who have an autonomy promotion plan. They will also measure the percentage of caregiver-caree pairs managed through care cooperatives, the percentage of caregiver-caree pairs with a personalized home care plan, and the number of personal assistants working in care cooperatives. Lastly, the indicators will measure the percentage of FAAE and of care cooperatives registered in the

SNIC management systems and the number of meetings of the National Care Board dedicated to the SNIC's sustainability strategy.

- 1.40 **Economic analysis.** An economic analysis was made of the operation's components ([optional link 1](#)). The expected benefits of the program result from: (i) improvements in caregiver efficiency due to the FAAE program; (ii) the productive inclusion of persons with disabilities measured by lower school dropout rates; (iii) reduced pressure on the healthcare system due to quality home care provided by personal assistants; and (iv) improvements in working conditions for personal assistants. If the expected results are achieved, at the 5% discount rate⁵⁰ used in the analysis, the cost-benefit ratio will be 1.30, and the project's internal rate of return will be 17%. In this context, the net present value of the operation is US\$4,352,038, which is positive even at higher discount rates (at 12%, the net present value is US\$995,606). The analysis assumptions were subjected to a sensitivity analysis to determine the risks and unfavorable impacts. In the adverse scenario, the project maintains positive values for the rate selected and in the majority of scenarios.
- 1.41 **Beneficiaries.** Component 1 will benefit 156 eligible schools that will implement the FAAE program (equivalent to 30% of eligible schools), making it possible to provide 700 children with disabilities in a state of dependency with quality care. Component 2 will benefit up to 480 persons with severe dependency (equivalent to 8% of caregiver-caree pairs in the personal assistant program) who will benefit from better quality home care provided through care cooperatives. Lastly, the program will benefit up to 600 caregivers (300 FAAE and 300 personal assistants) through quality employment opportunities and access to social security and training. At least 80% of those caregivers will be women. The operation will have specific benefits for the migrant population on three levels. First, an estimated 188 migrants (equivalent to 7% of migrant women caregivers) will benefit from quality job options under the SNIC. This includes 170 who will benefit from training courses on quality caregiving in the context of outputs 2.3 and 2.4 and 18 who will work as FAAE (output 1.2.2) or personal assistants (outcome 2.5) in cooperatives. Second, 680 migrant children (equivalent to 12% of migrant children in preprimary or primary school) are expected to benefit from more inclusive educational environments (outcome 1.4). Lastly, the operation will strengthen the SNIC's information registries, including information on the nationality of origin of SNIC caregivers and beneficiaries, to improve the design and monitoring of actions focused on migrants.

II. FINANCING STRUCTURE AND MAIN RISKS

A. Financing instruments

- 2.1 This operation is a specific investment loan. This instrument is deemed appropriate since it is an operation with a fully defined scope, the components of which cannot be separated without affecting the logic. The total amount of the operation is for up

⁵⁰ Consistent with Heckman et al. (2010), who use a discount rate of between 3% and 5% for social projects, and López (2008), who estimates an average discount rate of 3.1% in nine countries of Latin America and the Caribbean.

to US\$16 million, of which US\$10 million will be financed with a charge against resources from the Bank's Ordinary Capital, US\$2.5 million will be charged against resources from the Grant Facility (GRF), and US\$3.5 million will come from the local contribution. The program budget by component and source of financing is presented in Table 2.1. The program disbursement period will be four years (Table 2.2), during which time the GRF resources will be disbursed simultaneously and in proportion to the loan resources. The rationale for the four-year disbursement period is the fact that the SNCD has already started key contracts and activities for the program, e.g., hiring the FAAE and creating care cooperatives.

- 2.2 This is the third operation under the Conditional Credit Line for Investment Projects (CCLIP) to support the National Strategy for Children and Adolescents in Uruguay (UR-X1005), approved by the Bank on 29 October 2008 for US\$200 million with an execution period of 20 years. By supporting the educational inclusion of children with disabilities and the provision of higher quality home care for children and adolescents in a state of dependency, this third operation contributes to the objective of the National Strategy for Children and Adolescents of achieving sustainable improvements in living conditions for the country's most vulnerable children and adolescents. This third operation is eligible to be financed under the aforementioned CCLIP since it meets the eligibility criteria set out in the policy on the CCLIP instrument (GN-2246-4, paragraph 1.17):⁵¹ (i) the program falls under the social protection sector and the early childhood, childhood, and adolescence components that form part of the CCLIP; (ii) the operation is included in the country program and Annex III to the 2024 Operational Program Report (GN-3207); (iii) as was the case for the second operation under the CCLIP ([3706/OC-UR](#)), the executing agency responsible for overall supervision of the project is MIDES, as described in Section III, with a team of personnel in its Care Department, and performance has been satisfactory; and (iv) the second operation has demonstrated satisfactory performance in terms of execution, and the development objective is likely to be achieved. The main achievements of the second operation under the CCLIP are described in paragraph 1.5. Likewise, the resources that were committed and disbursed from the second operation equate to 100% of the loan amount. The borrower and executing agency have fulfilled the contractual conditions of the previous loan contract and complied with the Bank's policies on disbursements and procurement of goods and services, and the financial and operational management reports were presented to the Bank on time and with a level of quality acceptable to the Bank.

⁵¹ This operation has been prepared in accordance with the eligibility criteria set out in document GN-2246-4, pursuant to the provisions of paragraph 3.12 of document GN-2246-13.

Table 2.1. Estimated program costs (US\$ millions)⁵²

Components	IDB	GRF	Local	Total	%
1. Implementation of the FAAE program	6.8	1.7	3.1	11.6	72.5
Care model for FAAE implementation designed	0.05		0.05	0.1	0.6
FAAE hired and trained in providing quality care in schools	6	1.5	2.8	10.3	64.4
Supervisors hired and trained in quality assurance and management of the FAAE program	0.7	0.1	0.2	1	6.3
Dissemination and awareness-raising activities completed	0.05	0.1	0.05	0.2	1.2
2. Strengthening of quality home care services	2.9	0.7	0.3	3.9	24.5
Technical assistance provided to establish and strengthen care cooperatives	2	0.4	0.1	2.5	15.6
Case managers hired for cooperatives	0.7	0.2	0.1	1	6.3
Training courses on dependency and providing quality care	0.1	0.05	0.05	0.2	1.3
Training courses on using the personalized care plan	0.1	0.05	0.05	0.2	1.3
3. Strengthening of long-term planning and management capacity	0.3	0.1	0.1	0.5	3
Personnel hired for the SNIC management team	0.1	0.06	0.05	0.21	1.3
Care management module developed for schools	0.05	0.02	0.01	0.08	0.5
Home care management module developed	0.05	0.02	0.01	0.08	0.5
Sustainable financing strategy designed for the SNIC	0.1	-	0.01	0.11	0.69
Audit and monitoring	-	-	0.02	0.02	0.01
Total	10	2.5	3.5	16	100

Table 2.2 Disbursement schedule (US\$ millions)

Components	Year 1	Year 2	Year 3	Year 4	Total
IDB	1	2.3	3.6	3.1	10
GRF	0.2	0.5	0.8	1	2.5
%	10%	22%	35%	33%	100%
Total	1.2	2.8	4.4	4.1	12.5

2.3 **Additionality of nonreimbursable resources.** Unprecedented migration inflows are an emerging challenge for the countries of Latin America and the Caribbean, with potential harmful effects for the host communities if not properly addressed. In order to confront these extraordinary circumstances, the Board of Governors of the IDB approved the use of up to US\$100 million in Ordinary Capital resources available through the GRF to Support Countries with Large and Sudden Intraregional Migration Inflows (GN-2947-26 and AB-3332). This use of the GRF is aimed at helping countries design appropriate interventions so that migrants and their host communities can access basic social services, and to provide them with economic opportunities, benefiting both groups in order to foster inclusive development and promote a positive relationship.

2.4 **Fulfillment of GRF eligibility criteria for migrations.** The analysis of compliance with the eligibility criteria established in the Operational Guidelines for the Use of Resources from the IDB Grant Facility to Support Countries with Large and Sudden Intraregional Migration Inflows (GN-2947-26) is detailed in ([optional link 2](#)) and is summarized below: (i) Uruguay is on the current list of eligible countries defined in document GN-2947-30 since it has received 26,057 immigrants between

⁵² The breakdown by activity is indicative.

2020 and 2023, equivalent to 0.78% of the total population, which surpasses the required 0.5%. This situation is affecting the response capacity of vulnerable subnational host communities; (ii) this is an accelerated and massive migration inflow in which migrant women have a significant presence working in the care economy (paragraph 1.6); (iii) this operation is consistent with the four thematic areas and crosscutting themes described in paragraphs 3.7 and 3.8 of document AB-3332, by providing access to social services and benefiting the migrant population, as well as their host communities; (iv) migrant students and caregivers are the potential beneficiary population of the operation; and (v) the operation is included in the country program. [Optional link 2](#) contains the detailed rationale underlying fulfillment of the criteria.

B. Environmental and social risks

- 2.5 According to the Environmental and Social Policy Framework, the program was classified as a category “C” operation since it is expected to have minimal to no adverse environmental or social impacts. No investments in infrastructure works are anticipated, and the operation’s social impacts will be positive.

C. Fiduciary risks

- 2.6 MIDES has experience with Bank-financed projects. Accordingly, the operation’s overall level of fiduciary risk is considered to be low. The overall fiduciary capacity of the National Cooperative Institute (INACOOB) was evaluated and determined to represent a low level of risk. However, during preparation of the program, a medium-high risk was identified that if the response times of the Office of the Comptroller General of the Nation (CGN), Court of Accounts of the Republic (TCR), and INACOOB with respect to requirements for executing and processing payments exceed the timeframes established by MIDES, payment processes will not be completed as planned, and payment vouchers corresponding to advanced balances will not be presented to the Bank in a timely manner. This risk will be mitigated by making the percentage more flexible for balances of advanced funds pending substantiation.⁵³ Additionally, MIDES will account for the involvement of the CGN, TCR, and INACOOB in the program’s payment planning exercise. The fiduciary team will continue the process of identifying and managing risks during execution of the program. For further details, see Annex III.

D. Other key issues and risks

- 2.7 A medium-high institutional risk was identified. If a team is not created that is responsible for implementing the FAAE program with the participation of MIDES and ANEP and that has an action protocol, coverage of the FAAE may be inadequate. This would mean that children with disabilities in a state of dependency could not access the necessary care to be able to attend school. To mitigate this risk, compliance with the agreement signed by MIDES and ANEP at the executive levels of both institutions will be monitored. In addition, the mechanisms, teams, and opportunities for coordination between MIDES and ANEP will be defined in the framework of the program Operating Regulations.

⁵³ The operation will generally be managed with a financial plan of up to 12 months. It is anticipated that the operation will justify at least 60% of accumulated balances pending justification.

A medium-high execution risk was also identified. If cooperatives are not formed in departments with a high demand for the personal assistant program, the percentage of caregiver-caree pairs managed through the collective services modality could be significantly reduced, which could affect attainment of the coverage targets for the collective services modality. To mitigate this risk, dissemination campaigns will be carried out for collective services in departments where there is a high demand for the personal assistant program.

- 2.8 **Sustainability.** The program falls under the framework of a State of Care policy supported by Law 19,353, which created the SNIC. The SNIC has been operating since 2015 with the Bank's technical and financial support and has sustainable financing with general income from the State. The operation will strengthen management tools and will design a long-term financial strategy for the sustainable expansion of the SNIC's coverage. At the same time, implementation of the FAAE (Component 1) is supported by Article 335 of Law 20,075 on Accountability Reporting and has the necessary resources for sustainable implementation. The SNIC will adopt a strategy for the progressive transfer of FAAE human resources to the national budget, and maintenance funding for equipment and software will be allocated in the SNIC's budget once the operation is finalized.

III. IMPLEMENTATION AND MANAGEMENT PLAN

A. Summary of implementation arrangements

- 3.1 **Borrower and executing agency.** The borrower will be the Eastern Republic of Uruguay. The executing agency will be the borrower, acting through the Ministry of Social Development (MIDES) and its National Care and Disability Department (SNCD). Details on coordination and the responsibilities of all the entities participating in execution of the program will be described in the program Operating Regulations ([optional link 6](#)) and are summarized below.
- 3.2 The executing agency will be responsible for overall program management. For such purposes, it will form a program execution unit that will be tasked with the program's technical, administrative, and operational aspects and will liaise with the Bank. The program execution unit will be led by an executive coordinator to be appointed by the SNCD, and by two technical coordination units, one for implementing Component 1 and the other for implementing Component 2. The Administration Office of the SNIC will be responsible for financial management of the loan proceeds and for management of procurement processes.
- 3.3 In order to execute Component 1, MIDES signed an interagency agreement with ANEP, which will act as the technical coordinator for selection of the schools that will participate in the FAAE. The agreement was signed and took effect on 23 October 2023 for a period of one year, with the possibility of being extended for one additional year by mutual agreement of the parties. The agreement will be renewed as needed to ensure it remains in effect during the execution period of the operation. ANEP will participate in technical monitoring for implementation of the FAAE. It will dedicate the necessary time to training teachers and school leaders for implementation of the program.

- 3.4 INACOOOP will be the subexecuting agency for the financial and technical assistance activities for care cooperatives (activity (i) of Component 2). MIDES and INACOOOP will sign an interagency agreement that will describe the roles and responsibilities for execution of activity (i) under Component 2, as well as the mechanism for transferring the loan resources between MIDES and INACOOOP. INACOOOP will be responsible for legal advice, trainings, and support for forming and strengthening cooperatives, including the transfer of resources for strengthening their management.
- 3.5 **Special contractual conditions precedent to the first disbursement of the financing: The first disbursement of the proceeds of the financing is subject to presentation of evidence by the executing agency of the following: (i) establishment of the program execution unit: appointment of a general coordinator for the program; a technical coordinator for Component 1; and a technical coordinator for Component 2; (ii) approval and entry into force of the program Operating Regulations ([optional link 6](#)) under terms and conditions previously agreed upon with the Bank.**
- 3.6 **Special contractual condition of execution: (i) Prior to initiating execution of activity (i) under Component 2 with Bank resources, the executing agency agrees to present evidence to the Bank of the signature and entry into force of an interagency agreement between the executing agency and the National Cooperative Institute (INACOOOP) that defines the roles and responsibilities of the institutions for providing technical and financial assistance to care cooperatives.**
- 3.7 **Fiduciary agreements.** Annex III presents the guidelines for financial management and procurement that will be applied to the program.
- 3.8 **Procurement.** Procurement of goods and works and the contracting of consulting services will be carried out in accordance with the Policies for the Procurement of Goods and Works Financed by the Inter-American Development Bank (GN-2349-15) and the Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank (GN-2350-15), or the country procurement system, if indicated in the procurement plan and in the applicable conditions for use of the country system for government procurement. The procurement plan contains the detail of procurements that will be made during program execution, as well as the procedures applied by the Bank for their review.
- 3.9 **Retroactive financing and recognition of expenditures.** The Bank may retroactively finance, with a charge against the loan proceeds, an amount up to US\$90,000 ([0.9]% of the proposed loan amount) and may recognize against the local contribution an amount up to US\$75,000 ([2.1]% of the estimated amount of the local contribution), eligible expenditures incurred by the borrower prior to the loan approval date for output 1.2 Number of FAAE hired and trained in providing quality care in schools; output 2.1 Number of technical assistance activities carried out to establish and strengthen care cooperatives; output 3.1 Number of people hired that are on the SNIC management team; and output 3.4 Sustainable financing strategy designed for the SNIC, provided that requirements have been met that are substantially similar to those established in the loan contract. These expenditures must have been incurred on or after the date on which the

operation entered the Bank's pipeline (24 November 2023), but in no event will they include expenditures incurred more than 18 months before the loan approval date. See Policy on recognition of expenditures, retroactive financing, and advance procurement (GN-2259-1).

- 3.10 **Disbursements and audits.** Disbursements will mainly be made through the advance of funds modality or other modality established in the guidelines set out in document OP-273-12. Fund advances are made according to a financial plan that covers the program's actual liquidity needs for up to 12 months. Excepting the first advance of funds, subsequent advances will be processed when supporting documentation has been submitted for at least 60% of total accumulated balances pending substantiation. MIDES will use the National Single Account to manage the resources. GRF resources are to be disbursed *pari passu*, simultaneously, following the same criteria as those used for the loan and in proportion to the resources from the Ordinary Capital loan, as set out in documents AB-3199 and GN-2947-6. MIDES will present the audited financial statements each year and at the end of the operation, under the terms and by the deadlines required in the Bank's policies. The financial statements may be audited by an independent audit firm or by the Court of Accounts (TCR) (see Annex III).
- 3.11 **Single-source selection.** Given the need to maintain the continuity of technical aspects during the course of the program, eight individual consultants are expected to be rehired for the SNIC management team. These consultants have specialized knowledge and were previously contracted with resources from loan [3706/OC-UR](#) for a total of US\$400,000, charged to the loan, for the full period of execution of the operation. The consultants were selected in a timely manner through competitive processes. Contract renewal is evaluated by MIDES based on performance and results. The terms of reference and contractual conditions of the consultants will remain similar. Accordingly, the request fulfills the requirements of paragraph 5.4(a) of Section V of document GN-2350-15, which provides justification for single-source selection in the case of continuation of previous work.

B. Summary of arrangements for monitoring results

- 3.12 **Monitoring.** Program implementation will be monitored by the program execution unit. The program will be monitored through semiannual progress reports, which will be submitted by the program execution unit within 60 days after the end of each six month period. The reports will include the items listed in the monitoring and evaluation plan ([required link 2](#)), as well as fulfillment of the eligibility criteria contained in the loan contract and the program Operating Regulations ([optional link 6](#)). The updated multiyear execution plan/annual work plan for the operation will be presented to the Bank no later than 30 November of each year.
- 3.13 **Evaluation.** A rigorous evaluation of Component 1 of the program has been proposed through an evaluation of the process upon completion of the first year of implementation, as well as an experimental evaluation leveraging the phase-based implementation of the FAAE and the excess demand for the program in eligible schools. With respect to Component 2, a quasi-experimental evaluation will be made with a pairing methodology and the quality index for the SNIC's care services will be measured based on administrative data.

C. Post-approval design activities

- 3.14 Technical cooperation resources will be used to support technical studies for:
- (i) the design and implementation of the most effective care modalities;
 - (ii) strengthening of information and management systems; and
 - (iii) institutional strengthening, financial sustainability, and climate change adaptation for the SNIC's services.

Development Effectiveness Matrix		
Summary		UR-L1196
I. Corporate and Country Priorities		
Section 1. IDB Group Institutional Strategy Alignment		
Operational Focus Areas	-Gender equality and inclusion of diverse population groups -Institutional capacity, rule of law, citizen security -Social protection and human capital development	
[Space-Holder: Impact framework indicators]		
2. Country Development Objectives		
Country Strategy Results Matrix	GN-3056	Support the most vulnerable groups of the population in their strategic area of equity and social inclusion
Country Program Results Matrix	GN-3207	The intervention is included in the 2024 Operational Program.
Relevance of this project to country development challenges (If not aligned to country strategy or country program)		
II. Development Outcomes - Evaluability		Evaluable
3. Evidence-based Assessment & Solution		10.0
3.1 Program Diagnosis		2.5
3.2 Proposed Interventions or Solutions		3.5
3.3 Results Matrix Quality		4.0
4. Ex ante Economic Analysis		10.0
4.1 Program has an ERR/NPV, or key outcomes identified for CEA		1.5
4.2 Identified and Quantified Benefits and Costs		3.0
4.3 Reasonable Assumptions		2.5
4.4 Sensitivity Analysis		2.0
4.5 Consistency with results matrix		1.0
5. Monitoring and Evaluation		10.0
5.1 Monitoring Mechanisms		4.0
5.2 Evaluation Plan		6.0
III. Risks & Mitigation Monitoring Matrix		
Overall risks rate = magnitude of risks*likelihood		Low
Environmental & social risk classification		C
IV. IDB's Role - Additionality		
The project relies on the use of country systems		
Fiduciary (VPC/FMP Criteria)	Yes	Budget, Treasury, External Control. Procurement: Information System, Price Comparison, Contracting Individual Consultant, National Public Bidding.
Non-Fiduciary		
The IDB's involvement promotes additional improvements of the intended beneficiaries and/or public sector entity in the following dimensions:		
Additional (to project preparation) technical assistance was provided to the public sector entity prior to approval to increase the likelihood of success of the project		

Evaluability Assessment Note:

The document presents a US\$16 million investment project, including US\$10 million in ordinary capital from the IDB, US\$2.5 million from the GRF Non Reimbursable facility and US\$3.5 million in local contribution. The overall objective is to contribute to improving access to quality care for people with disabilities and dependent persons. The operation will finance (i) the implementation of the program of Autonomy Facilitator in Educational Settings (AFES), (ii) the creation and strengthening of care cooperatives, the training of caregivers, and the implementation of quality monitoring mechanisms, and (iii) the strengthening of the management and long-term planning capacity of the National Secretariat for Care and Disability.

The diagnosis is adequate and documented by international evidence, highlighting the problems associated with people in situations of dependency in Uruguay. Adequate evidence of effectiveness is presented for the proposed activities. The main problem lies in the deficit in the supply of quality care for dependent persons, associated with gaps in access and quality of care services in educational centers, quality of home care services and in the capacity for management and long-term planning.

The results matrix is consistent with the vertical logic of the operation. Reasonable, well-specified and appropriate impact and outcome indicators are presented to measure the achievement of the specific objectives. The evaluation of the results will be carried out on the basis of a before-after analysis, complemented by two impact evaluations of experimental and quasi-experimental type. The cost-benefit analysis shows that the investment is socially profitable at a discount rate appropriate for this type of investment.

The project obtained an Environmental and Social rating in category C, as it is expected to cause minimal or no negative environmental or social impacts. The project has a low overall risk rating, highlighting the risks associated with the failure to set up a team responsible for implementing the AFES program in a timely manner (with the participation of MIDES and ANEP and an action protocol). Appropriate mitigation measures have been proposed and can be monitored throughout the project.

RESULTS MATRIX

Project objective:	The general objective of the program is to help improve access to quality care for persons with disabilities and persons in a state of dependency. The program will have three specific objectives: (i) to enhance access to quality care in schools for children with disabilities in a state of dependency, including the migrant population; (ii) to improve the quality of home care for persons in a state of severe dependency and the quality of employment for caregivers, including the migrant population; and (iii) to improve the long-term planning and management capacity of the National Integrated Care System (SNIC).
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GENERAL DEVELOPMENT OBJECTIVE

Indicators	Unit of measure	Baseline value ¹	Baseline year	Expected year achieved	Target	Means of verification	Comments
General development objective: To help improve access to quality care for persons with disabilities and persons in a state of dependency							
1.1. Index of level of engagement of children with disabilities in a state of dependency	SESQ scale	5,728	2019	2027	6,408	Impact assessment report	Student Engagement and Satisfaction Questionnaire (SESQ)
1.2. Hours women spend providing unpaid care to persons with disabilities and the elderly	Hours per week	16	2022	2027	14		Baseline: Use of Time Survey (2022).
1.3. Index of the quality of services for persons in a state of dependency	Index	2.5	2023	2027	3.4		Source: Aranco et al. (2022)
1.4. Level of job satisfaction among personal assistants in departments with personal assistants in cooperatives	Index	4.77	2024	2027	6.65		Source: IDB Caregiver Survey 2024

¹ Baseline values will be revised to reflect updated information during the launch workshop.

SPECIFIC DEVELOPMENT OBJECTIVES

Indicators	Unit of measure	Base-line value	Base-line year	Year 1	Year 2	Year 3	Year 4	End of project	Means of verification	Comments
Specific development objective 1: To enhance access to quality care in schools for children with disabilities in a state of dependency, including the migrant population										
1.1. % of eligible schools implementing the Autonomy Facilitators in Schools (FAAE) program	Schools (%)	0	2024	7%	15%	23%	30%	30%	Progress reports	Numerator: Number of schools implementing the FAAE program Denominator: Total eligible schools
1.2. Number of children with disabilities in a state of dependency that are served by the FAAE program	Children (#)	0	2024	130	280	480	700	700		
1.3. % of children with disabilities served by FAAE that have individual plans to promote autonomy in schools	Children (%)	0	2024	30%	50%	60%	80%	80%		Numerator: Children with disabilities that have individual plans for promoting autonomy in schools Denominator: Total children with disabilities served
1.4. % of migrant children enrolled in schools where the FAAE program is being implemented	Children (%)	0	2024	1.2%	1.2%	1.2%	1.2%	1.2%		Numerator: Number of migrant children in schools where the FAAE program is being implemented Denominator: Total number of children in schools where the FAAE program is being implemented
Specific development objective 2: To improve the quality of home care for persons in a state of severe dependency and the quality of employment for caregivers, including the migrant population										
2.1. % of caregiver-caree pairs managed through care cooperatives	Pairs (%)	0	2023	1.4%	4%	6%	8%	8%	Progress reports	Numerator: Caregiver-caree pairs in cooperatives Denominator: Total pairs
2.2. % of caregiver-caree pairs in cooperatives with a personalized care plan	Pairs (%)	0	2024	0%	20%	30%	50%	50%		Numerator: Caregiver-caree pairs in cooperatives with a personalized care plan Denominator: Total pairs in cooperatives

Indicators	Unit of measure	Base-line value	Base-line year	Year 1	Year 2	Year 3	Year 4	End of project	Means of verification	Comments
2.3. Number of personal assistants in care cooperatives	People (#)	0	2023	64	140	220	300	300	Progress reports	
2.4. % of personal assistants in care cooperatives that are women	Women (%)	90	2023	90%	90%	90%	90%	90%		
2.5. % of personal assistants in care cooperatives that are migrants	Migrants (%)	0	2023	0%	1%	2%	3%	3%		
Specific development objective 3: To improve the long-term planning and management capacity of the National Integrated Care System (SNIC)										
3.1. % of FAAE registered in the care management module in schools	People (%)	0%	2024	0%	20%	40%	60%	60%	Progress reports	Numerator: Number of FAAE registered in the management module Denominator: Number of FAAE hired
3.2. % of cooperatives registered on the home care management platform	Cooperatives (%)	0%	2024	0%	20%	40%	60%	60%		Numerator: Number of cooperatives registered on the management platform Denominator: Number of cooperatives with caregiver-caree pairs
3.3. Meetings held by the National Care Board to analyze the sustainable financing strategy of the SNIC	Meeting minutes (#)	0	2024	0	1	1	1	3		

Indicators	Unit of measure	Baseline value	Baseline year	Year 1	Year 2	Year 3	Year 4	End of project	Means of verification	Comments
Component 1: Implementation of the FAAE program in schools										
1.1. Care model for FAAE implementation designed	Manual (#)	0	2024	1	0	0	0	1	Progress reports	
1.2. Number of FAAE hired and trained in providing quality care in schools	People (#)	0	2024	100	180	300	0	300		
1.2.1. Number of FAAE hired and trained that are women	Women (#)	0	2024	80	144	240	0	240		Milestone for output 1.2
1.2.2. Number of FAAE hired and trained that are migrants	Migrants (#)	0	2024	1	3	9	0	9		Milestone for output 1.2
1.3. Number of supervisors hired and trained in quality assurance and management of the FAAE program	People (#)	0	2024	5	10	15	0	15		
1.3.1. Number of female supervisors hired and trained	Women (#)	0	2024	2	5	8	0	8		Milestone for output 1.3
1.4. Number of dissemination and awareness-raising activities completed	Campaigns (#)	0	2024	3	3	3	0	9		
Component 2. Strengthening of quality home care services										
2.1. Number of technical and financial assistance activities carried out to establish and strengthen care cooperatives	Technical assistance activities (#)	0	2023	20	20	20	20	80	Progress reports	
2.2. Number of case managers hired for cooperatives	People (#)	0	2024	0	5	10	15	15		
2.3. Number of training courses for personal assistants, including migrants, on dependency care and quality care	Courses (#)	0	2024	1	2	2	2	7		
2.4. Number of trainings in the use of the personalized care plan for personal assistants, including migrants.	Trainings (#)	0	2024	3	3	3	3	12		

Indicators	Unit of measure	Baseline value	Baseline year	Year 1	Year 2	Year 3	Year 4	End of project	Means of verification	Comments
Component 3: Strengthening of long-term planning and management capacity										
3.1. Number of people hired that are on the SNIC management team	People (#)	0	2024	4	4	4	4	4	Progress reports	
3.2. Care management module developed for schools with ethno-racial and country of origin dimensions	Module (#)	0	2024	0	1	0	0	1		
3.3. Digital platform developed for home care management with ethno-racial and country of origin dimensions	Module (#)	0	2024	0	1	0	0	1		
3.4. Sustainable financing strategy for the SNIC designed	Strategy (#)	0	2024	0	1	0	0	1		

Country: Uruguay **Division:** SPH **Operation number:** UR-L1196 **Year:** 2024

FIDUCIARY AGREEMENTS AND REQUIREMENTS

Executing agency: The borrower, through the Ministry of Social Development (MIDES) and its National Care and Disability Department (SNCD)

Operation name: Program to Support the Strengthening and Sustainability of the National Care System

I. Fiduciary Context of the Executing Agency

1. Use of country systems

<input checked="" type="checkbox"/> Budget	<input checked="" type="checkbox"/> Reports	<input checked="" type="checkbox"/> Information system	<input checked="" type="checkbox"/> National competitive bidding
<input checked="" type="checkbox"/> Treasury	<input type="checkbox"/> Internal audit	<input checked="" type="checkbox"/> Shopping	
<input checked="" type="checkbox"/> Accounting	<input checked="" type="checkbox"/> External control	<input checked="" type="checkbox"/> Individual consultants	

2. Fiduciary execution mechanism

<input checked="" type="checkbox"/>	Co-executing agencies / Subexecuting agencies	Activity 1 under Component 2 of the program will be mainly subexecuted by the National Cooperative Institute (INACOOP) through an interagency agreement with Ministry of Social Development (MIDES) involving a transfer of resources to INACOOP.
<input checked="" type="checkbox"/>	Special features of fiduciary execution	Disbursement of resources from the IDB Grant Facility (GRF) and from the Ordinary Capital loan will be made pari passu.

3. Fiduciary capacity

Fiduciary capacity of the executing agency	Based on findings from the Institutional Capacity Assessment Platform (ICAP) analysis of the overall fiduciary capacity of MIDES, the general level of risk is low. MIDES has experience with Bank-financed projects and an adequate organizational and administrative structure for executing this operation. The fiduciary agreements and requirements established for this program are based on the experience of MIDES as executing agency for loan 3706/OC-UR, in execution, which has similar characteristics to this operation and an unqualified opinion on its audited financial statements. In addition, the findings from the ICAP analysis of the overall fiduciary capacity of INACOOP indicate a low level of risk.
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4. Fiduciary risks and response to risk

Risk category	Risk	Level of risk	Response to risk
Planning	If the response times of the Office of the Comptroller General of the Republic (CGN), Court of Accounts of the Republic (TCR), and INACOOOP with respect to requirements for executing and processing payments exceed the timeframes established by MIDES, payment processes will not be completed as planned, and payment vouchers corresponding to advanced balances will not be presented to the Bank in a timely manner.	Medium-High	This risk will be mitigated by making the percentage more flexible for balances of advanced funds pending substantiation. Additionally, MIDES will account for the involvement of the CGN, TCR, CND, and INACOOOP in the program's payment planning exercise.
Human resources	The MIDES team participating in procurement processes is not exclusively dedicated to the program. Depending on workload, this could impact how quickly program procurements are processed.	Medium-Low	Close monitoring of loan management with the Bank's operations and fiduciary team, trainings in Project Management for Results, documentation of processes, including timetables and responsible parties, to identify improvement opportunities. As a result of that exercise, processes, responsible parties, and schedules will be incorporated into the program Operating Regulations.

5. Policies and guidelines applicable to the operation: For financial management, the guidelines set out in OP-273-12 (or the current policy). For procurement, Policies for the Procurement of Goods and Works Financed by the Inter-American Development Bank (GN-2349-15) and Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank (GN-2350-15), or the country procurement system if indicated in the procurement plan.

6. Exceptions to policies and guidelines: N/A

II. Considerations for the Special Conditions of the Loan Contract

<p>Exchange rate: The Parties agree that the applicable exchange rate will be the rate stipulated in paragraph (b)(ii) of Article 4.10 of the General Conditions. Accordingly, the agreed-upon exchange rate will be the rate on the effective date on which the borrower, executing agency, or any other natural or legal person to which authority has been delegated to incur expenditures makes the respective payments to the contractor, vendor, or beneficiary.</p>
<p>Type of audit: The program's audited financial statements will be presented within 120 days after the program's fiscal year end if an opinion is issued by an independent audit firm acceptable to the Bank, or within 180 days after the program's fiscal year end if an opinion is issued by the Court of Accounts of the Republic (TCR). The last of those audited financial statements will be presented no later than 120 days after the date of the final disbursement or any extensions in the event of an opinion issued by an independent audit firm acceptable to the Bank, or no later than 180 days after the date of the final disbursement or any extensions in the event of an opinion issued by the Court of Accounts of the Republic (TCR).</p>

III. Agreements and Requirements for Procurement Execution

<input checked="" type="checkbox"/>	Bidding documents	<p>For procurement of works, goods, and nonconsulting services executed in accordance with the Bank's procurement policies (GN-2349-15) and subject to international competitive bidding, the Bank's standard bidding documents will be used, or those agreed upon by the executing agency and the Bank for the specific procurement. Consulting services will be selected and contracted in accordance with the Policies for the Selection and Contracting of Consultants Financed by the Inter-American Development Bank (GN-2350-15) and will use the standard request for proposals issued by the Bank or agreed upon by the executing agency and the Bank for the specific selection. The project's sector specialist is responsible for reviewing the technical specifications and terms of reference for procurements in preparation for the selection processes. The technical review may be ex ante and is independent of the procurement review method.</p>
<input checked="" type="checkbox"/>	Use of country systems	<p>Based on approval by the Bank's Board of Directors, the following country procurement subsystems will be used:</p> <p>A For procurement of all goods and nonconsulting services for amounts below the threshold established by the Bank for use of the international competitive bidding (ICB) method for goods and nonconsulting services (i.e., US\$500,000);</p> <p>B For all contracts with consulting firms for amounts below the threshold established by the Bank for use of the international shortlist method for consulting firm selection (i.e., US\$200,000);</p> <p>C For all individual consulting contracts:</p> <p>The operation's procurement plan will list the procurements that will be executed using the country system within the approved scope. Should the scope of the Board's approval for use of the country system be expanded, the new scope will become applicable to the operation.</p>
<input checked="" type="checkbox"/>	Direct contracting and single-source selection	<p>Given the need to maintain the continuity of technical aspects during the course of the program, eight individual consultants are expected to be rehired for the SNIC management team. These consultants have specialized knowledge and were previously contracted with</p>

		<p>resources from loan 3706/OC-UR for a total of US\$400,000, charged to the loan, for the full period of execution of the operation. The consultants were selected in a timely manner through competitive processes. Contract renewal is evaluated by MIDES based on performance and results. The terms of reference and contractual conditions of the consultants will remain similar. Accordingly, the request fulfills the requirements of paragraph 5.4(a) of Section V of document GN-2350-15, which provides justification for single-source selection in the case of continuation of previous work.</p>								
<input checked="" type="checkbox"/>	<p>Advance procurement/ Retroactive financing</p>	<p>The Bank may retroactively finance, with a charge against the loan proceeds, an amount up to US\$90,000 ([0.9]% of the proposed loan amount) and may recognize against the local contribution an amount up to US\$75,000 ([2.1]% of the estimated amount of the local contribution), eligible expenditures incurred by the borrower prior to the loan approval date for output 1.2 Number of FAAE hired and trained in providing quality care in schools; output 2.1 Number of technical assistance activities carried out to establish and strengthen care cooperatives; output 3.1 Number of people hired that are on the SNIC management team; and output 3.4 Sustainable financing strategy designed for the SNIC, provided that requirements have been met that are substantially similar to those established in the loan contract. These expenditures must have been incurred on or after the date on which the operation entered the Bank's pipeline (24 November 2023), but in no event will they include expenditures incurred more than 18 months before the loan approval date. See Policy on recognition of expenditures, retroactive financing, and advance procurement (GN-2259-1).</p>								
<input checked="" type="checkbox"/>	<p>Procurement supervision</p>	<p>The Bank will conduct ex post reviews of procurement except in cases where ex ante review is justified. Any procurement executed using the country system will be subject to the country supervision system. The method of supervision ((i) ex ante review, (ii) ex post review, or (iii) country system) will be determined for each selection process. Ex post reviews will be conducted each year according to the program's supervision plan, which may be subject to change over the course of the program. Ex post review reports will include at least one visit. (Physical inspection is used to verify the existence of goods and works procured, leaving verification of quality and compliance with specifications to the sector specialist, selected from procurement processes subject to ex post review.) Threshold amounts for the ex post review are as follows:</p> <table border="1" data-bbox="565 1493 1369 1619"> <thead> <tr> <th data-bbox="565 1493 764 1570">Executing agency</th> <th data-bbox="764 1493 964 1570">Works</th> <th data-bbox="964 1493 1164 1570">Goods/ Services</th> <th data-bbox="1164 1493 1369 1570">Consulting services</th> </tr> </thead> <tbody> <tr> <td data-bbox="565 1570 764 1619">MIDES</td> <td data-bbox="764 1570 964 1619">5,000,000</td> <td data-bbox="964 1570 1164 1619">200,000</td> <td data-bbox="1164 1570 1369 1619">200,000</td> </tr> </tbody> </table>	Executing agency	Works	Goods/ Services	Consulting services	MIDES	5,000,000	200,000	200,000
Executing agency	Works	Goods/ Services	Consulting services							
MIDES	5,000,000	200,000	200,000							

Main procurement items

Description	Selection method	New procedures/Tools	Estimated date	Estimated amount US\$
Firms				
Training of cooperatives	Quality- and cost-based selection (QCBS)		12/24	500,000
Supervisors	ADD (country procurement system)		06/24	400,000
Case managers	ADD (country procurement system)		06/24	1,150,000
FAAE supervisors	ADD (country procurement system)		06/24	1,200,000
FAAE	ADD (country procurement system)		06/24	10,250,000

To access the 18-month procurement plan [\[link\]](#)

IV. Financial Management Agreements and Requirements

<input checked="" type="checkbox"/>	Programming and budget	<p>The program budget will be managed using the integrated financial management system (SIIF). It will be part of the national budget within the proposed National Consolidated Budget approved by the Budget Act for the five-year term of the current administration. Reprogramming and potential annual budget increases are made by the executive branch in the annual rendering of accounts and balance of budgetary execution. Within six months after the end of the fiscal year, the executive branch presents the legislative branch with those reports and may propose modifications for justifiable reasons. MIDES will consider the time required by the Ministry of Economy and Finance as the authorizer to incorporate the project budget into the General Budget of the Nation for 2025, and to make amendments to the project budget involving increases in credits allocated by law to MIDES.</p> <p>For 2025, the allocated budget remains at US\$2.4 million charged against the loan and US\$500,000 charged against the grant funds.</p>
<input checked="" type="checkbox"/>	Treasury and disbursement management	<p>The National Single Account will be used, for which the General Treasury of the Nation, at the request of MIDES, will open a special account in the Central Bank of Uruguay for receipt of the Bank's resources. If authorized by the General Treasury of the Nation, a specific bank account for the project will be opened in the Banco de la República Oriental del Uruguay to make payments related to the program. The operation will be managed in U.S. dollars at the exchange rate indicated in Section II. Disbursement requests will be made through the Client Portal (or current method). The preferred disbursement modality will be advance payments. In general, the operation will operate with a 12-month financial plan. The operation is expected to provide supporting documentation for at least 60% of cumulative balances pending substantiation (% substantiation in effect for loan contract 3706/OC-UR in execution, which has a mechanism similar to this operation). The rationale for the</p>

		<p>above is that (i) entities of the central administration to which MIDES pertains must have financing available in an account of the Central Bank of Uruguay in order to undertake new obligations; (ii) the payment process requires the preventive audit of the Court of Accounts and the Comptroller General of the Republic with their own response times unrelated to MIDES; and (iii) for Component 2, the execution mechanism calls for the transfer of resources to INACOOOP, which affects the timing of substantiation of advanced funds (Annex I, paragraph 3.3, criteria (a), (c), and (d) of document OP-273-12). Disbursement of resources from the GRF will be made <i>pari passu</i>, simultaneously, following the same criteria as for the loan, and in proportion to the resources from the Ordinary Capital loan, in accordance with documents AB-3199 and GN-2947-6.</p>
<input checked="" type="checkbox"/>	Accounting, information systems, and reporting	<p>MIDES uses country systems: the SIIF, whereby budget credits approved for the program are allocated and executed; and the Interbank Payment System for the program's accounting and for the issue of financial reports/forms that will be submitted to the Bank.</p> <p>INACOOOP also has custom management software with budget, treasury, accounting, reporting, and agreement management modules, which enables MIDES to provide the Bank with supporting documentation for the resources it executes.</p> <p>In addition to the policies and guidelines applicable to the operation, the program Operating Regulations will be used with the documented definition of workflows and internal controls.</p>
<input checked="" type="checkbox"/>	Internal control and internal audit	<p>The country system is maintained according to legal regulations in effect. MIDES has shared that it does not have an internal audit unit. However, MIDES has its own unit that is part of the General Directorate of Secretariats, which has conducted audits of operation 3706/OC-UR. In certain areas of MIDES, observations have been made and process improvements have been monitored. Given the experience of MIDES as an executing agency, it is expected that the applicable framework for financial management according to the Bank's guidelines and directives will be included in the program Operating Regulations, supplemented with the financial processes applicable to MIDES under local regulations.</p>
<input checked="" type="checkbox"/>	External control and financial reports	<p>Expected to be performed by the Court of Accounts (deemed eligible by the Bank), as in the case of operation 3706/OC-UR for which MIDES is the executing agency. However, an independent audit firm may also conduct the program audit. The program audit will be performed pursuant to the terms of reference previously agreed upon with the Bank. The cutoff dates and submission period are found in Section II. The additional period mentioned for the Court of Accounts is due to the internal process of the Court of Accounts to approve the audited financial statements issued prior to submission to the Bank, executing agency, and the General Assembly.</p> <p>As indicated in the Amended Text on Accounting and Financial Management, the Court of Accounts will conduct the preventive audit of all expenses related to program execution.</p>
<input checked="" type="checkbox"/>	Financial supervision	<p>This may be revised based on program execution and external audit reports. Planned activities include tracking program progress and instruments, review of disbursement requests, and visits (on-site or virtual).</p>

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-___/24

Uruguay. Loan ____/OC-UR to the Eastern Republic of Uruguay. Program to Support the Strengthening and Sustainability of the National Care System

The Board of Executive Directors

RESOLVES:

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 contract or contracts as may be necessary with the Eastern Republic of Uruguay, as borrower, for the purpose of granting it a financing aimed at cooperating in the execution of the Program to Support the Strengthening and Sustainability of the National Care System. Such financing will be in the amount of up to US\$10,000,000 from the resources of the Bank's Ordinary Capital, and will be subject to the Financial Terms and Conditions and the Special Contractual Conditions of the Project Summary of the Loan Proposal.

(Adopted on ____ 2024)

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-___/24

Uruguay. Nonreimbursable Investment Financing ___/GR-UR to the Eastern
Republic of Uruguay. Program to Support the Strengthening and
Sustainability of the National Care System

The Board of Executive Directors

RESOLVES:

That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, as Administrator of the IDB Grant Facility, hereinafter referred to as the "Account", to enter into such contract or contracts as may be necessary with the Eastern Republic of Uruguay, as beneficiary, for the purpose of granting it a nonreimbursable investment financing to cooperate in the execution of the Program to Support the Strengthening and Sustainability of the National Care System. Such nonreimbursable investment financing will be for an amount of up to US\$2,500,000, which form part of the Account, and will be subject to the Terms and Financial Conditions and the Special Contractual Conditions in the Project Summary of the Nonreimbursable Financing Proposal.

(Adopted on ___ _____ 2024)